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**Research Report**

## Women in management and the issue of gender-based barriers: An empirical study of the business sector in Europe

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EIKV-Schriftenreihe zum  
Wissens- und Wertemanagement

Women in management and the issue of  
gender-based barriers  
An empirical study of the business sector in Europe

Claudia Lamberti

## IMPRESSUM

EIKV-Schriftenreihe zum Wissens- und Wertemanagement

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## List of abbreviations

BMFSFJ	Bundesministerium für Familie, Senioren, Frauen und Jugend (Federal Ministry for Family Affairs, Senior Citizens, Women and Youth)
CEO	Chief Executive Officer
C-Suite	Chief-levels (used to describe high-ranking executive titles)
cf.	Latin confer (“compare”)
DAX	Deutscher Aktienindex (German stock index)
EC	European Commission
EIGE	European Institute for Gender Equality
e.g.	Latin exemplī grātiā (“for the sake of an example”)
etc.	Latin et cetera (“and the rest [of the things]; and the other things”)
EU	European Union
EU-28	28 Member States of the EU: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom
EUR	Euro
EQ	Emotional Intelligence
EWOB	European Women on Boards
GDP	Gross domestic product
HR	Human Resources
i.e.	Latin id est (“which means”)
IQ	Intelligence quotient
KPI	Key performance indicator
MDAX	Mid-Cap German stock index
MINT studies	Mathematics, computer studies, natural sciences and technology
NGO	Non-Governmental Organization
No.	Numero sign
PERFAR	Population Europe Resource Finder & Archive

PwC	PricewaterhouseCoopers
SDAX	Small-Cap German stock index
SEK	Swedish krona
SES	Structure of Earnings Survey
SME	Small and medium-sized enterprises
TecDAX	German stock index of the technology sector
TFEU	Treaty of the Functioning of the European Union
UK	United Kingdom
USA	United States of America
US	Unites States of America
viz.	Latin videlicet (“namely”)
vs.	Latin versus (“against”)

**Formula directory**

$$\left(1 - \frac{\text{(average hourly wage of women)}}{\text{(average hourly wage of men)}}\right) * 100$$

(1)

## **1. Introduction and outline of the thesis**

*“Gender equality is more than a goal in itself. It is a precondition for meeting the challenge of reducing poverty, promoting sustainable development and building good governance.”*

*– Kofi Annan (cf. Unicef, 2006)*

All over the world, women are exposed to gender inequalities that let us wonder why we have not yet managed to overcome these in the well-developed world we live in today. This thesis concentrates on the barriers women see themselves confronted with in their business life, across industries and inside their companies. Women in management positions are of special interest for this study, as specific legislative measures (e.g. the women’s quota) have been explicitly designed for this type of woman. Furthermore, the thesis concentrates on and is limited to the conditions in Europe, more particularly the Member States of the European Union.

Today, women and men are still entering a very different world to work in. Stereotypes and traditional role models emphasize the differences rather than the similarities between the genders. Women are expected to behave in a feminine manner, while men are expected to behave in a masculine manner. Gender roles have always had an impact in all spheres of our society, be it in the family, the legal system or the workplace (Powell, 2011). Only a couple of decades ago, men indeed dominated the workplace, both in numbers and positions of authority. Women were expected to stay at home and devote themselves exclusively to the household and family responsibilities. This was the traditional family pattern we were used to for so long. However, the educational attainment of women in the past century led to a change and an increasing participation of women in the labor market. Women in Europe now also contributed to the family budget and the traditional role model of the housewife and mother was about to diminish. With this growing independence of women, the desire to achieve a professional career also naturally increased. Especially as women nowadays make up the majority of university graduates in Europe and demand according positions in the business world (Eurostat, 2017A). Conversely, and despite of the developments women have already made, wom-

en are only seldom found in the management of our organizations. Men most often occupy decision-making positions and positions of authority. It is irrational, but the reality. Women are highly qualified and willing to take decision-making positions, but they are hindered by systemic and persistent barriers. The major obstacles women see themselves confronted with are, among others things, the traditional gender roles, inflexible working arrangements and too little societal support (Oliver Wyman, 2016). Fortunately, the governments in Europe have recognized this problem already a long time ago and have initiated so-called equality initiatives. These range from equality directives, to employment directives and gender directives (Federal Anti-Discrimination Agency, 2011). Equality measures have evolved from sheer compliance and political correctness to a business priority that can lead to a competitive advantage. Yet, there is still a long way to go to ensure that the best talent – regardless of gender, ethnicity, or any other measure of diversity – makes it into leadership positions (Dyrchs & Strack, 2012).

### ***1.1 Personal motivation for the topic***

My personal motivation for this topic comes from my strong belief in equality. I believe that it is possible to reach a state of gender equality in our society and that everyone, whether women or men, will profit from it. As the quote from Kofi Annan at the beginning of this chapter nicely states, there is only positive development to be expected from equality. The times when women did not receive the same rights and education as men have luckily passed and women have the same starting position when entering the business world in Europe. It has taken a lot of courage and effort from women in the past century and women today should continue their fight for equality. When comparing to the situation only a few decades ago, women's rights have already greatly improved and this is something to be proud of. Women do not have to hide behind successful men and should celebrate their independence in every respect. With the increase in education, women are now able to work and succeed in every industry. This also includes industries that were naturally considered male industries in the past.

The business world contains many surprises for women, positive as well as negative. Only by looking at the statistics of the gender pay gap or the conditions of the glass ceiling one can already get an idea of what kind of problems women are confronted with. In

addition, when I think about the experiences I have made in the few years of working, I must say that I did not expect the discrimination to be so obvious. Luckily, I have never been a victim of discrimination myself, but I experienced offensive gestures or language. The biggest problem in my view is that many men do not take women seriously, be it in the private or professional life. I strongly believe that the majority of men understands and values the independence of women. Nevertheless, there are still men who seem to miss the old times when women were found in the household and not in the boardroom or the C-Suite. However, I do not want to blame men in general; many of the problems originate from the past and our historical background. I only need to think of my grandparents who experienced the role of women and men quite differently. We can only appreciate the efforts of our governments in this matter and value the seriousness with which they implement laws and legislative measures to achieve further progress. Learning about these different measures and their impact on our society was another motivating factor that led me dig deeper into the topic and devote my thesis to it. It was exciting to read what the European Union is planning and how their endeavors lead to real progress in the Member States. However, the situation in Europe might be improving, but in other parts of the world, there is not much progress to be recognized yet. For example, in 2017, a group of women in the United States launched the ‘Women’s march’ initiative, which has motivated millions of women worldwide to openly communicate and demand equal rights. Most women have experienced some kind of discrimination, be it e.g. exclusion from any level of management, earning less than their male colleagues, or being a victim of sexual harassment; and more and more women are finally opening up about it. Only recently, the #MeToo-call has led thousands of women worldwide to dare to speak up. The good thing is that the issue is not kept a secret anymore. Women worldwide are fighting for their rights and are finally getting the attention they deserve. Moreover, the media subsequently picked up the topic and made diversity issues and equality efforts a highly discussed topic again. Only by raising our voices, they will be heard and progress will be made. With the help of this thesis, I want to find out in how far my personal experiences correspond to the specialist literature and what kind of progress can be expected in the future.



### *1.2 Thesis objectives and research questions*

This thesis focusses on gender-based barriers in the business world that primarily concern women in leading positions. Being aware that inequalities in business still exist today and are increasingly discussed in public, the objective of this thesis is to find out how women suffer from discrimination and what is done in order to overcome these barriers. The primary focus in this evaluation is on women in management positions as special measures have been exclusively implemented for this type of woman (e.g. women's quota). The influence of stereotypes and clichés is only one of the reasons why women see themselves at a disadvantage compared to men in the labor market. Even today, the very traditional distribution of roles still determines peoples' perception. The vision of a woman as a housewife and mother and the father as the sole breadwinner is still entrenched in our society, even though this constellation is only rarely to be found. Today, more and more women enjoy tertiary education and enter the labor market. With the increase in knowledge, the desire to achieve decision-making positions also naturally grows. However, women are finding their way into management at a much slower rate as one would expect. The question arises why women seem to have to work harder in order to receive the deserved promotion and recognition. Furthermore, hearing about the women's quota and increasing discussions about equal salaries add to the impression of a very diverse business world. How this image corresponds to reality is one of the goals of this thesis.

Concluding, the thesis aims to answer the below outlined research questions:

- What kind of gender-based barriers exist in the business world in Europe?
- What are the consequences of these barriers for women in management positions?
- Ultimately: Do gender-based barriers hinder women from progressing into management?

### 1.3 Structure of the thesis

The thesis consists of five chapters in total, with this introductory chapter being the first one. The following figure provides an overview of the main chapters of this paper.

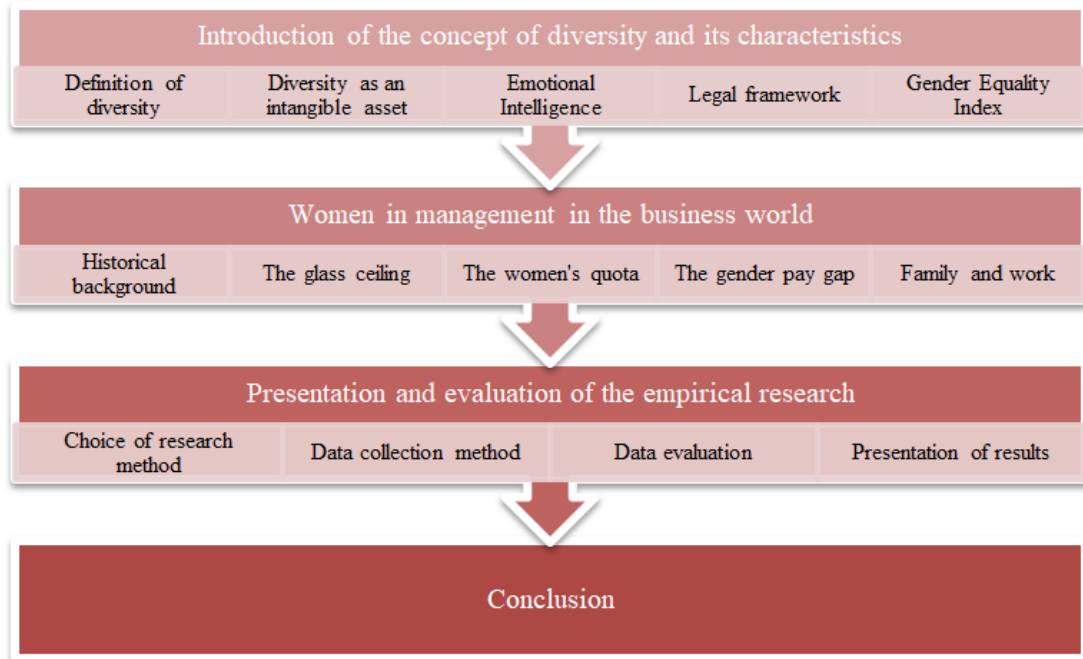


Figure 1: Structure of the thesis (own reproduction based on chapters 2-5)

In this context, chapter 2 “The concept of Diversity” is an introduction into the concept of interest. Before talking about gender-based barriers in the course of this thesis, a digression into the main concept, namely ‘diversity’, is useful. Chapter 2 therefore introduces the main characteristics and components of diversity. Next to that, the legal framework for diversity in Europe will be touched upon to stress the importance of this topic in a legal sense. The Gender Equality Index 2017 is presented as the contextual transition into the central part of this thesis. Chapter 3 then focusses on women in management and the gender-based barriers they face. The chapter consists of five subchapters that cover the most important barriers and obstacles that can be found in today’s business world in Europe. Starting with a short introductory subchapter, the historical development of women in the labor market is evaluated and the status quo presented. The aim of this subchapter is to stress the positive development of the past century that led to the strong positioning of women in the labor market today. The second subchapter, chapter 3.2, introduces the metaphor of the glass ceiling. The existence of the glass

ceiling is attributable to gender stereotypes and traditional gender roles. How companies can control for and prevent a glass ceiling from happening will be discussed by giving examples and recommendations. Chapter 3.3 introduces the women's quota, which is highly topical and harshly discussed in Europe. The objectives of the quota and the legal framework will be presented and cross-border comparisons pursued. An evaluation of the pros and cons of the quota and the introduction of possible implementation measures in companies will close the subchapter. The gender pay gap is the concept of interest in subchapter 3.4. The characteristics, as well as the influencing factors and causes, of the gap will be discussed and the legal framework presented. Several instruments for and benefits of closing the gap will further stress the importance of the effective engagement with this matter. The last subchapter of chapter 3 deals with the compatibility of family and work. Having a family is a life goal of most people and successfully reconciling family and work represents itself as a double burden. The Barcelona targets of the EU represent the desirable implementation of family-friendly measures in the Member States. These, together with methods to arrive at a family-friendly corporate culture, will be the main topics of this subchapter. Chapter 4 deals with the presentation and evaluation of the research results. The form of the research, as well as the data collection method, will be presented in detail and the interview partners introduced. The results of the interviews will be outlined in the order of the topics of this thesis and the comparison of the various answers will complete this fourth chapter. In order to finalize this thesis, all results will be summarized in the conclusion and answers to the predefined research questions will be given.

#### ***1.4 Theoretical framework/ Methodology***

As the name of the thesis already reveals, the thesis has a twofold limitation. The first one is that the analysis is focused on women in management. This means that the raised points and problems are only considered in relation to the target group. The second limitation is the geographical limitation. As the situation of women in management positions, and in the labor market in general, highly varies across nations and cultures, I figured that a geographical limitation made sense. I decided to concentrate on the Member States of the EU for a number of reasons. Firstly, during the research and literature review for this thesis, I found the publications and reports of the European Union and

the European Commission to be very helpful and meaningful. All publications provide sound knowledge in the area of interest and are scientifically proven. These build the solid foundation for further investigations and analyzes as part of this thesis. Furthermore, as I see myself living in an international environment, I wanted to concentrate on Europe as a whole. Since 2013, the European Union has 28 Member States, which build the primary focus of this thesis. These are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom (Europa.eu, n.d.).

With reference to the topic, a lot of literature deals with the definition of the concept in question, the legal framework in the EU Member States, as well as the implementation and success of various measures. As gender-based barriers and equality issues are very topical at this time, a lot of research and guidebooks are available. However, as this topic is not only very relevant and harshly discussed, is also has an emotional factor that I do not want to neglect. That is why the theoretical framework is supplemented with primary data of an empirical research in the form of personal interviews. Other forms of empirical research (i.e. observation and experiment) were not considered useful, as they would not lead to the desired results in form of individual experience reports of the target group (Mayer, 2013). Moreover, the interviews are of a qualitative nature with semi-structured and open-ended questions. This approach allows the investigation of the different topics of interest inside the target group to arrive at very personal and first-hand knowledge. The aim of the research is firstly, to find out which gender-based barriers are considered to be present in the respective industry of the interviewee. Secondly, the form of discrimination and the handling of it shall be identified. Finally, personal impressions of the interviewees and their experience with the various forms of discrimination shall lead to an assessment of the current state in Europe. Due to the above-mentioned limitations (1. women in management, 2. working in Europe), only a limited number of persons to interview can be considered. The final research entails 14 expert interviews with 11 women (target group) and three men (control group). The results of this qualitative research supplement the specialist knowledge to arrive at a holistic approach of the topic in question, namely “Women in management and the issue of gender-based barriers”.

## **2. The concept of Diversity**

Before talking about the main topic of this thesis, namely the gender-based barriers in the business world in Europe, one first needs to observe the concept as a whole. The concept of interest is called ‘Diversity’. Humans do not only differ in terms of gender, diversity is about so much more. This chapter will firstly define diversity and introduce its different components. Furthermore, the legal framework for diversity as well as its application in Europe will be discussed and the chapter will end with the introduction of the Gender Equality Index and the contextual transition to the main part of this thesis.

### ***2.1 Definition and components of diversity***

According to Thomas Roosevelt, who is known as the pioneer in the fields of diversity, diversity is defined as “... the differences and similarities, and related tensions and complexities, that can characterize mixtures of any kind” (Thomas, 2010, p. 2). As this definition states, diversity is not only about the differences of people, but also about their similarities with regards to characteristics such as the nationality, skin color, gender, age, disability, religion, education, or the social status. In order to understand diversity in its entirety, one has to evaluate both the differences and the similarities of people alike (Thomas, 1995). Furthermore, Thomas specifies that “... a discussion of diversity must specify the dimensions in question (e.g. race, gender, sexual orientation, age, religion)” (Thomas, 1995, p. 246). Neglecting the specification can lead to a misconception of the issue in question. Concluding, diversity refers to the collective mixture of all differences and similarities of persons and one should always focus on the combined mixture when dealing with diversity (Thomas, 1995).

As already stated, diversity can have many forms. The predominant ones, and the only categories that are immutable and identifiable, are gender, nationality, race, and age (Kirton & Greene, 2005). In comparison, hardly noticeable are values such as personality, cultural values, religion, sexual orientation or humor, and skills such as education and language (Sepehri & Wagner, 2002). Diversity attributes can be further differentiated between primary and secondary dimensions of diversity. The primary dimensions of diversity are the unchangeable personal characteristics like sex, race, ethnicity, age and physical abilities and disabilities that exert significant lifelong impacts. Together they

shape a person's self-image and sense of identity. Secondary dimensions of diversity on the other hand, are changeable personal characteristics. A person acquires these characteristics and may modify or abandon them throughout the life. Examples of secondary dimensions are education, marital or parental status, religion, political affection, or work experience (Powell, 2011).

The definition of diversity has become broader over time and now basically includes every characteristic that differentiates and unites people. Putting diversity in a business context in order to understand its implications for organizations, one can organize diversity into four interdependent and overlapping categories, which are: 1) workforce diversity, 2) behavioral diversity, 3) structural diversity, and 4) business and global diversity (Hubbard, 2004). The first aspect, workforce diversity, includes changes in the labor market demographics along with the group dynamics of any organizations' employees (e.g. gender, race, age, family status, religion, economic background, status, and physical ability). Behavioral diversity is about the expectations and attitudes of the employees, their work styles, thinking and learning styles, aspirations and their value system. Structural diversity on the other hand, encompasses interactions across organizational levels in the hierarchy and functions within any organization. Finally, business and global diversity involve the segmentation and expansion of customer markets, the diversification of products and the possible markets to operate in. In today's business world, which is characterized by globalization, changing demographics in the customer base and advances in technologies, being able to measure and react on business diversity is the key for any organization to continue to operate successfully and sustainably in the long run (Hubbard, 2004). As can be concluded from the above presentation, dealing and engaging with diversity is becoming more important as its recognition and its successful management can have a positive impact on any organization. Globalization leads to increasingly diverse markets and results in a heterogeneous customer base. An organization ultimately will have to gain an improved understanding of diverse customer needs in order to satisfactorily serve all markets (Hubbard, 2004). However, organizations need not only learn about their diverse customers, their diverse workforce is as important and managers will have to learn how to deal with the effective management of them.

## *2.2 Diversity as an intangible asset*

Diversity can be considered an intangible asset, which means that it is an identifiable non-monetary asset without physical substance. Intangible assets are assets that are controlled by an entity and from which future economic benefits are expected. These assets share the following three attributes: 1) identifiability, 2) control (power to obtain benefits from the asset), and 3) future economic benefits (viz. revenues or reduced cost) (Deloitte, n.d.). The definition and the concept of intangible assets are primarily known in an accounting context. It includes a company's patented technology, its trademarks, its marketing rights or its franchise agreements. However, humans and their characteristics and individual assets are also intangible, meaning they are not physical but of high value for an organization. This means that an employee can be considered as one of the intangible assets of a company; he or she generates revenues for the company by applying and using individual talents and skills. Intangible assets are also identifiable, which means they are separable (capable of being separated and sold or transferred) and they arise from contractual or legal rights (Deloitte, n.d.). When applying this classification in a business context on humans, one can say that the contractual rights are the employees' employment contracts and separable means that each employee is uniquely identifiable and is able to be promoted or the contract to be terminated. Each skill of an employee and the diverse forms of it has an influence on an organizations success. Some jobs require people with different backgrounds, with different knowledge and maybe even with a certain origin. Diversity plays a huge factor for any company and the challenge lies in recognizing, finding and successfully utilizing the diverse mixture of human resources. In today's business world, intangible assets become increasingly important as the production process is not anymore characterized by hard, physical work that only a certain type of people can do (e.g. strong men). The economy has shifted from physical to intellectual capital that comes in all colors, backgrounds, genders, orientations and thinking styles (Hubbard, 2004). This also means that the working conditions need to adapt and require a different set of qualities nowadays. Men are not at an advantage anymore, as women are equally qualified to do today's primarily intellectual work. Furthermore, other components of diversity, like e.g. education, experience, origin, or religion, are gaining much more attention as companies understand that a diverse workforce can make a difference as it has many positive influences on success.

Concluding, utilizing diversity as a strategic, intangible asset and incorporating it in the organizational processes and culture, can result in an innovative competitive process that is difficult to copy and can ultimately lead to a competitive advantage for an organization (Hubbard, 2004).

### ***2.3 Emotional intelligence and diversity***

Having clarified the importance of diversity as an intangible asset, the connection of emotional and social intelligence can be further used to emphasize the value of diversity. Coffey and Murray define emotional intelligence in their book “Emotional Intelligence (EQ) – A Leadership Imperative” as follows: “EQ is about being ‘smart’ with your emotions... it’s about tuning in to yourself and others and then using this valuable information to better manage yourself and your relationships with others” (Coffey & Murray, 2010, p. 4). Usually, people tend to measure, and have measured in the past, intelligence only by the intelligence quotient (IQ). However, the IQ only tells us something about people’s cognitive intelligence, meaning their ability to learn, recall and apply logical reasoning. Nevertheless, having a high IQ does not automatically mean that these people will be doing great in their job or achieve outstanding things. In order for that to happen, the IQ needs to be complemented with skills that are associated with the EQ: social skills, self-awareness and management of emotions, flexibility, self-motivation, optimism and resilience (Coffey & Murray, 2010). Being able to understand and interact with employees, meaning having a high EQ, can make the difference between a good and a bad employee or leader. Being able to engage with a diverse workforce and valuing the differences and similarities will be the decisive factor for any successful team. Since one of the most important responsibilities of any manager is the creation of an environment that can attract, retain, develop and grow the best employees (Coffey & Murray, 2010).

That is why EQ is gaining much more attention these days and people understand how important it is to gain in and increase the EQ in order to live and work in this diverse world. Diverse teams need to have the ability to engage with one another and adapt to the prevailing situation. People with a high EQ will much more easily get along with team members of different backgrounds than people who lack some sort of EQ. Tack-



ling diversity issues and dealing with diversity has a lot to do with people's abilities to connect with other people and their understanding of 'otherness'. Nevertheless, the legitimate question arises whether it is always necessary to form heterogeneous/intercultural teams at the workplace. Are they always superior to homogeneous groups? They have the important advantage of the superior interaction of the diverse skills and abilities. This quality is especially valuable when it comes to solving tasks of innovation, creativity, and problem solving or idea generation. It is not just the diverse mix of the obvious characteristics such as gender, race, religion or age, but it is also training, language, background, personality and lifestyle that make a difference. Furthermore, even seemingly unimportant qualities such as hobbies, interests or talents can contribute to higher levels of productivity in an organization (Sherman, 2012).

#### ***2.4 The legal framework for diversity***

The concept of diversity is rather new and has added to the discussion of equal opportunities, which was of big interest especially in the United States in the 1960s when several executive orders have been passed. Back then, employers had to implement management practices, so-called Equal Employment Opportunities, and positive actions (viz. affirmative actions) in order to create a basis for equal opportunities. Affirmative actions are actions taken to make sure that decisions lead to the recruitment, promotion and retention of protected groups (e.g. disabled people and minority groups) (Charte de la Diversite Lëtzebuerg, n.d.A). The objective of creating equal opportunities reflects a moral concern for social justice, which recognizes and involves implementing measures to eliminate social group-based discrimination and disadvantages (Kirton & Greene, 2005).

In the 1990s, the equal opportunities policies had to be defined more clearly. What was known under 'equal opportunities' evolved to what is now known as 'diversity management'. This evolution reflects the changes at the demographic, economic, legal and cultural level. In Europe, Anglo-Saxon-based subsidiaries of multinational companies were pioneers in this area and in recent years, other national companies increased their development of diversity programs, policies or actions (Charte de la Diversite Lëtzebuerg, n.d.A). Between 2000 and 2004, the Council of the European Union decid-

ed upon four equal treatment directives, which had to be implemented into national law in each member state. The directives define the various forms of discrimination and oblige the countries to put in place harsh penalties in the event of non-compliance. The four different directives are called: racial equality directive (2000/43/EC), employment directive (2000/78/EC), gender directive (2002/73/EC), and the gender directive outside of work (2004/113/EC) (Federal Anti-Discrimination Agency, 2011). Two of these four equal treatment directives were established to directly fight gender inequality and already give a hint to the importance of the support of the under-represented sex. The past years have shown that the discussion is relevant more than ever and have further led to legislative changes and supportive actions in that area. Additionally, and to further strengthen peoples' rights, the General Act on Equal Treatment has been passed in 2006. It is an anti-discrimination law with the purpose to prevent or to stop discrimination on the grounds of race or ethnic origin, gender, religion or belief, disability, age or sexual orientation (Federal Anti-Discrimination Agency, 2006). The law entails definitions of direct and indirect discrimination, harassment and sexual harassment, and the instruction to discriminate against other people. Violation of the law can lead to considerable penalties.

*Side note: The above-mentioned laws and regulations are only a selected extract from the diverse and comprehensive provisions of the European Union. Equality is one of the founding principles of the EU and further regulations will be discussed in the course of this thesis.*

### ***2.5 The Diversity Charta***

The Diversity Charter is an EU-wide initiative aimed at encouraging companies to implement and further develop diversity policies. The Charter will be presented with the example of the realization in the Grand Duchy of Luxembourg, which launched its version of the Charta in September 2012. Luxembourg is a country that is at the heart of Europe and is characterized by a diverse workforce and changing demographics. Having a Diversity Charta and committing to diversity issues can only be of great interest for a country like Luxembourg and the Greater Region (European Commission, 2016A). Until today, more than 150 companies have signed the Charter, which represents more than 53,500 people in total, representing 15% of the Luxembourg's workforce. One can find public sector companies (12.5%), large international operating organizations, foundations, associations, NGO's (11.5%), or banks (private sector 76%) among the signatories (Charte de la Diversite Lëtzebuerg, n.d.B). The following six articles shed light on what the companies and organizations are committing to and express the pledge to promoting diversity by concrete actions that go beyond the legal and regulatory obligation of non-discrimination. Its objective is the encouragement of all signing organizations to guarantee respect and the promotion of diversity in their workforce (Charte de la Diversite Lëtzebuerg, n.d.C).

1. "Raise awareness, train and involve the decision-makers and partners to the challenges of diversity as a source of enrichment, innovation, progress and social cohesion.
2. Define a diversity policy and implement practices and action plans that consciously integrate the management of individual differences.
3. Apply the principles of equal opportunities and promotion of diversity in the company's decision-making and management processes as well as in the management of its human resources.
4. Evaluate these practices, their results and their effects regularly.
5. Communicate to all the company stakeholders the commitments made and the concrete results of the implemented actions.
6. Encourage all of these partners to also work in favour of non-discrimination and the promotion of diversity." (Charte de la Diversite Lëtzebuerg, n.d.B, p. 5)

When taking a closer look at the distribution of diversity characteristics in Luxembourg, one can understand why a country like Luxembourg is keen on implementing an effective diversity management and having a huge share of companies committing to the Charter.

<b>Year</b>	<b>1991</b>	<b>2001</b>	<b>2010</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Population						
Total population (x1000)	384.40	439.50	502.10	563.00	576.20	<b>590.67</b>
<i>of which: Women</i>	<i>196.10</i>	<i>223.00</i>	<i>252.70</i>	<i>281.00</i>	<i>287.10</i>	<b>294.03</b>
Luxembourgers	271.40	277.20	285.70	304.30	307.00	<b>309.17</b>
Foreigners	113.00	162.30	216.40	258.70	269.20	<b>281.50</b>
of which: Portugal	39.10	58.70	79.80	92.10	93.10	96.78
France	13.00	20.00	29.70	39.40	41.70	44.28
Italy	19.50	19.00	18.20	19.50	20.30	21.35
Belgium	10.10	14.80	16.70	18.80	19.40	20.03
Germany	8.80	10.10	12.00	12.80	12.80	13.09
Britain	3.20	4.30	5.50	6.00	6.10	6.11
Netherlands	3.50	3.70	3.90	4.00	4.00	4.25
Other EU	6.60	9.20	20.50	29.60	32.10	34.40
Other	9.20	22.50	30.10	36.50	39.70	41.21
Foreigners in %	29.40	36.90	43.10	45.90	46.70	<b>47.66</b>

**Table 1: Population by sex and nationality on 1st January (x 1 000) 1991, 2001 – 2017 (Statec Luxembourg, 2017)**

The above table displays the population by sex and nationality in Luxembourg in different years. One can see that the total population has increased from 384,400 in 1991 to 590,670 at the beginning of 2017. In 1991, the share of foreigners was 29.40% whereas today it rose to 47.66%. That means that nearly every second inhabitant is originally not from Luxembourg but migrated to the country. 34.38% out of all foreigners come from Portugal, followed by 15.73% from France and 7.58% from Italy (Statec Luxembourg, 2017). The table concludes that Luxembourg is a very diverse country when considering the characteristic of nationality. Certainly, the country has a huge interest in making sure that the different nations get along and that there is no room for discrimination based on nationality, culture or religion. Furthermore, the table also shows another interesting fact, namely the relation of men and women. According to the numbers above, the share of women at the beginning of 2017 is nearly 50% (49.78%) and has also been around 50% in the past 25 years (1991: 51.01%; 2001: 50.74%; 2010: 50.33%; 2016: 49.83%) (Statec Luxembourg, 2017). These numbers express that there is an equal distribution of men and women in the country and one could expect that discriminations in

terms of gender should be low or even absent. The relation of men and women is not only this equal in Luxembourg, in the EU-28 51% of the population is female and 49% is male (Eurostat, 2017A).

The discussion of diversity issues and the prevention of discrimination in all forms gained momentum and is indispensable in today's political campaigns and education. People have understood the benefits of diverse teams and should be able to celebrate the differences. Nevertheless, we all know that we have not yet reached a sufficient state of equality despite the positive developments in the past. With this thesis, I want to concentrate on the gender conflict and the progress that has already been made in this area. In today's advanced society, one would expect a natural equal treatment of women and men in Europe. However, why do women still find themselves at a disadvantage in so many different areas in the workplace? I am interested in finding out what information has already been gathered and how these results have led policy makers to implement equality laws and supportive programs for women. Concentrating on the conditions for working women and women in leadership, I am going to focus on known and often discussed concepts such as the glass ceiling, the women's quota, the gender pay gap and the general reconciliation of family and employment responsibilities. The following subchapter introduces the predominant issues of women in today's business world and is the starting point for the discussion in chapter 3.

### ***2.6 The Gender Equality Index 2017***

The Gender Equality Index, compiled by the European Institute for Gender Equality (EIGE), provides a good overview of how gender-equal our society really is. The results of the index reflect the status quo in Europe and assess in which areas the EU Member States need to improve in their fight for gender equality. The EIGE is an autonomous body of the EU, which was established to strengthen the promotion of gender equality and fight against discrimination based on gender in all EU Member States. Their vision is communicated as "Making equality between women and men a reality for all Europeans and beyond" and their accompanying mission is to become the European knowledge center on gender equality issues (EIGE, 2017B, p. 3). The progress in this area is tracked with the help of statistical means and high quality research. The EIGE collects

and analyses data on gender equality issues, makes them comparable and reliable, and disseminates them to, among others, the European Commission, the European Parliament, and the different Member States. With the help of these data, the development and implementation of gender equality policies and legislations can be tracked and the different outcomes and progress of those policies be traced (EIGE, 2017A).

The Gender Equality Index is a composite indicator that measures the concept of gender equality and provides an overview of the situation in the EU-28 in the following six core domains: work, money, knowledge, time, power, and health. In total 31 indicators are used to monitor the developments in these core domains. The resulting Gender Equality Index is formed by combining these indicators into one single summary measure, which can have any value between 1 (total inequality) and 100 (full equality) (EIGE, 2017A). With the help of the index, the Member States can identify in which of the core dimensions support is needed and act accordingly. As can be read from the below pictured index, the EU-28 scores an overall average number of 66.2 out of 100 for gender equality in 2015, which means that the EU is still far from reaching equality (= 100).

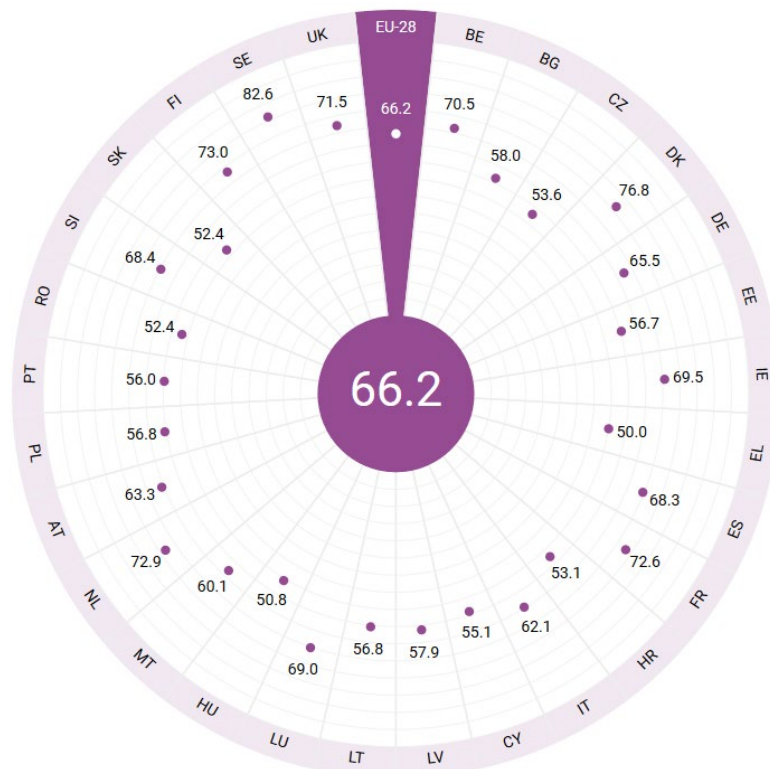


Figure 2: The Gender Equality Index 2017 (EIGE, n.d.)

But when looking at the evolution of the score and comparing the results of the past years to another, one can see that the score is moving in the right direction; although at a very slow rate (increase of only 4.2 points in ten years).

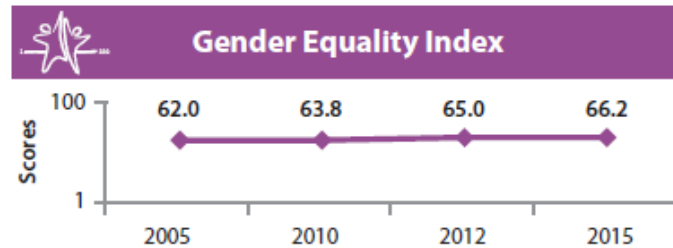


Figure 3: Scores of the Gender Equality Index EU-28, 2005-2015 (EIGE, 2017A, p. 23)

One can also detect a huge variety in the results of the different Member States. Greece is the worst performing country with a score of only 50, whereas Sweden (82.6) and Denmark (76.8) show considerable progress and success in gender-equality matters. With the help of these indices, policy makers can react to the specific conditions and put in place measures to advance these countries to gender-equal societies. As nearly two-thirds of the EU-28 Member States fall below the EU-average of 66.2, there is still a lot to be done in the future (EIGE, 2017A).

Another interesting fact to look at is that none of the six core domains scores higher than 90, which means that there is still room for improvement in each of the domains. The lowest score of 48.5 has been calculated for the domain of power and the highest score for the domain of health (87.4). For the sake of the remainder of this thesis, it makes sense to have a closer look at the two core domains of ‘work’ and ‘power’.

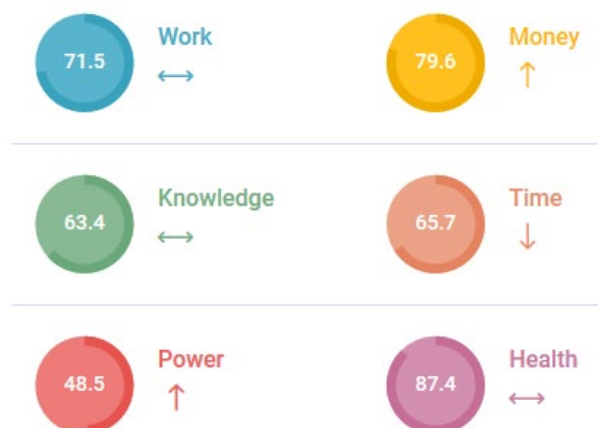


Figure 4: The scores of the six core domains (EIGE, n.d.)

### 2.6.1 The domain of work

The domain of work measures to which extent women and men benefit from the equal access to employment and good working conditions and constitute key areas of priority in employment and social policies in the EU. Scoring high in this domain and reaching gender equality is crucial for women's and men's economic independence, their social inclusion, health and their personal aspirations alike. The domain considers paid work (unpaid work is captured by the domain of time) and captures the following three areas: participation in the labor market, segregation and quality of work. The overall score for the domain of work increased by 1.5 points since 2005 to 71.5 points in 2015. The greatest increase has been recorded for Malta (+10.2) and Luxembourg (+5.9), whereas Romania was the only country with a negative result (-1.5). Sweden (82.6), Denmark (79.2) and the Netherlands (76.7) are the leading countries in this area (EIGE, 2017A).

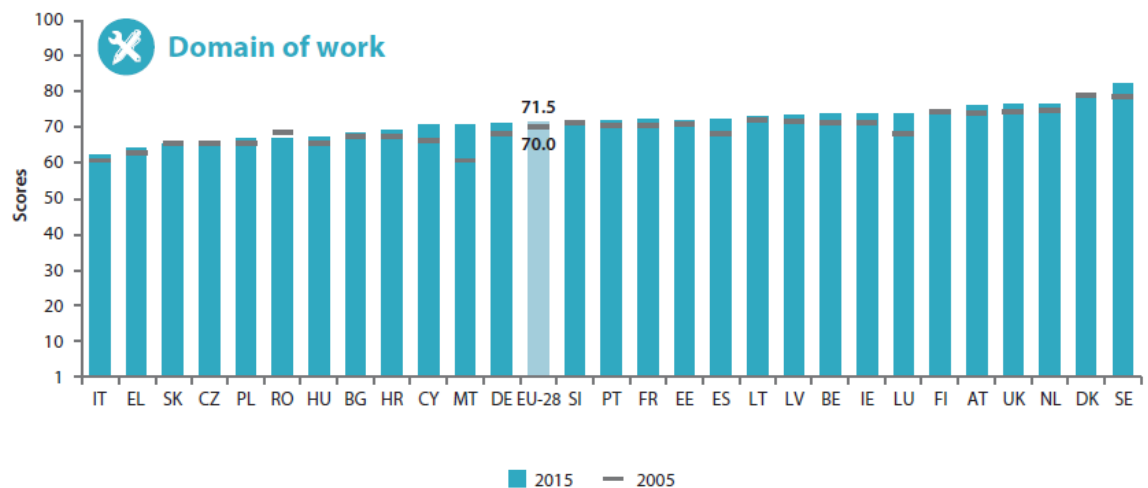


Figure 5: Scores of the domain of work, EU Member States, 2005 and 2015 (EIGE, 2017A, p. 30)

The subdomain of participation in the labor market increased by 2.3 points to 79.8 and the subdomain of segregation and quality of work increased by only 0.7 to 64 points out of 100 (EIGE, 2017A, p. 30). The results already show that the participation of women in employment remains lower than the participation of men and that gender segregation is persistent in the labor markets across all Member States (EIGE, 2017A).





Figure 6: Scores of the domain of work, EU-28, 2015 and change from 2005 (EIGE, 2017A, p. 29)

The increase of 2.3 points over the last ten years in the subdomain of participation points to a narrowing of gender differences, albeit small, in the duration of working lives in the EU, as well as a narrowing of the gender employment gap as more women enter the employment markets. The most significant improvement has been recorded for Malta (+17.5), Luxembourg (+11.1) and Spain (+7.1), whereas Denmark (-1.3) and Romania (-1.8) recorded declines. The second subdomain of segregation remained almost the same over the last ten years. The gaps in this domain highlight the concerns about the opportunities available to women and men to have stable and prospective careers, as well as to reconcile work and their private life in favor of a good work-life balance. Part of the problem is that women, more than men, work part-time and take jobs in sectors characterized by low wages with low career prospects. This also has an influence on the gender pay gap, the pension gap and women's overall economic dependence. The scores vary a lot between the different Member States; Slovakia (53.2), the Czech Republic (53.5) and Poland (56.2) have the biggest room for improvement (EIGE, 2017A, p.31). The gender employment gap and the diverse barriers faced by women to enter the labor market will be discussed in depth in the following chapters.

### 2.6.2 *The domain of power*

The domain of power measures gender equality in decision-making positions across the subdomains in the political, economic and social spheres. It represents the domain with the biggest progress of all domains of the index since 2005, although its result in the most recent examination is still troublesome as it is the lowest score of all domains. Nevertheless, the score increased by 9.6 points in the past ten years and is moving in the right direction. Sweden, France and Finland achieved the greatest increase, whereas

Hungary, Greece, the Czech Republic and Slovakia are the Member States with the largest over-representation of men in decision-making positions (EIGE, 2017A, p. 62).

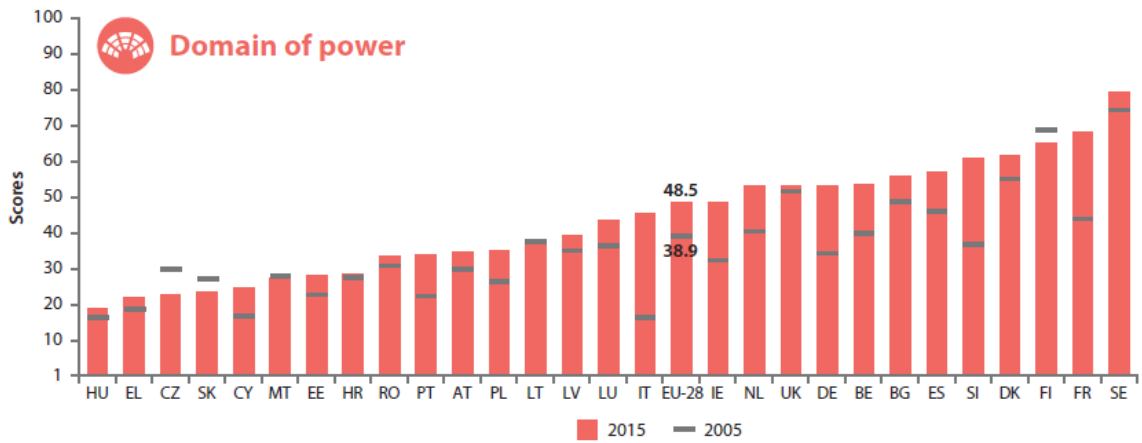


Figure 7: Scores of the domain of power, EU Member States, 2005 and 2015 (EIGE, 2017A, p. 62)

The domain of power has been measured by combining three different subdomains. The domain of political power measures the representation of women and men in national parliaments, governments and regional assemblies. The subdomain of economic power measures the proportion of women on corporate boards and national central banks in relation to men. Finally, the domain of social power measures the proportion of women and men in decision-making in research-funding organizations, media and sports (EIGE, 2017A, p. 61).

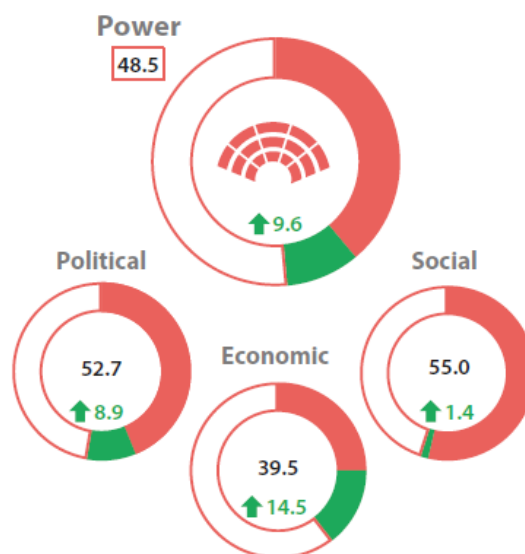


Figure 8: Scores of the domain of power, EU-28, 2015 and change from 2005 (EIGE, 2017A, p. 61)

As Figure 8 nicely demonstrates, the most substantial progress has been achieved in the subdomain of economic power, which scores 39.5 out of 100 (+14.5) (EIGE, 2017A, p. 62). This progress can partly be explained by recent political pressure and legislative initiatives to resolve inequalities in this area. The problem of having too few women in economic decision-making positions and what is done in order to reach gender equality will be further discussed in chapter 3.3 when talking about the women's quota. The second highest increase is recorded for the subdomain of political power (52.7, +8.9). There is also a lot of room for improvement in this area as men continue to dominate political decision-making by holding on average more than two thirds of all parliamentary seats in the EU-28. The highest overall score (55.0, +1.4) was recorded for the subdomain of social power. Although the proportion of women varies significantly across the different areas measured in this category (e.g. 40% women on the board of research funding organizations, but only 14% on sports federations) (EIGE, 2017A, p. 63).

Chapter 2 has introduced the concept of diversity and is the starting point when talking about equality issues. As the thesis focuses on women in management and the gender-based barriers they face, the transition from the generic term of diversity to one of its attributes, namely gender, was necessary in order to understand the concept in its entirety. The next chapters will solely focus on gender equality in a business context and has women in management positions as the leading example. Chapter 3 will begin with an introduction of the historical development of women in the business world and the progress that has been made until today. The metaphor of the glass ceiling, the women's quota and the gender pay gap, will be discussed to demonstrate the diverse issues and barriers women face, followed by an evaluation of what can be done in order to overcome them eventually. The compatibility and reconciliation of family and work will be another important part of this thesis in order to grasp the topic and its impacts in full. Following chapter 3, the findings and statements of the personal interviews I conducted for this thesis will be evaluated and brought into context of the theoretical part of this thesis.

### 3. Women in the business world

In this chapter, the focus lies on women in the business world in Europe and the major obstacles they face. As already mentioned in the previous chapter, gender diversity and the desired state of equality is still an issue today and women need to cope with difficulties in all sorts of areas that men mostly do not have to. Nevertheless, why is there so little progress in this regard? As people are much more liberal and tolerant these days, why do people still differentiate between women and men? Why is gender still a distinctive feature in many situations? Especially when looking at the statistical portrait of Eurostat in the figure below, the condition of inequality becomes even more incomprehensible.

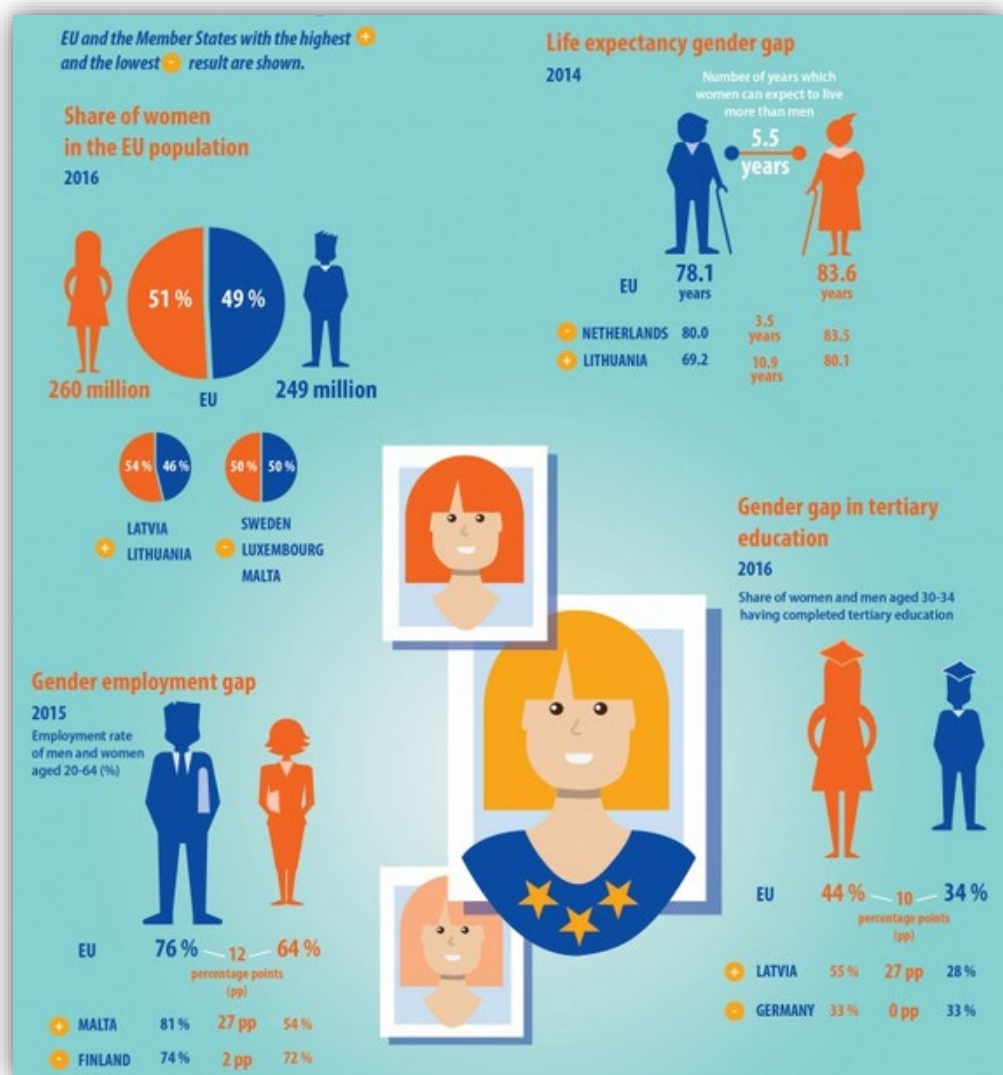


Figure 9: Women in the EU (Eurostat, 2017B)

According to Eurostat, 51% of the population in the 28 EU Member States is female. This means that the distribution of gender is nearly equal and hence there is no identifiable cause for discrimination because of differences in distribution (viz. women are not the minority group). When taking a closer look at life expectancy at birth, one can recognize a higher life expectancy for women. Women in general are expected to live 5.5 years longer than men do (78.1 years compared to 83.6 years). The data for tertiary education also do not point to a justified difference in treatment as more women on average graduate from universities or other higher education institutions. In 2016, 44% of women aged between 30-34 attained tertiary education and only 34% of men in this age group did so. This means that the share of women with tertiary education was 10% higher than that of men. Contrary to the already mentioned results, the gender employment gap is one of the gaps where women lose out on men. The proportion of men of working age (20 – 64 years) in employment (76%) exceeded that of women on average by 12% (64%) (Eurostat, 2017A). The gap becomes even wider when comparing the average pay of men and women to one another. The discussion of the gender pay gap is the main topic of subchapter 3.4.

Eurostat conducts these statistics on behalf of the EU in order to document and visualize gender inequalities at global, European and national level. Equality between women and men is a fundamental right of the Charter of Fundamental Rights of the European Union and is a founding value of the EU. With the help of the above-mentioned statistics, the EU is able to identify the areas of inequality and put into action policies to close these gaps. Gender equality is measured with the help of the following indicators: e.g. employment rate, gender pay gap, at-risk-of-poverty and social inclusion rate. In addition, the EU published a Women's Charter that is meant to strengthen the commitment to equality between women and men in the Member States. Next to this charter, the EC adopted the 'Strategic engagement for gender equality 2016-2019' program in 2015, which focuses on the following five existing thematic priority areas:

- “increasing female labour-market participation and the equal economic independence of women and men,
- reducing the gender pay, earnings and pension gaps and thus fighting poverty among women,

- promoting equality between women and men in decision-making,
- combating gender-based violence and protecting and supporting victims,
- promoting gender equality and women's rights across the world" (European Union, 2016, p.9).

The next subchapters will examine the situation of European women in today's business world more intensively and will evaluate the topics of female leadership, the glass ceiling, the women's quota, the gender pay gap, and work-life models in detail.

### ***3.1 Historical development and status quo***

Before talking about the status quo and looking at the statistics of the present, a brief digression into the historical development makes sense. In my opinion, the 20th century can be regarded as revolutionary in the sense that women, who were until then in many respects dependent on men, have taken control of their own fate and have found their way into the economic sphere in Europe. Women no longer have to ask their husbands if they are allowed to work (e.g. in Germany until 1977) and the two-income household has evolved into the status quo nowadays (Kaup, 2015). The feminization of the workforce can be attributed to various historical and political developments in the past.

The 20th century was a complex century with two major wars and the rise of extremist political ideologies in Europe. It was a time when the image and role of women were changing and women started actively fighting for their rights and their place in society (Simonton, 1998). In contrast, at the end of the 19th century, the role model of the woman as a mother and housewife had become the norm and women were not working on a regular basis (Kaup, 2015). So the number and proportion of women working and the shift from domestic household services to the tertiary sector (e.g. shop and office work) can be regarded as the main trends of that era. That is to say that across Europe, although the economic infrastructure varied across the countries, the numbers of women in the economy steadily improved. Before 1914, the number of women in the workforce increased especially in Germany, France, the Netherlands and Belgium, which was a sign of economic growth and industrialization. However, between the wars the proportion of working women fell again, as men were returning from war and women had to

leave their work in order to make room for men (Kaup, 2015). But it did not take too long until first governmental policies, economic needs, perceptions of men and women with respect to work were leading to a slow growth of women in the workforce again. Furthermore, many women were forced to work, as the income of the husband did not suffice to support the family. In the course, many women provided household-related services or occasional work (Kaup, 2015). After the Second World War, a time that was characterized by wide-scale reconstruction and job creation schemes leading to full employment, the numbers of women in the labor market rose firmly. With this increase of female workers, a simultaneous shift in the structure of women's work took place. There was a dramatic decline in domestic services as the rise of department stores and office jobs provided alternatives for women. Furthermore, professions in academia, medicine, law and business opened up, although the 'glass ceiling' already back then excluded women from attaining leading positions (Simonton, 1998). The following figure exemplary depicts the change in industries and professions of women from 1890 to 1970 in France and Germany.

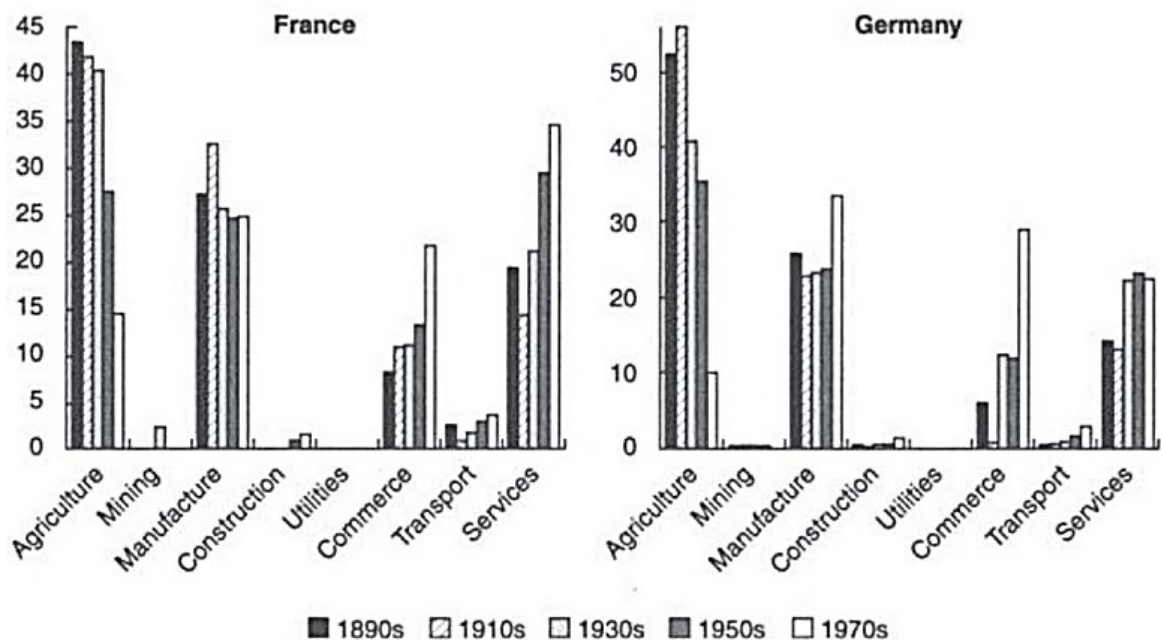
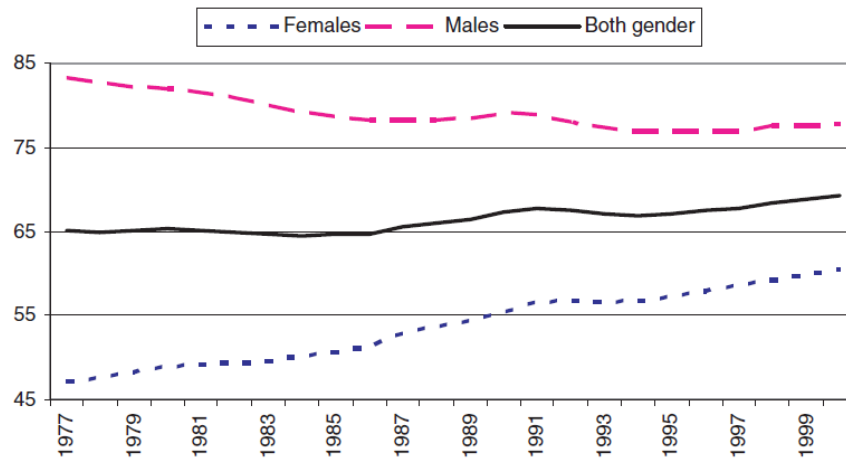


Figure 10: Proportion of female labor force in each branch of economic activity (Simonton, 1998, p. 184)

While in 1890 women were predominantly working in agriculture, manufacture and services, the 20th century led to a shift and the rise of the commerce sector. In the 1970s, women in France and Germany were mostly working in manufacture, commerce and services. The participation of women in agriculture declined from approximately 45-50% to 10-15% in 1970 (Simonton, 1998).

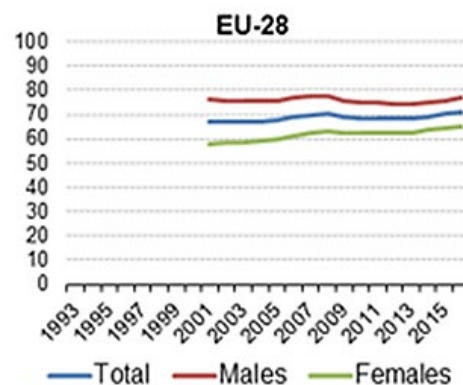
The time after the World Wars can be regarded as the period of female emancipation. Supportive legislations gave women more control over their earnings, women were better protected at work and they finally received pension rights. In 1958 Germany introduced the first gender equality laws which forbid men to terminate their wife's employment contract without her permission. However, men were still allowed to forbid any kind of paid work if he considered that the work was incompatible with the woman's household responsibilities until 1977 (Kaup, 2015). This is one explanation of the lower labor participation of married women compared to single women. The mentioned legislative changes are first examples of progress towards gender equality. Progress was made slowly, but surely. Nevertheless, women were still at a disadvantage when it came to salaries and positions inside the companies. Women were gradually gaining equal rights in terms of income, divorce and domicile, but the rights to equality, opportunity and independence were lacking behind (Simonton, 1998). The gender pay gap and the glass ceiling are problems that are still prevailing today and with which women still need to cope.





**Figure 11: Labor force participation in the EU (as a percentage of working-age population) (Genre, Salvador, & Lamo, 2010)**

The figure above presents an overview of the development of the labor force participation of women and men in the EU from 1977 to 1999. While the total of both genders only varied from 65% to roughly 70% during that time, the change in the participation of women is more impressive. In 1977 only 46-47% of women in the EU were working, while nearly 85% of men were doing so. The steep slope of the blue dotted graph representing female workers is moving upward and increases by approximately 15% to arrive at nearly 60% in 1999. In contrast, the slope of the pink colored graph representing male workers is moving downward and depicts the decrease in the number of male workers in Europe from 1977 to 1999. The share of male workers in 1999 was roughly 80% and the gender employment gap had decreased to 20% at the end of the twentieth century.



**Figure 12: Employment rate by sex, age group 20-64, 1993-2016 (%) (Eurostat, 2017C)**

Figure 12 summarizes the progress in the following years from 1999 to 2015. Here one can clearly see that the trend is still ongoing and the gender employment gap is further

closing. In 2015, on average 65% of women in the EU-28 were working, while the number of men had decreased to below 80%. One of the reasons why more women are participating in the labor market in Europe is their better education and training. Especially the share of women with tertiary education (provided by universities and higher education institutions) is increasing and subsequently leading to a rise of well-educated female workers. In 2016, nearly 44% of women aged between 30 and 34 attained tertiary education, whereas only 34% (gap of 10%) of men did so. Tertiary education thus plays a vital role in women's advancement as it is associated with an increasing economic development and growth of society (Eurostat, 2017D). The choice of studies is also a determinant of future salaries and career options of graduates. In 2015, the majority of women studied social sciences, journalism, business administration and law. Health and welfare studies are also very popular among females, as well as education. Men on the other hand exceed the number of female participants in the fields of engineering, manufacturing and construction, as well as the MINT subjects (mathematics, information and communication technologies, natural sciences and technology) (Eurostat, 2017E). Comparing educational studies and MINT subjects with one another, one clearly has to say that following MINT subjects promises higher salaries and a better career. The following table provides an overview of selected professions and the distribution of male and female employees at the end of 2016. Amongst others, the type of education determines in which industry one will eventually work and how good one's career opportunities are.

<b>EU-28</b>	<b>In total</b>	<b>Men</b>	<b>%</b>	<b>Women</b>	<b>%</b>
Management	12,867.2	8,524.1	66.25%	4,343.1	33.75%
Academic professions	41,914.3	19,896.1	47.47%	22,018.1	52.53%
Office staff	21,086.7	6,986.2	33.13%	14,100.5	66.87%
Services/ Salespersons	37,093.1	13,323.8	35.92%	23,769.2	64.08%
Craftsmen	25,595.3	22,873.2	89.36%	2,722.1	10.64%
Elementary occupations	19,983.7	9,098.8	45.53%	10,884.9	54.47%

**Table 2: Gender participation in different sectors, EU-28, 2016 (Eurostat, 2017F)**

Of all the people in management in the EU-28, 66.25% are male and 33.75% female. The discrepancy is large and governments have recognized the problem that comes with this unequal distribution.

The distribution of women and men in academic professions in general is pretty equal. As the number of female graduates with tertiary education is growing at a faster rate than the one of male graduates, the percentage of women in academic professions is expected to increase further. The distribution in the professions of office staff, services/salespersons, and craftsmen does not come at a surprise. Nearly 90% of craftsmen are male, whereas the majority of the office staff and salespersons are female (>60%) (Eurostat, 2017F). However, in spite of the growing participation of women in the labor market and their good level of education, the majority of part-time workers are still women. In 2016, approximately 31.9% of employed women (age group 20-64 years) in the EU-28 Member States were working part-time, whereas only 8.8% of their male colleagues did so. Nevertheless, it has to be added that the part-time rates vary significantly across the different Member States. The country with the highest rates of part-time workers is the Netherlands (76.4% of women and 26.2% of men) and the country with the lowest rates is Bulgaria (2.2% of women and 1.8% of men). The difference is as big as 74.2% for women and 24.4% for men (Statistisches Bundesamt, 2017A). The issue of reconciling family and professional responsibilities mostly forces women to reduce working hours and can subsequently lead to career interruptions or stagnation. Chapter 3.5 will focus on the compatibility of work and family in more detail and the influence of cutting working hours on one's career.

Given these points, one can conclude that the developments of the past have led to an increase in the participation of women in the business world and a change in the types of occupations women pursue. Nevertheless, women are still at a disadvantage when it comes to e.g. pay and advancing into management. Women have troubles making it to the top of our organizations and hold decision-making positions. There seems to be a 'cost of being female' in today's business world that prevails within and across occupations, educational levels, ethnic groups and cultures. Women and men tend to play different roles in the workplace today and there is still a long way to go in order to progress to a level of equality (Powell, 2011). The following subchapter deals with the so-called glass ceiling, which is a metaphor used to explain invisible barriers to women in the work life. In addition, the various obstacles women face when advancing to management will be described and the influence and implications of stereotypes clarified.

### ***3.2 The glass ceiling***

In 2016, the employment rate of people aged 20-64 years in the European labor market (EU-28) was recorded with 71.1% (Statistisches Bundesamt, 2017B). One of the reasons for the constant increase of the employment rate is the growing number of women entering the labor market. Whereas the share of men is at a stable rate, the share of women is still rising and in some EU countries even exceeding the share of men. This stable increase of female participation leads to the anticipation of recognizing a change in the contribution of women in all levels of employment, meaning lower level but also high-level positions. However, and contrary to my personal expectation, this is not the case. It seems that women face higher barriers in reaching top-level positions or are completely excluded from management. This invisible, but yet effective, barrier is commonly known as the glass ceiling. The glass ceiling is a metaphor that is used to represent an "... unseen, yet unbreachable barrier that keeps minorities and women from rising to the upper rungs of the corporate ladder, regardless of their qualifications or achievements" (Federal Glass Ceiling Commission, 1995, p.4). This definition implies that the effects are stronger at the top of the hierarchy than at the lower levels (Cotter, Hermsen, Ovadia, & Vanneman, 2001). Despite the progress women have made in the labor market and despite of the growing number of female university graduates, women are locked out of top-level management. The leadership gender gap is systemic, persistent and significant. The common used economic justification for the gap is that women have a higher fluctuation risk due to their family responsibilities, are less motivated and therefore less productive (Osterloh & Littmann-Wernli, 2002). This chapter focuses on the characteristics of the barrier and gives recommendations for overcoming gender stereotypes and controlling for the ceiling. The question of interest is: do organizations waste human potential in terms of female executives and forego a competitive advantage?

#### *3.2.1 Overview of women in the labor market in the EU-28*

As already mentioned, in 2016 the EU-28 employment rate for persons aged 20-64 was recorded with 71.1% and constitutes the highest annual average ever noted for the EU (Statistisches Bundesamt, 2017B). The next figure presents an overview of the development of the employment rate from 1993 until 2016. The left figure displays the aver-

age of the 28 EU Member States, whereas the other two display the rates for Luxembourg and Germany.

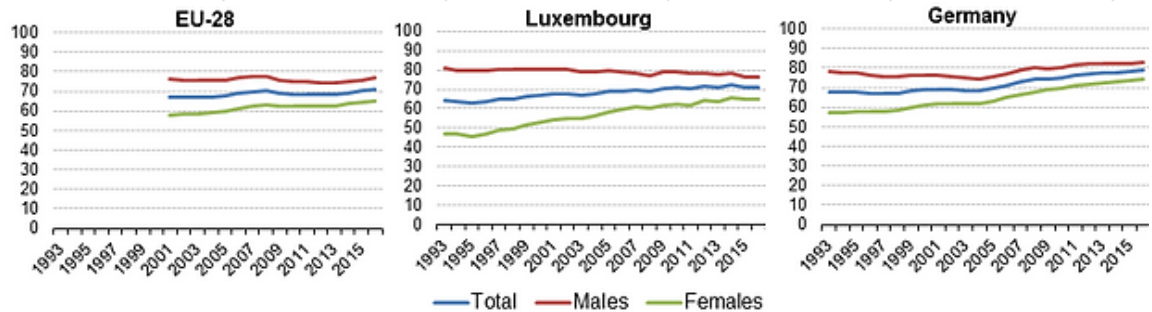
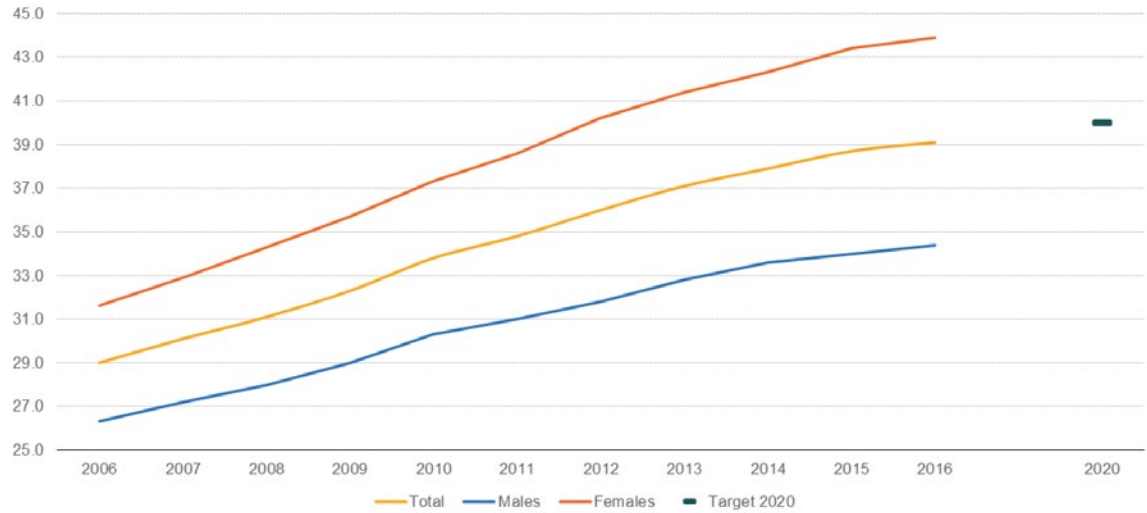


Figure 13: Employment rate by sex, age group 20-64, 1993-2016 (%) (Eurostat, 2017C)

One characteristic that all three figures share is the decreasing employment rate gap between men and women. The difference was particularly obvious in Luxembourg in the 1990s when the gap was as wide as 30% and has now narrowed down to nearly 10% in 2016 (Eurostat, 2017C). This alignment can be traced back to a rise in the employment rate of women on the one hand and a slight decrease in the employment rate of men on the other hand. In Germany, both the rates of women and men were rising in the course of the last 20 years. In general, the countries in the EU have experienced very different labor market situations, where the largest group of countries (e.g. Belgium, Germany, France, and Sweden) had a stable increase, and others have remained a stable rate (e.g. Denmark, Italy, Portugal, and Switzerland) (Eurostat, 2017D).

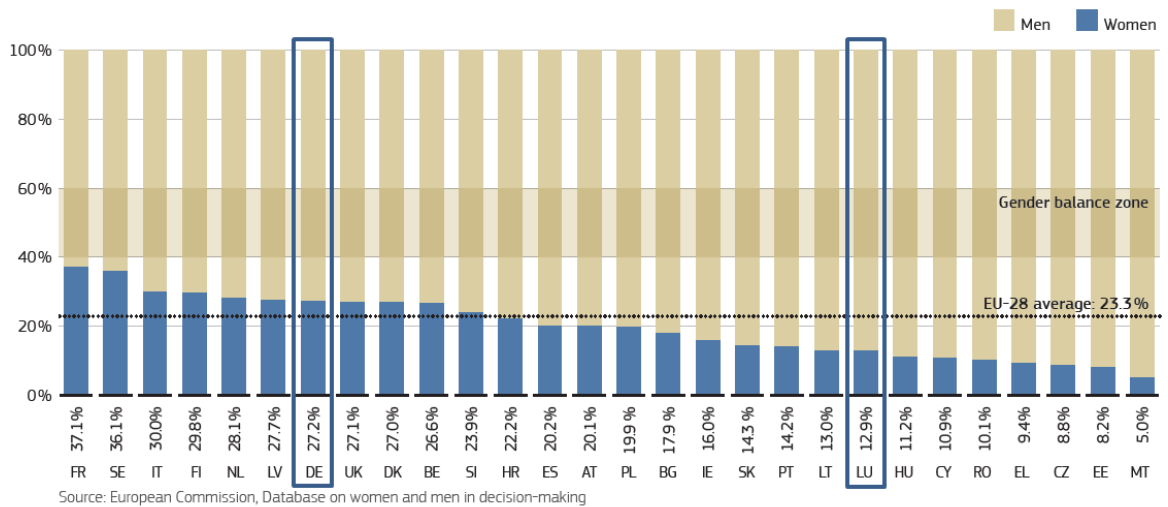
Next to the increasing share of women and men in the labor market, an increase in the share of people with tertiary education can also be detected. The Europe-wide strategy 'Europe 2020' has set the target of reaching a proportion of at least 40% of 30-34 year-olds with tertiary education by 2020. In 2016, the EU-28 average was 39.1%, meaning there is only 1% left to reach the target. When taking a closer look at Figure 14, one can identify a much higher percentage for women with tertiary education than for men. In 2006, approximately 26% of males attained this level of education, whereas the share of women was nearly 32% (a gap of 5-6%). Ten years later the gap has even widened further and more than 43% of women (above Europe 2020 target) and only 34.4% of men (gap of 9%) enjoyed tertiary education (Eurostat, 2017G). This means that the often

cited explanation for the ceiling, namely that women have less human capital investment in education and training, can be considered refuted (Ruvaga, 2017).



**Figure 14: Population aged 30-34 with tertiary educational attainment (ISCED 5-8), by sex, EU-28, 2006-2016 (%) (Eurostat, 2017H)**

One could conclude from the data that as more women enter the labor market and simultaneously more women enjoy tertiary education, the share of women in management positions would also rise. But reality proves us wrong. There seems to be a pipeline problem: even though women are well presented in the workplace, they do not make it to the C-Suite (Dyrchs & Strack, 2012). When taking a closer look at the data of large listed companies in the EU, the dominance of men is more than explicit.



**Figure 15: Representation of women and men on the boards of large listed companies in the EU (European Commission, 2016B)**

Figure 15 indicates that women are outnumbered by men in leadership positions in the EU by far. On average, only 23.3% of board members of the largest listed companies in the EU are female. The number for Luxembourg is even worse; women only represented 12.9% of board members in 2016. Only in 10 countries the share was higher than 25% (e.g. Germany with 27.2%), but none of the countries reaches a share as high as the EU-recommended gender balance zone of 40% to 60% (European Commission, 2016B). It is quite obvious that the companies in Europe are far behind the commissions targets and that a lot has to happen in order for women to make it to the top of the organizations and reduce the male-dominated culture in management. One needs to remember that one of the downsides of not taking advantage of the skills of qualified women is, amongst others, the waste of talent and the loss of economic growth potential. Furthermore, the number of women in decision-making positions is not only this low in business, the number of women in politics, which can be considered another decision-making field, is also rather miserable. In May 2016, women accounted for only 29% of members of the single or lower houses of parliaments in the EU countries (European Commission, n.d.A). Concluding, the problem of career progression is severe and needs to be tackled immediately. Fortunately, the European Union has already become aware of the problem many years ago and has initiated laws and regulations to shatter the glass ceiling. Progress is made, although at a much slower rate than required.

### *3.2.2 Gender stereotypes and statistical discrimination*

The often-cited reasons for the existence of a glass ceiling can be traced back to the use of stereotypes. “Stereotyping involves generalizing beliefs about groups as a whole to members of those groups” (Cleveland, Stockdale & Murphy, 2013, p. 42). Gender stereotypes represent socially shared beliefs about psychological traits that are characteristic of members of each sex. According to gender stereotypes, men are high in masculine traits like independence, aggressiveness or dominance, whereas females are high in feminine traits such as gentleness, tactfulness or sensitivity to the feelings of others (Powell, 2011). These stereotypes not only carry messages about how groups are perceived, but also convey expectations about how groups should behave and what characteristics are valued by the dominant group. In this way, stereotypes can limit the types of professions and careers people select and can ultimately affect the perceptions of an

individual's effectiveness (Cleveland et al., 2013). Attributes describing leaders or powerful humans are mostly masculine. Competent and influential leaders are often portrayed as men, whereas the image of a successful woman is viewed with negative connotations. Women in the lead are oftentimes described as bossy or cold, whereas men would be described with adjectives like engaged and competent (Cleveland et al., 2013). The following table is an excerpt from the results I have found while searching for examples that highlight the different gender-role perceptions:

<i>He...</i>	<i>She...</i>
... is forceful	... is pushy
... is assertive	... is aggressive
... strategizes	... manipulates
... shows leadership	... is controlling
... is committed	... is obsessed
... is persevering	... is relentless

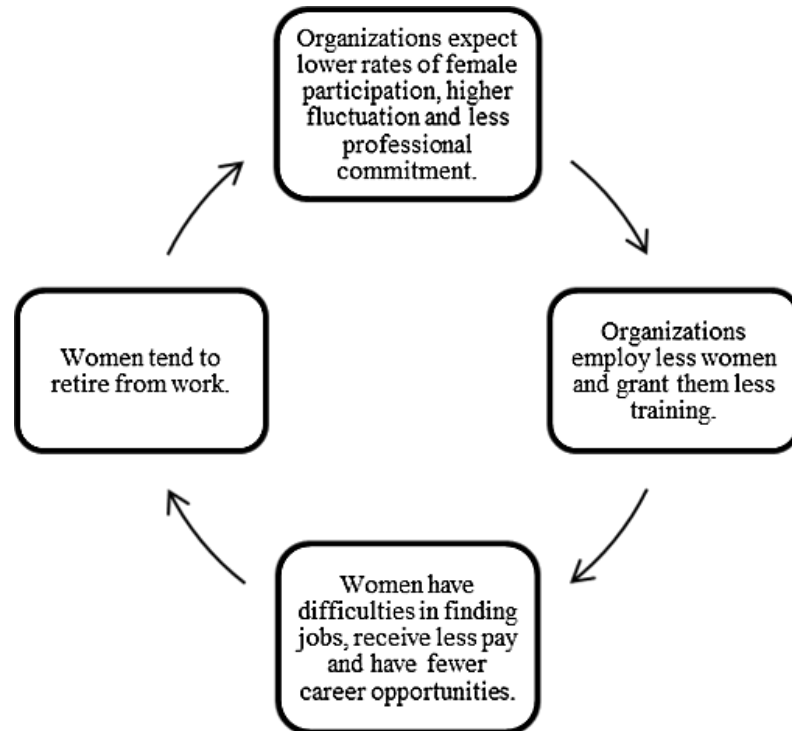
**Table 3: Examples of stereotypic behavior (own collection of comparisons)**

Despite the changing environment and society, stereotypes have not changed much over time. Competence is still labeled as masculine, whereas warmth is labeled as feminine. Another interesting fact is the change in the image of people when they become parents. Working mothers are perceived as losing competence and gaining warmth, whereas working fathers are maintaining their competence and are additionally gaining warmth. This leads to the conclusion that becoming a parent leads to the discrimination on the basis of sex that hurts women professionally but not men (Powell, 2011). Meaning, traditional role models continue to strengthen and support the vision of a woman as a mother with at most a part-time job and not that of a successful career woman. The influence of parenthood on women's careers will be further discussed in chapter 3.5.

A concept that tries to explain the metaphor of the glass ceiling with the help of stereotypes is the theory of statistical discrimination. It is defined as the discrimination of individual persons of a group of people based on an average expectation of the behavior of the whole group (Osterloh & Littmann-Wernli, 2002, p. 261). The concept assumes that employers are never fully informed in terms of productivity of their employees when it comes to recruitments and promotions. Job references and Assessment Centers can never completely reflect the efficiency and commitment of a future employee. This



means an employer will always base a decision on an incomplete set of information about the productivity of an individual. Particularly women are affected by this type of discrimination because several conditions (e.g. more frequent career breaks, double load of work and family life) lead to the generalization of a lower mean productivity of women (Osterloh & Littmann-Wernli, 2002).



**Figure 16: Vicious circle of statistical discrimination (own adaptation from Osterloh & Littmann-Wernli, 2002, p. 263)**

Figure 16 depicts the vicious circle of statistical discrimination as a self-fulfilling prophecy as portrayed in the book of Osterloh and Littmann-Wernli (2002, p. 263). As organizations expect lower rates of female participation and less commitment, they employ fewer women and grant them less training. This results in greater difficulties of finding jobs and fewer career opportunities for women. The consequence is that women lower their expectations and only apply for jobs with lower pay and less responsibility. Through this action, women meet the expectations of employers and further strengthen the image of lower female participation and professional commitment. On top of that, the male-dominated culture in top-management that is viewed as a career roadblock for women will not be diminished and the old-boy networks will continue to exclude women (Dyrchs & Strack, 2012).

Concluding, stereotypical modes of behavior influence the glass ceiling in several ways. Stereotypes in general support the statistical discrimination and result in more men being employed into higher positions, whereas women are left for the less attractive jobs. Furthermore, women will not enjoy the same amount of training and therefore have less chances of moving up the career ladder. On top of that, career barriers for women are created by the fact that recruiting personnel and supervisors, taking into consideration potential family responsibilities, assess a lower motivation and suitability to women than to men. Overall, this means that women need to compensate stereotypical modes of behavior with above-average qualifications or above-average work effort (Osterloh & Littmann-Wernli, 2002). In other words, women need to overcome higher barriers to access management positions.

### *3.2.3 Controlling for the glass ceiling*

It all starts with the recognition of a problem and the good will of the organization to adapt accordingly and prevent a glass ceiling from happening. Organizations need a strategic, fact-based, and systematic approach to diversity management that is set and vehemently pursued by the C-Suite. The first step consists of a quantitative and qualitative health check of gender diversity in the organization and includes an in-depth quantitative study of a company's management of recruiting personnel, promoting and the retention of personnel (Dyrchs & Strack, 2012). With the help of quantitative data, the company will be able to set targets and establish key performance indicators (KPI's). These KPI's will help to control for the status quo and any developments in the area of gender diversity. The company will be able to track the quantitative gender balance across its human resources (HR) process by breaking down the numbers for recruitment, promotion and retention, and even by controlling for country, region, business unit and department. A qualitative analysis complements the quantitative one, which can be in the form of web-based surveys and interviews with specific employees. This way it should be possible to learn about the root causes of the key problems in the company. With the help of these tools, the company should be able to measure the effectiveness of current actions for addressing gender diversity and tailor solutions to the identified needs. The results should ultimately have an influence on the company's business strategy and goals. It is also advisable to have benchmarks and track how the company is

evolving. Nevertheless, all of that can only promise success if the management is fully integrated and acts as a role model. The responsible persons need to be involved and evaluate progress regularly. A company that values gender diversity at every level of the hierarchy will most probably benefit from increased recruiting rates of women, decreased employee turnover, or shorter parental leaves, as well as qualitative benefits such as improved employee motivation, enhanced attractiveness among applicants, and an improved public image (Dyrchs & Strack, 2012).

#### *3.2.4 Recommendations for the elimination of the glass ceiling*

The Federal Glass Ceiling Commission, a US-based commission formed for the sole purpose of fighting gender inequality and exploring the reasons for the glass ceiling, came up with a list of recommendations for the elimination of the glass ceiling. The commission picked up its work in 1991 and ended its mission only five years later with the publication of the report “A solid investment: making full use of the nation’s human capital” (Federal Glass Ceiling Commission, 1995). The report offers the following recommendations as a strategy for shattering the glass ceiling which are, in my opinion, still valid today and can be adopted to the EU as well:

Extract of the business recommendations (all from Federal Glass Ceiling Commission, 1995):

1. Demonstrate CEO commitment: It requires a visible and continuing commitment from the CEO throughout the organization. It is recommended to set companywide policies that actively promote diversity and remove artificial barriers at all levels.
2. Include diversity in strategic business plans: Efforts to achieve diversity at both the senior level and throughout the workforce should be included in all plans. In addition, performance appraisals and other evaluation measures must reflect a manager’s ability to set a high standard and demonstrate progress toward breaking the ceiling.
3. Select, promote and retain qualified individuals: Organizations are recommended to expand their visions and seek candidates from non-customary sources, backgrounds and experiences and find ways to expand the universe of qualified candidates.

4. Prepare minorities and women for senior positions: Organizations shall expand the access for women and minorities to core areas and establish formal mentoring programs that provide career guidance and support to prepare for senior positions.
5. Initiate work/life and family-friendly policies: Organizations should adopt policies that recognize and accommodate the balance between work and family responsibilities that affect the career paths of all employees (e.g. employ more flexible work time models).

These recommendations are voluntary rules companies can apply in order to shatter and finally eliminate the glass ceiling and demonstrate public interest and commitment. Nevertheless, the greatest obstacle is the need for each organization to identify its own ceiling and find ways to adopt and apply measures at every level of the organization (Dyrchs, & Strack, 2012). Ultimately, the common goal of these recommendations is to lead by example and manage to implement a corporate culture in which equal rights are a matter of course and are promoted on each management level. The cost of not following any gender diversity and equality initiatives is the lost female talent and human capital. Another way to have companies engage with the matter in question is to have compulsory regulations they ultimately have to adhere to. One of these initiatives is the well-known women's quota. The content and application of the quota is further discussed in the next chapter "3.3 The women's quota".

### *3.3 The women's quota*

The women's quota is probably the most controversial topic in this thesis and has gained much attention in the past years. I honestly must admit that right from the beginning when I first discussed about the quota during my Bachelor program five years ago until now, I have had my problems with forming a clear opinion about it. On the one hand, the quota promises many well-deserved advantages for women, but on the other hand, it also leads to successful women having to justify for their positions. The expression of the 'token woman', which definitely has a negative connotation to it, is a term that is used in nearly every article about the quota and I find it troublesome. In the processing of the topic for this thesis, I have gained many more insights and background knowledge, which has helped me in better understanding the concept and its implications. I have become a supporter of the quota and that has nothing to do with me being a woman, but it has something to do with the positive influence of having a diverse decision-making body, which promises advantages for the companies and the society at large simultaneously. Because not taking advantage of the skills of qualified women means wasting this talent and risking the loss of economic growth potential. The legally binding quota in some countries of the EU paired with the many political discussions and prospective legal changes are consequences of the failed attempt of self-regulation. The critical mass, meaning the share of the under-represented sex found to be necessary for gender diversity to have a sustainable impact on board performance, is said to be 30% (European Commission, 2012B). This 30% target should be taken into account on the journey of having more women on the boards of companies and in decision-making positions. The following subsections will examine the legal foundations of the quota, discuss its pros and cons, and engage with the implementation in several EU countries.

#### *3.3.1 The development and the objectives of the women's quota*

The idea of supporting women, respectively the under-represented sex, in order to reach gender equality in decision-making has a long history in the EU. Already 60 years ago in 1957, the Treaty of Rome with the principle of equal pay for equal work was introduced (Article 119 EEC, then 141 EC; now Article 157 TFEU). This article can be considered the legal basis for any binding measure of the EU, aiming at ensuring the application of the principles of equal opportunities and equal treatment of both genders (Eu-

ropean Commission, 2012B). In 1976, the Court of Justice of the European Union decided that the Article 119 EEC of the Treaty of Rome not only had an economic but also a social aim. This judgment and recognition basically marked the beginning of the modern European gender equality law. The promotion of equality between men and women became one of the essential tasks of the EC with the entry into force of the Treaty of Amsterdam in 1999. Article 13(1) EC, now 19(1) TFEU, allows taking action to combat discrimination based on gender and provides the legal basis for the Directive on the principle of equal treatment between men and women in access to and the supply of goods and services (2004/113/EC). Furthermore, gender equality is also part of the Charter of Fundamental Rights of the European Union, which prohibits discrimination on any grounds. In 2009, the Treaty of Lisbon once again reconfirmed the importance of gender equality in the EU and its Member States. The state of equality is now also a yardstick for determining whether a state can become a candidate for accession to the EU (European Commission, 2012B). As can be concluded from the above list of legislative initiatives, gender equality has always been, and will always be, one of the key principles of the European Union and further actions can be projected if the state of gender equality is not developing as desired.

EU recommendations and self-regulation by companies also has a long, yet unsuccessful, history. More than 30 years ago, in 1984, the European Council adopted the first recommendation (not legally binding) on the promotion of positive action for women (84/635/EEC) (European Commission, 2012B). Twelve years later in 1996, the Council adopted another supplementing recommendation on the balanced participation of women and men in the decision-making process of companies (96/694/EC). In 2010, the Women's Charter and the 'Strategy for Equality between women and men 2010-2015' with the priority of reaching equality in decision making were published. One year later in 2011, the first quantitative target was made public when the Commission's former Vice-President Viviane Reding (2010-2014) launched the 'Women on the Board Pledge for Europe'. The pledge called for publicly listed companies to voluntarily commit to increase the number of women on the boards to 30% by 2015 and 40% by 2020. However, like all other previous recommendations and efforts, the pledge failed as only 24 companies signed it in the year after its publication (European Commission, 2011).

Since voluntary initiatives did not lead to the desired change, the European Parliament called for legislation on women and business leadership in 2011 and on equality between women and men in the EU in 2012. In 2012, the EC held a public consultation and invited interested parties (among other businesses, social partners, NGO's, citizens) to comment on what kind of measures the EU should take to tackle the problem of gender inequality in boardrooms. The results of these public consultations have fed into the proposal that was published in November 2012 (European Commission, 2012C). The proposal can be considered the first attempt of a legally binding quota in Europe.

### *3.3.2 Legal foundations in Europe*

On November 14 in 2012, the EC published a press release with the headline “Women on Boards: Commission proposes 40% objective” (European Commission, 2012C). The proposed legislation has the aim of attaining a 40% objective (minimum share) of the underrepresented sex among non-executive board-member positions in publicly listed companies by 2020, with the exception of small and medium enterprises. The proposal is based on a minimum harmonization approach and applies to more than 5,000 listed companies in Europe. The 40% quota is situated between the critical mass of 30% and full gender parity (50%). Companies that fail to meet the share of 40% are required to make appointments to those specific positions on the basis of an analysis that compares the qualifications of each candidate by applying gender-neutral and unambiguous criteria. Inbuilt safeguards will make sure that there is no automatic promotion of the underrepresented sex; qualification and merit will remain the main criteria. However, given equal qualification, priority shall be given to the underrepresented sex (European Commission, 2012C). The former Vice-President Viviane Reding, the EU's Justice Commissioner, declared: “The European Union has been successfully promoting gender equality for over 50 years. However, there is one place where we have not seen any progress: company boardrooms. [...] The Commission's proposal will make sure that in the selection procedure for non-executive board members priority is given to female candidates – provided they are under-represented and equally qualified as their male counterparts.” (European Commission, 2012C, p. 2). The proposal also includes the complementary measure of a ‘flexi-quota’, which is an obligation for listed companies to set themselves individual targets (e.g. 15% or 20%) regarding the representation of

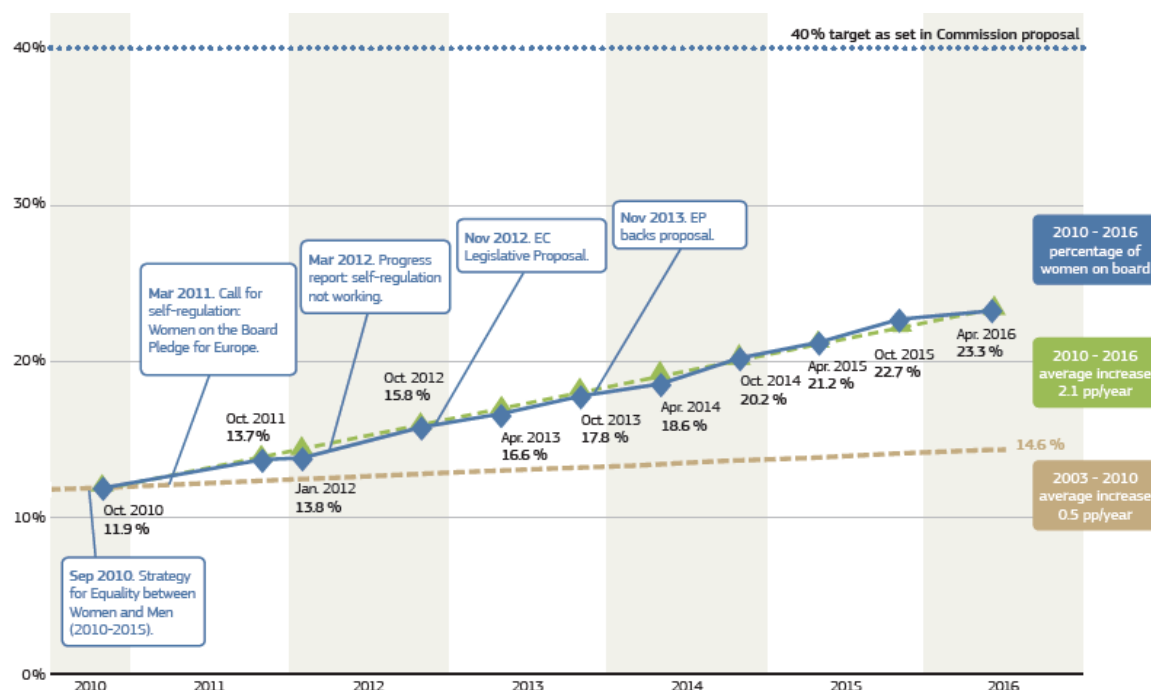
both sexes among executive directors to be met by 2020. All Member States of the EU have to lay down appropriate sanctions for companies in case of a breach of the Directive (European Commission, 2012B). In addition, the proposal respects the EU's principle of subsidiarity and offers considerable flexibility in choosing the means to achieve progress in each Member State. Subsidiarity in this respect means that the Member States are free in defining their national legislation and their provisions for the selection and election of candidates for the posts of non-executive directors on the basis of a comparative assessment. This implies that the proposal does not prescribe a 'one size fits all solution', but recognizes that the Member States can still choose their own options and solutions for improving gender balance on company boards (European Commission, 2016B). Ms. Viviane Reding moreover states that the proposal was not meant to determine the companies' hiring policy for decades; it is meant to bring about change and having companies realize their full potential with the help of both sexes. The ideal scenario would be the equal appointment of both genders without the need of a quota. Alternatively, as Viviane Reding puts it: "This measure is there to swiftly bring about gender equality in Europe's corporate boardrooms. It will no longer be needed once progress in this area has been achieved" (European Commission, 2012C, p. 3). That is why the proposal is meant to be temporary and is set to expire in 2028 (European Commission, 2016B).

In 2015, the proposal was reconfirmed in the EC initiative 'Strategic engagement for gender equality 2016-2019'. Ms. Věra Jourová, Viviane Reding's successor, also considers the promotion of equality in decision-making as one of the key priorities and actions for her tenure as Commissioner for Justice, Consumers and Gender Equality (European Union, 2016). She states that promoting equality in decision-making also requires a better gender balance among executive directors of listed companies as well as in the talent pipeline. The efforts to reach the target shall be complemented with data collection, actions to tackle the dominance and over-representation of men in organizations, as well as measures to promote gender equality in politics, public life and sports (European Union, 2016). Actions to reach the target of the 'Strategic engagement for gender equality 2016-2019' complement the actions of the 2012 proposal and are, amongst others, the following:



- “... continue to support adoption of the 2012 proposal for a Directive on improving the gender balance among non-executive directors of companies listed on stock exchanges, closely monitor transposition and implementation;
- continue to collect and disseminate data on the representation of women and men in high decision-making positions, in close cooperation with the European Institute for Gender Equality;
- provide guidance for Member States on a common approach to the implementation of quantitative targets for decision-making positions in research ...” (European Union, 2016, p. 14).

The following figure provides a good overview of the evolution of the representation of women on the boards of large listed companies in the EU, together with the temporal development of the various EU initiatives:



**Figure 17: Representation of women on the boards of large listed companies in the EU, October 2010 - April 2016 (European Commission, 2016B, p. 2)**

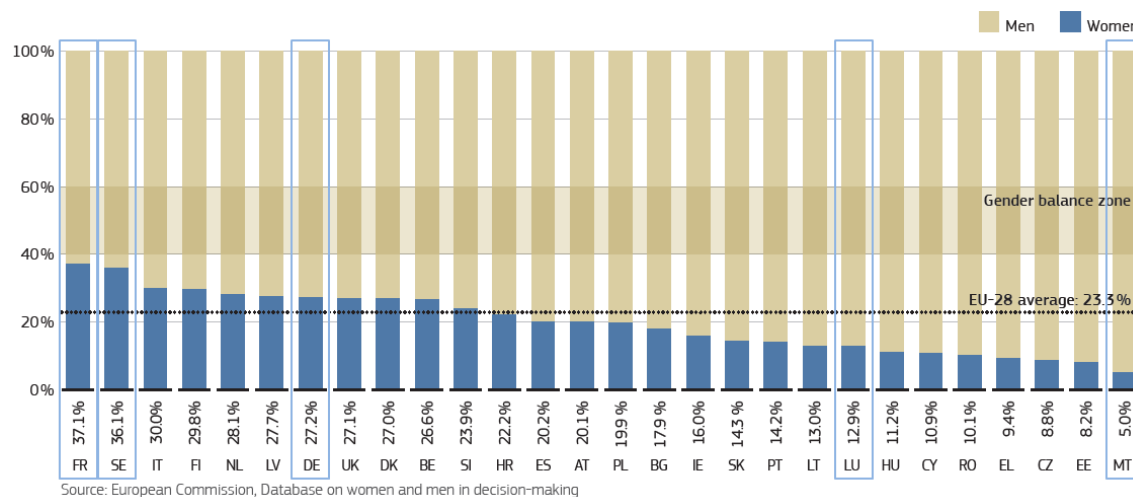
The graph in Figure 17 starts in October 2010 when the ‘Strategy for Equality between Women and Men 2010-2015’ had been published and the equality between women and men had been marked as one of the key goals of the EU. At that time, the EU-average of women on boards of large listed companies was only 11.9%. The brown dotted line in-

dicates the hypothetical development of the percentage share of women if no action had been taken in 2010 and the slope would follow the average percentage rise of the years between 2003 and 2010. With an average increase of only 0.5% per year, the percentage of women on large listed companies would have been as low as 14.6% in April 2016. Yet, thanks to the different initiatives, the slope had become much steeper in reality. In March 2011, the EU called for the voluntary self-regulation for companies in its ‘Women on the Board Pledge for Europe’. Unfortunately, the call did not have the desired effect and the share of women did not increase significantly in the following year. Only in 2012, when the EC published the legislative proposal, a noteworthy growth in the percentage can be recognized. From October 2012 (15.8%) until April 2016, the percentage of women on large listed company boards on average increased by 7.5% to 23.3%. The best performing countries during that period were Italy (+25.5%), France (+24.8%) and Belgium (+16.1%), whereas the Czech Republic (-3.4%), Slovakia (-7.3%) and Romania (-11.2%) were the worst performing countries that even made substantial setbacks (European Commission, 2016B). On average, the target of 40% has not yet been reached and there is still a lack of 16.7% until its full achievement, but progress is made and the Member States have put in place measures that promise to help to reach the target. Most of the improvements in this field can be attributed to the countries that have taken legislative action and that had an intensive public debate on gender equality issues. The following subsection takes a closer look at the operational implementation in selected Member States.

### *3.3.3 Cross-border comparisons*

The following figure has already been discussed in chapter 3.2 “The glass ceiling” and it displays the various differences in the share of women and men on the boards of large listed companies in the EU-28 Member States. As the proposal leaves room for each member state to determine how the objectives and general rules shall be implemented at national level by taking into account the national, regional or local conditions, the share of women on the boards and the pace of development varies a lot across the countries. Some countries are doing a great job and will reach the EU-target soon; others need some more support and legal actions if they want to reach the target at some point in time. The difference between the best performing country France (37.1%) and the worst

performing country Malta (5%) is as high as 32.1% in 2016. What are countries like France doing that others supposedly cannot?



**Figure 18: Representation of women and men on the boards of large listed companies in the EU (European Commission, 2016B, p. 2)**

The first country of interest is the frontrunner France. The share of women on boards of large listed companies in France is with 37.1% well above the EU-28 average of 23.3% (+13.8%). The French government has decided for a quota of 40% in 2011, which is applicable to non-executive directors in large listed and non-listed companies (with at least 500 employees or with revenues over EUR 50 million). Furthermore, the legislation is complemented by the recommendation to use the same quota of 40% for all board members (European Parliament, 2015). The progress France has made is a positive example as the share has risen from just about 5% in 2003 to nearly 40% in 2016 (European Commission, 2016B). This success is attributable to the use of a quota and the governments enduring endeavor to fight gender inequalities on every level.

The second-highest scoring country Sweden (36.1%) is commonly known as a gender-equal society. Surprisingly, Sweden does not have a quota and only initiated the Swedish Corporate Governance Code of 2004 that entails a voluntary goal of parity for all board members of listed companies. The Corporate Governance Code is supplemented with the obligation to justify the composition of the board ('comply-or-explain' approach) (European Commission, 2013A). The share of women subsequently increased in the past and is expected to reach 40% in the next five to ten years. In January 2017,

Sweden's parliament once again rejected plans to introduce a quota with the reasoning that more even gender distribution should be encouraged through other means than binding legislation (The Guardian, 2017). The progress in Sweden is tracked by an independent foundation (the Allbright Foundation) that undertakes annual reviews of gender diversity in the various boards of large companies. The foundation groups these companies in a white, grey or black list depending on the share of women in management positions (European Union, 2017). Initiatives like these make gender diversity transparent and measurable. I have personally believed that the good result of Sweden could only be the consequence of a binding quota. However, since there is no such thing as a quota in Sweden, I guess that Swedish people do not have a problem with diversity in general. In many of the rankings and data that I have researched for this thesis, Sweden was always one of the countries who scored very well and I got the impression that people have understood and celebrate the differences and similarities of both genders. In my opinion, Sweden can be regarded as the role model in this area as they manage to show considerable progress on their path to gender equality without the need of the quota and therewith already fulfill the EC's long-term goal of achieving a higher participation of women without a binding quota.

Germany is another country that scores above the EU-average (27.2%, +3.9%) and has a legally binding quota for large listed companies. The debate of having a quota or not having one has a long history in Germany. Already in 2009 quotas have been decided upon, but also been rejected a year later by the Deutsche Bundestag. In 2011, right after the neighbor France has initiated a quota, the DAX30 companies and the 'Berliner Erklärung' from women in politics demanded action from the German government. The following years have been characterized by harsh debates and in March 2015, the fixed quota of 30% has finally been decided upon. The legislation came into force in May 2015 and is applicable to newly appointed members of the supervisory boards in listed and fully co-determined companies in the private sector from January 2016 onwards (BMFSFJ, 2016A). The quota applies to the approximate 100 largest companies in Germany. The legislation also entails a target size commitment from companies that are listed or subject to co-determination. They must set goals for their supervisory boards, board members and senior management levels and publicly disclose them in their man-

agement report (BMFSFJ, 2017A). The German Minister for Family Affairs, Senior Citizens, Women and Youth, Ms. Dr. Katarina Barley, expressed in an article in August 2017 that the quota for the supervisory boards might only be the starting point for legislative measures, as the number of women in the management boards of German companies is also not showing the desired results (BMFSFJ, 2017B). She appeals to the social responsibility of the organizations and threatens to implement a binding quota for the management boards as well if there is no considerable improvement in the coming year (Frankfurter Allgemeine, 2017). The approach in Germany seems to be working and the numbers for supervisory boards are moving in the right direction. However, I think that the German industry has not yet fully understood why gender equality is important and how it can be accomplished without the use of legally binding quotas and strict rules. It will be interesting to see how the acceptance of the quota might lead to a general rethinking in our society. The interview with Ms. Dr. Katarina Barley in Annex III offers further insights into the political discussion in Germany.

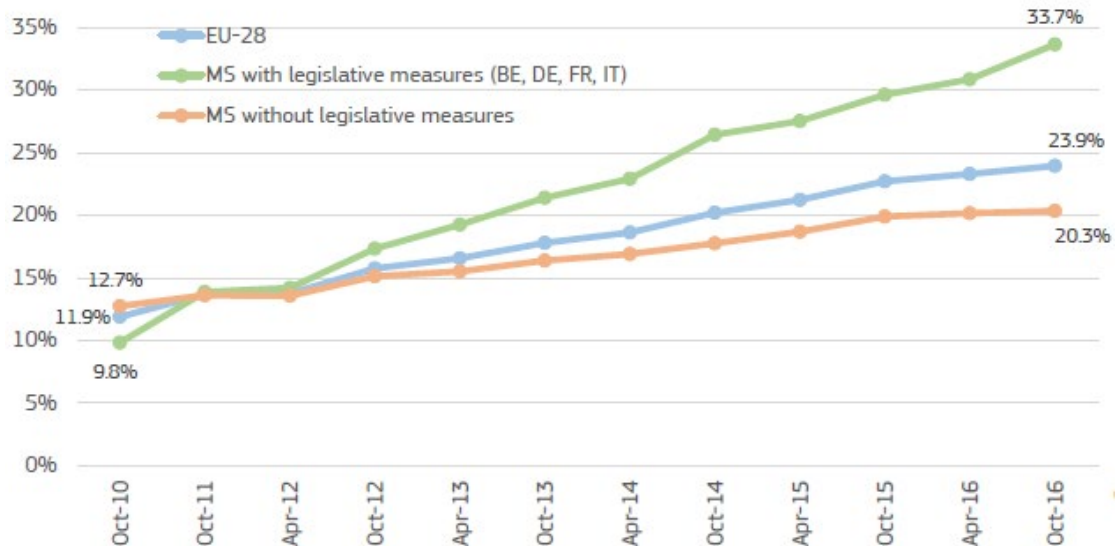
Another neighbor of quota-implementers France and Germany is the Grand Duchy of Luxembourg. Luxembourg however, belongs to the rather poorly performing countries with a share of women on the boards of large listed companies of only 12.9%. The government of Luxembourg has relied on soft positive action measures in the past and has not yet seen considerable progress. The Corporate Code of 2009 recommends companies to have an appropriate representation of both genders at all board levels (European Commission, 2016B). Furthermore, in November 2016 the Parliament decided on a political gender quota that requires political parties to put a minimum percentage of women and men on their lists. Parties that do not respect the quota will be punished through gradual cutbacks on state funding (Luxemburger Wort, 2016). In addition, and to eliminate inequalities in decision-making also in the economic sphere, Luxembourg expects to implement a policy to achieve a minimum quota of 40% of women on all executive boards in public establishments and among stakeholders and shareholders of large enterprises and private businesses by 2019 (UN Women, 2017). Luxembourg is a country that is per se diverse as so many different nationalities are coming together to live and work there, but I guess that the issue of gender equality has just not been on the agenda of the government in the past. It took some more time for them to realize the importance

of it and necessary steps are being implemented now. I personally believe that the share of women will rise and that the government will put in place the right measures to achieve the EU target. However, if they want to accomplish their objective of realizing a share of 40% by 2019, they need to implement the right measures quickly and monitor their usefulness and success carefully.

After having had a closer look at good performing countries, I also want to examine the worst performing country Malta. With a share of women of only 5% in 2016, Malta would have to increase the share fivefold to reach the EU-average. To reach the 40% target of the EU proposal, it would even need to eightfold the result. Malta is a country that does not have a quota and no other voluntary national measures in place (European Commission, 2016B). Yet, the quota is harshly discussed and people are requesting political actions more offensive these days. From the various articles I have read for this thesis, I got the impression that the Maltese government is still at the very beginning of the gender equality debate. Men who predominantly are against a quota dominate the political, as well as the economic sphere. This example leads me to the conclusion that the development and advancement at this time might only be possible with a quota or any voluntary self-regulation. Those countries who do not have either of both are the worst performing countries in the EU and need to speed up in order to make sure to reach levels other countries already have managed to achieve years ago.

Unfortunately, the discussion of the quota with the help of the above used figures of the EU-28 neglects a country that is of great importance when talking about the quota. Norway is not an EU member state and not included in the above-mentioned statistics, but it is the first country to introduce a women's quota and attention should be given to this example. The Norwegian government introduced a quota of 40% for women on boards of all public limited companies as well as state-owned, municipal, inter-municipal and cooperative companies already in 2003 and hence sparked the social debate of having women in executive positions in the economy in Europe (Storvik & Teigen, 2010). The quota also had a lot of supporters and opponents in Norway and the discussions were mainly about the principles of equality, anti-discrimination, diversity and the independence of the parties concerned. It took some years and experiences until

the quota achieved its desired results and progress had finally been made. The law led to an increase of women on the boards from 6% in 2002 to 36% in 2008 (European Commission's Network to Promote Women in Decision-making in Politics and the Economy, 2011A), and to an impressive share of 46.7% in 2015 (Dawson, Kersley & Natella, 2016). The Norwegian example shows that it is possible to reach targets in a short amount of time (30% in six years) and even exceed the legislative quota. One of the secrets of the success might be the introduction of sanctions in case of non-complying. These sanctions range from official warnings and financial penalties to a delisting of the company from the stock exchange (European Commission's Network to Promote Women in Decision-making in Politics and the Economy, 2011A). After nearly 15 years of having implemented the quota, Norway can be regarded as the positive example and role model for other governments that want to achieve similar results in the future.



**Figure 19: Share of women among board members of the large listed companies, EU-28, 2010-2016 (European Union, 2017, p. 29)**

Figure 19 clearly illustrates the development of the share of women on the boards of large listed companies of countries with and those without quotas. Member States with legislative measures have on average increased their share to 33.7% (+23.8%) in October 2016, whereas Member States without any legislative measures only increased by 7.6% to an average of 20.3% (European Union, 2017). Consequently, the gap of those Member States who use legislative measures and those who do not is as big as 13.4%.

### *3.3.4 Pros and cons of the women's quota*

As the women's quota is controversial and has its supporters and its opponents, it makes sense to have a closer look at the most pronounced advantages and disadvantages of the quota. A solid discussion includes both views and should allow for an objective consideration of arguments.

Pros of the women's quota:

- As already discussed in chapter 2, diversity is a driving force for performance. A more diverse leadership team means collecting more diverse ideas, opinions, and results. Homogenous groups most probably deliver very similar results, whereas heterogeneous groups come up with different and complementing ideas (Sherman, 2012). This consequently means that an improved company performance can indeed be a result of having more women in decision-making positions. Furthermore, the quality of decision-making is improving and leads to better decisions as more alternatives are available and being evaluated (Dawson et al., 2016). Diversity among the board members increases innovation and creativity by adding complementary knowledge, experience and skills. In addition, various studies have empirically shown that women at top levels deliver solid organizational and financial performance (McKinsey&Company, 2017).
- Secondly, women have a different approach to governance. Women are more risk-averse and exercise strong oversight that can have a value-relevant impact on the company. Paying attention to managing and controlling risks is a task a more gender-balanced board is more likely to tackle. Additionally, the quality of corporate governance and ethical behavior is said to be higher in companies with a higher share of women on the board (European Commission, n.d.B). Christine Lagarde, who is the managing director of the International Monetary Fund, in the wake of the financial crisis concluded that "If Lehman Brothers had been Lehman Sister, the economic crisis might have looked quite different. I agree and I am convinced that boards make better decisions when their composition is diverse, with different perspectives balancing power struggles and assessing risk" (EWOB, 2016, pp. 31-32).
- In addition, more women are enjoying tertiary education and they make up the majority of university graduates. Not using this talent would be a waste of human capi-



tal and in fact an irrational decision. Selecting from both sexes allows the optimal use of the talent pool and makes sure that new board members are selected from the best candidates, both male and female. The quota is solution for the skills shortage and it opens the glass ceiling to fill management gaps (Sattelberger, 2011).

- The fact that a quota is a measure to break the glass ceiling can be considered another advantage of implementing quotas. As chapter 3.2 has proven, the glass ceiling is still persistent in a lot of industries and across levels. Companies need to control for and prevent a ceiling from happening. Introducing a quota would force companies to do so and would help to implement corresponding strategies and targets faster.
- Another fact to consider is that women control about 70% of global consumer spending decisions. Therefore, having more women on boards also means having more insight into the economic behavior and consumer choices of women. Products and services are more in line with customer needs and can ultimately lead to an increased economic success for the company (European Commission, n.d.B).
- Having more women on the boards of companies can also lead to a pipeline effect, which is one of the most important advantages in my opinion. A study by Marcus Noland and Tyler Moran for the Harvard Business Review in 2016 found that having women on a board was statistically correlated with having more women in the C-Suite. That means that women on the boards seem to encourage other women to pursue to senior executive positions and this will lead to increased gender diversity in corporate leadership (Noland & Moran, 2016). Women in the lead act as role models for other women who aspire to achieve similar success in an organization. Role models take the fear of female colleagues and prove that it is possible to assert oneself against the old boy network and in this way encourage action. This advantage of the quota was also confirmed and stressed multiple times during the personal interviews (written summaries can be found in Annex II and Annex III).
- The often cited disadvantage of the quota, namely that it neglects the quality of the candidate, can be opposed to the advantage of having a more professional nomination process. Women do not per se get positions on the board; they only get them if they have the qualities and talent to excel in the respective job. The nomination process with a quota requires an extensive examination of the candidates and requires a strategic and targeted search for qualified personnel. This leads to the professional-

zation of the nomination process on the one hand, and the most qualified women to make it to the boards on the other hand (Mensi-Klarbach, 2016).

- Lastly, the topic is also an ethical one and the company's handling with it can increase and strengthen the reputation of a company subsequently. As more investors are focusing on gender diversity in management and corporate social responsibility (CSR) issues, the introduction of a quota can further increase an investor's interest in a company (Sattelberger, 2011). Ultimately, including women at the highest levels of a company demonstrates that a company is keen on achieving CSR targets and that the company takes its responsibility in society seriously.

Cons of the women's quota:

- The most prominent argument from opponents of the quota is that the quota neglects talent and quality of the candidate. This in turn leads to a suboptimal appointment of candidates. In addition to that, there is a fear of not having enough qualified or motivated women who fulfill the necessary requirements (1. being women and 2. being qualified). The appointment of unqualified women would lead to the deterioration of the status quo in boards (Mensi-Klarbach, 2016).
- A problem of quotas in general is that they advantage one group of people at the cost of another group. In the case of the women's quota, men are being disadvantaged and discriminated when it comes to filling new board positions. Although the quota provides for the consideration of talent and suitability, the quota is designed to consider women first. Furthermore, the fear of implementing additional quotas for other so-called minority groups (e.g. disabled people) adds to the fear of disadvantaging the unsupported group (Sattelberger, 2011).
- Opponents of the quota argue that a legislative measure on EU level does not take into account industry or company specifics. In their opinion, it would make more sense to have quotas on country or company level. As sector-specific challenges relate to finding women with backgrounds in e.g. technology, science, engineering or mathematics (EWOB, 2016). Not finding eligible women means having to appoint non-experts to the boards of specialized companies and this would constitute a situation, which everyone would want to avoid.

- Furthermore, as already discussed in chapter 2 “The concept of Diversity”, diversity does not only have gender as a component. Other forms of diversity, e.g. experience, cultural background, age, languages etc., might even have a bigger influence on board diversity than simply gender and would be neglected if only considering the sex of the candidate (EWOB, 2016).
- The fear of the stigmatization of women as ‘token woman’ is another disadvantage of the quota. Successful women may be stamped as token woman and their skills and talent fade into the background (Sattelberger, 2011). Many women to whom I have talked to indeed confirm this belief. They report of being openly accused of being the token woman who would not have made it to the board without the help of a quota. These kinds of accusations can lead women to either not use their voice on the board or even to resigning.

### *3.3.5 Possible implementation/realization in companies*

In order to ensure a sustainable progress in decision-making at all levels of a company, the commitment of the company’s leaders is of utmost importance. A company’s efforts only become credible, if clearly communicated and lived from the top. The commitment needs to be openly communicated to the employees and progress needs to be measured in order to scale effectiveness. Furthermore, the engagement at every level needs to be continuous and improvement needs to be evaluated. Evaluation and a revision of the policies on appointments to the board is another crucial factor in achieving gender balance. The composition of the board (e.g. the number of seats, the tenure turnover, term or age limits), as well as the nomination procedure, can be adapted in order to provide for a more diversified board (EWOB, 2017). How companies can cope with quotas and which measures they can implement in order to adapt the company strategy accordingly and bring about change in the company philosophy will be exemplarily demonstrated with the help of the example of the Deutsche Telekom and the 10-step approach for engaging more women in decision-making positions by the consulting firm KPMG.

The Deutsche Telekom was actually the first German company to publicly oblige to implement a women’s quota already back in 2010 (five years before the official legislation came into force in Germany). The company’s management proactively initiated

quotas and made the attainment of these a main objective of human resources. In order for change to happen on every level in the company, they made sure that a promotion was no longer tied to old boy networks, but only possible under the supervision of a diversity committee. Furthermore, there was a shift in the awareness of rewarding the actual outcome of work instead of the time spent at work. Rewarding time at the desk disadvantages women as they often work part-time or need to take longer breaks from work because of family responsibilities. Maternity leave, as well as paternity leave, shall not end one's career. Appropriate personnel processes that allow for a successful and enduring career shall accompany the re-entry of parents into the company. The culture of promoting the same type of worker (so-called similarity attraction) shall be replaced by a culture of diversity. The Deutsche Telekom has specified five areas of activity to make sure that the project can be turned into reality. 1. They improved their parental leave models for women and men, 2. introduced more flexible part-time models and working hour for managers, 3. provided for childcare places on the company premises, 4. offered support services (e.g. housekeepers), and 5. used the diversity area increasingly as an ambassador, communicator and advocate of the company's vision (Sattelberger, 2011). With the help of these measures and the commitment from management, the Deutsche Telekom is a great role model and shows how quotas can also help to modernize a company's personnel processes and lead to improved working conditions for women and men alike. The share of women in management subsequently evolved from 19% in 2010, to 25.4% in July 2017 (Deutsche Telekom, 2017).

The consulting company KPMG published a 10-step approach to explain how companies can control for and manage to engage more women at the top of their organizations. According to KPMG:

1. More women need to be appointed to the management.
2. Use at least three women at the level directly under the management (viz. make use of the pipeline effect). Women at the top should be visible, as a woman alone is often considered as the token woman and not as an expert.
3. Internally recruiting at least two-thirds of women for upper management positions. This signals that women from the workforce can advance inside the organization.
4. Conscious confession and visible perception of equal rights.

5. Each male manager has at least one objective concerning female support in his annual target agreement. Only when the topic of female support directly affects judgement and remuneration, it becomes seriously approached.
6. Four of the ten most important projects are to be led by women. This makes women visible as experts and gives them the chance to build up their own networks.
7. Do not hold a conference without a female speaker on the podium. With this approach, women gain more respect and get the chance to present themselves as experts to an audience.
8. When organizing meetings, take family responsibilities of parents into consideration. Otherwise, parents are excluded from information and taking decisions.
9. Formulate job advertisements in a gender-sensitive way. Male connotations such as ‘assertive’ may terrify women and hinder them from applying.
10. Executive search agencies shall be obliged to present a suggestion lists with at least 30% women on it (Koeberle-Schmid, 2016).

Concluding from the above-mentioned examples, commitment from the top of an organization is the key in implementing and achieving gender balance on a company’s board. Committing to supporting women and granting them the training and preparation they need is a credible signal from management. The following quote by a former chairperson of Nestlé nicely stresses that a change in a company’s strategy needs to take place in order for progress to happen and that it is not sufficient to appoint a random woman to fill a quota. “One woman on the board is an alibi; two women on the board are a policy and three women on the board is a strategy” (EWOB, 2016, p. 16).

### *3.3.6 Acceptance of the women’s quota*

Through the interviews I conducted for this thesis, I have experienced how women deal with quotas and how it feels to be a so-called ‘token woman’. Many of the interviewees told me that they have gotten a seat at a committee table or at an expert board because of the fact that they are women. They have openly been told so and dealt very differently with it. One woman told me that she was firstly irritated by being nominated for a committee. The irritation then grew into anger and frustration because she did not want to be the token woman of this round. Finally, she decided to accept the seat and use her

position as an ambassador for women. She decided that it made more sense to use the power she had gained through actively participating instead of resigning and doing nothing. This woman turned the irritation she felt in the beginning into eagerness and the will to use her nomination to achieve something for other women. The old boy networks seem to be particularly strong in Luxembourg and women have hard times fighting these informal clubs. Being able to join them because of a quota is a way, and at this time it might be the only effective one, that allows women to participate and make their voices heard. In contrast, I have also talked to women who did not feel as being the token woman who only was considered because a quota demanded a woman. Although they admitted that they had their difficulties in finding ways to advance to management or being considered for a committee, but they have never lost faith in their talent and continued fighting for their right. In my opinion, feeling as a token woman strongly depends on the individual woman and her opinion of a quota. In fact, not all women are supporters of the quota; some simply do not want legislative measures because of the negative consequences and the justification for positions they fear. Nevertheless, the mentioned examples and the implementation of quotas in the different Member States clearly show that female participation is in a way contingent on legislative measures (Langer, 2017). Furthermore, I have also experienced male encouragement for the quota. Capable men do not fear a quota; in my opinion only the ones who have been supported by old boy networks and are dependent on them do so. As talent, quality and individual eligibility are the main determinants for a position, no one should fear a quota at this time. And most importantly, the women's quota shall not be understood as an 'ultima ratio' in the fight for equality in decision-making positions, but it is a way of enforcing women's rights which have been suppressed for too long.

### ***3.4 The Gender Pay Gap***

Another problem that has been talked a lot about and has led to several discussions and legislative changes, is the issue of the gender pay gap. Next to the glass ceiling and the various difficulties women face when advancing, women also face an unequal treatment when it comes to pay. In fact, the gender pay gap is not something only women in management face; it is a problem that affects women in all levels of an organization. Shouldn't the remuneration organizations pay be based on the performance of its em-

ployees? Of course it should, but it is not always the case. It is a known fact of most economies that women receive lower wages than men do. All over the world, the work of a woman is not as valuable (in monetary terms and on average) as the work of a man, even if they share the same education and skills. The impact of lower wages can be wide-ranging, as it not only increases the risk of financial dependence during the working life, but it also implies lower pensions and an increased risk of poverty during old age of women (Velasco, 2013). How did we reach this state of social inequality and wage discrimination? How is it possible that companies in highly developed countries in Europe still differentiate between female and male personnel even though they legislate to ensure equal pay for equal work regardless of gender? The ultimate question is: Why is the work of women worth less?

### 3.4.1 Definition of the gender pay gap and current state in Europe

The gender pay gap is defined as the difference between men's and women's pay, based on the average difference in gross hourly earnings of all employees within the economy as a whole (European Commission, 2014). It reflects ongoing discrimination and inequalities in the labor market, which mainly affects women. According to the data of the European Commission, women in the European Union (EU-28) earn on average 16.3% less per hour than men (Eurostat, 2017J).

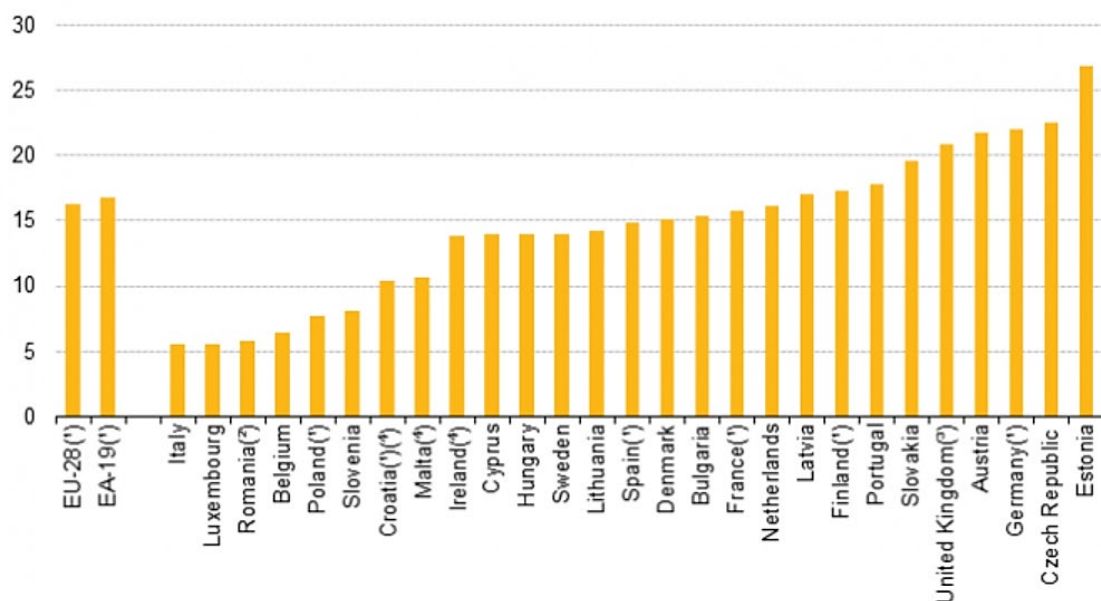


Figure 20: Unadjusted gender pay gap, 2015 (Eurostat, 2017J)

The data for gender pay gap analyses are collected in a four-yearly periodicity, with the last one being recorded in 2014. The unadjusted pay gap is based on the methodology of the EU harmonized source called the ‘Structure of Earnings Survey’ according to Regulation (EC) No 530/1999. The unadjusted gender pay gap does not take into account all of the individual characteristics that have an impact on the gap, such as differences in education, labor market experience, or type of job etc. The result does also not take into account bonus payments, performance-related pay or seasonal payments (Eurostat, 2017I). The unadjusted gender pay gap is calculated as follows:

$$\left(1 - \frac{(\text{average hourly wage of women})}{(\text{average hourly wage of men})}\right) * 100 \quad (1)$$

As can be seen in Figure 20, the unadjusted gender pay gap varied significantly across EU Member States in 2015. It varied by 21 percentage points, ranging from 5.5% in Italy and Luxembourg to 26.9% in Estonia (Eurostat, 2017J). The reasons for the existence and the size of the gap also differ strongly between the Member States. They vary from e.g. the kind of professions held by women, consequences of breaks in career or part-time work, or decisions in favor of family life etc. (Eurostat, 2017I). The different characteristics and influencing factors will be discussed in the following paragraphs.

*Side note: When interpreting and drawing conclusions from these calculations, one has to keep in mind which calculation base was used. In this case, Eurostat indicates that the calculation leads to an unadjusted gender pay gap. This means that the numbers give an indication of the true situation, but the numbers should not be taken too literal, as they do not account for every variable. One has to critically question the result and consider it together with other factors. Furthermore and for clarification, a positive gender wage gap points to a higher average wage for men, while a negative sign points to a higher average wage for women.*



### 3.4.2 Characteristics of the gender pay gap

The gender pay gap shows the following characteristics in the 28 EU Member States:

- By working profile (part-time vs. full-time): The majority of part-time workers are women (34.9% against 8.6% men). This not only has negative consequences on women's career progression and training opportunities, it ultimately affects their pension rights and unemployment benefits. In 2015, the gender pay gap for part-time workers varied from -1.1% in Germany to 27.7% in Portugal. These data show that female part-time workers in Germany earn on average even more per hour than men do. The spread for full-time workers varies from -0.4% in Italy to 20.1% in Latvia (Eurostat, 2017I). As can be seen from the figure below, in general the gender pay gap is positive for part-time and for full-time workers. Does working part-time mean that it is justified to earn less per hour? In my opinion, working fewer hours should mean that the employee earns less per month than full-time workers do, but not less per hour. As the majority of part-time workers are female, women lose out on economic advantages and suffer from fewer pensions in the future.

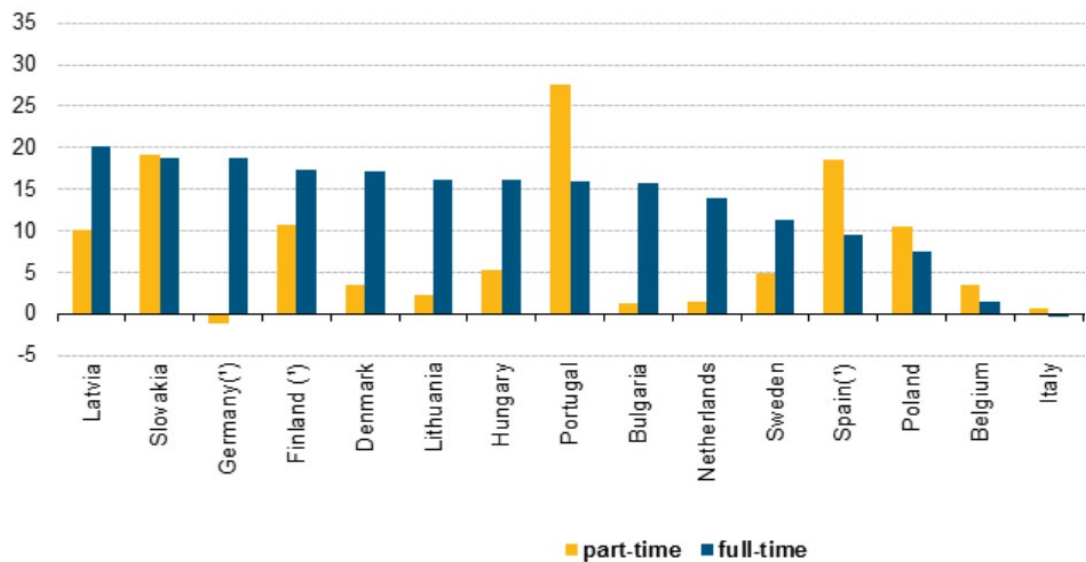


Figure 21: Unadjusted GPG by working profile (%), 2015 (Eurostat, 2017K)

- Age: At the beginning of peoples' career, the pay gap is not so much of a problem. The pay gap tends to widen with age and is the widest at mid-career. The reasons for the increase can differ across the countries but are mostly attributable to the result of career interruptions women experience during their working life (Eurostat, 2017I).

Women are often forced to interrupt their career as soon as they become a mother. They oftentimes stop working or continue to work part-time while their male counterparts usually continue their career without any breaks (even if they also become a parent in that phase of life).

	< 25 years	25 - 34	35 - 44	45 - 54	55 - 64	65 years +
Belgium	-2.3	1.0	5.6	7.5	15.7	14.4
Bulgaria	7.9	14.9	21.0	18.6	7.2	3.1
Czech Republic	12.0	13.3	28.1	24.5	15.9	23.6
Denmark	6.0	11.1	16.5	18.3	16.3	11.3
Spain(*)	5.7	6.6	11.5	19.0	21.1	45.3
France(*)	-3.2	8.7	13.2	19.2	21.7	30.1
Italy	10.7	4.8	5.6	7.4	6.3	:
Cyprus	4.9	-0.8	10.1	24.3	27.1	54.2
Latvia	13.0	15.8	22.8	15.9	14.8	16.8
Lithuania	13.9	16.7	20.3	11.4	11.4	14.2
Hungary	3.3	9.1	19.2	16.2	9.4	19.2
Netherlands	2.9	1.2	10.5	20.9	21.6	17.8
Poland(*)	8.8	9.8	13.1	5.3	6.0	-4.9
Portugal	9.1	8.5	15.1	23.9	23.3	43.4
Romania(²)	-1.1	1.1	6.6	4.9	2.8	17.5
Slovenia	7.8	7.1	10.1	11.8	5.9	0.3
Slovakia	12.1	14.1	24.6	22.1	17.7	21.2
Finland(*)	3.4	11.0	18.6	19.9	22.0	23.4
Sweden	6.1	9.4	15.6	17.2	16.1	16.3
Iceland	2.8	9.8	18.6	26.9	23.0	22.1
Norway	4.1	9.0	14.8	18.0	21.1	17.7
Switzerland	4.1	7.8	16.7	22.8	23.7	31.8

Table 4: Unadjusted GPG by age (%), 2015 (Eurostat, 2017L)

As can be seen in the table, the gap varies significantly across the different Member States. The largest gap in the age group 35-44 was recorded for the Czech Republic (28.1), whereas the lowest gap was recorded for Belgium and Italy (both 5.6).

- By economic activities: The gender pay gap varies a lot across the different sectors. The gap is generally much higher in the financial and insurance industry than in the business economy as a whole. In 2015, the gap in the financial and insurance sector varied from 18.1% (Spain) to 40.9% (Czech Republic), whereas within the economy as a whole, the lowest gap was recorded with 6.4% (Romania) and the highest with 26.9% (Estonia). Surprisingly, ten Member States recorded negative gender pay gaps both in the water supply, sewerage, waste management, and remediation activities and in the construction industry (Eurostat, 2017I). Meaning in this rather gender-atypical industries women have good chances to achieve higher wages than men do. When discussing about the gender pay gap, one also needs to look at the indus-

try of interest isolated from other industries. As the below pictured table indicates, the differences across the sectors are too big and one needs to be cautious not to mix numbers up as it can lead to a misinterpretation of the results.

	Business economy (B to N)	Electricity, gas, steam and air conditioning supply (D)	Water supply; sewerage, waste management and remediation activities (E)	Construction (F)	Information and communication (J)	Financial and insurance activities (K)
Belgium	10.9	22.4	-2	-6.9	11.8	20.2
Bulgaria	15.1	9.4	20	-10.7	19.2	22.5
Czech Republic	16.1	16.1	4	9.9	32.5	40.9
Denmark	15.5	19.8	3.5	10.6	17.3	20
Germany(*)	25.4	22.7	4.6	13.6	25	28.8
Estonia	26.9	17.6	11.5	19.5	25.5	35.4
Spain(*)	19.9	17.3	13.5	-3.5	13.7	18.1
France(*)	12.5	11.6	3.6	-5.7	11.8	30.7
Italy	17.2	.	.	.	17.4	22
Cyprus	21.8	2.8	-6.5	9.2	13.5	24.9
Latvia	15.1	20.6	15.8	3	10.9	29.4
Lithuania	18	9.3	15.8	3	29.5	38.5
Luxembourg	14.1	-1.6	-4.9	-0.6	19	23.1
Hungary	12.6	16.5	-6.7	-18.7	22	23.9
Netherlands	21.8	17	2.2	13	18.4	29.1
Austria	23.2	19.5	8.8	8	22.7	30.5
Poland(*)	17.7	1.7	-0.4	-11.4	25.5	36.7
Portugal	21.7	5.1	-8.8	-7.1	11.1	23.8
Romania(*)	6.4	2.3	-2.6	-24.2	19.1	24.2
Slovenia	8.8	-0.8	-9.8	-20.9	16.2	22.9
Slovakia	19.9	7.1	-8.1	4.2	27.7	37.5
Finland(*)	16.8	13.6	2.2	3	13.5	32.5
Sweden	10.5	8.4	-2.2	2.4	10.6	26.3
Iceland	16.5	11.9	-6.7	1	14.5	37.4
Norway	17.4	7.7	-3	0.5	15.4	29.5
Switzerland	20	11.2	8.4	5.5	22.3	31.5

Table 5: Unadjusted GPG by economic activity (%), 2015 (Eurostat, 2017M)

- Gender pay gaps and economic control: Most countries in the EU report a considerably lower pay gap (in absolute terms) in the public sector than in the private sector (European Commission & Foubert, 2010). The pay gaps varied in the private sector from 6% in Romania to 24.4% in Germany, and in the public sector from -6.8% in Cyprus to 22.5% in Bulgaria. This might be because within the public sector, employees are generally protected by collective pay agreements and other similar contracts establishing pay (Eurostat, 2017I). In general, countries that rely on minimum wages or collective bargaining tend to have lower rates of pay inequality (Velasco, 2013).

### 3.4.3 Influencing factors and causes for the gender pay gap

The different reasons and their impact also vary across the EU, but still all of them seem to have a huge influence on the form of the gap.

- **Discrimination in the workplace:** Discrimination in the workplace deals with the fact that women are not paid the same wages as men, although they are performing the same work or work of equal value. Women are often indirectly disadvantaged due to a policy or practice (originally not designed to discriminate, e.g. mobility clause or strict working hours) that results in unequal treatment between men and women. On the other hand, women are directly discriminated when they are simply being treated less favorable than men are. Direct, as well as indirect, discrimination are prohibited under law in the EU (European Commission, 2014).
- **The undervaluing of women's work:** Women often earn less than men for doing the same job or jobs of equal value. That is because women's skills and competencies are undervalued compared to that of their male colleagues. Jobs that require the same or similar skills, qualifications or experience tend to be less well paid when they are dominated by women rather than by men (European Commission, 2014). This is, amongst others, also a consequence of stereotyping, which was already mentioned in chapter 3.2 when talking about the glass ceiling.
- **Few women in senior and leadership positions:** As already discussed in previous sections, women are underrepresented in politics and in the economy as a whole. Women make up less than 17% of board members in the biggest publicly listed companies across the EU and only 4% of the chairs of boards (European Commission, 2014). That of course has an influence on salaries, as women are generally left for the less-paying jobs while men are making it up to the top-level management.
- **Different jobs, different sectors:** In general, women and men work in different sectors and perform different jobs (i.e. horizontal or sectoral segregation). For example, in the health care sector 80% of the employees are female. Moreover, the female-dominated sectors on average pay lower wages than those sectors dominated by men. Furthermore, the fact that women bear the burden of unpaid work and child-care results in the inability to work full-time. Consequently, they have to accept jobs in occupations that are compatible with their responsibilities. As a result, women are more likely to work part-time, be employed in low-paid jobs and do not take on

management positions (European Commission, 2014). Nevertheless, the pay gap also prevails within the same sector since women predominate in lower valued and lower paid occupations (i.e. vertical or occupational segregation, to be connected with the glass ceiling). This means that women are often employed as administrative assistants or low-skilled workers and are underrepresented in managerial positions (European Commission & Foubert, 2010).

- **Workplace practices and pay systems:** Workplace practices, such as e.g. access to career development and training, are more often granted to men than to women. Furthermore, different methods of rewarding employees (e.g. through bonuses) as well as the actual structure of pay systems, can also result in different rates of pay (European Commission, 2014). This is also a consequence of the common belief that women have less capital invested in their education and the seemingly needless promotion and support of women.
- **Balancing work and family responsibilities:** As many women give up their professions and related responsibilities in favor of their family, there is a gender imbalance in the sharing of family responsibilities. Women agree on working shorter hours in order to combine their family duties with paid work and the widening of the gender pay gap is a natural consequence of that behavior. Additionally, women spend more time carrying out domestic and care work than men do. Men work longer hours in their jobs, but women's working hours might even be longer if one would combine the paid and unpaid duties (European Commission, 2014). The compatibility of family and work is the main topic of the following chapter.

As can be concluded from the above list of influencing factors, the pay gap is a consequence of several inequalities in the labor market. That is to say, one has to keep in mind that the gap is linked to a number of legal, social and economic factors, which go far beyond the single issue of equal pay for equal work (Eurostat, 2017I). Luckily, the EC has already been taking action for more than 50 years to defend the principle of 'equal pay for equal work' and continues to do so as the area of gender equality is one of the biggest concerns of the Commission (European Commission & Foubert, 2010).

### *3.4.4 The legal framework in Europe*

As already mentioned in chapter 2 “The concept of Diversity”, the EU provides several anti-discrimination and equality rules and regulations. These define the various forms of discrimination and have the member countries put in place measures to monitor compliance. As ‘equal pay for equal work’ is captured as one of the EU’s founding principles (embedded in the Treaties (Article 157) since 1957), ensuring that the principle is valid for both women and men is of particular importance to the EU. Until today, the topic has gained public interest and the fight for gender equality in the area of employment and occupation is more relevant than ever. The EU Gender Equality Recast Directive (2006/54/EC) is one of the more recent directives, which prohibits direct and indirect discrimination on the grounds of sex in relation to pay (European Commission, n.d.C). Furthermore, this directive also demands that in case a job classification system is used for determining pay, the same criteria for both women and men are to be used to eliminate any discrimination on grounds of gender. Moreover, the rules require the EU countries to eliminate all discrimination on the grounds of sex from their national rules and laws, and inform workers that they have done so and how. The effective application of these directives and EU law on equal pay at national level is one of the big challenges and is crucial for fighting pay discrimination and the gender pay gap effectively. The EU Member States are monitored by the EC and find support at the EC for the proper implementation of the existing rules (European Commission, n.d.C). In the end, closing the gap requires the mobilization of all key actors in the EU, which are the European Parliament and the European social partners and which all consider the fight against the gap a political priority. Other joint actions of the EU are the ‘European Pact for Gender Equality’ which was adopted in 2011 and the EC’s ‘Strategy for Equality between women and men 2010-2015’ (which has been developed into the ‘Strategic Engagement for Gender Equality 2016-2019’) that make fighting the gender pay gap a priority by encouraging action at each Member State (European Union, 2011). Another initiative to raise awareness in the Member States is the yearly European Equal Pay Day. It is used to increase awareness of the fact that the gender pay gap still exists and that women have to work longer hours than men to earn the same wages (European Commission, n.d.C). Despite all the efforts, a disadvantage of these rules and legislation, in my opinion, is that they oftentimes neglect the pensions. Next to the gender pay gap, the pension

gap is another problem that has to be tackled as it is a continuation of the pay gap after retirement. However, I do also believe that the EU legislation will have an impact on gender wage gaps; the extent and the success will likely depend on the effectiveness and the enforcement of the legislations in each Member State.

Next to the EU laws and regulations, the Member States also have their own national application of these rules. For example, the desired state of gender equality is also inscribed in the Grand Duchy of Luxembourg's constitution. It is a "règlement grand-ducal" that prohibits gender pay gaps since 1974, and the government adopted the "plan d'égalité des femmes et des hommes 2015-18" in 2014 (Luxemburger Wort, 2017). The data shown in Figure 20 on page 58 suggest that the problem of the gender pay gap is not that big in Luxembourg (gender pay gap of 5.5% in 2015) and could be neglected. However, the existence of the gap cannot be denied and the government has put additional measures in place to decrease the gap and reach a point of equality. In 2016, Luxembourg's Equal Rights Minister Lydia Mutsch and Labor Minister Nicolas Schmit initiated and presented a new law to the industry (Luxemburger Wort, 2017). Since December 2016, an unjustified wage gap between men and women is punishable by law in the Grand Duchy of Luxembourg. The fine for this crime can be as high as 25,000 Euros along with the refusal of ministerial approvals. From now on, employers will be fined (from 251 to 25,000 EUR) as soon as a wage differential will be based on gender considerations and not on objective grounds. The wage of the injured person will be aligned with the highest wage of his colleagues who perform the same work or work of equal value. In order to make sure that the organizations know the pay system, the Ministry of Equal Opportunities makes available a software called Logib-Lux (the software is also available for Germany and Switzerland). The software helps to better understand the wage structure and identifies the causes of possible inequalities in treatment between men and women (les frontaliers, 2017). It also verifies if equal pay exists between male and female employees (European Commission, 2014). The Labor and Mines Inspectorate supervises the implementation of the new law on equal pay and if companies refuse to use this tool, they will be denied ministerial approval (les frontaliers, 2017).

Another example of how these EU provisions can be applied at national law will be given with the example of Germany. The German Bundestag believes that the main problem of the gender pay gap is the insufficient transparency in the tariff structure. That is why the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth initiated a new remuneration transparency law, which was adopted on June 30 and came into force on July 6, 2017. This example also shows that the discussion about the gender pay gap is rather new and that there is still a need for new and updated legislation. The main legal provisions are: the explicit regulation of the equal pay requirement for women and men for equal work; the individual right for information for employees in companies with more than 200 employees; the request to private companies with more than 500 employees to review their tariff structure; and the obligation to report on the status of equality and equal pay for employers with more than 500 employees (BMFSFJ, 2017C). Annex III of this thesis includes a detailed interview with Ms. Dr. Katarina Barley who is the responsible minister of the Federal Ministry that requested this legislative change. I was able to talk to her and ask questions concerning this subject and the implementation in Germany.

#### *3.4.5 Other instruments to close the gap*

In addition to legislations prohibiting discrimination at work, policies concerned with reconciling work and family life, such as e.g. childcare, maternal, paternal and parental leave, and wage-setting institutions, such as e.g. collective bargaining conventions and minimum wage laws, affect the gender wage gap as well. The introduction of minimum wages, for example, narrows the gap by reducing differences between economic sectors and occupations (Velasco, 2013). The following list entails some good practices in an effort to close the gap (examples taken from European Commission & Foubert, 2010 and European Commission's Network to Promote Women in Decision-making in Politics and the Economy, 2011B):

- The request to publish detailed information regarding wages paid.
- Compulsory equal pay plans that detail a company's commitment.
- Compulsory negotiations on occupational gender equality to place the issue on the agenda.



- Systematic and compulsory analysis of all collective labor agreements by an independent governmental body.
- A call for measures that oblige men to be more actively involved in household and childrearing tasks in order to fight gender stereotypes.
- Ensure equality between women and men in initial placements.
- Conduct a self-audit to ensure policies and practices are unbiased.
- Continuous benchmarking and monitoring.
- Ensure diversity in compensation committees.

#### *3.4.6 Benefits of closing the gap*

Being able to close the gap will have several benefits for a country and its organizations. First of all, closing the gap will create a fairer and more equal society as it can help to reduce levels of poverty and increase women's earnings during their lifetimes. The risk of women falling into poverty during their working lives is reduced as well as the danger of poverty in retirement (European Commission, 2014). Moreover, that in turn will have an influence on the society as a whole as fewer women will have to apply for state aid or are in need of any kind of support. That is to say that closing the gap is a necessary condition in order for women to improve their economic independence (European Commission, n.d.D).

Furthermore, as more women enter the labor market and women's participation in the economy increases, companies need to supply quality jobs in order to attract the best talent. Equality at work is a necessity and it is essential to creating jobs and building a positive working environment where all employees are valued equally for their work. Only in a fair environment human resources are used most efficiently and productively and competitiveness can be improved (European Commission, n.d.D). Employers will attract talented women and by treating them fairly, they will improve the business' performance and effectiveness. Most importantly, women's talent and skills will be used more effectively to the benefit of every employer. The talent pool widens as soon as employers establish the right conditions and attract the best and most talented staff. Companies with effective equality plans create the best workplaces for men and women alike. One of the consequences of this approach is a positive working environment that

further attracts customers and boosts competitiveness. These companies will have a better public image and a more satisfied customer base (European Commission, n.d.D). Moreover, as women nowadays contribute a relevant proportion to a family's budget and consequently determine on what and where the money is to be spend, their participation in the economy increases when more money is available. This means that women ultimately contribute to achieving employment growth, competitiveness and economic recovery (European Commission, 2014). Undervaluing women's work and underutilizing their skills is a lost resource for the economy and for the society at large (European Commission, n.d.D). In conclusion, not only women, but also our whole society should have a considerable interest in the equal treatment of women and men as it will only promise advantages for the economic and social development of our societies.

#### *3.4.7 Future outlook*

In spite of all the gains women have made over the years, e.g. increasing education levels and increasing labor force participation, women are still disadvantaged compared to men when it comes to pay. Aída Hurtado, a social psychologist, once pointed out at a conference, that women are still at a disadvantage compared to men when it comes to pay and that these education gains did not lead to an accumulation of wealth so far. She believes that "... this will happen within 20 years" (Gerdemann, 2016). Despite of all the legal aspirations, she believes that it will take further two decades before equality is reached. How fast the European countries are advancing and by what time equality in terms of pay can become a reality in Europe is one of the research questions of the European-based research agency Expert Market. Expert Market used the available data of the EU and Eurostat to perform a research project by looking at the trends in the data between 2007 and 2014. The project is aimed at answering the question of where European women reach equal pay first. Expert Market examined and interpreted trends across the following five key economic areas: full-time vs. part-time employment, public sector vs. private sector employment, age group, industry, and job type (Expert Market, n.d.). By calculating the average year-on-year change in the gender pay gap, Expert Market was able to model future trends and identify the quickest potential pay gap closure dates for each economic area in the EU Member States. According to this study, Luxembourg ranks 10<sup>th</sup> and is expected to potentially close the gap in 2026, which

would already be in less than nine years. Surprisingly, Romania is expected to close the gap quickest already in 2018 for women in the private sector aged between 25 and 34. Germany ranks 21<sup>st</sup> with a potential gap closure in 2046, and Hungary is at the end of the list with a gap closure in 2068 (Expert Market, n.d.). Michael Horrocks from Expert Market commented: “Although it is troubling to see the gender pay gap persisting in the EU, it is encouraging to see several potential closure dates in the near future. This research indicates that the traditional European powers – U.K., France & Germany – could be doing more to help close the gender pay gap” (Chronicle.lu, 2017).

Nevertheless, progress might be made even faster. Just in September 2017, the professional services firm Ernst & Young published a press release, which declares that women in the German DAX30 boards on average earned 5% more money than their male counterparts in the past year. Whereas the yearly total compensation (fixed and variable) of male board members (excluding CEO's) was at a constant 2.86 billion Euros between 2013 and 2016, the total compensation for female board members increased with 14% to 3 billion Euros during that time (Ernst & Young, 2017). This means that at least in the boards of the thirty biggest and highest turnover companies in Germany gender equality has been reached on paper. The reason for this success is the effort of these companies to find talented women and have them work for their company. The shortage of suitable candidates naturally results in increasing wages for these women. Unfortunately, this is only the case for DAX30 firms at the moment. Other indices like the German MDAX, SDAX or the TecDAX share the same characteristics with the overall economy, namely a gender pay gap of 7% to 23% (Ernst & Young, 2017). Nevertheless, the example of the DAX30 women shows that companies are starting to realize the potential of women and are finally adapting the appreciation and payment. This further strengthens my personal believe that it is possible to reach a point of equality eventually. Furthermore, the next ‘Structure of Earnings Survey’ is scheduled for 2018 and I am sure that the numbers will have moved in the right direction. As everyone has understood how important equality is, not only in terms of pay, and with the many regulatory changes and the public interest, I strongly believe that we will see progress in each of the mentioned areas.

### *3.5 Compatibility of family and work*

As if the situation for women on the labor market is not difficult enough, it intensifies as soon as a woman becomes as mother. It is commonly known that working mothers only seldom make it into the C-Suite. And if they do, they need to sacrifice a lot in order to find ways to arrange their family and working life. In my opinion, the incompatibility of family and work can be considered the career ender No. 1 and is a double burden for every parent. Women are subjected to very great pressure and a lot of women decide against a leading position in favor of the family (Huber-Strasser, 2017). During the interviews I conducted for this thesis, I often got the impression that this topic was of utmost importance to the interviewees. And I was surprised to hear what these mothers have experienced and what kind of difficulties they needed to solve. It is a highly emotional topic, as women apparently can never have it all; they need to find a balance between their family responsibilities and their responsibilities as a manager. This is only possible if women are willing to compromise and if they receive the needed support from their environment. The struggle of finding ways to optimally combine family and work is of course not a difficulty only female manager's face; it is a problem all parents know. Working mothers are often accused of being 'uncaring mothers' who neglect their children, whereas men who decide to support their wives and take over family responsibilities are called 'unmanly'. Either way, stereotypes and clichés are so entrenched in our culture that it is simply not possible to please everybody. Especially in today's business world in which everyone is always reachable by phone or E-Mail, the boundaries between working hours and family time become increasingly blurred and give parents hard times in balancing both. Governments are introducing legislative measures and companies are initiating work-time models to support their employees and to give women the legitimate chance to work. The decision for a child and a family should never be a decision against the job, or the other way around. Or can only childless women advance to managers? The ultimate question is: are having a career and a family two mutually exclusive life goals for women?

#### *3.5.1 The vanishing model of the housewife and mother*

The traditional role model of the caring mother who leaves the job in order to be at home for the children and the family is still engrained in our society today. Even though

you rarely see this model nowadays, it was the standard a few decades ago. I remember my mother always being there for my two sisters and me. The question of who stays at home and caters for the children was not even asked. It was absolutely clear that my father will support our family moneywise and that my mother will be there for us 24/7. For us children that was of course the ideal scenario, but I am not sure if a constellation like this is even possible today. The costs of living have increased and in most partnerships both persons need to work in order to provide for a living. I think that women are caught in a trade-off when deciding to have children or not. Women often enjoy tertiary education and are trained better than decades ago. It takes a lot more time until women start their first job and that is why the planning of having a family is naturally pushed well back.

Average Age 1. child	2008	2010	2012	2013	2014	2015
<b>EU 28</b>	:	:	:	28.7	28.8	28.9
<b>Bulgaria</b>	25.0	25.6	25.6	25.7	25.8	26.0
<b>Italy</b>	:	:	:	30.6	30.7	30.8
<b>Germany</b>	:	28.9	29.1	29.3	29.4	29.5
<b>Luxembourg</b>	29.2	29.5	29.6	30.0	30.2	30.2

Table 6: Mean age of women at birth of first child (Eurostat, 2017N)

Nowadays women in Europe are on average 28.9 years old when they become a mother for the first time. The women in Bulgaria are the youngest (26 years old); whereas the women in Italy are on average 30.8 years old and therewith the oldest women in Europe to get their first child (Eurostat, 2017N).

Total Fertility Rate	2008	2010	2012	2013	2014	2015
<b>EU 28</b>	1.61	1.62	1.59	1.55	1.58	1.58
<b>France</b>	2.01	2.03	2.01	1.99	2.01	1.96
<b>Portugal</b>	1.39	1.39	1.28	1.21	1.23	1.31
<b>Germany</b>	1.38	1.39	1.41	1.42	1.47	1.50
<b>Luxembourg</b>	1.61	1.63	1.57	1.55	1.50	1.47

Table 7: Total fertility rate (Eurostat, 2017N)

The number of births has slightly increased again and women in Europe got on average 1.58 children in 2015. However, this number is still too low for our population to grow again. Statisticians have calculated that the total fertility rate in developed countries had to be 2.1 children per woman in order for the population density to remain stable. This number is not even reached in France (1.96), where women on average get the most

children in Europe. Portugal is the lowest scoring country where women on average only get 1.31 children (Eurostat, 2017N). This implies that most countries will become problems as the population is aging and too few children are born.

The following figure deals with the subject of demographic change and projects how the population is about to change if the fertility rate is not increasing sufficiently. In 2016, the majority of Europeans (59.9%) was in the age group of 20-64 years. This group, which also includes the women of childbearing age, is projected to decline in the future (to 56% in 2030), while the group of 65-79 year olds is about to increase (from 13.8% in 2016 to 16.7% in 2030). The group of the youngest Europeans, 0-19 year olds, is also decreasing, while the group of the oldest people (80 or over) is further increasing (Eurostat, 2017O).

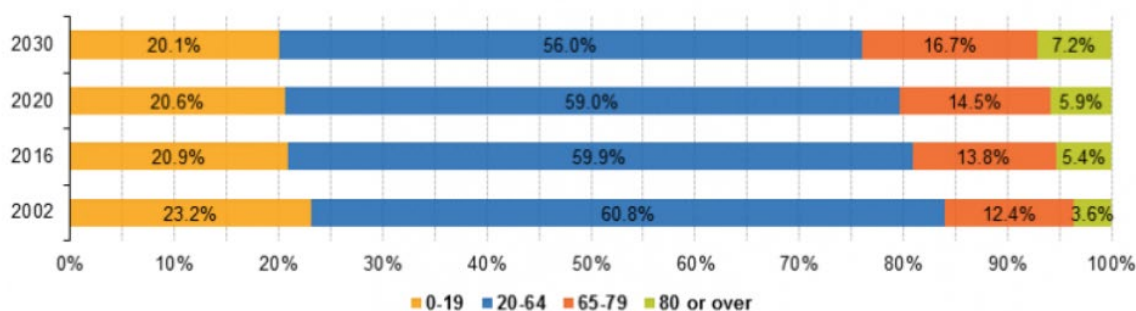


Figure 22: Population age structure, by major age groups, EU-28, 2002, 2016, 2020, 2030 (Eurostat, 2017O)

I think it becomes clear that something has to change in order to see fertility rates raise further. Women need to find the right support structures in order to balance their career and their family perfectly. Today, most women want to have a family without sacrificing their career and that means that our traditional role model is about to change. Our culture has to change into a parent-friendly one where it is absolutely ok for a woman to pursue a career and have a child at the same time. The right structures have to be set and companies also need to adapt accordingly. If we will not see changes in this regard, women would have to choose between having a career and having a family. To overstate the case: that would mean that only childless women would advance to managers of our organizations.

### 3.5.2 Barcelona targets of the European Union

One of the goals towards gender equality in the EU recognizes that women need to be supported in order to combine paid and unpaid work inside the family more easily. A formal system for childcare is a prerequisite for women to be able to work. One of the targets of the EU is to “Recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate” (European Union, 2017, p. 8). The EU cannot cater for any individual arrangements inside the companies, but it can provide a political framework to ease the compatibility of family responsibilities and work. The next figure reflects the influence of becoming a parent on the employability of gender.

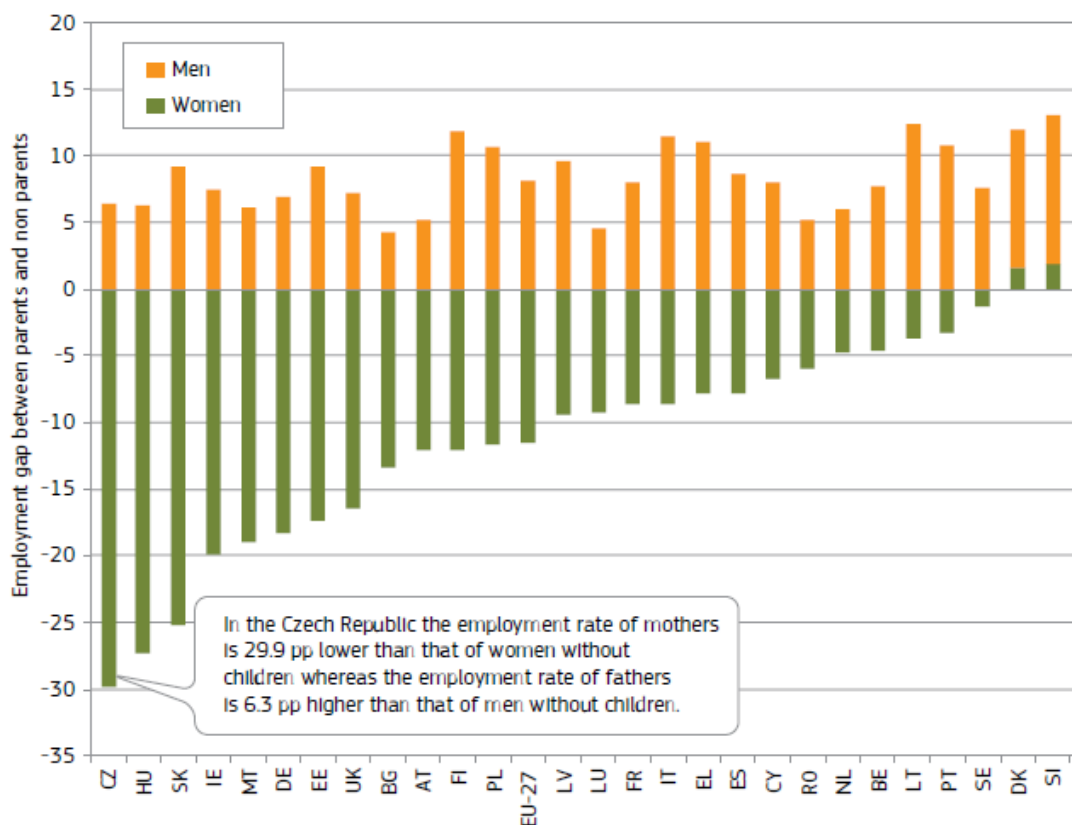


Figure 23: Employment impact of parenthood for women and men (25-49 y), 2010 (European Commission, 2013B, p.22)

As one can see, the condition of becoming a mother has a negative influence on the employment level of women, whereas the condition of becoming a father has a positive influence on the employment of men. In 2013, 68% of mothers between 25 and 49 years

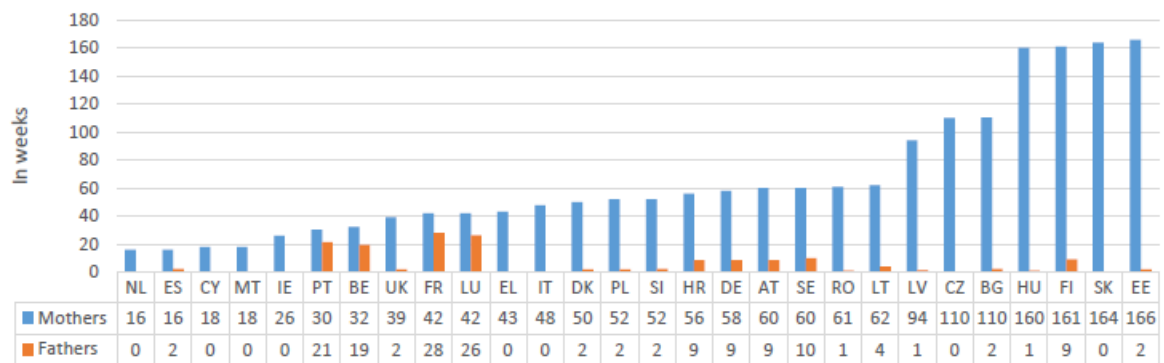
were employed in Europe, whereas 77% of childless women were employed. Surprisingly, fathers are with 87% significantly more often employed than childless men with 78%. And the number of women in employment is further decreasing with an increasing number of children (Statistisches Bundesamt, 2017C). This leads to the conclusion that mothers find it more difficult to be employed than fathers. That is to say that the right political structures need to be put in place so that women are not disadvantaged when becoming a mother. The lack of promotion of work-life balance policies and the lack of childcare facilities present a major obstacle to the economic independence of women and their progression towards positions of responsibility (European Commission, 2013B).

In 2002, the EU introduced the so-called Barcelona targets to provide for the availability of high quality, affordable childcare facilities for young children from birth to compulsory school age (European Commission, 2013B). Member States should make sure to provide childcare to at least 90% of children between three years old and mandatory school age and to at least 33% of children under the age of three. Providing and investing in childcare facilities not only supports parents, it also means investing in tomorrow's human capital and laying the foundations for education, social integration, and the personal development of children. The most recent data in this respect is available for the year 2014 and only ten Member States have managed to meet one of the targets so far. Out of these ten states, only six Member States already achieved both objectives (Sweden, Belgium, France, Slovenia, Denmark and the United Kingdom) (European Union, 2017). Part of the problem is the needed resources to implement such a system. The allocated resources to childcare services and the total expenditure vary a lot between the Member States. However, the access to childcare facilities is the main factor influencing the participation of women in the labor market. Public spending on these services is directly linked to increases in full-time employment of women. Specifically those countries that only offer childcare services on a part-time basis (with regards to opening hours) naturally give women, especially single mothers, a hard time to balance the family on the one hand and work full-time on the other hand. On top of that, childcare services need to be financially accessible and affordable for every social group. Parents who cannot pay for childcare are forced to find other ways to care for their child



and that often means for the mother to quit the job or at most work part-time (European Union, 2017).

Childcare services can have many forms and vary significantly between the Member States. These services range from e.g. group day nurseries, kindergartens, company kindergartens, drop-in day nurseries, or childminders. A factor that influences this offer is the provision and length of family leave rights. In some European countries, it is common for children to be looked at by their parents during their first years (e.g. Nordic countries or Germany) (European Union, 2017). However, the longer the maternity leave, the longer women are excluded from the labor market and the lower their chances to return into a high-level position. In some countries however, parental leave is a supplementary offer and is increasingly being made use of. The figure below provides an overview of the length of paid leave for mothers and fathers.



**Figure 24: Length of total paid leave available to mothers and length of total paid leave reserved for fathers (in weeks), 2016 (European Union, 2017, p.17)**

One can directly see that the number of weeks available to parents varies significantly. 160+ weeks of paid maternity leave is available to mothers in Hungary (HU), Finland (FI), Slovakia (SK) and Estonia (EE). Whereas the Netherlands (NL), Spain (ES), Cyprus (CY) and Malta (MT) only allow for at most 20 weeks of paid leave for mothers. Nevertheless, the situation for fathers is worse. Only in a handful of countries, fathers can make use of 10-20 weeks of paid leave (e.g. Portugal (PT), Belgium (BE), France (FR), or Luxembourg (LU)) (European Union, 2017). In the following, the provision of concrete legislative measures will be examined with the help of the prime example of Sweden.

Sweden is commonly known as a liberal and progressive country. Like already noticed in the previous chapters, Sweden was always recognized as a gender-equal country and can be considered a role model in Europe. Sweden has also been in the forefront when it comes to its family policy and gender equity through an orientation towards policies targeting men and women alike. With its childcare and leave benefits, the government is able to enable parents to better reconcile work and family, ensure a more equal sharing of paid and unpaid work and provide care solutions in the best interest of the child (Rostgaard, 2014). The main factors for success are considered to be the spending on family benefits, the flexible leave and working hours for parents, as well as affordable high-quality childcare. A proof of the successful policies is the high share of women in the labor market, the relatively high fertility rate and the low poverty rate among children. The Swedish family policy is aimed at the family's economic security, gender equality, physical well-being and the children's rights (PERFAR, 2014). Childcare is considered a right of the child and the childcare guarantee ensures that children obtain a place in childcare regardless of their parents' employment relationship (Rostgaard, 2014). The Swedish government spends more than three per cent of the country's GDP on benefits related to children and families, which is considered to be one of the highest shares in the EU (PERFAR, 2014). Next to the financial benefits, families are granted with a highly subsidized childcare (day-care centers and after-school services), free health and dental care, and services like parental insurance with job-protected leave rights and child allowances (SEK 1,050 per month per child) (Åkerström, 2017). In order for the policies to have the desired effect, the family policies are highly connected with the labor market policies with the ambition that all individuals should be able to work and support oneself. This 'dual earner - dual caregiver welfare model' facilitates the high labor force participation for both men and women (Rostgaard, 2014). Sweden was also the first country in the world to introduce paid parental leave for parents already back in 1974. The policy is based on the dual-earner model and asserts the same rights and obligations regarding family and labor for both genders (PERFAR, 2014). Furthermore, in 1980, paid paternity leave was introduced for the time period immediately after the birth of a child (Rostgaard, 2014). Policies like this specifically target the father of the family and benefit women as they can share the double burden with their partners. In the following years, the entitlement has been extended and now also in-

cludes a wider freedom of choice that allows parents to choose if the leave would be taken full-time or part-time until the child turns eight. In addition, parents with children under eight are legally entitled to reduce their work time to 75% and are granted compensation for temporary childcare (e.g. in case of illness of the child). However, and despite its gender-neutral character, the majority of parental leave days were still used by mothers. To promote parental leave to fathers, several reforms have helped to increase the share to approximately 25% nowadays (PERFAR, 2014). In addition, parental benefits (financial assistance) support the parental leave and provide opportunities for parents to combine work with parenthood. The gender equality bonus is another tool to motivate fathers to take over family responsibilities as it grants tax credit to parents who share the leave equally (Rostgaard, 2014). The length of parental leave in Sweden is 69 weeks in total (480 days of which 390 at 80% normal salary) (Åkerström, 2017). Eight weeks are for the exclusive use of the mother (maternity leave) and eight weeks for the exclusive use of the father (father's quota in parental leave). Further two weeks are considered paternity leave and are meant to be spend after the birth of a child together with the mother (Rostgaard, 2014). To sum up, each parent has an exclusive right of 90 days; the rest of the leave can be split between the parents as they choose until the child turns eight (Rostgaard, 2014). In conclusion, the Swedish government has provided for many measures to ease the compatibility of family and work for its inhabitants. The 'dual earner – dual care giver' model facilitates women as the responsibilities are split among the partners. This model allows women to return to work and concentrate on their career. As the working mother is a socially accepted model, more women are actively participating in the labor market and reconcile family and work optimally.

### *3.5.3 Work time models and a family-friendly corporate culture*

Next to the legislative measures, a family-friendly corporate culture and an understanding employer are at least equally important for parents. Companies need to adapt their corporate culture in order to value their employees and their personal family situation accordingly. Since qualities like flexibility, organizational skills, or collaborative skills are qualities that are expected from women in leading positions, the employer should create the right environment for women to exert these skills. Especially mothers are said to have the above-mentioned qualities and should therefore be of special value to com-

panies (BMFSFJ, 2014). Particularly in today's business world, which is amongst others characterized by a skills shortage, companies should have an interest in providing work time models that allow their employees to concentrate on their work on the one hand and on their family on the other hand. The companies are free in designing work time models and should provide employees a variety of possibilities to choose from. The great advantage of flexible work time models is the projected increase in job satisfaction, the facilitation of returning to work after a leave of absence and an increase in the seniority of employees (Sachverständigenkommission zum Zweiten Gleichstellungsbericht der Bundesregierung, 2017). The following list mentions the most prominent and often used forms of flexible work time models:

1. Full-time with flexible working hours and core time:

As a lot of mothers in management positions do not want to cut hours, it should be possible for them to work full-time. More flexibility can be achieved by granting flexible working hours and a core time. That way the mother is supposed to be present in the core time and can freely choose the beginning and ending of her workday (BMFSFJ, 2014). This grants her a lot of flexibility she might not have with strict working hours.

2. Full-time with the possibility of home office:

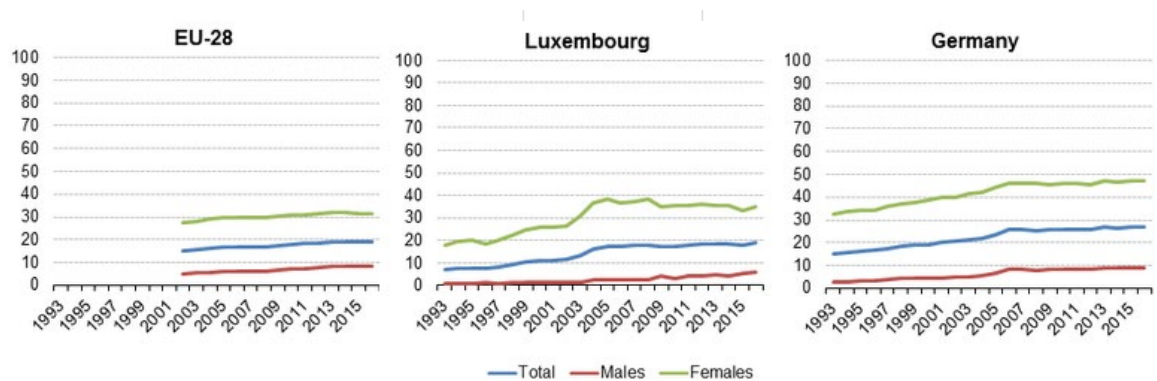
With this option, the employee can choose whether to be present at work or work from home. The employee is able to be present at meetings or whenever her colleagues need her, but she is also free to send E-Mails, do telephone conferences or conceptual work from home (BMFSFJ, 2014). This type of work time model saves commuting and valuable time. Mobile working is becoming more popular across Europe and the share of employees with a home office is increasing with the number of children of the employees. In 2014, 13% of workers with one child made use of the home office, 16% with two children, and even 19% with three or more children (Statistisches Bundesamt, 2016). These statistics show that home office is a good option to reconcile work and family. Experience has also shown that men who work from home on average fulfil more responsibilities as regards childcare and housework and that way relieve their partners (Sachverständigenkommission zum Zweiten Gleichstellungsbericht der Bundesregierung, 2017).

### 3. Part-time work with job-sharing:

With the option of job-sharing, two people can share a position and distribute responsibilities upon each other. A prerequisite is the similar education and qualities of the colleagues and the determination to work at different times. It requires a lot of trust and great reliability of both persons. Furthermore, the management style should be similar and tasks should be coordinated together and handover times arranged (BMFSFJ, 2014). Only in that case both managers will be accepted from the workforce and are expected to properly pursue their tasks.

### 4. Almost full-time or part-time work:

Working almost full-time means working 30 to 35 hours a week, part-time means even fewer hours per week. With this option women are more flexible in combining work and family responsibilities and in an ideal scenario they can choose when to work and when to take time off. Usually, the time at work is formalized and specific days are foreseen for work. If operational reasons do not intend for part-time, a limited time offer can be a solution (BMFSFJ, 2014).



**Figure 25: Part-time employment as percentage of the total employment, by sex, age group 20-64, 1993-2016 (%) (Eurostat, 2017P)**

The above figure depicts the part-time employment of women and men as a percentage of the total employment. The part-time employment rate in the EU-28 is rather stable and has reached 20% in 2015. The majority of part-time workers in the EU are still female (30%) and men only rarely (10%) decide to cut working hours. The form of the graphs for Luxembourg and Germany are similar and the majority of part-time workers are also female. Nearly 40% of women in Luxembourg and nearly 50% of women in Germany work part-time, whereas only 8% of men in Luxembourg and 10% of men in

Germany are doing so (Eurostat, 2017P). But like already mentioned in subchapter 3.1, the numbers for part-time employment vary enormously across the EU with the Netherlands being the leaders of the ranking (76.4% of women and 26.2% of men) and Bulgaria being the country with the lowest rates (2.2% of women and 1.8% of men) (Statistisches Bundesamt, 2017A).

Coming back to the corporate culture of an organization, the crux of the matter is the change in awareness of management that needs to take place in order for progress to happen. People in leading positions need to act as role models and live the corporate culture of welcoming and understanding parents. Managers need to understand that a corporate culture that emphasizes face time does not favor women. It especially does not favor new mothers who are facing postpartum difficulties, childhood illnesses or new family challenges. Furthermore, meetings do not necessarily need to be held in the afternoon, they can be scheduled for the morning as well. Having a supportive employer who on top offers flexible work schemes is often more helping for senior executives than free or low-cost provision of day care (Dyrchs & Strack, 2012). Another way to support women and working mothers is having a 'return to work' initiative. As many women, especially those in leading positions, fear having to leave work and losing their position, an initiative that helps returning to work after a leave of absence might take the fear. Keeping them engaged via training, telephone conferences or newsletters can influence a woman's commitment and company affiliation to a large extent. Some companies even grant 'same chair' guarantees which holds for a specific amount of time (Dyrchs & Strack, 2012). Finally, the discrimination and reservation towards working mothers needs to be eliminated. This can only be achieved if the management is acting as a role model and if the company offers flexible work time models. It has to become the new standard that women can become mothers and still keep their leading positions. Working part-time shall not be a criterion for exclusion from management. Training and supportive actions will help companies in adopting a corporate culture that is characterized by gender equality and known for its parent-friendliness.

### *3.5.4 The distribution of tasks among the partners*

The role of the father and his engagement is another determinant of how successfully women can balance family and work responsibilities. In my opinion, the role of the father has changed in the past to the benefit of women. Men increasingly want to have an active role in the upbringing of the child and are increasingly willing to cut working hours. A study conducted in 2016 by the German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) evaluated answers of 1,000 employed fathers of minor children and found that 51% would reduce their professional engagement in favor of the family. When only considering young fathers in the age group 18-29, the result becomes even clearer as 69% indicated that they would be willing to work part-time in favor of the family (BMFSFJ, 2016B). That is to say, young fathers are far more willing to take over family responsibilities and that a change in the traditional family patterns is recognizable. The second father barometer of the BMFSFJ has further found out that men wish for the following three circumstances in their work life in order to be able to support the mother and the family more intensively:

1. The corporate culture is considered the key to father orientation and acceptance inside an organization. Very young fathers (age group 18-29) already feel more accepted in the company and feel safe in their role as father. Central for the sustainable development of a father-friendly corporate culture is the involvement of all fathers and men, and a growing understanding for those fathers who want to take over family responsibilities.
2. Tailor-made offers and a credible encouragement increase the utilization of the same kind. As companies are more willing to offer father-friendly measures such as paternity leave or flexible work time models, more fathers will make use of it. Fathers are making positive experiences and serve as role models for others. An active communication of the offers among the workforce will help to encourage more fathers to make use of them.
3. The family-friendly work time has to fit the needs of fathers. As already touched upon above, a lot of fathers wish to reduce their work time in order to be able to spend more time with the family. However, the salaries should not be cut too much as many families are dependent on the fathers' income. Companies need to adapt to

that wish and offer appropriate possibilities (e.g. almost full-time work) (BMFSFJ, 2016B).

The above results show that more men are willing to take over family responsibilities. Nevertheless, turning that wish into a reality is a necessity in order to relieve women. Ultimately, the amount of participation of women in paid work is naturally linked to the distribution of family responsibilities between the sexes. Women, more than men, adjust their working arrangements by taking maternity leave, working part-time, or by withdrawing from the labor market (European Commission, 2013B). This in turn also has an influence on women's earnings and on their pensions later on. As a result, a fair distribution of tasks within the family is a desirable goal for women. Today, the majority of women are responsible for household duties, whether she works part-time or full-time. But even the often cited organizational talent of women reaches its limits at some point and women desire to be supported by their partners to reach equality in the household (Huber-Strasser, 2017). The Gender Equality Index, which has already been mentioned in chapter 2, nicely depicts the distribution of the domain of time across the genders. The domain of time measures the inequalities (0= total inequality, 100= total equality) in the allocation of time spent doing domestic work, care and social activities. It also shows that gender stereotypes associated with domestic and care work still have an effect on the distribution of tasks in that area. Women are expected to care for children or the elderly, whereas men are responsible for earning the money for the family (EIGE, 2017A). The gap in gender engagement in unpaid activities has been consistently and strikingly high for the EU-28 in total.

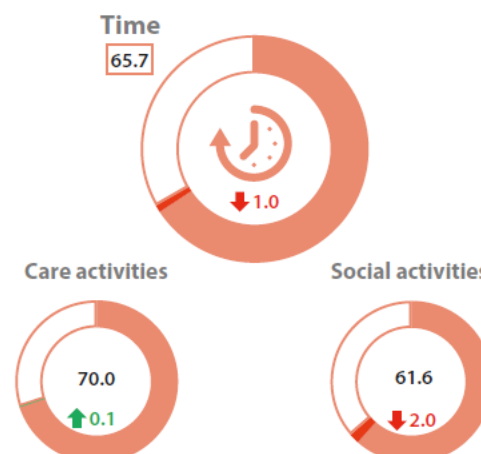


Figure 26: Scores of the domain of time, EU-28, 2015 and change from 2005 (EIGE, 2017A, p. 37)



The overall score for the domain of time has decreased by 1.0 to 65.7. This result indicates that the situation has become worse and that women spend way more time conducting household and care activities than men. Nevertheless, the result for care activities (e.g. care for children, elderly, cooking and household activities) increased by 0.1, but it is also a sign for the very slow progress in that respect. The figure below clearly outlines that the gap varies a lot across the different EU Member States. In a lot of countries the overall score for the domain of time decreased and is at a worrying low. However, exemplary countries like Sweden, the Netherlands and Denmark show that gender equality is possible and worth fighting for (EIGE, 2017A).

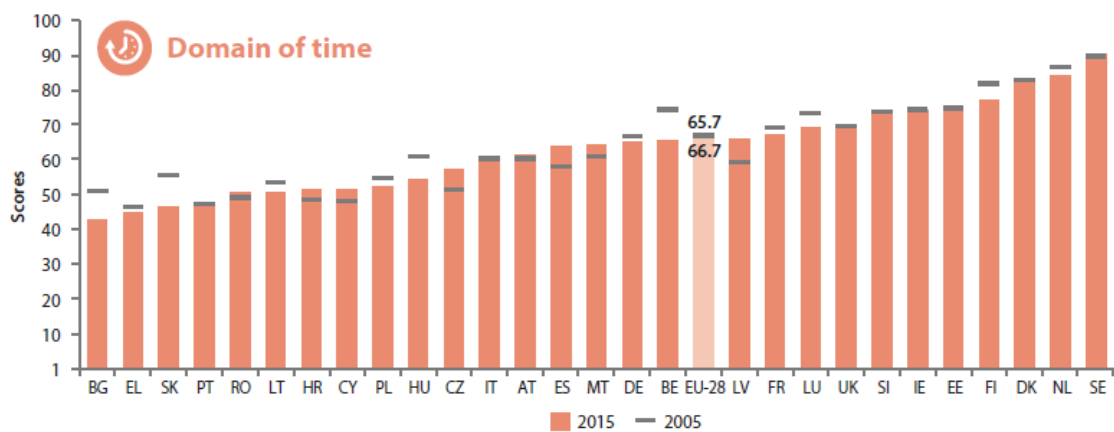


Figure 27: Scores of the domain of time, EU Member States, 2005 and 2015 (EIGE, 2017A, p. 38)

The study also found that working women are the majority of people carrying out unpaid work. 46% of working women spend at least one hour caring for children, grandchildren, elderly or people with disabilities per day. Only 32% of working men do the same (EIGE, 2017A). The figures and results of the study confirm the need for effective work-life balance policies and further policies to intensify the engagement of men in unpaid work.

The mentioned results and statistics exemplify that there is still a lot of room for improvement. Men increasingly want to care for their children and are more willing than ever to cut working hours. A general rethinking is indispensable, especially when concentrating on female careers. In order to be able to be successful in the job, women need the support of their family, the company and the society as a whole. Furthermore, it has to be possible for both partners to pursue a career and teamwork with mutual coordina-

tion and appreciation should be a matter of course (Huber-Strasser, 2017). The challenge lies in our society to accept that men also take over family responsibilities and that it is totally normal for a mother to go back to work. The old entrenched stereotypes of the caring mother and the father as the breadwinner need to be replaced by modern family patterns and family-friendly work time models. Ultimately, a decision for a child and starting a family should have the same positive influences on women and men alike. An equal treatment of mothers and fathers in all respects of society should become the 'new normal'. The following chapter includes the opinions and experiences of women in leading positions. Most of them are mothers and share their knowledge and handling in respect of reconciling work and family, and the distribution of tasks among the partners. These women are the best examples and confirm that being successful in the job and being a caring mother does not exclude each other.

#### **4. Evaluation of the Research**

After the presentation of the theoretical part of the topic “Women in management and the issue of gender-based barriers”, the following chapter shall be used to explain the methodical approach of the empirical study and its results. In order to gain insights into the personal experiences of women in management, a qualitative study has been considered the suitable method for this evaluation. In the following, the form of the interviews will be presented, the data collection method described and the data evaluation method explained. In a second step, the findings of the personal interviews and the interrelations between gender-based barriers and managers will be evaluated.

##### ***4.1 Qualitative research in the form of semi-structured interviews***

As the subject of this thesis is about women in management and the gender-based barriers they face, a qualitative research is considered the best method in gaining valuable insights. The experience and knowledge of affected persons is of interest and was gained with the use of face-to-face interviews. That is to say that the target group (the so-called ‘experts’) for this study is women in management positions in Europe. In contrast, the control group consists of men in equivalent positions in Europe. Women in the target group fulfill the requirements that are deemed to be important for this thesis; they are females in leading positions and they have faced or are exposed to gender-based barriers. Thus, the interviews are used to learn about the various experiences of these persons and how they deal with presented barriers. Men have also been considered for this study to gain further insights into how men experience gender inequalities and to get a feeling whether they are also exposed to certain issues of interest. The same questionnaire was used in all interviews as a guideline with semi-structured questions to provide for situational adjustments. For example, questions about the compatibility of family and work were not considered relevant when the interviewee did not have any children and thus could not report on problems parents face. I conducted 14 interviews in total, of which 11 interviews were held with women and three with men. Out of the 11 women, three are ministers of family affairs (in Germany, Luxembourg and Austria) and have reported on the respective political situation in their countries. Furthermore, one interview was conducted with the press spokeswoman of the Federal Office for

Gender Equality in Switzerland. The remaining seven women and three men are all managers and/or CEO's in companies in Luxembourg, Germany and France.

#### ***4.2. Data collection method***

The expert interview presents itself as the most suitable method to gain valuable insights into the topics of interest. Expert interviews are used to learn about concrete and specific knowledge of selected persons in a predefined subject area that can explicitly be touched upon by the interviewer (Mayer, 2013). I decided for a semi-structured expert interview with the help of a guideline. However, this type of individual case study does not allow for generalization, but allows for drawing conclusions out of the sum of the interviews. The expert interviews are supported by biographical narratives as the aim of the study is also to gain very personal insights. That is to say that on the one hand the interviewees were selected due to their professional, expert role (being a manager or equivalent and being able to report on respective issues), and on the other hand because of their personal experiences that were of special interest for this thesis.

##### *4.2.1 Selection of interview partners*

The selection of interview partners is already restricted by the topic of the thesis. As the topic is called "Women in management and the issue of gender-based barriers", the target group consists of women in management positions. In addition to the target group, I decided to also interview male managers and ask the same questions (= control group). Furthermore, as the thesis is limited to Europe (specifically the Member States of the EU-28), so is the search for interviewees. The interview partners should all be experts with qualified knowledge in the fields of investigation and should be viewed as a representative of a larger group (Mayer, 2013). In this case, all of the selected experts have considerable knowledge and experience with being a manager and the various circumstances that comes with it. I was able to convince women and men in Luxembourg, Germany, Austria, France and Switzerland to participate in my study. Even though Switzerland is not a member state of the EU, the interview with the spokesperson of the Federal Office for Gender Equality can still be considered of great interest. I was proactively approaching interview partners and quickly found the first people to meet for

face-to-face interviews. Oftentimes the next interview partner was a recommendation of a former interviewee or a result of a conversation. I was positively surprised by how willing and helpful the interviewees were and by how much time they devoted to me as an interviewer. This fact also further demonstrates the importance of the topic and the efforts of the persons concerned to talk about it and to facilitate a debate on the issue. The questions asked were semi-structured and adaptable to the situation. The interview was split into several main topics that were completed one after the other. The average time needed for an interview was one hour. At the beginning of each interview I asked whether an audio recording of the interview was allowed. Luckily, all of the interviewees agreed on recording, which facilitated the follow-up and the recap in the end.

Biographical data of the interviewees:

- Nationalities: Luxembourgish, German, Austrian, Swiss, French, and Slovak
- Age: 35-65 years old
- Family status: most married with children
- Profession: CEO, managing director, head of department, minister, lawyer

#### *4.2.2 Interview guide*

For this research, an interview guide was created to allow for a semi-structured interview that fit the scope of this thesis. A guideline interview is characterized by a semi-structured questionnaire that allows for free responses of the interviewees. Through the consistent use of the guideline, the interviews all follow the same structure and the comparability of the various interviews is improved. Furthermore, the guideline provides guidance and makes sure that key topics are dealt with. However, the risk of using a guideline is that it can shorten the interview to a question and answer dialogue by gradually ticking off each question. To prevent this from happening, the interviewer's task is to decide when a question has been answered in detail and when the interviewee is deviating from the guideline (Mayer, 2013). This means that the aim was not to work off each question, but rather to offer the opportunity to keep an eye on the main areas of the research and gain insights into personal experiences and knowledge. The interview guide used is divided into several sections and starts with a personal presentation of the

interviewee and her/his education and first experiences as a manager. The interview guide can be found in Annex I.

#### *4.2.3 Conducting an interview*

As already mentioned, the interview partners have been actively approached by myself. The first contact was given by a Professor of my University and contacted by E-Mail. I met the first interview partner a few days after talking to her for the first time at her home and had a two-hour conversation with her. Almost every interview partner recommended another expert that I contacted via E-Mail in the following. Most interviews have been held at the respective offices of the interviewees a few weeks after I firstly contacted them. I was invited to join them at their workplace and most partners dedicated approximately one hour to the interview. All of them knew the interview's topic and purpose in advance. The atmosphere in each interview was positive and I had the feeling that all of the interviewees were openly and gladly talking about the various topics. Furthermore, I was allowed to record the interview in each case and was able to summarize them in writing in the end. A formal transcription of the audio data was not possible due to time restrictions. The written summaries of each interview can be found in Annex II and III.

#### *4.3 Data evaluation*

The aim of the data evaluation is to compare the answers of each interview to arrive at supra-individual similarities (Mayer, 2013). The basis for the evaluation is the audio files that were gained during the interviews. The data is edited in a five-step-approach (hermeneutical evaluation procedure) to be able to arrive at a thematic allocation of answers (Mayer, 2013). The comparison of the data took place at a later point in time.

1. In a first step the audio data is paraphrased. The content of the interviews is reproduced in own words and the interviewer makes sure that no important information is left out or any information added.
2. This process is followed by a thematic ordering of the paraphrased passages. These are assigned to the topics in the order of the guide.

3. The next step is considered the thematic comparison of the various interviews. The interviews will be put together according to the predefined topics or headlines.
4. The next phase is called conceptualization. Similarities and differences are formulated and compared to the theoretical knowledge and other empirical studies.
5. In a last step, the theoretical generalization takes place. Appropriate theories are included and it is examined to what extent the results agree with those of the assumed correlations (Mayer, 2013).

I decided to first have a look at all of the written summaries that can be found in Annex II and III. I made sure to evaluate each topic individually and have all answers of each interviewee compared to one another. This means that the interviews have been examined in a sequential manner. The order of the main subjects is oriented on the sequence of the topics in this thesis. That is to say that the data evaluation first concentrates on the topic of diversity, followed by the glass ceiling and the women's quota, the gender pay gap and lastly the compatibility of family and work.

#### ***4.4 Presentation and discussion of the results***

In the following, the main subject areas are presented. The answers of ten expert interviews will be compared to one another, while the remaining four interviews with the political representatives of Germany, Luxembourg, Austria and Switzerland are considered separately at the end of each subchapter.

##### *4.4.1 The concept of diversity*

The opinion of the interviewees on the concept of diversity was quite uniform and positive. No one said that they had an issue with diversity as such and everyone stressed the fact that every human is equal. Furthermore, all of them value diversity and think that it is a true enrichment for a company as it broadens peoples' minds. As most of my interview partners have left their home country at least once during their career, they have experienced different nations, cultures, and religions that have helped to reduce inhibitions. Two out of the ten interviewees used the words 'more fun' to describe a diverse environment. They said that working together with people from different nations, with

different cultures and religions etc., makes working more fun and can only be an advantage for a company. They stressed the fact that more diversity is an opportunity for more enriching experiences and surprises. The interviewees from Luxembourg even said that diversity happens naturally in their country. The large number of nationalities has a positive influence on diversity issues and naturally promotes diversity inside and outside of local companies. Surprisingly, even though everyone values diversity and said that a company would profit from it, only two interviewees had implemented some sort of diversity initiatives. I got the feeling that most people in fact do not have a problem with diversity issues, but most people also do not consciously think about diversity as such. Many interviewees openly admitted that they did not consider diversity programs or initiatives as the issue is simply not present. As one interviewee said “diversity is not really something we talk about” (cf. fifth interview, Annex II, p. 154). This does of course not mean that diversity is not important, but I think that it only becomes a topic of interest to companies as soon as something happens or diversity is being questioned. In contrast, those companies that do attach great importance to diversity issues try to achieve predefined goals by implementing various measures. One interviewee is working for an office of the European Union and is therefore required to fill certain quotas. She told me that with the exception of the very top level of her organization, people responsible for HR have developed many policies to encourage diversity. As the European Union is a multinational organization, many different nationalities come together and diversity on the basis of nationality, and consequently also cultures and religions, is immense. Furthermore, the managers in middle and senior management have quantitative targets concerning the representation of women, which is 40%. These targets are checked but there is no punishment if they are not fulfilled; or as my interview partner put it “name it and shame it” (cf. second interview, Annex II, p. 142). In addition, the EU publishes annual reports presenting the organizations results and offers employees different forms of diversity training. Nevertheless and despite these initiatives, the top level positions are represented by very stereotypical types of leaders, which are older males. In another example, one male interviewee told me that he was trying to balance his production and was recruiting with several diversity targets in his mind. Whether these approaches are successful and lead to true diversity is questiona-



ble, but it is a step in the right direction. These programs can only be a success if they are followed with the right intentions and social sustainability.

One interview partner voiced concerns about the true concept of diversity and its implementation in companies. When we were talking about the women's quota, she legitimately said that true diversity could only be achieved if one adapts the employee requirements accordingly. She is of the opinion that only prescribing a certain quota or provisions does not do the trick. She gave the example of job advertisements for board positions. In her opinion, these often search for the same type of person. Whether that person is male or female, if it only attracts the people with the same characteristics, then you will not arrive at a diverse board because all people share the same value sets (cf. sixth interview, Annex II, p. 157). In conclusion, diversity has to be lived and taken seriously in order to have the anticipated positive effects.

In general, I got the impression that everyone is well aware of the issues and recognized a common change in the values of our society. The introduced Diversity Charta is also gaining much more attention and some interviewees have already heard of it before or have attended presentations about it. They find the Charta especially helpful for those companies that are too small to have an own department or specialists dealing with diversity issues. The Charta is perceived as a good tool to benchmark with others and to promote the company to stakeholders. In general, people have also understood that having the same type of employees or leaders does not result in above-average performance or innovations. I guess that we will see many more diversity programs in the future and that the issue will become less of a problem in Europe as people are celebrating the differences of humans and are actively recruiting people with different backgrounds.

Opinions of European politicians:

My first question to Ms. Katarina Barley, German Federal Minister of Family Affairs, Senior Citizens, Women and Youth, was about her opinion of the fact that women receive special consideration in politics. As her title suggests, women are in need of political support whereas men are supposedly not. She told me that the problem of our society is that women are still struggling with unfair treatment and that equality between men

and women is still not given today. In her opinion, as long as women are discriminated, they need special attention and focus from politics. And other politicians share this view. Ms. Corinne Cahen, Minister of Family and Integration and Minister for the Greater Region, is also a great supporter and spokesperson of the above-mentioned Diversity Charter and engages actively in diversity issues. She has been raised in a multicultural family and living in a diverse environment is something she considers as natural. She reports of having 48% non-Luxembourgish people in the country and even approximately 70% non-Luxembourgish people in the city of Luxembourg (cf. second interview, Annex III, p. 181). She demonstrates that it works perfectly fine and enriches the society as a whole. She also told me that the signatories of the Charta have recognized the enriching effect of a diverse workforce by increasing economic results. More and more companies are signing the Charta nowadays and commit themselves to regular reviews and initiating diversity programs. While it works perfectly fine in the economy, the politics reveal another picture. Ms. Cahen reports of the problem of having too few women in politics and the resulting men-dominated elections. She attributes this problem to the negative public perception of women in politics. She says that either the women are perceived as being sensitive, or they are perceived as being masculine and lacking female traits. In her opinion, women need to start fighting for their public image to change and for their independence and equality to become a true reality. Ms. Baumgartner from the Federal Office for Gender Equality in Switzerland also reports of a slight imbalance of women and men in politics. At the moment, two out of the seven members in the Bundesrat are female and the question of favoring women in case of a replacement has been heavily discussed (cf. fourth interview, Annex III, p. 192). Furthermore, the Parliament is debating about extending the Swiss constitution with a gender aspect. The Swiss constitution stipulates that the government represents and covers the various parts of the country, and consequently gender should play a role if the goal is to adequately represent the population. Gender is probably the most important diversity characteristic in politics in Switzerland at the moment. The Federal Office for Gender Equality was raised into the rank of a Federal Office with the adoption of the Gender Equality Act in the mid-1990s (cf. fourth interview, Annex III, p. 188). The main tasks of this office are the promotion of equality in all areas of life and the fight against all forms of direct and indirect discrimination. While the topic is of high priority in the

domestic and foreign policy, the political support can however differ across the cantons. In conclusion, the political support in terms of gender equality is given in the above-mentioned countries and the importance of a sustainable improvement recognized. However, I sometimes got the feeling that diversity is being reduced to the characteristic of gender. As mentioned in chapter 2, diversity means much more than that and special attention should also be given to other attributes. As this thesis is about the gender conflict, the answers provided are important and valuable for a full understanding of the implementation and realization of equality in politics. To learn more about diversity as such, another interview with the main focus on diversity is considered helpful.

#### *4.4.2 The glass ceiling and the women's quota*

The discussions about the glass ceiling and the quota were probably the most interesting ones during the interviews. The opinions were quite diverse as many were in favor of the quota but many also find it unnecessary, or rather useless. Many interviewees used words like 'humiliating', 'sad' or 'devaluation of women' when talking about the quota (cf. second, third and fifth interview, Annex II, p. 143, 147, and 154 ). These conversations have proved to me that the quota might be an eligible tool to promote women in business, but it is a controversial one, which could also harm the women affected. Those persons who were in favor of the quota, many female interviewees and one male interview partner, said that the quota might be the only tool that will bring about change in a short time. One woman told me that the quota would only make sense and lead to the desired change if the critical mass is exceeded. She says that women need at least three more female role models in order to have someone to talk to and rely on while men are grouping together and exclude women at the same time. This relates to the critical mass of 30% mentioned in chapter 3.3, which is considered to be necessary for gender diversity to have a sustainable impact on board performance (European Commission, 2012A). The persistent and strong networks of men were often mentioned when talking about the reasons in favor of a quota. Some women told me that they have systemically been excluded from committees or positions because men have recruited and nominated from within the group. Their networks are already formed in university and accompany them their whole work life. Someone even called it 'a men's world' dominated by 'bud-

dy business' (cf. fourth interview, Annex II, p. 149f). When having a quota, the pool of candidates to choose from naturally expands and grants more options to employers.

Some women told me that they knew that they were being invited to a committee or board in order to fill a quota. Some have even openly been told so. I imagine this situation as being humiliating and upsetting. However, what should a woman do in this case? One interviewee surprised me with her handling of the situation. She told me that she was very upset in the beginning, but she decided to use her chance and considered the membership in the committee as something positive. It was positive for her career and positive for all following women. She now had been granted an opportunity that she would not have had if it was not for the quota. And who knows? Maybe she will not remain the only woman in the next candidacy. This woman also managed to become the first and only female president of the Luxembourgish "Fédération des Jennes Dirigeants d'Entreprises de Luxembourg". In its 40 year history she still is the only woman who managed to excel in this position. She also traces this back to the fact of the old boy network where men select their successor in their own ranks (cf. fourth interview, Annex II, p. 149f.). I was oftentimes told during the interviews that a lot of business in Luxembourg is done with peers and people you know from university or rotary clubs. It is a traditional way of functioning and supporting people in your own ranks. It is difficult to break the patterns unless some external factor, e.g. a quota, is forcing them to.

The quota supporters say that the quota leads to more social justice in general as women have a different approach of seeing things and solving issues. It would have an impact as our society would behave differently as a result. Furthermore, they believe that having female managers will eventually become the 'new normal' when stereotypes have changed and people have accepted women in these kinds of roles. As soon as this stage is achieved, abandoning the quota again can become a real option. And that is something that mostly all interview partners have told me, whether they are in favor of or against the quota; no one views the quota as a long-time tool but as a temporary support measure. Furthermore, another advantage of the quota that was mentioned several times during the interviews was the positive influence of having a diverse board. One female interviewee reported of a study that found that a 40% participation of women on boards

would have a measurable success on firm performance. 40% is indicated as the critical mass in this study, meaning that the influence decreases at any percentage below 40. In her opinion, the function of HR needs to change to guarantee the right exploitation of the talent pool. She said that the HR function used to be a purely administrative department, which has now become one of the most important departments of a company as it takes care of a company's talent management (cf. sixth interview, Annex II, p. 157). HR needs to have strategies for promoting both men and women and finding the right talent in order to fill quotas or specifications. As soon as we will arrive at the critical mass, then it will become very normal to see women in leading positions and the question of whether or not to have a quota will disappear. The same woman also told me that she always advises women to pull other women along and help each other. If every woman supports the other, the system will naturally change and accept women as leaders.

Quota opponents, on the contrary, have told me that they have a problem with the effect it has on women in leading positions. The question whether a woman was hired because of a quota always comes to peoples' minds and cannot be excluded. To return to the above-mentioned example of a woman who took her chance and considered the board nomination as something positive despite of the quota. The same happened to another woman who had a different approach in coping with the situation. She is an opponent of the quota and felt personally attacked by a nomination for a works council. She was openly told that she only got the position because she is a women and she felt offended about it. She told me that she was sad about her competencies being secondary. She got what it takes to excel in that job and she wanted to be taken into account exactly because of her skills. Moreover, she felt unwanted and recognized a change in the council's atmosphere as soon as she entered the room (cf. fifth interview, Annex II, p. 154). This might also be one of the reasons why men are oftentimes opposed to having a quantitative quota. Men behave differently when they are completely on their own. No one likes to change behaviors in favor of other people. Furthermore, another reason why men oppose the quota might be their lack of understanding. They do not understand why they should give up a position in favor of a woman even though they are at least equally qualified. It must feel like being disadvantaged and discriminated. However, one female interview partner told me that the problem is that women have been discrim-

inated for such a long time now, that it is now time to privilege and support them (cf. fifth interview, Annex II, p. 154). I really like this way of thinking as it reflects that the quota is in fact not doing good for both genders, but it tries to eliminate some of the wrongs of the past by supporting the long suppressed gender. Nevertheless, even female interview partner told me that they could understand why men would possibly feel disadvantaged by the quota. Women do not want to take something from men, but it is a fact that they want to sit at the same table with them. So you either have to have more chairs at the table or change the positions at the table. The latter happens most of the time, and this situation paired with a quota definitely favors women. One male interviewee even went further when he said that the quota does not lead to the targeted results because it is discriminatory for both sexes (cf. ninth interview, Annex II, p. 169). In his view, any job in the business world should be filled according to personal qualifications and suitability, regardless of sex, tendencies, etc. Furthermore, and this argument leads into the same direction, another female quota opponent told me that she did not like the quota because she thinks that a woman can make it without any help if she really wants to progress into management (cf. seventh interview, Annex II, p. 163). However, she also says that the career opportunities vary across the different industries and that this statement cannot be generalized.

As already mentioned in chapter 3.3, I am a supporter of the women's quota. However, I have to admit that one interview with a male partner kept me thinking about the concept quite for some time. He told me that the quota tries to solve a general problem of our society by making gender, which is in itself irrelevant when regarding someone's ability to do a certain job, the decisive criteria. Our gender decides whether we can become a manager or not. In his opinion, only a change in organizations 'behavior' can lead to the acceptance of women's capabilities and their consideration for management positions. Furthermore, he adds that the prerequisite for a person to be successful in any organization is acceptance. He worries about the women who make it into a specific position because of a quota and anticipates lower or even missing appreciation and respect from those managers who got their position through the 'normal' way of proving qualities and abilities (cf. tenth interview, Annex II, p. 175). I think he is right and his

worries are justified. Nevertheless, I do still think that we need the quota at this point in time to arrive at the needed change in behavior that might make the quota obsolete once.

Opinions of European politicians:

Ms. Katarina Barley is also a supporter of the women's quota. She wishes to live without the quota, but in her opinion, it is simply not yet possible to achieve progress without any regulation. She told me that the problem is also apparent in German politics. The share of women has significantly decreased after the last election in September 2017 (cf. first interview, Annex III, p. 176). It is a universal problem that affects us all, whether in the free economy or in politics. In her opinion, men's strong networks are to be blamed for. She says that these networks make it possible for men to promote within the group without even considering women. These networks have excluded women from progressing for a long time now. However, she also advises women to support each other more. Women should refrain from stabbing each other in the back or criticizing someone's career. Women should not call other women 'token women' but celebrate her for the progress she has made. Every woman in the lead is role model for another woman. This view is one that Ms. Cahen shares. She says that in business as well as in politics, seeing women in leading positions is a motivating factor for other women to try as well. She also experienced being the first and only women on a board. However, she advises women to take the chance and use the advantage of having a position like that. Ms. Karmasin is another supporter of the quota as a tool to increase the proportion of women in companies and in management positions. The federal services in Austria have implemented a quota many years ago and only made positive experiences with it. By January 2018, a mandatory women's quota of 30% will come into force in supervisory boards of large and listed companies and complement the quota of the federal services (cf. third interview, Annex III, p. 187). In Ms. Karmasin's view, an alternative for the mandatory quota is the flexi-quota that requires companies to set individual targets, publish and comply with them. She hopes for a changing image of society and the breaking of stereotypes that will eventually make a quota redundant. Right now, the quota is considered a good tool to support women in her view. Ms. Baumgartner also reports of an ongoing discussion of the women's quota in Switzerland. The stock corporation law is about to be modernized and the representation of both sexes among top

management of large listed companies also plays a vital role. The current proposal, which will soon come to Parliament, entails a quota of 30% women in the administrative board and 20% women in the management board. Companies need to report on those guidelines and in case of non-fulfillment explain why they did not achieve the targets and outline measures for improvement (comply-or-explain approach). The Swiss government is already exposed to a quota and leads by example. In 2013, the target of 30% was set for both sexes in the top management bodies of state-owned enterprises and institutions. This requirement came into force in 2014 and the achievement of it is scheduled for 2020 (cf. fourth interview, Annex III, p. 190). In conclusion, the women's quota is a favorable tool to arrive at a higher share of women in management positions in the countries of interest. All interviewees reported of harsh debates, just the same as the interviewees from the free economy, with a majority for an implementation of the quota. Those countries that already implemented the quota report of increasing numbers and improved conditions. I believe that we will see more quotas in many countries across Europe in the near future. However, I also believe that the quotas have a temporal limitation and should be considered redundant as soon as the economy is able to solve the problem by itself.

#### *4.4.3 The gender pay gap*

The answers to and opinions about this topic have been in unison across the interviewees. Everyone is of the opinion that a gender pay gap is unfair and needs to be closed. The joint view is that wage should always be based on performance and skills. However, the question of whether legislative and political measures were necessary, have led to divergent opinions. Some say that legislative measures will not solve the problem as it has something to do with peoples' expectations and traditions. Others, in contrast, say that legislative measures will at least help to reduce the gap and bring about change in society's recognition. However, the problem of any kind of measure is that it is impossible to compare two humans and two jobs to another. People have different backgrounds and enjoy different education. Of course, one can grant pay based on the job description, but who can guarantee that two people who do the same job, are really worth the same? Two employees might be able to solve the same tasks, but one might do it in half of the time as the other. It even becomes more complicated when looking at



creative jobs. How to compare creativity (cf. seventh interview, Annex II, p. 163f.)? Or management positions; who is the better leader? Nevertheless, having guidelines and paying conscious attention by also training people in HR will help in recognizing the problem and gradually reducing the gender pay gap. I believe that companies will think about implementing procedures and start acting. Only one of the interviewees told me, that her employer, which is an office of the European Union, had introduced measures to prevent any wage deviation from happening. They implemented a system with non-negotiable but fixed salary packages that are assigned to a certain grade. If a person succeeds to a hierarchical level, then there is no possibility that another person at the same level would have a better salary package (cf. second interview, Annex II, p. 142). Furthermore, and in my opinion another effective means, is the internal official publication of salaries. Everyone at the office knows the height of salaries that are paid at the different hierarchical levels. Transparency is the key; if everyone knows how much money the colleagues make, then pay becomes comparable and should balance to a fair level.

Some female interview partners view family circumstances as one of the many reasons for the gap. They point to the fact that most often women stay at home in favor of the family and put back their career plans. This means that women take career breaks when they become a mother and often only return to work part-time. In addition, companies often anticipate the women to become mothers someday and avoid 'wasting' resources and investing in her. That is why more men are being promoted and earning more as a result. Surprisingly, many female interview partners also made the women themselves responsible for the gap. They say that women do not demand enough and that is why they will also not receive much in return. Women are afraid of demanding, negotiating and possibly being rejected. Women maybe ask for a pay raise once and will not come back if rejected; they are not persistent enough. Most men, in contrast, are more self-confident and convinced of their capabilities. They simply ask more often and negotiate about their salaries. One interviewee told me that she had experienced job interviews in which men start by explaining how good they are at certain things and hide their weaknesses. Women on the other hand start by explaining what they are not good at (cf. fifth interview, Annex II, p. 154). Women are taught to be kind and to not take any risks in their life. It has a lot to do with how we are being brought up. Furthermore, women are

still not well represented in the emerging fields of high tech or biotech. The jobs in these industries are paid well and the chances of professional advancement are immense. But women usually stay in the rather stagnant sectors while men move to the sectors of risk and growth (cf. second interview, Annex II, p. 143). That is another explanation for the gap and has nothing to do with an unfair treatment of women in general. One woman attributed this phenomenon to the missing social security for families. She said that women will not take any risks (e.g. moving into a risky industry) unless they know that their children are receiving better and flexible childcare (cf. second interview, Annex II, p. 143).

The general consensus was that women need to be more self-confident and believe in themselves. Women need to learn to know their worth and present themselves accordingly. That is something women can watch and learn from men. Salaries depend largely on someone's negotiation skills. And it takes courage and self-confidence to actively ask for a pay raise. However, I got the impression, and I think that most people nowadays have the same view, that the unfair or unequal treatment of women and men is improving and that the problem will eventually dissolve. The traditional family patterns are changing and seeing women in leading positions becomes the 'new normal'. A change in peoples' behavior and their financial appreciation for women's work will be a natural consequence.

Opinions of European politicians:

In Ms. Barley's view, the gender pay gap is a scandal. It is a scandal that the gap still exists today even though the fair treatment of the genders should be the status quo in our organizations. In order to fight the gap and provide women with a more fair salary, she addressed the problem of the low-paid classical women's profession (e.g. geriatric nurse, receptionist, and hairdresser) to the Deutsche Bundestag and requested an upgrade of these professions (cf. first interview, Annex III, p. 177). She said that she could not understand why we pay people who take care of e.g. our car more than to those people who take care of e.g. our children or elderly people. Furthermore, she added that we could only bring about change in the short run with the help of legal measures. One possibility would be to increase transparency on the one hand and uncover inequalities in a

second step. In addition, Ms. Karmasin adds that it also needs visible role models and political support for a rethinking of our society and a breaking up of stereotypes. In her opinion, the gender pay gap is just another indicator for the prevalent inequality between the genders. Equal pay for work of equal value must be the ultimate goal for a modern and equal society. She says that policy makers can indeed intervene and create a framework to reduce the wage differential. One possibility and support mechanism is amongst others the provision of aid when women are returning to work after giving birth to a child (cf. third interview, Annex III, p. 188). Having a family-friendly work environment should lead to an increasing acceptance of female employees and in turn to a higher appreciation in terms of wages and salaries. In fact, trying to fight wage inequalities by means of voluntary initiatives has not led to the desired results in Switzerland. Here one now tries to enforce equal pay by additional state measures. In July 2017, a proposal was passed by the Federal Council which stipulates that employers with more than 50 employees must carry out wage studies in a four-year periodicity (cf. fourth interview, Annex III, p. 189). These analyzes would be reviewed and evaluated by an external body with the means of a scientifically and legally recognized methodology. The general goal is to detect wage inequalities and alert businesses to possible inequalities inside their organizations. The Federal Office also offers support in case of questions and workshops to interested companies. Furthermore, to award those companies who actively fight wage inequalities, the ‘Charta Equal Pay in the Public Sector’ was launched in 2016 (cf. fourth interview, Annex III, p. 189). The Charta provides for analyzes of the Swiss administrations as employers, as well as inspections of companies in procurement and subsidized companies. To sum up, all of the four politicians have reported of various initiatives to fight wage differentials. While speaking about this topic, I got the impression that this inequality is on the governments’ agenda and is actively being considered as a main target in this legislative period. It is not something that is being ignored or kept a secret; it is taken seriously and is finding the right support.

#### *4.4.4 The compatibility of family and work*

Talking about the family and hearing stories about the interviewees’ children was interesting and surprising at the same time. I did not expect the women to experience headwinds when returning to work after having given birth to their children and I also did

not expect the opinions of the interviewees to be so divergent at times. Two out of the seven female interviewees do not have any children, whereas all others including the three male interviewees do have at least one child. The ones who do not have children did not blame it on their career, but they also would not exclude having children if they did not have had positions of high responsibility. Out of the eight interview partners with children, six became a parent while they were already in a management position, one got her two children before she had a career and one had her first and only child late in her career at the age of 40.

At first, I asked all interviewees how they were brought up by their parents and which kind of role image was lived. It did not come as a surprise that everyone was used to living in the 'traditional' family where the father was the main wage earner and the mother was taking care of the family. However, one could recognize a slight difference in the answers depending on the age of the interviewees. The younger the interviewees were, the more they were used to seeing their mothers work at least part-time or even full-time. This fact can be attributed to the changing image of the family and the growing number of women in the labor market. Being a mother and going to work is not an exception anymore. My interview partners are the best examples to prove that fact. I was most surprised by a woman who had become a mother at the age of 40. She admitted that it was basically her last chance to become a mother as her female clock was ticking (cf. second interview, Annex II, p. 141). She already had managed to climb up the career ladder to a point where she felt that she had to be present at work to further exercise her power. That is why she decided to go back to work full-time, while her husband decided to stay at home and be responsible for the child 24/7. This is exactly the opposite of what people are used to; it is a rather unconventional way to cope with the situation. She told me that he had his problems in the beginning with being the full-time father but is now enjoying his role. It worked out for them as she can still exert her responsibility and power while her child is being looked at by the father. Nevertheless, she admitted that she was happy to have made a career before she became a mother. She said that if she would have been younger, being a mother would have risked her career (cf. second interview, Annex II, p. 141). In contrast, one interview partner had her two children in her twenties before she was promoted into a management position. She be-

believes that with the system we live and work in, having a career and having a family at the same time are often mutually exclusive (cf. sixth interview, Annex II, p. 159). In her opinion, progressing in your job largely depends on how much time and effort you can spend at work. If you have to be at home at a certain time and cater for your kids, you will most probably not be the next person to be promoted. Competing with men who do not necessarily have to be at home and care for their children can become a real struggle for women. In her case, she was being supported by her husband and was able to work at the family business. She got her first management position when the children were a little older and could be supported by a nanny and the kindergarten. A lot of interviewees told me that they had a nanny or an au pair who supported them in addition to e.g. kindergarten or school. Furthermore, the fathers were helping and also taking more responsibility in the upbringing of the child. This corresponds to the findings of chapter 3.5 and supports the statement that men increasingly want to take an active part in the care and education of children.

What really surprised me and sometimes even shocked me, were the reactions of peoples' environments. One woman got her first and only child in the 1990s and she told me that it was considered a no-go for women to return to work after a couple of months following birth. She remembered people coming up to her and asking how she could possibly do that and that she would harm her child (cf. third interview, Annex II, p. 145). And that is something that many women told me; the acceptance of seeing young mothers return to work is often simply not given. They are accused of being bad mothers and in Germany there even exists a term for that; the "Rabenmutter" (uncaring mother). However, this also largely depends on the country we are talking about. Actually, women in France return to work very early after giving birth to their child. The political system puts much more pressure on women to work, but it also grants them tax reductions in return. A family with multiple children receives tax deductions and can even set off a nanny against tax liability (cf. third interview, Annex II, p. 146). This leads to a much higher acceptance of working mothers in France than e.g. in Germany and the result is that women on average get more children. As already mentioned in chapter 3.5, women in France do on average get the most children in Europe (1.96 per woman) (Eurostat, 2017N).

All of the women I have talked to have returned back to work only a couple of months after giving birth. Not all of them did it because they feared losing or risking their career, but because they wanted to return to their used rhythm and stay on track. Some also wanted to go back to work because it was part of their life and they enjoy working. However, they all admitted that it is not an easy task; it demands a lot of flexibility and dedication to reconcile all responsibilities. That is why companies can do a lot in supporting and helping them. I asked all of the interviewees what they would offer their own employees and which options were available. The answers varied from more flexible office hours, home office, job-sharing to company kindergartens. Everyone admitted that companies can do more for their employees and should offer these kinds of actions, but the acceptance is only slowly evolving. One female interview partner told me that she had initiated a rule which forbid having meetings after 5pm. She is of the opinion that it is not necessary to postpone meetings into the afternoon and that it would only put parents at great stress if their closing time is pushed back (cf. fifth interview, Annex II, p. 153). It takes a lot of flexibility from the employer but it is possible to reconcile work and family life. Nowadays, a positive work-life balance is something people seek to achieve. The Millennials want to have a family and a purposeful job at the same time. And I am sure that a positive work-life balance for both genders will in turn have a positive influence on their work performance. Furthermore, the expectations of how a manager has to work needs to change. It is not anymore about spending more hours at the office than colleagues and being present all the time. In times of digitalization it becomes possible to work from basically anyplace in the world. Peoples' soft skills are becoming much more important and the corporate culture needs to change in order to manifest these value sets and reflect more modern approaches (cf. sixth interview, Annex II, p. 159f.).

Moreover, the governments can also do a lot to support parents. As soon as the childcare improves, parents are freer in dividing work and fulfill their obligations at work. An example that was mentioned twice during the interviews was the obligatory parental leave for men. The problem women face is that they are not considered for a job if they are at a certain age and the employer expects them to become pregnant in the near future. The employer anticipates that she would have to leave the company for a couple of

months and does not consider her anymore for high-level positions. If men on the other hand would also have to leave the company for a certain amount of time when they become a father, it would not make a difference anymore. Both genders would have to take parental leave and take a break from the job (cf. fifth interview, Annex II, p. 153). Another necessity that goes hand in hand with the aforementioned is the need for a growing acceptance of men taking over family responsibilities. Our society always expects men to move up the career ladder but no one ever asks if they really want to (cf. sixth interview, Annex II, p. 160). Not every man wants to have responsibility in his job and become a manager; some just have other priorities which is totally fine. As soon as it becomes universally accepted that men take over family responsibilities and refrain from their traditional role of the sole wage earner, maybe then it also becomes accepted to see women return to work and having a career despite of being mothers.

What I have learned during these interviews is that it takes a lot of flexibility and a strong will to manage a family and being successful in the job at the same time. I look up to these women and admire them for their perseverance and their ability to assert themselves in this business world. Having the right support, meaning from the partner, the employer and the government, is important in finding a way to balance everything as best as possible. There is still a lot to be done and employers need to find ways to offer their employees more freedom in reconciling family and work. In the end, having a family is one of the life goals of most humans, but working and being successful in the job is another condition of high value and most often a prerequisite in order to start a family.

Opinions of European politicians:

The most often mentioned support measure in all interviews was also the favored answer of the politicians. Ms. Barley said that it should be possible for most organizations to offer more flexible working arrangements, like e.g. flexible office hours or home office. Especially the possibility of working from home encourages many women to take executive positions as it gives them the opportunity to better arrange family and work. In addition, encouraging men to take parental leave would also benefit women as the family duties could be distributed more equally. Furthermore, Ms. Barley named the

institution of a kindergarten as an important public support measure. In her opinion, children should get in touch with other children early on as it is enhancing the children's intellectual and social development (cf. first interview, Annex III, p. 178). Women should not feel bad about sending her kids to the kindergarten. It is an opportunity that should be used and that is why it becomes even more important to have enough kindergarten places in the cities. Ensuring a sufficient offer of childcare places at affordable cost is one of her main political goals as Federal Minister of Family Affairs. This endeavor is also of great importance to Ms. Cahen. She reports that the Luxembourgish government is heavily subsidizing the expansion of childcare facilities in the whole country (cf. second interview, Annex III, p. 181). Another topic of interest for Ms. Cahen is the reform of the parental leave. She made it more flexible and fitted it to the needs of the families. Men can now either take parental leave for four months in a row; they can take one month for four times within 20 months, or one working day during 20 months (cf. second interview, Annex III, p. 180). Since the reform of the system in December 2016, increasingly more men take advantage of the offer and it gains in acceptance by society. As more men are making use of it, more women are relieved and can focus on their self and their career. In her opinion, a woman should always trust her feelings and do what feels right for her. If she wants to stop working and devote all her time to the family, than this should be equally ok and accepted as the woman who decides to go back to work and follow her career. It is all about having the right structures and support from the family and the state (e.g. in the form of childcare places). Furthermore, Ms. Cahen referred to the need of having conditions that allow a more flexible work structure in the free economy. She reported of companies actively asking for a change in law to be able to offer their employees flexible conditions (cf. second interview, Annex III, p. 180). People work differently than 20 years ago and attach greater importance to an optimal work-life balance. Providing more flexible conditions and government support for families is also one of the most important targets of Ms. Karmasin. The declared goal of the Federal Ministry of Family Affairs and Youth in Austria is to make Austria the most family-friendly country in Europe by 2025 (cf. third interview, Annex III, p. 184). One of the actions that promise to achieve that goal is the introduction of the new childcare allowance on March 1<sup>st</sup> 2017. It is complemented by the family time and partnership bonus program, which motivates fathers to take an active part in



childcare and increase their participation. Through the family time bonus, fathers have the opportunity to experience the time with the newborn together with the family (up to 31 days after birth). Moreover, men are motivated to take parental leave and receive a partnership bonus if the child's care is equally distributed among the parents (50:50, or at least 60:40). Since 2014, the number of men who take advantage of these provisions is steadily increasing (to approximately 19% in 2017). The aim is to arrive at a share of 25%. In addition, with the use of EUR 305 Million in federal funds, more than 30,000 childcare places have been created since 2014 (cf. third interview, Annex III, p. 184). To further improve the compatibility of family and work life, the network "Unternehmen für Familien" [companies for families] has been introduced and aims at encouraging businesses and communities to adopt family-friendly initiatives and measures. The network has already attracted more than 420 companies across Austria and is considered a huge success. Companies are recognizing the benefit of having a family-friendly personnel policy as it not only contributes to the company's reputation, but it also has a real influence on the satisfaction of the employees. Studies have shown that fewer sicknesses and lower rates of fluctuation are a result of these policies (cf. third interview, Annex III, p. 185). This means that family-friendliness can also be understood as a competitive factor for companies. The Austrian example shows that providing government support and a flexible work structure are necessary measures in supporting young families. Especially the programs that are designed to motivate fathers to take an active role in childcare grant more freedom to mothers. Because the more the father is actively contributing to family life, the greater the chances for the mother will be to realize her aspirations also off the family. All of the above-mentioned initiatives have the mutual goal of supporting parents, women in particular, and make the compatibility of family and work a true reality to eventually have the public image of the working mother changed into a positive one. In contrast to the Austrian approach, the politics in Switzerland work quite differently. The parental or paternity leave as such does not exist in Switzerland. After the birth of a child, the fathers usually only have a few days off, while the mothers have the statutory maternity leave of 14 weeks. This short amount of time puts parents in great stress, as the reconciliation of family and work becomes a real challenge. The focus of politics is on creating needs-based childcare provisions for newborns and school kids. Since the 2000s, the government is financing and subsidizing

childcare places and more than 54,000 have been created until today (cf. fourth interview, Annex III, p. 190). Furthermore, Ms. Baumgartner reports of encouraging more men to reduce their working hours in favor of the family. As most often women accept part-time jobs and the negative economic consequences and difficult career opportunities, measures to equally distribute work need to be found. In Ms. Baumgartner's view a lot of this inequality has to do with the missing acceptance of companies and our society. Companies should offer their employees more flexible conditions and part-time work should not lead to a career interruption. This opinion corresponds to the views of the other three ministers for family affairs. All agreed on the needed understanding of companies and the provision of more flexible work structures. Politics can support families with monetary aid and provide for sufficient childcare places. In my opinion, the greatest concern is the missing valuation of working mothers from society. In some countries, e.g. France, the recognition is already given, but in most countries of Europe women still need to defend themselves and justify for returning to work. As long as this is the case, we will not see the desired increase in mothers returning to work full-time or even accepting management positions.

#### *4.4.5 Various topics*

Next to the main topics of this thesis, I have also asked rather general questions to the interviewees. I was interested in their desire to lead and whether they think that 'leading' as such is inherent in someone's personality. Surprisingly, most of them answered that they already knew from an early age on that they wanted to be their own boss in the future. The consensus was that leading is dependent on your type and character. A lot of them had been the class or school representative in the past or the captain of a sports team. I guess one can call them naturally born leaders and that the desire to lead and manage is something one can recognize in a person from an early age on. Furthermore, I asked them to explain the difference in the leading styles of women and men. I wanted to learn how they differentiate them, if at all. A couple of interview partners described the female style as being more empathic, cooperative and understanding. Women work well together and are more interested in their employees than men are. The staff and the people are usually more important and significant to women. In addition, women are said to be less hierarchical, meaning they find it less important to be considered at some

hierarchical level and they can go across levels more easily. This way of working is considered to be a more modern way of functioning for organizations as it is less pyramidal (cf. second interview, Annex II, p. 140). In contrast, men are considered to be the better networkers and negotiators. Everyone said that men are better in using and building their networks and that these networks oftentimes grant them professional success and help them advance. Furthermore, men are considered to be more courageous and persistent. But all too often also women can exert a masculine style and vice versa. So I would say that one can speak of a feminine and a masculine managing style. In order to close the interviews, I wanted to know what the partners would advise women who were striving for a professional career. A lot of answers considered networking as a tool to grow a professional environment and make acquaintances in business. Most networking events are free of charge and openly accessible. Women need to dare more and take their chances. What has been considered a big problem of women is that they are afraid of failing. Women often seek the way of least resistance and avoid difficult situations. Women should trust their skills and win the respect of others. A career as 'everybody's darling' is impossible but it is also not important to be loved by everyone (cf. first interview, Annex II, p. 139). Being respected and appreciated for your skills is more important. Moreover, a really good advice that was given by one of my female interview partners is about surrounding yourself with people who support you and talking to people who have gone through the same (cf. sixth interview, Annex II, p. 160). But most importantly, and this answer was given from most interviewees, women should be authentic and self-confident. Sticking to ones goals and pursuing them with ambition and diligence will lead to the desired results.

#### Opinions of European politicians:

I have also asked these more general questions to the politicians and have asked them for their advice for women. Ms. Barley advises women to become more tolerant with themselves and others. In her opinion, women are often too self-critical and hinder themselves from progressing. Women should keep their high standards on the one hand, but they should not let these standards get in their way and keep them from trying. Ms. Cahen has a similar approach and encourages women to follow their dreams. In her opinion, having a career and having a family are not mutually exclusive and women

need to learn to trust themselves and simply go for it. Furthermore, women should continue their fight for equality and should actively demand it in every single situation. She said that women should not let themselves be criticized by our society; they should stand up and demand equality. Ms. Karmasin also shares this view and attributes a significant role to politics. In her opinion, politics can and must create incentives that do not support stereotypes and outdated role models, but rather lead to a rethinking in society as a whole. Ms. Baumgartner also hopes for a change in our society and a breaking of stereotypes. A lot has to do with how our perception and general image of women. If women start requesting equality in every aspect of live, it cannot be ignored any further.

#### ***4.5 Conclusion of the results***

In view of the limited number of interview partners, the results have an exploratory character. The results provide clues to the various gender-based barriers faced by the interviewees and how they manage to cope with them. Nevertheless, these are to be interpreted exclusively based on the interview results.

After having conducted these interviews, I can say that they benefitted my understanding of the topics of interest and granted interesting insights into the lives of people in executive positions. The theory of this thesis was touched upon in all interviews and was confirmed in most cases. Many women reported on being discriminated or having experienced situations in which they were clearly being disadvantaged in favor of a male colleague. It was fascinating to hear how they coped with these situations and how it made them stronger. I believe that gender-based barriers are hindering many women from progressing, but once one has found the courage to oppose to such behavior, women will be the winner of the debate. The interviews have also confirmed that the problems not only happen to a few women, they are a universal problem of our society. Furthermore, the male interview partners were also all aware of the problems, even though some did not understand how these situations can still be found in today's economy. The most important change to happen is the change in women's confidence and their active demanding of an equal treatment. Women should no longer be afraid of eventually being discriminated; they need to stand up and demand equal rights from our society.

## 5. Conclusion

This evaluation of the issue of gender-based barriers has shown that the situation for women in management positions, and women in the labor market in general, currently can be considered very unsatisfactory. As more women enjoy tertiary education and have the ambition to start a professional career, the natural expectation would be to see growing participation of women in decision-making positions. However, the progress is not evolving as expected. The advancement of women into positions of power is evolving very slowly and rather inconsistently. As chapter 2 has proven, unconscious bias and gender-role expectations have a huge influence on society's perception of typical female and typical male roles. This not only has consequences for the distribution of roles inside families, but also for the labor market. Stereotypes still ascribe decision-making power and positions of authority to men, while women are expected to care for the children and the household. Luckily, times are changing and the younger generations value the advantages of having diverse teams with men and women in the lead. Because neglecting female talent and not making use of the full talent pool results in lost GDP and should therefore be prevented. Consequently, the number of women in decision-making positions should grow further in the future. In 2016, women on the boards of the large listed companies in the EU made up 23.3% on average (European Commission, 2016B). Although this number is considered low, it has greatly improved in the past decades and is expected to rise further.

The first question we should ask ourselves, as stated in the beginning of this thesis, is about the different kinds of gender-based barriers in the business world in Europe, more explicitly:

*What kind of gender-based barriers exist in the business world in Europe?*

The first gender-based barrier, which has already been touched on above, is the different stereotypes and gender-role expectations. As the vicious circle on page 36 has shown, statistical discrimination can result in a self-fulfilling prophecy with fewer women being employed in decision-making positions. This action results in less training being granted to women and, as a consequence, to fewer career opportunities (Dyrchs & Strack, 2012). The negative influence of role expectations leads to the second gender-based barrier identified, namely the glass ceiling. The metaphor of the glass ceiling is used to

describe the problem of progressing to the higher rungs of the hierarchy in an organization. The invisible barrier seems to be systemic and persistent, within and across industries. Women are excluded from top management for various reasons; some are obvious and measurable, while others are unconscious. For example, specific mentality patterns and old boy networks lead to the same types of people being employed in management. This so-called similarity attraction is to the disadvantage of women and further thickens the glass ceiling. A measure to break the ceiling is the women's quota, which has now been implemented in many countries and has led to considerable progress in this area. Nevertheless, and despite its positive influence, some also view the women's quota as a burden, as it can also harm women in business. The expression of the 'token women' has a negative connotation and can lead to increased questioning of those women who made it to the top. The question that arises is that of the justified occupation. Do they have what it takes or are they only filling a quota? The next gender-based barrier that has been mentioned in this thesis, is that of the gender pay gap. It is defined as the difference between men's and women's pay, based on the average difference in gross hourly earnings of all employees within the economy as a whole, and it reflects the ongoing discrimination and inequalities in the labor market (European Commission, 2014). According to the data of the EC, women in the EU-28 earn on average 16.3% less per hour than men (Eurostat, 2017I). This unadjusted gender pay gap varies considerably across the Member States, ranging from 5.5% in Italy and Luxembourg to 26.9% in Estonia (Eurostat, 2017J). The reasons for the gap are quite diverse, and range from working profiles (part-time or full-time work), to economic activities (different sectors and position in the hierarchy), to age and family status. The gap becomes particularly apparent as soon as a woman becomes a mother. Women often reduce their working hours and give up on high-level positions and eventually a higher salary. As men do not have to take a break due to pregnancy, they progress further in their careers while women neglect opportunities in favor of the family. This leads to the last gender-based barrier discussed in this thesis, namely the problem of the compatibility of family and work. Today, more women still work part-time and take over family responsibilities than men. The traditional role model we were used to for so long prescribed the role of the housewife and caregiver to women, while men were expected to earn the money for the family. Even though nowadays both partners are working and participating in earning money

for the family budget, the woman most often still adopts the task of childcare. Part of the reason is the much longer maternity leave for women and the voluntary parental leave for men. Women are not only obliged to, but also need to, take time off after giving birth, while men do not. Consequently, men do not miss out on the opportunity to advance in their career. Stepping back from work while others do not have to, results in this woman not being taken into consideration during the next salary negotiations or in the next round of promotions.

The barriers listed above that particularly hinder women from progressing in their career and in the labor market, leads to the second research question of this thesis, which is:

*What are the consequences of these barriers for women in management positions?*

Statistical discrimination in its pure form will lead to more men being considered for and employed in high-level jobs than women. The consequence of this behavior is that the male-dominated culture in top-management that is viewed as a career roadblock for women will not be diminished and the old-boy networks will continue to exist (Dyrchs & Strack, 2012). Therefore, as previously stated, it is a vicious circle that leads to a self-fulfilling prophecy, with the exclusion of women from top management as the most extreme negative outcome. This exclusion from the higher rungs of the organization is equivalent to the metaphor of the glass ceiling. This ultimately means that women will have to work harder to even be considered for a position. Women either need to work longer hours, devote more energy to their work, or wait much longer to prove themselves before being considered for management. Those women who have made it to management and achieved a decision-making role will have to constantly prove themselves in order to succeed in the male-dominated corporate culture and to 'fit in'. Basically, these barriers result in a much harder path to acceptance and respect. The women's quota, as an instrument to support women and grant access to management, was designed to overcome these barriers. Where implemented, progress is achieved and observable. France (+13.8%), Sweden (+12.8%), Italy (+6.7%), and also Germany (+3.9%) have already managed to surpass the EU-28 average of 23.3% women in the boards of large listed companies in Europe (European Commission, 2016B). The EU target is specified as 40%, which is a quantitative target that is situated between the critical mass of 30% and full gender parity (50%) (European Commission, 2012C). Thus, one of the positive consequences of the quota is the increased recruitment of women

into decision-making positions. Companies in quota-supporting countries are legally obliged to hire more women into management positions and grant them priority in replacement or when generating new posts. However, the quota is a highly discussed topic, as it not only leads to positive outcomes as a result. The majority of Member States agrees on a limited use of the quota and counts on the voluntary commitment of companies. The negative consequence of the quota is the sole consideration of the characteristic of gender and the neglect of the competence and fit of the female candidate. As many interview partners have confirmed, women are invited to join committees or expert rounds because of a quota that requires women to enter. This fact is humiliating and sad, as instead women want to be considered because of their talent and skills. Therefore, a seemingly positive instrument can also have a negative side to it. Nevertheless, the quota is doing more good than evil to women and once women can be found more often in board positions, the quota will become obsolete and can be ceased. The challenges of the compatibility of work and family are, however, not of a limited nature. The discrimination of a woman in the working world already starts before she becomes a mother. If a woman is at a certain age and her employer expects her to become pregnant in the near future, she will not be considered for a promotion or a pay raise. This anticipation has negative consequences for women but not for men. The injustice increases as soon as children are involved. The compatibility of family and work is seldom possible without any losses and the lack of recognition or acceptance by society. Women, much more than men, bear the double burden and give up on their career in favor of the family. Women often reduce their working hours and, as a result, part of their responsibility. Being in a management position requires time and commitment for the company, at all times. The interview partners confirmed this view and one woman even told me that having a family and having a career are mutually exclusive. I would not go this far, but a family definitely intensifies and complicates the career conflict of women in general. The extent of the problem is being tackled by various political means (e.g. provision of childcare facilities), but in my opinion it is a problem without a quick solution. The root cause of the problem is the unequal distribution of tasks within the partnership. If family responsibilities were divided more equally among the partners, women would have more freedom in figuring out how to combine the family and the job more optimally. A compulsory paternity leave could be the beginning. This in-



creased participation of the father, combined with greater understanding from society, could lead to more mothers following professional careers. Moreover, as soon as the model of the working mother becomes the norm, obstacles and disadvantages of working mothers would diminish. Basically, societal acceptance for various life models and a reflection of this in the company culture could do the trick. In conclusion, all of the consequences mentioned previously have a much greater influence on women than on men. The removal of these is a main priority for the EU and the EC to make sure that women have the same career prospects as men.

After reviewing in-depth the various gender-based barriers and their consequences for women, the ultimate and most important question to answer is the following:

*Do gender-based barriers hinder women from progressing into management?*

Unfortunately, there is no definitive answer to this question. It can neither be affirmed, nor rejected. The issue of progression of women into management is a social problem and we need to deal with this through public discussion. The topic is not only of high political interest, it also has a considerable scientific importance. The extent and actual complexity of gender-based barriers cannot be represented in its entirety, instead it requires further investigation. However, what can be confirmed is the existence of barriers that apply to women but not to men. I must admit that while preparing this thesis, my opinion has changed considerably. At the beginning, it was quite clear to me that women are confronted with a great deal of conscious and unconscious discrimination in the business world. In particular, women who want to advance into management need to work much harder than their male colleagues do, and once they succeed in obtaining a management position, they still need to prove their competencies and their right to hold this position. Although my opinion has been confirmed in principle, I have also learned that women can actively do something to accelerate the progress of equality. It is not a circumstance with which we have to content with, it is a circumstance that can be improved through changes in both society and our corporate cultures. Countries like Sweden prove that it is possible to arrive at an equal society, where women and men alike progress in their career and value each other's diverse characteristics. In general, there is no single gender-based barrier or traditional role model that can be blamed for this slow development in most European countries; various factors have brought us to this state. Reasons for this low participation of women in management positions include:

- A business world that is dominated by men and supported by a very masculine corporate culture
- A lack of company equality/diversity policies and programs
- Lack of leadership training for women
- Lack of flexible work solutions
- Few role models for women
- Roles assigned by society to women and men (stereotypes against women in leadership)
- The fact that women have more family responsibilities than men (increased double burden)
- That men are often not encouraged to take paternity leave for family responsibilities and support women

The points outlined above hint at the various circumstances that need to be adjusted to allow women to progress in their careers and reach a management position. Because, as this thesis has also shown, there are many benefits of employing women and granting them leadership positions and decision-making power, such as:

- Women rate higher in leadership effectiveness
- Women's leadership styles are more reward-oriented, democratic, team-based, transformational, and risk-averse (European Commission, n.d.B)
- Women make up over 70% of all global consumer spending decisions and having women in management means having more insight into the economic behavior and consumer choices of women (European Commission, n.d.B)
- The GDP is expected to increase if the full talent pool is exploited
- A diverse management team with men and women in the lead promises higher financial returns and higher rates of innovation (McKinsey&Company, 2017)

By looking at the aforementioned list, it becomes clear that gender equality is not only something to comply with because of political correctness, it can lead to a competitive advantage and should become a priority for every company. How companies and governments can actively work towards supporting the achievement of equality in the workplace is outlined in the following list:

- Start mentorship and sponsorship programs for women (employ other leaders who act as advocates for women)
- Implement gender-diversity programs and increase education around workplace diversity among the workforce
- Implement better childcare programs to support mothers (support measures from the government and from the organization (e.g. company kindergarten))
- Introduce flexible working arrangements and a family-friendly corporate culture
- Arrive at a ‘dual earner - dual caregiver’ mentality (cf. Sweden)
- Introduce compulsory paternity leave for men
- Implement measures that make measures like the women’s quota obsolete one day

We should not see a fight for gender equality in the areas of profession or career. Only when the traditional male role model adapts to the new circumstances and women are no longer solely responsible for the family in addition to their jobs, one can speak of equal rights and mutual satisfaction. The results of the personal interviews have reinforced the conclusion that a change in our society and our traditional role models needs to take place in order for development towards equality to happen. Surprisingly, the male and female interview partners had quite similar opinions on this topic. They did not deny the existence of gender-based barriers but they all are of the opinion that they are about to diminish in the future. One female interview partner suggested that it might take another generation to understand the value of women in management (cf. sixth interview, Annex II, p. 158). In conclusion, there is indeed a cost of being female (Powell, 2011). However, the costs are reducing and women can take an active part in accelerating the process. Complaining about the situation and blaming men will not lead to the desired change in our business world. Moreover, companies and the people with decision-making power need to understand that gender equality is more than just something with which to comply. Effectively managing a diverse decision-making body can lead to a competitive advantage and should become a business priority in every company. Because, and coming back to the citation of Kofi Annan already mentioned in the beginning of this thesis, “gender equality is more than a goal in itself. It is a precondition for meeting the challenge of reducing poverty, promoting sustainable development and building good governance” (Unicef, 2006).

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TORS,C,Z,5;&zSelection=DS-053118ISCO08,OC1;DS-053118WSTATUS,EMP;DS-053118INDICATORS,OBS\_FLAG;DS-053118UNIT,THS;DS-053118TIME,2010;DS-053118AGE,Y15-64;&rankName1=WSTATUS\_1\_2\_-1\_2&rankName2=UNIT\_1\_2\_-1\_2&rankName3=AGE\_1\_2\_-1\_2&rankName4=ISCO08\_1\_2\_-1\_2&rankName5=INDICATORS\_1\_2\_-1\_2&rankName6=TIME\_1\_0\_0\_0&rankName7=SEX\_1\_2\_0\_0&rankName8=GEO\_1\_2\_0\_1&rStp=&cStp=&rDCh=&cDCh=&rDM=true&cDM=true&footnes=false&empty=false&wai=false&time\_mode=ROLLING&time\_most\_recent=true&lang=DE&cfo=%23%23%23.%23%23%23%2C%23%23%23

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## **Annex I: Interview guide**

### **Personal experiences:**

- Which subject and why did you study?
- How old were you when you got your first job as a leader?
- Did you have the urge and motivation to lead? E.g. already wanted to take the lead as a child when groups were formed or decided what to play?
- Would you consider your industry as being a typical female or male industry?

### **Diversity:**

- How would you define diversity?
- Have you engaged in diversity programs for your company?
- Did you sign the Diversity Charta of the EU?
- Do you think that a diverse team can lead to greater entrepreneurial success?

### **Experiences of inequalities between female and male managers:**

- Which difficulties and obstacles did you have as a leader? Do you think that your male/female colleagues encounter the same problems?
- Did you encounter any competitions and differences between male and female colleagues? Did you ever have/had the feeling that you were being disadvantaged compared to your male/female colleagues?
- How does a female/male manager experience the barriers with working as a manager?

### **Women's quota:**

- What is your opinion on the women's quota?
- Can you imagine that women might feel as being the 'token woman'?
- Can you imagine that men would feel disadvantaged by the quota?

### **Gender pay gap:**

- What is your opinion of the fact that women earn less than their male colleagues?
- What do you think has to happen for the gender pay gap to be closed in the

future? Does it need political support?

**Compatibility of family and work:**

- How do you manage your family and your job? Do you have some sort of support?
- Does your husband/wife support you in your career? What is his/her profession?
- Do considerations concerning your career have an influence on your family plans?
- Which influence does parenthood have on the compatibility of work and family?
- How can organizations support working parents?

**General and closing questions:**

- How important do you think is networking for the professional career?
- Did you have mentors who supported you in your career?
- Do you think that women often do not have the courage to strive for more? Do you think they are afraid of any drawbacks or their counterparts?
- What would you advise young and ambitious women?

## **Annex II: Written summaries of the interviews**

The interviews are listed in chronological order.

### **1. Female interview partner, extensive experience in technological sector and the publishing business, >60 years old**

Former Managing Director and vice president of a leading digital solutions provider in Luxembourg

(The interview was originally held in German and translated into English)

#### ***Personal experiences***

*Which subject and why did you study?*

I decided to study chemistry right after school. Unfortunately, after a chemical accident with injuries I decided to change the subject. With the studies in chemical process engineering with a focus on theory I was able to reconcile my interests' optimally.

*How old were you when you got your first job as a leader?*

I took over responsibility for personnel when I was 33 and working for a big German newspaper. I had about 10 people in my team. At the age of 38, I took over a managing director position in Luxembourg, where I initially had about 25 employees and later approximately 300 employees. No matter how many employees you supervise, I think it is very important to give every employee a sense of respect and gratitude. Empathy plays an important role in interacting with your personnel.

*Did you already know when you were a child that you wanted to become a leader?*

I grew up in a small town and never felt the need to be a leader. At school, I was a class representative and a school representative. I decided to do these jobs because no one else in school wanted to and not because I wanted a leadership role.

*Do you work in a typical female or male industry?*

Immediately after my studies, I worked in a research institute where both women and men worked. In the publishing industry, I initially almost exclusively worked with men.

*Did you encounter any competitions and differences between male and female colleagues?*

There has always been a competition in my industry. However, I cannot claim that this was carried out due to sex. In the technology sector, the main reason for competition battles is the concern that the technology [data base technologies, data transfer] could put jobs at danger. At that time, people were more afraid of innovation and feared negative consequences. Nevertheless, I have never experienced classical competitions within the company neither at the research institute nor at the publishing house. There has always been a fair dealing between men and women.

*Did you ever had the feeling that you were being disadvantaged compared to your male colleagues?*

No, I never felt that way. I also never had problems with male colleagues or with men who were fighting for the same job as I did.

*What do you think holds women back? Why did you take the step anyways?*

In my opinion, women too often shy away from technical discussions and avoid getting out of their comfort zone. Women are always expected to be loving and kind, avoiding any discussions or clashes. However, I have grown up with many boys, have never played with typical girl toys, and have never been told how to behave as a girl. The strict separation in girl and boy toys is, in my opinion, wrong and conveys a wrong image to young girls. Likewise, I am displeased with the image of women that is conveyed by the media. Women on TV must be beautiful and competent. On the other hand, this is not the case for men and the great pressure of the media is mainly affecting women. In my opinion, this is counterproductive and leads to a negative image of women.

*How does a female manager design a higher effectiveness in organizational goals by applying feminine managerial approaches?*

If women are good in their job, they are usually better than men are. Women are much more consistent than men. Women also work well together as they support each other and do not view themselves as competitors. Women promote other women and are happy to see other women becoming successful. Another advantage of women is that they are usually more empathic than men are. They feel when something is wrong in their environment and they are better in putting oneself in someone's [employees] position.

*Which difficulties and obstacles did you have as a leader?*

The greatest difficulty is the many working hours. It is not possible to do the job in a 40-hour week; 50 or 60 hours a week are the rule. In order to be successful in your job as a manager, it is particularly important to take the time for the customer, for the staff and simply to "be there". This difficulty is experienced by all managers and is therefore not gender-specific.

*What are the strengths of women and men? How do they differentiate?*

The strengths of women lie in their ability to empathize or feel empathy. Women see employees not just as workers but also as people. They also use other words than men; e.g. they use "we" instead of "me". The staff and the people are usually more important and significant to women. Men, on the other hand, have the advantage that they focus more on themselves and opinions of others do not seem so important to them. Furthermore, men are also more successful when it comes to networking. They know how to build a large network and know how to use it.

*Which incentives have made you continue to work hard?*

An incentive was the high responsibility for other people. I was always aware of the fate of the employee and that of his family that stood in conjunction with the workplace. Another incentive was, of course, to achieve high premiums. I always chose the high-risk model, which contained a lower basic salary, but promised high premiums.

### ***Compatibility of family and the job***

*Which role model was exemplified by your parents and what role image is lived?*

My father has run a small business and my mother supported us children. When we grew older, she helped my father in the shop. My parents were always respectful and open-minded. They were equal; there was no classical distinction between the man and the woman. My parents have also always taught me that men and women are equal.

### ***Diversity***

*Has diversity been a topic at your organization?*

Diversity has never been an issue for me. My closest friends come from all over the world, have different religions, and are colored or gay. For me it has never been an issue. Every human is equal! Furthermore, in none of the companies for which I have worked the topic of diversity was ever addressed. There was no discrimination on the grounds of skin color, sex, religion or any other reason.

### ***Gender Pay Gap***

*Have you encountered a Gender Pay Gap at your organization?*

Fortunately, there was no pay gap between men's and women's salaries in the companies I worked for. Wage was always based on performance and was never dependent on sex. I think it is very important nowadays that young people learn that there is no difference between men and women and that the wage should not depend on gender. Furthermore, I think the political support is undoubtedly necessary to solve the problem.

### ***Closing questions***

*How important do you think networking is for the professional career?*

In my opinion, networking is very important and belongs to the profession of any manager. Here in Luxembourg, mostly men attend networking events (about 80%). More women are present when HR topics are being discussed (about 50%). At networking events, one can discuss quite different topics than in the office or in the conference room. I have spoken with my biggest competitors at such events and negotiated cooperations. That would have never been possible otherwise. Important contacts can be made at such events and women should not be excluded from it.

*Did you have mentors who supported you in your career?*

Yes, I always had mentors who supported me excellently. They have also taught me that I should return what I get and make other people profit from it. My mentor at the publishing house has supported me half a year before he left the company and introduced me into the profession. I also did the same with my successor over several months. I think you should support each other and not place unnecessary obstacles in one's way.

*Do you think that women often do not have the courage to strive for more?*

During my time at the company, women indeed risked too little or simply did not dare to demand anything. The big problem of women is that they do not want to be unpopular or want to go unnoticed. They often seek the way with the least resistance and avoid difficult situations. Furthermore, I also noticed that women are often too afraid to communicate clearly and openly and formulate their instructions.

*What would you advise young and ambitious women?*

Have more self-awareness and don't be afraid to take risks; Go your own way and don't be afraid to upset someone; Trust your skills and win the respect of others; Women

should trust themselves, even if they may encounter rejection; Don't be afraid of a dispute; Always be polite; Women should never be loud in discussions! A loud woman loses all respect; Stay authentic; Always express your opinion freely and honestly. Strong people accept other strong people who express their opinions; A career as "Everybody's darling" is not possible; Make it clear to men or colleagues that it is not important to be loved by everyone; If you make a mistake, you have to accept it and be responsible for your mistake. Do not try to cover any mistakes.

## **2. Female interview partner, managing position at an office of the European Union, >40 years old**

Director of an office of the European Union in Luxembourg

### ***Personal experiences***

*You studied several subjects in different countries. Did you study because of the career you wanted to pursue or because of social relationships?* [She studied at several different universities in multiple countries (EU and USA)]

I was coming from a post-communist country [not a member of the European Union at that time] and wanted to live in Western Europe. There were only two legal ways to do it; one was to continue studying and the other one was to get married. And I went for the option to continue studying which allowed me to legally work at least part-time and that way I was accumulating knowledge and eventually it paid off. It was always my own decision to study, no one expected me to do so. In my case it was specifically to allow me to legally live abroad. I also had great opportunities back home, since my home country was evolving from a communist to a democracy and market economy, but people from my generation always had this constant drive for learning and achieving more. This hunger of learning was actually the driving force and this hunger for liberty was always moving me forward. I left the country alone back then. It was not some sort of movement I was following. I was usually going where I managed to get some kind of scholarship and financial help because in the beginning it was not easy since I had nothing. And where I ended up was always determined by where I got a job.

*How old were you when you got your first job as a leader?*

I was 25. I was already Head of Protocol at an Embassy in my home country and then I was headhunted to be Head of MBA programs for a university with funding from the



United States. From that, I was headhunted for a bank to work as their relationship manager. I was never afraid of leading even at such a young age because at the beginning stages of my career I managed quite young teams of people. And it came only at the later stage of my career that I found myself having to manage senior men.

*Did you already know when you were a child that you wanted to become a leader?*

No, I just wanted to be free. And in today's society I realized that fewer bosses also mean more freedom. But maybe when I look back at being a school child, I was usually one of the first ones in class and in sort of leadership positions in children's groups. I always had that, yes. But nobody ever identified it as leadership skills.

*How important to you perceive networking? Do women do it differently than men?*

Networks are to the disadvantage of women. The way that men network is based on their natural interests, e.g. they like to watch and talk about football or other sports or go out and play tennis etc. Females simply have other interests and they are not motivated to learn about men's interests in order to be in their networks. So it is more important to have more women in leadership positions, because then these women can do networking and don't feel lonely. And a lot of business gets done outside the office at these events and women miss out on these opportunities to make closer connections with others and the advantages that are coming from this.

*How does a female manager design a higher effectiveness in organizational goals by applying feminine managerial approaches?*

Women are typically more empathic and cooperative. And in today's modern management literature this is something that is being taught as the way to go forward. That is most likely the advantage of having more gender diversity in management teams; having someone who has more these attitudes of cooperation, negotiation, compromising and maybe even some kindness and care. And an important feature of most females I have worked with in management positions is that they are less hierarchical, they find it less important to be considered at some hierarchical level and they can go across levels more easily. It is a modern way of functioning for organizations, it is less pyramidal.

*What are the strengths of women and men? How do they differentiate?*

I would have to mention the networking skills that men possess. Men network on the basis of their interests and women should also realize a strategy for their career ad-

vancements. Men are often more courageous in making career leaps, they have less hesitancy about their own capacities. They don't mind trying and aren't afraid of failing. Females should learn to be more direct. Most often, they are polite and respectful and don't want to hurt others and in this way might hide what they really think.

### ***Compatibility of family and the job***

*How do you manage both? Do you have some sort of support?*

I have to admit that my husband does not work. We tried it another way before, but it was very stressful. When the child was small we had to pay a lot for private childcare, and then we realized that it makes sense for everyone that one parent stays at home with the child. And since I was in a position with a high salary, we decided that he would stop working for some time. I considered staying at home for some time, but if you have certain responsibilities and you would only do it in half of the time, you would also only get paid half the time. But in reality the responsibility also gets cut in half.

*Which influence does motherhood have on the compatibility of the job and family?*

When I come home, I am nothing else than a mother. Of course I also have to do some things at night or at the weekend, but I try to do it when our daughter is asleep so that it would not affect her. But also I am not a typical parent, because fortunately I made the career before I had the child. Had it happen to me earlier in my life that I decided to start a family, maybe I would have stopped much earlier in my career. When I imagine becoming a mother earlier in my career, I believe that my husband would continue to work and I would have been the one to stop working in favor of the child. If I would have been younger, it would have risked my career.

### ***Diversity***

*How would you define diversity?*

Absolutely on the basis of different categories, whether it is gender, age, opinions, preferences, even personality. I think it is very important because the more visible diversity you have the more real diversity you have. If people in management positions would only be white males then it is very likely that they would also have the same way of thinking, which is not necessarily the most strategic way for a company. The ultimate definition for me would be 'more fun'. More diversity is definitely an opportunity for more enriching experiences and surprises.

*Has diversity been a topic at your organization?*

Yes, with the exception of the very top level, people responsible for HR have developed many policies to encourage diversity. First of all because we are a multinational organization and we have diversity on the basis of nationalities, we have quotas. We don't have quotas for gender representation but with the enlargement of new Member States it happens that at least 50% are females. But then as we progress to higher levels of hierarchical structure, there are fewer and fewer females progressing. This is a common phenomenon also in other organizations which shows that having some quotas there would be helpful. We do have some targets at the middle and senior management which is 40% females. The quotas are checked, but there is no punishment if they are not fulfilled. Name it and shame it.

*Have you engaged in diversity programs for your company?*

Next to our targets, we have annual reports showing the results in the entire organization and people have the opportunity to go to different trainings (e.g. unconscious bias). It is getting better and better, but still it is a slow evolution. And at the top level we are represented by very stereotypical type of leader, which is an older male.

*Have you heard of the Diversity Charta Luxembourg?*

Yes, I have heard of it. I went to a conference to have a look at the organizations who were signing up for it. I think it is a very good initiative, although we don't need it so much internally since we have developed something similar with our own policies and quotas. For companies that are too small to have an own department dealing with diversity, it is good to benchmark with others.

### ***Gender Pay Gap***

*What is your opinion of the fact that women often earn less than their male colleagues?*

I think it is absolutely unfair. Especially considering that nowadays we have many more divorces and single-parent families. In the majority of cases the children stay with the mother and then from these lower female salaries they have to support education and opportunities for the children. But I have to say that in my workplace we at least have a system with non-negotiable but fixed salary packages assigned to a certain grade. So if a person succeeds to get to a certain hierarchical level then there is no possibility that someone at the same hierarchical level would have a better package. On top of that the salaries are published.

*What do you think has to happen for the gap to be closed in the future?*

If salaries at least internally in the companies would be published, it would be much more visible if someone is earning more money. And then I believe we would have a more fair society and there would not be such a huge difference between people at the lower salary scale and those at the very top leadership, which are mostly occupied by men. I believe that the gap can even widen further in the future especially if females won't be motivated to move into this new emerging fields of high tech, fintech, and biotech. We have this phenomenon that females usually stay in the stagnant sectors and men move to the sectors of risk and growth. Women need to move to these new sectors and be more courageous and take risks. Women often do not risk more because of their families, so what they require is more and better social security for their families, and especially better and more flexible childcare.

### ***Women's quota***

*What do you think of the women's quota?*

What is really important is that it makes no sense if it would be a quota like "we have to have at least one woman in the boardroom"; unless she is tougher than those guys she really feels lonely. You have to have at least three females to have someone to rely on and talk to when the men are talking about their stuff. I personally would not mind quotas because they give hope that it will happen naturally one day and quotas would lead to more social justice in general. We do have different ways of seeing things and solving issues and it would really have an impact if we as the society behave different as a result. What I have observed is that those women who manage to get positions without quotas always deserved it and they often pay for it much harder because they end up working longer hours or with more intensity, more creativity, more motivation etc. It is sad that we need quotas; it is almost humiliating that we have to arrive there. But I see that we have to change those stereotypes first and when all people of our society see females in leadership positions as much as we see males, this becomes the "new normal", and then we can eventually abandon the quotas.

### ***Closing questions***

*What would you advise young and ambitious women?*

Continue learning, never stop and keep doing it all the time. Additionally, create these networks and use the network opportunities. Go to these events and find out about opportunities in new fields that are opening up.

### **3. Female interview partner, experience in various industries, >50 years old**

Former Managing Director of a consulting firm in Luxembourg

(The interview was originally held in German and translated into English)

#### ***Personal experiences***

*Which subject and why did you study?*

At first I studied the languages English and French, followed by business administration. I studied because of the career I wanted to pursue. That is my character, I always wanted to take the initiative and get things done; I have a “hands on” mentality. I was always well aware of my capabilities and skills.

*How old were you when you got your first job as a leader?*

In my early twenties, I became the sales manager of Southern Germany for a steel department of a French steel mill. After that I was working for a bank in Luxembourg for a short time until I got headhunted for a company which is now known as a manufacturer of garden tools. I was managing their distribution here in Western Germany and was responsible for 50 people in the commissioning area. When I left the company, I started working for a window factory where I had 50 sales representatives working for me. I wasn't able to do this job for a long time though, because it was not compatible with my life as a mother. Therefore, I quit the job and started a new one at a printing company, which was looking for someone with experiences in the banking sector, the industry, production and trade. I negotiated to work as a freelancer and start my own business in Luxembourg. I was only doing B2B for a diverse area of activities.

*Did you encounter any competitions between male and female colleagues?*

Yes, at the beginning of my career I had some uncomfortable situations. My former boss got fired because of personal problems and I got his job. That was strange for me, but I was confident and knew what I was doing. And I did not necessarily have to become a leader right away. I was comfortable with being the best in the second row; it is better than being the last in the first row. And then I got the jobs which pushed me into the first row after some time. But I have never encountered a situation in where I felt that people were skeptical because I am a woman. It was rather the opposite.

*Did you recognize a development of the job of the manager?*

I have to admit that the behavior and the functioning of managers have changed a lot in the past years. When I started my career, companies were mostly dominated by old men. You did not see so many women in leadership positions, as women at that time did not have the same education as men. The relationship to my bosses was quite familiar. People had more time and interest for each other. They knew you, your hobbies and your families. Also the relationship to clients was another one. Since you didn't have cell phones or E-Mails, you were forced to meet your clients and take your time for them. Nowadays, you don't have to meet your clients anymore. Writing an E-Mail or talking on the phone is sufficient.

*Which difficulties and obstacles did you have as a leader?*

I did not encounter many obstacles as a leader. When I was working in distribution, I learned how to cope with other people and how to 'read' them. I was never looking for trouble and always ready to compromise.

*How does a female manager design a higher effectiveness in organizational goals by applying feminine managerial approaches?*

In my opinion, women are the better multitasker. They know how to manage several things at a time without neglecting anything. Therefore, I would say that women are more effective and efficient in the way they do their job.

### ***Compatibility of family and the job***

*How do you manage your job and your family? Do you have some sort of support?*

I got my first and only child when I was 35. I stayed at home for 1 ½ years. At that time [early 90's] it was a no-go to continue working when your child was still that young. I remember people coming to me and asking why I would start working already. A woman risks her career if she stays at home for a longer time. The women I have met continued working right after they had given birth to their child. Luckily, I had enough support to have a family and a career. It demands a lot of flexibility and dedication.

*Do considerations concerning your career have an influence on your family plans? Or the other way around, does your family influence your career opportunities?*

Yes, my career influenced my family plans. I wanted to have a second child but it simply wasn't possible. My husband was in the beginning of starting his company and he did not have a regular income. So basically I was the one who was catering for the family. I

did not always work because I wanted to, but because I also had to. The advantage of our situation was that our daughter saw both of us as her mum and dad with equal responsibilities. It depended on my job who was the ‘mother’ for her. But looking back, I have to say that our way of living and raising a child was completely new for that time.

*How can organizations and/or government support working mums?*

Childcare has to become better. And governments should take France as an example, where a family with three children does not have to pay any taxes and where a nanny is tax-deductible. This facilitates these families a lot.

### ***Gender Pay Gap***

*What is your opinion of the fact that women earn less than their male colleagues do?*

I have once accidentally found out that one of my colleagues was earning more than I was. But then I fought for a raise and I have always known how to sell myself. Yes, it is unfair that we have such a huge gap here in Europe when you would expect a fair treatment of males and females. I guess that companies don’t want to take the full risk of giving women more since they expect them to become a mother sooner or later and leave the company.

*Do women generally have to demand more?*

Yes that can be part of the problem. Women are afraid of demanding and being rejected. Men are more convinced of themselves and aren’t afraid of asking their bosses for a raise. Women should learn to be more courageous and believe in themselves.

### ***Diversity***

*How important is diversity for you?*

Diversity is a topic, which is especially important in a country like Luxembourg where so many different nationalities meet and interact with each other. And even nowadays with the refugees who are coming to our countries, diversity gains more attention. Integration programs become more important and companies should be willing to engage with these topics. I have always enjoyed working with people from different countries. In the banks I was working for we had more than 30 different nationalities in one building and there are cultures that are really easy and fun working with. Being in touch with people from different backgrounds is so much fun and it really broadens one’s mind.

***Women's quota***

*What is your opinion on the women's quota?*

The fact that we even need a women's quota is really sad. I think that there are good male managers and good female managers; I would not differentiate between genders. The problem is that women just don't make it up to the highest level of organizations. Men are the better networkers. They make contacts with each other already in university and support each other in the later stages of their careers.

***Closing questions***

*How important do you think is networking for the professional career?*

Networking is really important! If you want to advance in your career you have to go to those events. I was a member of the marketing club here in Luxembourg and I managed to acquire new clients at the events. You need to stay on track and you need to know what is going on in the industry in order to understand your clients and react on change. So I would say that it is a necessity for every manager to participate in those events and interact with others in order to build up a bigger network.

*What would you advise young and ambitious women?*

If a woman wants to have a career and become a manager, she should try and do it. It is possible to have a great career and a family at the same time. It dedicates a lot of flexibility and structure, but it is possible. Then I think that women should be independent. I for myself could have never imagined being fully dependent on my husband and demanding housekeeping money from him. A working mother might have to be willing or understanding to not have as many tasks or areas of responsibility like others. But as time goes on and the child grows, the women will get more responsibility and go for the lead. Another important aspect is being authentic. Be able to get involved with different kinds of people/characters and still be authentic.

**4. Female interview partner, leading position in the horeca sector, >35 years old**

Field Manager Horeca at a brewery in Luxembourg

(The interview was originally held in German and translated into English)

***Personal experiences***

*You went to the hotel management school. Was it your first choice?*



I already knew when I was 13 that I wanted to become a hotel manageress. Making a career in this business and being a manager was not really part of the plan at the beginning. But I think being a manager and leading people is dependent on your type. Either you are a leader or you aren't. And looking back when I was a child, I was the one who was sort of managing the other children. I was not pushing to lead, it came naturally.

*Did you ever had the feeling that you were being disadvantaged compared to your male colleagues?*

Yes, but I would not say disadvantaged, rather not being respected. Some talk to you in a way they would never talk to men. I just had a situation a few weeks ago when one of my employees verbally attacked me in a way that was intolerable. I am sure that he would have never said these things if he had a male boss. Additionally, being the youngest in a team of six is also not always easy.

*How does a female manager design a higher effectiveness in organizational goals by applying feminine managerial approaches?*

I think women are the better listeners. But the problem is that women are not confident enough. We always want to please everyone and are afraid of deciding something that might not be at the advantage of everyone. Men can do it more easily, they don't care if they hurt someone, and they decide way quicker without reassuring themselves. Women manage their employees differently than men. We listen and talk to our people.

*Which difficulties and obstacles did you have as a leader?*

I would not say that I encounter that many obstacles, but it is definitely not easy working in a family business. I work together with my father and my brother and there are so many emotions involved in it. Oftentimes you don't say the things you have to say or you say it differently without hurting someone.

### ***Compatibility of family and the job***

*How do you manage both? Do you have some sort of support?*

I don't find it difficult to manage both. We have a nanny who supports us. The time we spend with the family after work or at the weekends is worth a mint. We don't use our cell phones or computers and only dedicate our time to the children. My children are two and four years old and they grow up so fast. I don't want to regret not seeing them grow up or progress because I was working.

*Do considerations concerning your career have an influence on your family plans? Or the other way around, does your family influence your career opportunities?*

No, I have never thought about having to stop working when I become a mother. I also didn't take maternity leave and my husband supported me in my decision. I stayed at home for three months after the birth of my first child but I realized that this was a bit too early. So after the birth of my second child I decided to take six months off and that was really ok. Today I start working at 7.30 in the morning and I leave the office at around 5pm. I don't work late hours anymore and have become way more efficient.

*Did motherhood have an influence on your job?*

Yes, because I am more efficient now and know how to manage my time optimally. You learn to stop unnecessary things that only waste your time.

### ***Diversity***

*Have you engaged in diversity programs for your company?*

No, diversity does not play a role here in this organization. But I think it has something to do with our old-school, traditional hierarchical management which does not really allow for diversity.

### ***Women's quota***

*What is your opinion on the women's quota?*

I think it is useful to have a quota because then the people with the decision-making power have more options to choose from. Because especially here in Luxembourg a lot of business is done with people you know from e.g. rotary clubs. These clubs are dominated by men and they naturally ask and employ their peers they know from the club. It has always been this way and it will continue to be like that unlike something changes. I also got invited to different clubs and I know that I only made it to one club to fill the quota. I know it; I am the only woman there. But I still like to go there because I learn something during these meetings and it gives me an opportunity which I wouldn't have if I wasn't at the club. It is positive for me and my career.

*How important do you think is networking for the professional career?*

Networking is really important and I did it extensively in the 10 years before I became a mother. But it is a men's world. There are only men at these events and in the clubs. I was the only woman at the Fédération des Jeunes Dirigeants d'Entreprises de Luxem-

bourg who was elected to be president and until today no other female president was voted again. And the club is existent for more than 40 years now. The problem remains the same, the guys ask their friends for these kinds of positions. It's all buddy business.

### ***Gender Pay Gap***

*What is your opinion of the fact that women earn less than their male colleagues do?*

I haven't made the experience of a gender pay gap. But in general it is really unfair and I don't understand how it is even possible to have a gap of 16% in the EU. I think it is sad that it needs political support in order to change this and balance everything.

*How do you control for it here at the company?*

We do not control for it. I think that some people were better in negotiating their salary than others. I guess that the pay gap might naturally close as soon as it becomes normal that women work. Nowadays more and more women work and it will become normal in the future. I think by the time when my children work we will reach a point of equality and the salaries could become equal too. It needs more time and another generation to change something.

### ***Closing questions***

*Do you think that women often do not have the courage to strive for more?*

Yes, I definitely think that women aren't courageous enough. They are afraid of hurting someone or saying things they might regret afterwards. And women often don't rely on their feeling and go for something they truly believe in.

*What would you advise young and ambitious women?*

If you want to have a career you need to find a job you love. Everything is easier if you like your job and enjoy being at work. Furthermore, you don't necessarily have to work long hours just in order to show people that you are dedicated. I think we are so much more efficient than men and need less time to finish our job. Another important aspect is to learn to trust your decision and defend them in front of others.

*How can organizations further support their employees?*

I think we need more training, like team-building events, here at the organization. I think that it will decrease barriers and have people communicate on a different level. More flexible working hours is difficult though and home office is also not possible at

the moment. I could imagine it for some kinds of jobs here, but I personally appreciate the personal contact a lot and think that people work faster and more efficient when they see each other. It also prevents uncomfortable situations because oftentimes misunderstandings arise out of unclear written E-Mails. I recently read an article about two women who were sharing the CEO position at a big company in Sweden. I think this is a great possibility for these women to have a family and be bosses on the other hand.

### **5. Female interview partner, experience at a big four company and the family-owned industrial bakery, >35 years old**

CEO of an industrial bakery in Luxembourg

(The interview was originally held in German and translated into English)

#### ***Personal experiences***

*You studied business in France and also did internships abroad. Did you study because of the career you wanted to pursue or because of social relationships?*

I knew that I was going to study business administration right after school and that is why I went to Aix-en-Provence. But the University was too big and there were too many students, which I didn't like. So I decided to go to Paris and learn in a smaller, more school-like environment. Then in my last year in Paris I had to do an internship at the Foreign Office. I liked it so much that I decided to do the College of Europe next to my studies in Warsaw, Poland. I could have stayed at the Foreign Office a little longer, but then I decided to start working in the family business. But after two and a half years I was asking myself whether this is the right kind of job for me or not, and I decided that it made sense to do a more practical training and I learned how to bake bread etc. for six months. It was important for me to know how our business is working and getting to know the necessary steps to end up with our product. Then I left the company for one year to work for PriceWaterhouseCoopers and getting to know another business and learning a little more about my capabilities and myself.

*The bakery is a traditional, family-owned business. Does that put pressure on you?*

The advantage of a family-run business is that you have some sort of freedom. I work together with two of my cousins and my brother and we are really lucky that we get along well and trust each other. That makes it a lot easier and it is a good feeling. But on the other hand, the pressure you feel and put on yourself is bigger in a family business.

And I guess that the pressure is higher for me as a woman because I am the first one in our family to lead in the business.

*Did you already have the ambition as a child you become a “leader”?*

Yes, I think so. It is in my character. I am not a reserved person and that is how I was raised. I am the oldest of three children and all of us are in managing positions. Our parents always told us that we have the skills to accomplish something and that we should work towards our goals and just do it.

*How old were you when you got your first job as a leader?*

I was 28. I was afraid in the beginning and maybe it was a bit too early and everything moved too fast. That is also why I decided to take a break and work with PwC where I knew that I was only a ‘number’. Of course I had to deliver great work and I also would have had the possibility to pursue a career at this company. So working there also gave me more confidence to believe in me and knowing that I was capable of managing and that I had the skills to lead.

*Which difficulties and obstacles did you have as a leader?*

There are men who cannot cope with female managers, although there is no identifiable reason for that. What I also experienced is the statement of men that some women only got managing positions to fill a quota. They don’t see that she is superior and better skilled than they are; they justify her good position with the fact that she is a woman. And that in turn gives them a better feeling about themselves. That is something women have to deal with and I don’t think that it will change in the near future.

*What differentiates female managers from male managers?*

I hope that nothing differentiates women and men. I think that it is the personality that differentiates managers, but not necessarily gender. There are men who are more empathic than women and there are also women who have more power or determination than men. But I have to say that my way of leading has changed since I became a mother. Since then I can understand problems parents have and struggles they face while working.

***Compatibility of family and the job***

*How do you manage your family and the job? Does your husband support you?*

We share the responsibilities. But I have to say, that children naturally demand their mother more than their father. My husband is working for a bank and he is also in a management position. When both of us are working, a baby minder takes care of the kids. Right now everything runs perfectly.

*How can organizations support working parents?*

Home office is a good option but it is not compatible with many jobs. Then I think that big firms should all have a company kindergarten. The proximity of work and the kindergarten can lead to a better match and help parents. In my case, I am lucky to live very close to my office. So I was able to continue working a few months after I gave birth to my children. But it only worked because I could leave the office to go home to e.g. breastfeed my children. This flexibility was only given because I am my own boss. So I think that a company kindergarten could help a lot. And I think that an obligatory parental leave for men of two months would also help. The problem women often face is that they are not considered for a job if they are in a certain age when the employer expects her to become pregnant in the near future. The employer anticipates that she would leave the company for a couple of months and doesn't consider her anymore. But if men also had to leave the company when they become a father, it wouldn't make a difference. Both genders would have to take parental leave and take a break from the job. Flexible office hours are another easy to implement way of helping parents. Here at the company, for example, we have the rule to not have any meetings after 5pm. It doesn't make sense and puts parents in great stress.

*How did people in your environment react when you decided to continue working right after you gave birth to your children?*

Not everyone understood why I was doing that. I had one employer come up to me and asking how I could leave my child alone already at this stage. He told me that I should be spending time with my baby instead of spending time at work. My husband was working, so he thought that I didn't have to. A lot of people don't understand that I wanted to go back to work. I really enjoyed getting back into my rhythm and I know that it didn't harm my children. But yes, I had people telling me that I wasn't a good mother. People's understanding varies widely across the nations. Parental leave in Germany is much longer than it is in France, so Germans expect mothers to stay home way longer than French people do. None of my French friends took parental leave of longer

than two months. The political system in France puts more pressure on mothers. However, women in France get on average more children than women in Germany do.

### ***Diversity***

*How diverse would you consider your company?*

Our company is diverse. The branches are dominated by women, whereas the production is dominated by men. Our bakers are typically German; the saleswomen are French, Luxembourgish and German. I also think that we have a lot of different religions, but it isn't something we ask our employees. Diversity is not really something we talk about.

*What do you think of quotas in general?*

I don't like quotas. The problem with it is that it devalues women. I was voted to be a member of a works council two and a half years ago. People came up to me and told me that I only got the position because I am a woman. The sad fact is that it might be true. My competencies are secondary. If there was no quota they would have chosen a man. Men enjoyed being together in a group of only men. They had other topics they were discussing about, could make other jokes and be manly. Now with a woman in the group they need to behave differently. Therefore, we need quotas now to give women a chance. But the goal has to be to arrive at a point where we don't need them anymore.

*Can you imagine that men feel disadvantaged by the quota?*

Yes and men also tell you that. They don't understand why they don't get the job even though they are equally qualified than the woman. However, the problem is that women have been disadvantaged for such a long time, that it was time to privilege and support them now.

### ***Gender Pay Gap***

*What is your opinion of the fact that women earn less than their male colleagues do?*

It is not fair but I think that women don't demand enough for themselves. They maybe ask for a pay raise once and if it is rejected, they don't come back and ask again. Women aren't persistent enough. Men do it a lot better than women. They start conversations with how good they are at certain things and hide their weaknesses. Women start with explaining what they are not good at. It is not our fault, but we can definitely learn to demand more and be more persistent. You won't get more money unless you ask for it.

*What do you think has to happen for the gap to be closed in the future? Does it necessarily need political support?*

Political support is necessary, but also difficult to implement. The same wage for the same type of work. But do you know someone who does exactly the same work you do? It is difficult because nothing is exactly the same.

### ***Closing questions***

*How important do you think is networking for the professional career?*

Networking is very important. And women do it differently than men. Men do a lot of small talk and eventually talk about business. But women don't have time for that. They don't want to spend the whole night talking about trivial things; they want to be at home with their family. Women distinguish between leisure and business. Men mix it all up into one concept. But women should not refrain from doing any networking at all.

*Do you think that women often do not have the courage to strive for more?*

Yes, they are afraid of being rejected. But I guess that men also fear it. Their advantage is that they don't let others know they are afraid. They dare to take risks and that is something women can learn from men.

*What would you advise young and ambitious women?*

Women should know their worth. They need to learn to trust their strengths and don't degrade themselves. Believe in you and fight for it. It is not about pleasing others; it is about believing in oneself and being aware of your capabilities. This is also something parents need to take into account in their education of children.

## **6. Female interview partner, Social Impact Investor, >35 years old**

Executive Director of a non-profit association supported by the Ministry of Economy in Luxembourg

(The interview was originally held in German and translated into English)

### ***Personal experiences***

*Which subject and why did you study?*

I decided to study business administration because I thought that you cannot go wrong with it. And then when I finished my Bachelor I knew that I was going to do a Master in



Banking and Finance in Switzerland. My plan was to enter the fund industry because I was good in analytics and mathematics, but I quickly realized that it wasn't the type of job I wanted to do my whole life. I reoriented myself and making a career was not one of my priorities. Later on it became one, but I wasn't planning to pursue a career in the beginning.

*Did you already have the ambition as a child you become a "leader"?*

Since my parents both run businesses, I guess that leading or exerting power was something I naturally learned from them. When I was younger I spent my school holidays working in the business and I think that this influences someone and maybe subconsciously promotes leadership qualities. I guess it was something to do with how you are being brought up and what you learn from your self-employed parents.

*Did your parents expect you to study and eventually take over the business?*

During my studies I didn't feel pressured to do that. But when I finished there was some kind of pressure to enter the company and make first experiences in leading positions. I have learned so much more in the couple of years I have spent there than I could have learned while working for another company. I was allowed to make mistakes, try and error was ok. Interestingly, we had many women working for us and the company was first led by my mother and later by me. Our senior management was balanced, 50% men and 50% women. The IT department was dominated by men with only one woman working there. But 95% of the operations team was female. We were not specifically looking for women, but we were searching loyal employees who wouldn't leave the company after some time. This implies that these people should not focus on their career too much and love the job they are doing now. This job description was more attractive to women apparently. Additionally, we had really flexible working hours which was also appealing to women. It might have been different if it wasn't my mother or me leading the company. As we are both mothers we appreciated the effort other working women made and knew how important flexible working hours were.

*Did you encounter any competitions between male and female colleagues?*

We had a lot of arguments concerning the question of how to lead a team. Leading has primarily something to do with your beliefs and your experiences. And since no one has the same experiences, people differ a lot. But it doesn't make a difference if you are a

woman or a man in this context. We promoted a corporate culture which was characterized by open discussions, carefully listening and valuing opinions.

*Do you think that the management style of men and women differs?*

I don't think that the management style is dependent on gender. It is dependent on character. There are a lot of women who have male characteristics, but there are also many men who have female character traits.

*But why do you think that there are more men in management positions than women?*

I think one of the reasons is that we as women still feel more responsible for the family and the children. Me for example, I pursued a career early in my life and basically missed the childhood of my children. But I was lucky that my husband decided to work fewer hours and take care of them. Eventually I realized that my kids were missing the female approach of educating and that is when I decided to dedicate more of my time to them instead of work.

*How old were you when you got your first job as a leader?*

I got my first job as a manager when I was 28 and a few years later I became CEO. I had my kids before I was getting in these management positions. I got my daughter when I was 25 and my son three years later at the age of 28.

### ***Women's quota***

*What do you think about the women's quota?*

There are a lot of studies about this topic and several come to the conclusion that it makes a difference and you should have a diverse board. But there is a new study which is of the opinion that it only makes a difference if there are at least 40% female participants. 40% is the critical mass, below this percentage it doesn't have an influence if a woman is on the board or not. But then, the requirements for these board positions are most of the time reported in a way that it only attracts females with masculine characteristics. And this means that you won't arrive at a diverse board either because the people on the board, whether male or female, share the same value sets. I think that the function of HR needs to change in order to prevent that from happening. HR used to be a purely administrative department, but it has become one of the most important departments of a company since it takes care of talent management. Women in the past have always been told that they are and can be the same as men are. But women are different

than men and we have to start celebrating these differences and benefit from that. Women do not have the same value sets than men; we act and behave differently. It is important that women are shown a way of progressing without sacrificing female characteristics. The perception of society of a strong and independent women is about to change. The environment and the education is changing a lot and as soon as we have reached the critical mass, then it will become totally normal to see women in leading positions and the question of whether or not to have a quota will disappear.

*Do you think that political support in form of a quota is necessary?*

It depends on where you have the quota. Viviane Reding [Luxembourgish politician and Member of the European Parliament] has implemented the quota in the board of directors. She did this in order to show women that they can become a board member if they work hard. But that is not enough. Iceland is a good example because here they legislatively implemented a quota of 40% women in the BoD and that functions very well. But looking down to senior and middle management, the quota of women stagnates with 12% to 18%. So it doesn't make sense to have the quota only for the board of directors. But companies can also change a lot by themselves if they are engaged and promote change. It does not necessarily need a quota.

*Can you imagine that women might feel as being the “token woman”?*

Yes and the problem with it is that if the woman herself feels that way, everyone else will also not give her as much attention as she deserves. Her opinion will not be valued as much. I think it takes another generation to understand the value of a diverse board. However, I would advise women who made it to the board because of the quota to pull other women along. Women helping women. And if everyone does it and supports other women, then it won't take too long until the system changes.

*Can you imagine that men would feel disadvantaged by the quota?*

Women don't want to take something from men, but it is a fact that they want to sit at the table with them. So you either have to have more chairs at the table or change the positions. But in most of the boards or in management you have a limited number of seats. I can understand that they might feel disadvantaged or uncomfortable with this quota. But women had to sacrifice so much in the past, now it is time to give them a chance.

### ***Compatibility of family and the job***

#### *How do you manage your family and the job?*

It is really difficult to be a mother and also be successful in the job. The big disadvantage of career opportunities and especially of networking is that these events take place in the afternoon or even at night. Women with little children usually won't make time to participate. Then our system is also made to the disadvantage of parents. Today it is all about spending a lot of hours at the office and being present. And that was necessary at the times when we didn't have laptops or cell phones. Nowadays you can basically work from anywhere in the world and don't have to be sitting at your desk in the office. Your work is determined by how efficient you are and not by how many hours you are working. The problem is that management and HR is still educated in these old ways and the acceptance of more flexible hours and home office is only slowly progressing. The system still expects men to advance in their careers and women to stay at home and take care of the children. But what we forget by that approach is the great potential women have and that it often is neglected because of old-fashioned traditions. Companies that live and work that way do not get the full talent from the talent pool and forget about the needs and wants of the Millennials. They don't want to work 80 hours per week, they seek a work-and-live balance and have more modern approaches (e.g. want a purposeful job). So I am absolutely sure that we will see a huge change in the way we work in the next five to fifteen years because of the digitalization.

#### *Are having a career and having a family mutually exclusive?*

In the system we live and work in, I would say yes. It depends on your expectations on how you want to raise your kids. Your day has only 24 hours and you need to decide how you want to spend them. If you want to have a career, you most probably have to assert yourself against men who don't necessarily have to be at home and care for their kids. So who do you think will be promoted if they are able to work 10-12 hours and you don't? You can have a family, but I think that you won't meet your expectations of how much time you want to spend with them if you are also pursuing a career.

#### *How can organizations support working parents?*

There are a lot of things companies can do in order to support their employees. Flexible working hours and home office are one of the examples. But they also need to change their expectations of how e.g. a manager needs to work. Why does every manager need to be working full-time? Why isn't it possible to have two people share one job? With

the help of the digitalization it is nowadays so easy to work from basically every place in the world. Soft skills are becoming more and more important and it is the responsibility of our generation to change the corporate culture to manifest these value sets and reflect modern approaches. And we should also not forget about the men who want to be there for their families and who voluntarily give up career opportunities. Everyone always expects men to move up the career ladder but no one really asks if they want to. So it also has to become universally accepted that men take over family responsibilities.

### ***Gender Pay Gap***

*What is your opinion of the fact that women earn less than their male colleagues do?*

One should always look at the calculation basis of these statistics first. Because they only calculate averages and take part-time as well as full-time work into account. So it is kind of normal to arrive at these differences because a lot more women do work part-time than men. And a lot more men have management positions than women. If you would compare the salary of men and women in exactly the same positions, than the difference might be approximately 1-2%.

### ***Closing questions***

*How important do you think is networking for the professional career?*

Networking is really important. You won't advance in your career if you are not good at it. You can be great at your work but if no one sees it than only your boss will profit from it but not you. Networking is necessary in order for you to build up a reputation in the market. Next to participating at networking events I can only recommend also volunteering and supporting other projects. You need to be known for something and then you will become the natural choice for a management position. And that is valid for women and men equally. Networking is something you can and should learn.

*What would you advise young and ambitious women?*

Surround yourself with people who support you. You will be stronger in a group than you are when you're alone. And talk to people who have gone through the same. Learn from their experiences and listen to the mistakes they may have made and prevent these situations from happening to you. Talking to people who are older than you and listening to their stories also helps you to focus on the important things. It also makes sense to join groups of people who share the same interests and who talk about these career specific topics. It is all about networking and getting together with people.

## **7. Female interview partner, extensive experience in marketing, >50 years old**

Managing Partner at a marketing agency, Luxembourg

(The interview was originally held in German and translated into English)

### ***Personal experiences***

*Which subject and why did you study?*

When I finished school I decided to start a training program called “Business administration for marketing communication”. Since the marketing industry is such a practice-oriented one, it made more sense to start working in that area instead of studying. I decided to go to Luxembourg because it is so much more international and more interesting. I got my first job here in a big agency and started off as an assistant. I moved up fast and eventually became the responsible person for the team. I didn’t really plan to lead a team someday, but I always liked to organize things and take over responsibility.

*Did you have the urge and motivation to lead? E.g. already wanted to take the lead as a child when groups were formed or decided what to play?*

I already liked to organize and set the tone when I was a child. I was also the class representative in school. It is my character and I enjoy leading. I believe that you should do what you enjoy and then you most probably will be good at it. However, I have to say that I do not only delegate and instruct people, I like to work with them. I have a team-oriented approach and see myself as part of the team. Everyone in the team has his own function and without that person it wouldn’t work out.

*Would you consider your approach as being feminine?*

No, I wouldn’t say that. But I do think that men and women differ in the way they lead. I think that women have to work much harder in order to be accepted as much as men are. Right from the beginning of my career, there have always been more men in the managing board than women. And in order to get rid of the man/woman-discussion, it was necessary to adopt an asexual approach and be less feminine. But then, when you are accepted as a person, then the gender becomes irrelevant.

*How old were you when you got your first job as a leader?*

At the age of 30 I was addressed by an international marketing agency and asked whether I wanted to lead the newly set-up branch in Luxembourg. I was working in

close contact with the office in Brussels which was led by four men who all supported me very well.

*Which difficulties and obstacles did you have as a leader?*

If I was at the point of setting up a business again all by myself, I would never want to recruit people again. In the business I am working in it makes more sense to work together with people who are on the same level as you are. When working in a team and employing people, you need to keep your sovereignty and delegate. But in times when you have questions and/or face problems, it is of utmost importance to be able to talk to people who are on the same level and who might have experienced the same. Today, I am working for my own company and I am on the one hand supervising clients directly, and on the other hand working together with other agencies.

*Would you consider your industry as being a typical female or male industry?*

One has to distinguish between the management level and the lower levels. Surprisingly, the management level is dominated by men whereas the lower levels are quite balanced. Since the proportion of men and women in the industry is balanced, I think that we will see more women in the management level in the coming years. Not only do women nowadays increasingly want to lead and take management positions, I think that men are realizing the benefits of having women in the management.

### ***Diversity***

*Does diversity, other than gender, play a role in the industry?*

A wide variety of nationalities is something that is always being considered. Age is only discussed in terms of making sure to have enough trainees. But I think that the awareness of diversity is growing. I can recognize a different approach with the new, young agencies. There you oftentimes have men and women in the lead who manage together as a team. Gender does not play a role here anymore. Talent is decisive.

### ***Compatibility of family and the job***

*Do you have children?*

No I don't have children. But I did not give up on having a family because of my job. The opportunity just didn't arise.

*Do you think that organizations can do more to support working parents?*

There already has been a lot of progress made in the past. I think it isn't a problem anymore if someone wants to work part-time for example. And I think that families nowadays have changed a lot in terms of division of labor. Young fathers are much more willing to support their women with household and childcare duties than in the past. Furthermore, much more men decide to take parental leave today. The acceptance of society is growing when it comes to men and childcare. Employers today have recognized that a positive work-life balance for both genders will in turn have a positive impact on their performance. A work-life balance has become more important for employees and employers have to react accordingly and offer flexible work time models.

### ***Women's quota***

*What is your opinion on the women's quota?*

I think the quota is a desperate attempt to cause change. I'm not sure whether we need it because I believe that when a woman wants to move up into management she will have the chance to. But it depends on the industry we are talking about and it might be necessary in traditionally male-dominated industries. We should also distinguish between the big corporations and small- to medium-sized companies (SME). Big companies might need the quota in order to have a structure. Furthermore, I think that the better the women are educated, the better their chances for management positions will be. And since women make up the majority of students today, I think that they will naturally get into these positions and naturally earn more.

*Can you imagine that women might feel as being the "token woman"?*

Yes of course. Fifteen years ago, I was also once told that I was only invited to a business committee because I am a woman. I often tell this story and most people cannot believe it. But it is still reality that women are only invited because of their gender.

### ***Gender Pay Gap***

*What is your opinion of the fact that women often earn less than their male colleagues do? (In Europe on average 16%)*

I think it is really dependent on the industry and the job you are looking at. I have experienced women who have earned more for the seemingly same job and vice versa. I think it depends in a large extent on negotiation skills. And it is also really difficult to compare jobs to another because two people will never exactly do the same job. Two people might perform the same task but they will never have the same approach and



thinking patterns. One might solve the problem in half the time or with the use of fewer resources.

*Do women generally have to demand more?*

Yes, women in general do not demand or actively ask for a salary increase. Women might know that they deserve more money, but they most probably will wait for their supervisor to come over and tell them about the raise. Men approach these topics differently; they will ask and demand the raise. No matter if they deserve it or not.

### ***Closing questions***

*How important do you think is networking for the professional career?*

Networking is really important. It is a great opportunity to exchange opinions and should be made use of. It is also a great way of bringing other people together, getting to know each other, exchanging opinions and views, and often results in something positive. The young can learn from the experienced and the experienced stay on track and get all information about advancements and innovations from the young people.

*What would you advise young and ambitious women?*

I think women should free themselves from the gender discussion. Don't always think about what women should and shouldn't do; concentrate on your talents. Don't blame men for everything; that is too easy. Do what you love and you will be successful.

### **8. Male interview partner, extensive experience in the food industry, >60 years old**

Former Vice President and owner of a food factory in France

(The interview was originally held in German and translated into English)

### ***Personal experiences***

*Which subject and why did you study?*

I studied textile engineering in the UK because I had the opportunity to get a job at the Monsanto Company Europe.

*Did you study because of the career you wanted to pursue or because of social relationships?*

I studied because of the career I wanted to pursue.

*Did people expect you to study?*

Yes, my parents expected me to study.

*How old were you when you got your first job as a leader?*

I was 25.

*Did you already have the ambition as a child you become a “leader”?*

Yes.

*Did you have the urge and motivation to lead? E.g. already wanted to take the lead as a child when groups were formed or decided what to play?*

Yes.

*Would you consider your industry as being a typical female or male industry?*

It was a male industry.

*Which difficulties and obstacles did you have as a leader? Do you think that your female colleagues encounter the same difficulties?*

The communication between the team was one of the biggest difficulties we encountered. And yes, I think that colleagues, male and female, encounter the same difficulties.

*Did you encounter any competitions and differences between male and female colleagues?*

At my time within Monsanto in the 70ties and V&B in the 80ties, I had no female colleagues except for assistants and/or secretaries.

*How does a female manager experience the barriers with working as a manager?*

I think that women need to be tough and social.

*How does a female manager design a higher effectiveness in organizational goals by applying feminine managerial approaches?*

In my opinion, women are the better leaders if they only get a chance to lead. One of the reasons why is because of their multi-tasking features.

*What are the strengths of women as managers?*

In my opinion women are more logical, better organized and more structured in their work. But of course it has to do a lot with personality.

### ***Women's quota***

*What is your opinion on the women's quota? Do you think it is necessary?*

Yes it is necessary.

*Can you imagine that women might feel as being the "token woman"?*

Yes.

*Can you imagine that men would feel disadvantaged by the quota?*

An intelligent man will not feel disadvantaged by the quota.

### ***Compatibility of family and the job***

*How do you manage both? Do you have some sort of support?*

My wife, who is a business manager, and me both took care of the education of our child. Additionally, we have been supported by an au pair girl.

*Did considerations concerning your career have an influence on your family plans?*

No, my career did not influence my family plans.

*How can organizations support working parents?*

Organizations can help parents by giving them the possibility to work from home offices.

*Which role model was exemplified by your parents and what role image is lived?*

My parents lived the old, traditional way. Meaning my mother was at home and my father was working.

*Do you have siblings? Are you the oldest, youngest, sandwiched in the middle?*

I am the oldest.

### ***Diversity***

*How would you define diversity?*

Diversity always depends on the context.

*Have you engaged in diversity programs for your company?*

Yes, for example we tried to balance the production.

### ***Gender Pay Gap***

*What is your opinion of the fact that women often earn less than their male colleagues do? (In Europe on average 16%)*

This is a scandal which is absolutely not correct.

*What do you think has to happen for the gap to be closed in the future? Does it need political support?*

Actually it is very simple: pay the same salary for male and female employees. The same diploma, the same status should lead to the same salary. At the moment we need the political support in form of a quota.

### ***General and closing questions:***

*How important do you think is networking for the professional career?*

Networking is very important.

*Did you have mentors who supported you in your career?*

Yes I had mentors.

*How could you learn from them? How did they support you?*

They taught me that listening to people is a very important matter. And they e.g. helped me in finishing new projects.

*Do you think that women often do not have the courage to strive for more? Do you think they are afraid of any drawbacks or their counterparts?*

No I don't think so. In some respects they should be tougher but that again depends on character and personality.

*Do you think that women stand in their own way?*

Some yes, some not. It depends on the personality.

*What would you advise young and ambitious women?*

To learn, to listen, to take opportunities and to be a team player.

*What is your opinion/perception of the following citation by Sheryl Sandberg: “Success and likeability are positively correlated for men and negatively correlated for women.”*

My opinion to that: Due to the fact that we still are in a male world, Ms. Sandberg is right. But, in order to change that, the female world would have to fight for this subject.

### **9. Male interview partner, experience in publishing industry, >50 years old**

CEO of a publishing house in Germany

(The interview was originally held in German and translated into English)

#### ***General questions concerning the interviewee and their professional experiences***

*How old were you when you got your first job as a leader/manager?*

I was 28 years old when I got my first job as a manager.

*Did you already have the ambition as a child you become a “leader”?*

Yes, I already knew as a child that I wanted to become a manager one day.

*Did you have the urge and motivation to lead? E.g. already wanted to take the lead as a child when groups were formed or decided what to play?*

Yes, I did.

*Would you consider your industry as being a typical female or male industry?*

In general, the gender segregation does not play a role in the industry I am working in. However, one can say that the commercial field is more female dominated and the printers are mostly male.

*Did you encounter any competitions and differences between male and female colleagues?*

No, I did not.

*Which difficulties and obstacles do you have as a leader?*

The excessive bureaucracy, state restrictions and official requirements belong to the predominant difficulties and obstacles. However, the obstacles are not depending on gender. They are part of the job.

*What do you think differentiates female and male leaders? What are the strengths of women and men as managers?*

I think that women are more emotional than men are, but men act more rational.

*Do you think that the management style of a woman should be different from that of a man?*

I do not think that the management style should depend on gender. Each manager should develop his/her own style and use it consequently.

*Do you, as a man, experience a certain pressure to succeed in your job?*

I do not feel any external pressure, it is more my own motivation that thrives me.

Is having a career important to you?

It was more important to me when I was younger.

### ***Women's quota***

*What is your opinion on the women's quota?*

I think that the women's quota does not lead to the targeted results and that it is discriminatory for both sexes. Any job in the business world should be filled according to personal qualifications and suitability, regardless of sex, tendencies, age, etc.

*Do you think that the quota is necessary?*

No, I do not think that it is necessary.

*Can you imagine that women might feel as being the "token woman"?*

Yes, because it is exactly the case nowadays. Many women feel as being the token woman.

*Can you imagine that men would feel disadvantaged by the quota?*

Yes.

### ***Compatibility of family and the job***

*Do you have children?*

Yes, I have two children who are both adults now.

*If yes, who is responsible for the education of your child?*

My wife was mainly responsible for the education of our children.

*Is your wife employed? If yes, full-time or part-time?*

Yes, she is working part-time and had the possibility to do home office.

*Did your wife give up on her career in favor of the family?*

Yes, she gave up on her career in favor of the family.

*Do considerations concerning your career have an influence on your family plans?*

Since my wife was mainly responsible for the education, it did not have an influence my plans.

*Did you take the opportunity of parental leave?*

No. 30 years ago there was no such thing as parental leave.

*How can organizations support working parents and especially working mums?*

Organizations need to extent their offers and become more flexible. They could provide their employees with flexible work time models or job-sharing for example.

*Did your parents raise your sister/s different from you? If yes, in which way did the education differ?*

Our education differed in the form of activities within the family. My sister had to do the classic housework tasks like rinsing, ironing, and cleaning, and I had to do other chores like gardening, or picking wood for example.

### ***Diversity***

*What does diversity mean to you?*

Everyone should live their lives according to their personal inclinations, while also taking care of their fellow human beings and their environment. The respect of the personal individual is very important to me without making any differentiations according to sex, religion, or age.

*Have you engaged in diversity programs for your company?*

No.

*Does "diversity" play a role when recruiting new employees?*

No, it does not.

*In general, how important are diversity programs for you?*

They have no relevance for me.

*Do you think that a diverse team can lead to greater entrepreneurial success?*

As mentioned above, when everyone is performing a job that corresponds to his and her abilities and inclinations, and if everyone shows the necessary respect and esteem in front of colleagues and supervisors, then the whole diversity discussion becomes obsolete in my opinion.

### ***Gender Pay Gap***

*What is your opinion of the fact that women often earn less than their male colleagues do? (In Europe on average 16%)*

It is of course not ok. Everyone should be paid according to the service they provide, irrespective of their gender.

*What do you think has to happen for the gap to be closed in the future?*

I think this is still a relic from the past. Today's executives are often younger and have a different mindset that will lead to changed conditions. I also think that the problem will resolve itself, especially as more women are moving into leadership positions and will demand a fair treatment.

*Do women generally have to demand more?*

I think that that would be the wrong way. A self-confident appearance and a realistic evaluation would be more helpful.

*Do you think that the support of women (in the form of regulations and laws) at the same time leads to the disadvantage of men?*

This is one conclusion of the quota because jobs will not be given based on qualifications and objective grounds.

### ***General and closing questions***

*How important do you think is networking for the professional career?*

Networking in general is very important nowadays.

*Did you have mentors who supported you in your career?*

Yes, I had mentors.



*How could you learn from them? How did they support you?*

I could learn from both the human and professional experiences they had made and I was able to master difficult situations with the help of their advice and tips.

*Do you have female role models?*

Yes, my mother who is a very strong, powerful woman.

*Do you think that equality between men and women can also be attained without any quotas?*

Yes, I think so.

*What would you advise young and ambitious women?*

Do not rely on any legal regulations or refer to them, but rather be self-confident and communicate, promote and present your qualifications.

#### **10. Male interview partner, lawyer, >60 years old**

Lawyer for construction and architectural law and owner of a law firm in Germany  
(The interview was originally held in German and translated into English)

#### **General questions concerning the interviewee and professional experiences**

*How old were you when you got your first job as a leader with employee responsibility?*

I was 37 when I was self-employed and hired two employees. One has to distinguish between the freelancers in this job who have their own law firms and the large law firms that can be considered or compared to organizations. In these large firms the career path of lawyers is prescribed. I started with my own secretaries before I advanced into another law firm ten years later with approximately 30 employees.

*Did you already have the ambition and motivation as a child you become a “leader”?*

Yes, definitely. I always wanted to lead from an early age on. I also started being politically active while being in school and became a member of the city council of Bonn at the age of 21. Starting citizen’s initiatives was also one of my endeavors. That is to say that I have always wanted to take responsibility and set an example. Furthermore, I didn’t want to have a boss. That can be understood as not willing to fit into hierarchies, but wanting to lead and work self-determined.

*Would you consider your industry as being a typical female or male industry?*

Traditionally, law is a very male dominated industry. When I began my studies, the share of women was maybe 25%. Today, the share of female students has increased to more than 50%. On the next higher stage, relatively many women are employed in the civil service. I experience a lot more female judges than in the past and I would even say that there is a slight majority of women in the occupation of judges. When considering the occupation of lawyer, you can also recognize a lot more female lawyers than in the past. However, the question of interest is how many women advance to higher positions than that? At the local court you might find 50% women, at the district court 40%, chairwoman at the district court maybe 20%, and female presidents at the court are almost never to be seen, maybe 5-6%. In my opinion, a lot of women in law make it to the middle level but have problems advancing further. It is difficult to find an explanation for that as the function and knowledge of a person is more important than gender. I guess that the old boy network has a huge influence and as soon as others decide on whom to promote, women often lose out on men.

*Do you think that the management style of a woman is different from that of a man?*

Yes, quite clear. Women have a different amount of self-presentation while leading and managing. For them it is clear that they are as dependent on their employees as their employees are on them. This understanding results in a different cooperation among the group. Female leaders are more emphatic and understanding. Men in contrast often first have to demonstrate their superior position, which can result in anxiety and prudent behavior among the employees. But of course one cannot generalize this statement.

### **Compatibility of family and the job**

*Who was responsible for the education of your children?*

At the beginning of our relationship my wife was the only wage earner. We were basically living on her cost as she was working as an educator in a kindergarten while I was still studying. We had a deal which meant for her to earn the money for the family while I was finishing my studies as fast as possible. It was clear that we would not become parents before I did not end my studies and do my doctorate. So I managed to finish my doctorate at the age of 26 and we started our family. As I was now able to earn more than she was, it was clear that she would be staying at home with the children. Basically our life planning was dependent on my career as a lawyer.

*How can organizations support working parents and especially working mums?*

The example of a reputable law firm in Bonn is a good one. One of their female lawyers is supposed to have a huge career in the law firm and she is a mother of two little children. In order to work and cater for the children, the firm allows her to bring her kids into the office. That way she is able to work and look after her children at the same time. That amount of goodwill by the law firm is of course not the standard in this industry. It is only possible because the firm is benefitting from her work now and in the future and because the firm is still making a lot of money. A situation like this would not be possible in a small law firm that needs to complete a certain amount of cases each month and is totally depend on their lawyers working full-time.

*What options would you personally be able to offer to your secretaries?*

I would be willing to support them the best I can as their employer. None of them is interchangeable or replaceable in my view. I would talk to them and ask them what they need and how I can help. I could think of a home office for example. In my opinion, the amount of support or the flexibility provided depends on the importance of the employee to the office. And as my secretaries are very important to me, I would give them the support they need in order to have a family and work for me at the same time.

### **Women's quota**

*What is your opinion on the women's quota?*

A women's quota only makes sense if you are a company that can choose from a pool of candidates. In my personal experience, I have never had various candidates to choose from, so a quota in that sense would not lead to any change. In my fields of business you are lucky to find a person who can do the job. The gender of the applicant is secondary or either irrelevant. But in general, I have some reluctance in accepting the quota as an instrument in staffing. It means that your gender decides whether you can become a manager or not. The quota tries to solve a general problem of our society, meaning having too few women in leading positions, by making gender, which is in itself irrelevant when only looking at job requirements or someone's ability to do a job, the decisive criteria. Instead of using quotas, I would like to see a change in the organizations 'behaviors' that leads to the acceptance of women's capabilities and their consideration for management positions.

*What about the quota as an interim solution? Could it be helpful until the general equality issue is not so much of a problem anymore?*

I don't think that the quota, even if only used for a limited time, would lead to a change in the ways of thinking of the parties concerned. For me, the basic prerequisite for a person to be successful in an organization is acceptance. Especially in management, the mutual appreciation and respect must be given. If someone makes it into management because of a quota, I would anticipate lower or missing appreciation from those managers who got their position through the 'normal' way of proving qualities and capabilities. So my answer is no, I do not think that a limited quota would lead to a change.

### **Gender Pay Gap**

*What is your opinion of the fact that women earn less than their male colleagues do?*

I don't understand why and how we can have such a huge wage difference. If I demand the same qualities of women and men in the job, they should of course also earn the same. There is simply no reason to pay women less. However, one has to be careful when interpreting such statistics, part of the problem is comparability. You most probably won't find two persons that have the same job with the same qualifications and the same tasks. And when only considering people in management positions, the comparison becomes even more difficult.

### **General and closing questions**

*What would you advise young and ambitious women?*

I would advise them to be authentic and self-confident. They need to make sure to work on their career in every respect and then they will succeed eventually. It is not about making more money and hunting for titles, it is about finding the perfect package. Being part of a company that pursues the right targets, respects and appreciates you and most importantly, listens to what you have to say. Stick to your principles and follow your goals self-determined and consistently.

### **Annex III: Written summaries of the interviews with political representatives**

The interviews are listed in chronological order.

#### **1. Interview with Ms. Dr. Katarina Barley**

Federal Minister of Family Affairs, Senior Citizens, Women and Youth and acting Federal Minister of Labor and Social Affairs of Germany

(The interview was originally held in German and translated into English)

*Why do you think that women nowadays still need more support from politics than men?*

Women need more support because the equality of men and women is still not given today. There are certain areas where women are still at a disadvantage compared to men. These areas are amongst others the labor market and politics. And as long as women are discriminated, they need special attention and focus from politics.

#### ***Women's quota***

*What is your opinion on the women's quota?*

I wish we could live without the quota, but it is not yet possible. My favorite example is the following: In the first National Assembly of the Weimar Republic in 1919, we had a share of women of 8.5%. When I am in meetings today, I often ask people when they believe that this value was permanently exceeded. Most of them don't know. It was only in 1983 when the Grünen [a German party] came who already had an internal women's quota. I think it wouldn't have been possible without them. Today, we have a little over 37% of women in the German Bundestag and we wouldn't have achieved this without a quota. Unfortunately, it is the same in the economy at the moment.

*Do you think that the quota is absolutely necessary?*

Yes, I don't see how we can progress without it at the moment.

*Can you imagine that women might feel as being the "token woman"?*

I don't think that this is the case for women in politics. They are self-confident enough to know that they are capable of their positions and that a lot of men aren't the optimal staffing for a lot of positions. Oftentimes men only got the jobs because of their gender. If they would have been women, they wouldn't have gotten the jobs. I think it is much more of a problem in the population at large. The men's networks make it possible to

only see men in these higher positions. And oftentimes they are not even capable of doing it right and are bad choices. This is something that men also have to keep in mind. Their networks have excluded women from progressing for a long time now.

*What can women actively do to overcome these disadvantages?*

Women should support each other more and refrain from stabbing each other in the back. Women shouldn't call other women token women or criticize their way of living. I think every mother loves her child and is doing her best to offer her child something in life and women shouldn't accuse other mothers of not caring too much. Furthermore, women should also hold up a mirror to men. Looking at the financial crisis, I think that there were not many women involved. It was the men who are to be blamed for.

*What is your opinion of the fact that women often earn less than their male colleagues do? (In Europe on average 16%)*

It is a scandal that the gap still exists today. We have a salary gap of 21% in Germany. If you compare exactly the same job with exactly the same prerequisites, then the gap lowers to 7%. The gap is undeniable; it simply does not work like that. The next problem we already have addressed is that the classical women's professions are upgraded and better paid. I just do not understand why we pay people who we give our children or our dependent relatives to much less money than we pay people who care for our washing machines or cars. This makes no sense and should be changed quickly.

*What do you think has to happen for the gap to be closed in the future?*

We definitely need legal measures in order to narrow the gap. This can be achieved by increasing transparency on the one hand and uncover inequalities on the other hand. Furthermore, we need to reach a point where men also assume unpaid work. It has to be as natural for men to make use of parental leave as it is for women.

*What can organizations do in order to support parents?*

Organizations can offer more flexible working arrangements and encourage men to take parental leave. The possibility of home office helps a lot and encourages women to take executive positions. A lot of organizations nowadays have troubles finding the right specialists so they have to come up with ideas to support families and especially women. Otherwise they won't have access to the full talent pool. Furthermore, men need to recognize that it is not only a duty to care for children; it also makes a lot of fun.

*How can women arrange the job on the one hand and the family on the other?*

It always depends on your environment and how you are being supported. Maybe it has also something to do with how you have been raised and what has been demonstrated to you by your parents. Most of the women I know naturally arrange family and work. And most of them had strong mothers who were also employed.

*Is it a problem of our society that names working mothers “Rabenmütter” [German slang for uncaring mother]?*

The term “Rabenmutter” is only known in Germany and it has something to do with our past. The idea of raising a child alone and the belief that children can only be happy if around their mother is something I do not support. Children need other children to be happy and that is also one of the reasons why children should visit a kindergarten.

*Do you think that women and men differ in their management styles?*

I think that one cannot generalize this statement because everyone is different. I once had a female boss who had a rather feminine management style. By feminine, I mean that she took my fear of failing and made me learn from mistakes. Women are in general much more self-critical than men are and we should learn to become more relaxed.

*Do you think that this insecurity and constant questioning keeps women from advancing into management positions?*

Yes, I think that this is the main reason. Being self-critical is good on the one hand because it pushes you to deliver great work, but it can also hinder you from progressing. Women do things only if they are 100% sure they will solve the problem. Men usually don't analyze themselves too much and just try. Having high standards is something great, but women should learn to become more tolerant with themselves and others.

*What would you advise young and ambitious women?*

Keep your high standards but don't let them get in your way and keep you from trying. Me for example, I am not afraid of anything. I just try. But I also had one key experience which was the election of the county commissioner in Trier-Saarburg in 2005. The election was said to be lost before it even started. We live in a constituency which traditionally voted for another party. In the end I achieved a result of 45% and even today people tell me that we had a chance of winning if we only have had more time. But that was one of the situations that reassured me that I was good at what I was doing.

## **2. Interview with Ms. Corinne Cahen**

Minister of Family and Integration and Minister for the Greater Region

(The interview was originally held in German and translated into English)

*Why do you think that women nowadays need more support from politics than men do?*

Women function differently than men do. Men have a lot more confidence in themselves, even though they might not fulfill all qualifications. Women on the other hand only apply for something or raise their hand if they are 100% sure that they can do it. It becomes especially apparent here in Luxembourg when it comes to the local elections. We have troubles finding female candidates. Part of the problem is that men are used to lead. They are used to women putting back in favor of men. Moreover, the expectations of society further strengthen the problem. If a woman does not go back to work after she has given birth to a child, she is considered as being lazy. If, on the other hand, she goes back to work, she is called to be an uncaring mother. Either way she is being criticized. I also made this experience multiple times when people told me that I cannot raise my children while working [Mr. Cahen has two daughters]. Our society quickly judges women, whereas men are not judged or criticized at all. This behavior puts a lot of pressure on women because they naturally want to succeed in everything they do; be it in the workplace, at home as a mother, in politics, or in relationships.

### ***Compatibility of family and the job***

*Do you think that women can still manage to have a career and a family at the same time?*

Yes, it is possible. Women need to start trusting their feelings and do what feels right for them. If that means that they stop working and devote all their time to the family, then it is totally fine. But it is also fine if women decide to work and have a family at the same time. As long as the mother is happy, the kids will be happy too. It is important that women are independent and stand on their own feet. I see many women who perfectly match their career with their family. Of course it is tough sometimes. Especially in the beginning when the kids are small, but these times will pass and the mother should always find support in the father of the child. I believe young men today feel the need to be a good father and have an active role in the upbringing of the child.

*How can organizations support working parents?*



Since there is a change in generations and their behaviors/demands/desires, organizations need to adapt to that. When I graduated from university, we were eager to work. Companies were used to having employees who wanted to work long hours and put work first. But nowadays employees want to leave work early, they want to meet their friends and go to sports. People work differently than 20 years ago and want to combine work and their private life perfectly. Organizations and politics as well, need to offer more flexible working conditions. It has to be possible, also legally, to work from home or anywhere you want. Right now, a lot of companies actively ask for a change in law to be able to offer their employees more flexible conditions. Especially today with a low unemployment rate, organizations need to become more attractive for young talents. Employees are now in the lucky situation that they can choose whom to work for and that puts more pressure on organizations in the battle for the best talent. Flexible working hours and the possibility of home office are only some of the many options to support young talent and parents. Furthermore, we need to get away from the traditional pattern of the mother working part-time and the father working full-time. This pattern is to the disadvantage of women because they will be the ones with the lower pension in the end. It should be possible for both to work e.g. 70% or 80%.

*Nowadays fathers also have the possibility to opt for parental leave. How many fathers take this opportunity here in Luxembourg? Is it a successful concept?*

Before I became minister, the concept of parental leave was very stiff and inflexible and not many fathers took the opportunity. They either had to stop working for six months or work part-time for 12 months. We reformed the concept [active since December 2016] and made it more flexible to fit the needs of families. Men can either take parental leave for four months in a row; they can take one month for four times within twenty months, or one day a week during twenty months. Moreover, it is possible to make use of the parental leave in the first six years after the child was born. I believe that the huge flexibility is the main reason for the increase in men making use of it. And the more men use it, the higher the acceptance of society will be.

*Are countries like Sweden or Finland, where the family policy is more modern, leading examples for the local politics?*

Yes, absolutely. These countries are the best examples that it is possible to have a family and a career simultaneously. These countries also show us that women who have a career and a family do on average get more children than women who neglect their

working life and only focus on their family. But we can also see that here if we look at the numbers in France. In France it is totally normal for women to go back to work shortly after giving birth. These women (2.08 children) have on average more children than women in Germany (1.4 children) where the acceptance of the working mum is not as high as in France. This example shows that it is all about having the right structures. Women need to have a choice and get the possibility to organize their family and the job. Being able to organize is one of the most important factors in allowing the compatibility of family and work. Everyone should be able to afford good childcare and have the choice where to send their children to. Childcare has to be affordable and accessible.

*How is the availability of crèche facilities here in Luxembourg?*

There is nearly enough room. In the past years the state has put much effort and subsidies in the expansion of facilities in the whole country.

### ***Diversity***

*How would you define diversity? What does it mean to you?*

I grew up in a diverse environment. I have been raised in a multicultural family and I believe if we live diversity consciously, then everyone gains from it. When you look at the Diversity Charta Luxembourg for example [Ms. Cahen is a spokesperson of the Charta], you can see that the organizations who signed it and who live diversity consciously have better economic results. Diversity is not only about gender, it is also about disability, sexuality, ethnic origin, nationality and many more characteristics. I believe that we can all learn from each other, no matter where we are from or what we believe in. Luxembourg is a diverse country. We have 48% of non-Luxembourgish people living here in our country and even nearly 70% non-Luxembourgish people in the city of Luxembourg. It works perfectly fine and it enriches us as a society.

*The signing of the Charta is voluntary. But is there some kind of regular review if the signing companies adhere to the rules and standards?*

Yes, there are regular reviews and the companies have to issue at least one diversity program per year. For example, the employment agency here in Luxembourg rearranged their call center and they now only employ disabled persons. This is a very nice example that shows how inclusion really works.

***Career as a manager/ Experiences in business***

*Before you started your political career in 2013, you were the manager of the family-owned business (shoe store) from 2001 until 2013. How did you experience your time as a manager?*

I basically grew up in this store and working there was not new for me. Besides managing this store, I also quickly engaged in the administrative board of the chamber of commerce of Luxembourg and was voted president of the trading association [2008-2012]. I was not only the first woman to be voted as president but also the only woman on the administrative board of the chamber of commerce. But I didn't have a problem with that, I took the advantage of being the only female and expressed my concerns and suggestions openly. When you openly express your opinion, then it gets heard.

*Did you encounter any situations where you felt that you were being treated differently because you are a woman?*

No, because I didn't allow that to happen. I always managed to assert myself and never felt that I was being disadvantaged or advantaged because I am a woman.

*How did you manage to fit in these male-dominated associations?*

When I joined the association in 2001 there were only men who have been in this association for a long time. They met once a week and chatted about all kinds of things, but not necessarily about topics that one would expect to discuss in a trading association. After my three-year tenure I decided to start a regular meet-up with friends and other self-employed people to eventually take over the association. In 2007, we managed to be voted into the association and then changed the behavior of it drastically. We professionalized it and made it to the association it was supposed to be. What I have experienced in the past is that it is easier to work with women. They are more precise, they know what they want and reach the goal without any detours. Men often want to participate in these kinds of associations for the sake of having a title or an executive role.

*How is the distribution of women and men in politics here in Luxembourg?*

Most ministerial posts are given to men instead of women. And I don't see that any male minister would voluntarily give up his function in favor of a woman. That is not going to happen. There are only alpha leaders in politics, male and female. Furthermore, and that leads to what I have said in the beginning, men are way more confident and

trust in their qualities. They apply for jobs in politics even if they might not fulfill all qualifications. Women just don't apply if they don't feel like meeting the qualifications.

*Could support programs lead to an increase in the share of women?*

Yes of course, these kinds of programs exist but I made the experience that the only motivating factor for a woman to join politics is other women. We are missing examples women can look up to and be encouraged by. But another problem is the public perception of women in politics. Women are either perceived as being sensitive and not assertive enough, or they are perceived as being masculine and lacking female traits. Women are also being watched more critically than men. People discuss about their clothing, their hairstyle, and their physical appearance. I have never heard these kinds of discussions about men though. Women are often being reduced to their physical appearance.

*What do you think has to happen for this condition to change in the future?*

It is not something that will change overnight. It has something to do with our mentality and women need to fight for their rights. When looking back at the time before the Second World War, it was totally normal for women to work. They sometimes even worked longer hours than men. We need to forget about these decades after the Second World War when women had the possibility to stay at home and become housewives. It has always been and it will always be normal for women to work and be independent. It is the media and the society who wants to portray the image of the housewife who is taking care of the children and the husband. But that is not how modern women live and want to live. Women need to fight for their natural independence and equality.

### ***Closing questions***

*What would be your advice for young, ambitious women?*

Having a career and having a family are not mutually exclusive. Women should not make any compromises and follow their dreams. Everything is possible and women should learn to trust in themselves and go for it. Mothers should not let the fathers escape their responsibilities. It is the woman's task to demand equality in every situation.

### **3. Interview with Ms. Dr. Sophie Karmasin**

Federal Minister of Family Affairs and Youth of Austria (16.12.2013 – 18.12.2017)

(The interview was originally answered in German and translated into English)

#### ***General questions about your tasks and objectives***

*What is the focus of the Austrian family policy? What has been done in Austria for families and women in particular?*

The aim of our family policy is to provide the best conditions and framework to the families in Austria and to support them in all areas where support is needed. Families are the fundamental group unit of society - that is why we must support them as best as we can. Since 2013, the Federal Ministry of Family Affairs and Youth has been an independent ministry. Our declared goal is to make Austria the most family-friendly country in Europe by 2025. An important and successful project that leads us in this direction is the introduction of the new childcare allowance on 1 March 2017. This will allow families more flexibility, transparency and partnership. The new family time bonus and partnership bonus program is designed to motivate fathers to take an active part in childcare and to increase their participation. For the financial security and easier planning for families, we were able to achieve the increase of family allowances. Another important step is the largest expansion campaign for childcare centers that has ever promoted in Austria: With 305 million euros in federal funds, more than 30.000 new places have been created since 2014, making an important contribution to the reconciliation of the family life. In order to further improve the compatibility of family and work life, the "Unternehmen für Familien" [Companies for Families] network was established, which aims at encouraging businesses and communities to adopt family-friendly initiatives and to implement family-friendly measures. Our measures are bearing fruit: for the first time since 2011, the birth rate has been steadily rising.

*Why do you think women still need political support today?*

Old thinking patterns must be overcome to achieve a sustainable change. This applies above all to women's and family policy. A more traditional family image still prevails in Austria: women take care of the household and the children, while men make careers and are the "breadwinner". In the past four years it has therefore been one of my main concerns overcome these stereotypes. With the introduction of the partnership bonus for the childcare allowance, we have defined partnership as a central value for families and have given them a financial incentive. Because the more the father is actively contrib-

uting to family life, the greater the chances for the mother will be to realize herself also off the family. Politics can and must create incentives that do not support stereotypes and outdated role models, but rather lead to a rethinking of society as a whole.

### ***Compatibility of family and the job***

#### *How can organizations support working parents?*

For a long time, family friendliness was viewed as a "soft factor" by companies and as a question of social commitment. However, this way of thinking is completely out of date. Family-friendliness is central to the commercial, residential and future location of Austria. More and more companies recognize the benefit of having a family-friendly personnel policy and contribute to the compatibility of family and work with the help of a diverse range of offers. We also see this in the network "Companies for families". Since its foundation in 2015 over 420 partners across Austria joined the network, have anchored family-friendliness in their businesses, and actively live it. It is also about the "struggle for the best talent": a family-friendly company culture and attractive offers are crucial for many parents when it comes to choosing the workplace. Possible measures in the companies are, for example, parent-child offices, flexible working hours and company childcare. Also job sharing or part-time positions for executives are good opportunities and promise success. No matter how big a business is - everyone can contribute to family-friendliness! It also promises business-related advantages for companies: studies have shown that fewer sicknesses and lower rates of fluctuation are recorded. In addition to that, the motivation and dedication of the employees increases. In short: family friendliness is worthwhile - for the employees, but above all for the company!

#### *What influence does maternity have on the compatibility of family and work? Or, how can working mothers reconcile their private life with their profession?*

Especially for women, the birth of a child presents many questions in the area of employment and the compatibility of family and work. For us, it is of utmost importance that mothers can decide individually and freely when and to what extent they return to work. The new child allowance account and the income-dependent child-care allowance provide the basis for decisions of families. In order to make it easier for family and work to be reconciled in our everyday life, we are consistently working on the expansion of childcare centers throughout Austria. Over the past four years, almost 30.000 new childcare places have been created. A special focus is placed on the necessary care of the under 3-year-olds.

*How can fathers be involved?*

The involvement of the fathers in childcare is a central issue when it comes to an improved partnership and an improved balance of family and work. More and more fathers want to actively contribute to the care of their children. With the introduction of the family time bonus and partnership bonus program in the new childcare allowance account, we have also created incentives specifically for the fathers: Through the family time bonus, fathers have the opportunity to experience the time after birth together with the family. In order to further promote the partnership, families receive 1.000€ through the partnership bonus if they divide the child's care in equal parts, 50:50 or at least 60:40. These measures have an effect: The number of fathers who take an active part in child care has increased steadily since 2014 (2015: 18.1%, 2016: 19%, 2017: 19.4%). The aim is to increase the fathers' participation to 25% by 2018.

*Can a legally stipulated parental leave for men contribute to the equality of women?*

With the introduction of the family time bonus and partnership bonus program within the framework of the new child allowance account, fathers were given the incentive to become even more active in family life and childcare. In particular, the time after a child's birth is important for the building of a bond and a sense of trust. Through the family time bonus, fathers have the opportunity to spend up to 31 days together with their family. Since the introduction in March 2017, over 2.000 applications were submitted (as of September 2017). The partnership-based family image is already more common today and is to become the norm.

*By what means does the Austrian state support young families?*

Family-related monetary and non-cash benefits from the Federal Government and the federal states are a key contributor to the support of families in Austria. Austria is a leader in international financial aid for families. Each year, 6.25 billion Euros is available from the family assistance fund. A report by the Austrian Institute for Family Research shows that the total expenditure on families in Austria rose by more than 43% between 2000 and 2014, which is well above the increase in the inflation rate of approximately 33%. This means more security in the financial planning of families' everyday lives. In addition, family-related non-cash benefits (e.g. free kindergarten year for all 5-year-olds, schoolbook campaign) also contribute to the financial relief for families.

### ***Career as a manager/ Experiences in business***

*Before you started your political career, you were also acting as the managing director of a company. Have you experienced any competition or different forms of interaction between female and male colleagues?*

There were competitions, of course, but less between the sexes than between men and women individually. But it was more pronounced between the men.

*Have you ever felt being disadvantaged against your male colleagues?*

I have never had that feeling in my professional life. The last sixteen years of my professional career before entering politics, I worked in the family-owned company as a manager and owner. That's why I have always been used to being in the decision-making role and to be taking responsibility.

*What do you think distinguishes female executives from their male counterparts?*

In my experience, women are much more risk-averse than men. It is often necessary to encourage them more intensively to take over a leadership role. Women should be aware of their strengths and potentials and shouldn't be afraid to use them as a manager.

### ***Women's quota***

*What is your opinion of the women's quota in general?*

The women's quota is a tool to increase the proportion of women in companies and in management positions. In the Federal Service, it has been in place for many years and has led to an increase in the proportion of women. The government has taken an important step in this direction with the mandatory women's quota for the supervisory boards of listed companies and large companies. As an alternative to a mandatory quota, for example for the private sector, I can imagine the flexi-quota. It is a statutory regulation and provides for an obligation for companies to self-commitment. Companies must themselves set an individual women's quota, publish and comply with it.

*How is the concrete implementation, as well as the acceptance, of the quota in Austria?*

By January 2018, the mandatory women's quota of 30% will come into force in supervisory boards of large companies and listed companies. This regulation was decided by the government to make sure to occupy more leadership positions with women. The term of the "token woman" is still negatively connoted by the public. I hope this will change with the new role models.



### ***Gender Pay Gap***

*What do you think about the fact that women today still earn much less than their male counterparts?*

The large pay gap between men and women is an indicator that we are still far from reaching equality in business and in society. Equal pay for work of equal value must be our ultimate goal for a modern and equal society. Women must have the same opportunities as men in the labor market and in social life. This is why it needs visible role models and political support for a rethinking as well as the breaking up of stereotypes.

*What do you think has to happen for the gap to be closed?*

Policy-makers can intervene and create a framework to reduce the wage differential. Therefore, it is essential that women receive the best possible support when returning to work after giving birth to a child. Important factors for this are the consequent expansion of childcare centers, as well as a family-friendly work environment. The partners of the network "Companies for Families" serve as best examples.

### **4. Interview with Ms. Sabine Baumgartner**

Representative for public relations of the Federal Office for the Equality of Women and Men, Switzerland

(The interview was originally held in German and translated into English)

#### ***General questions on the tasks and targets of the Federal Office for Gender Equality***

*What are the specific tasks of the Federal Office for Gender Equality (FOGE)?*

The Federal Office for Gender Equality was raised into the rank of a Federal Office in the mid-1990s as part of the adoption of the Gender Equality Act. That means we are a Federal Office in the Federal Department of the Interior and the basis for our mission is the Equal Opportunities Article in the Swiss Federal Constitution. Our main tasks are the promotion of gender equality in all areas of life and the fight against all forms of direct and indirect discrimination. The execution and realization of our tasks is achieved by focusing on equal opportunities and equal pay in the working life and promoting this area specifically. Especially for Switzerland, and made possible because of the federal system, we have equality offices at the cantonal level and in part at the municipal and city level. The merger of these offices is called the "Swiss Conference of Equal Opportunities Officers", which meets twice a year and exchanges views on the various topics.

*How important is the issue of "gender equality" for Swiss politics?*

At federal level, priorities and strategies are set out in the legislature plan for the next four years. The current term lasts from 2015 to 2019 and includes measures to promote gender equality. That is to say that the topic is of high priority in the domestic and foreign policy. Political support, however, may differ in the different cantons.

*Which initiatives, recommendations, or laws for the achievement of equality of women and men are filed or planned in Switzerland?*

At the moment, the revision of the equality law is highly topical. The law of 1995, which has been in force since 1996, is now to be revised against the backdrop of the fight against wage inequality. After trying to combat wage inequality on a voluntary basis for a long time, one now tries to enforce equal pay by additional state measures. In July 2017, a proposal was passed by the Federal Council, which stipulates that employers with more than 50 employees must carry out wage analyzes every four years. This analysis is subsequently reviewed and evaluated by an external body. Parliament will shortly be voting on this proposal. As part of the drafting of this legislative revision, the Federal Government has carried out a survey in companies, which resulted in consent to regular wage analyzes of two thirds of the respondents as a result. So there is a certain openness of companies towards such analyzes. Questions about the methodology (scientifically and legally recognized), the funding and the efforts are widely discussed in public. We believe that such an analysis is of high importance for detecting wage inequality. Wage inequality often happens unconsciously and it is important to alert businesses to possible inequalities. Today, companies with more than 50 employees already have the opportunity to make use of the self-test tool "Logib", test themselves anonymously and free of charge. Companies can also receive support from our office in case of questions and can take advantage of our workshops. In addition, and to provide a further incentive, we conduct random checks in government procurement. The Federal Government awards contracts exclusively to companies that maintain equal pay. Many companies today have recognized the importance of this topic in order to present themselves as an attractive employer. The process is moving slow, but it is moving forward.

*In the public sector, there is the "Charta Equal Pay in the Public Sector". How does this Charta look like in concrete terms?*

In 2016, our Federal Council launched this Charter together with the cantons and municipalities in order to preserve the role model function of the public sector and to set an

example. The Charter provides for analyzes of the administrations as employers, as well as inspections of companies in procurement and subsidized companies.

### ***Women's quota***

*What do you think about the women's quota in general?*

In Switzerland, we have an ongoing stock corporation law reform with the proposal to modernize our stock corporation law. Amongst other things, guideline values for the representation of both sexes are to be anchored in the top management of large listed companies. The administrative board should have at least 30% women and the management board at least 20% women. If these guidelines are not adhered to, the company must explain why they failed to achieve the quota and outline measures for the improvement. Companies are not punished for non-compliance ("comply-or-explain"), but they are encouraged to achieve these goals. This proposal will soon come to Parliament. The Federal Government as an employer has already imposed these target quotas and is thus leading the way as a good example. In 2013, the target of 30% was set for both sexes in the top management bodies of state-owned enterprises and institutions. This requirement came into force in 2014 and the target achievement is expected to be completed by 2020. The Federal Government also has to comment on their numbers and publish appropriate measures. At the municipal and cantonal level, several plebiscites already took place in the past. In the cities of Basel, Bern, Zurich and Schaffhausen, a fixed quota for the appointment of supervisory bodies in the public and semi-public sector, as well as the administrative cadres has already been approved.

### ***General topic: Family policy***

*What kind of support do families receive from the state?*

Since the beginning of the 2000s, the government is financing and subsidizing childcare places. To date, more than 54,000 new places have been created. Nevertheless, there is still a great need for more places, especially in the rural areas. In the next five years, further support of CHF 100 Mio. is planned for the reduction of third-party care costs, as well as better matching the existing care offers to the needs of working parents.

*Why do you think that women still need political support today?*

Women's suffrage only exists in our country since 1971 and the trend towards gender equality is progressing slowly. In addition to achieving legal equality, it is of course important to reach true equality. However, not only in Switzerland, it is an international

topic that is becoming increasingly important. Politics not only supports us women, but also our families at the same time. The state of wage inequality, for example, not only harms women, but this money is also missing in the family budget. It also lacks in the social security and retirement of women later on. In addition, the issue of part-time work has to be reconsidered as well. In Switzerland, as well as in most countries of Europe, often the women accept part-time jobs for the benefit of the family and often do not consider the far-reaching consequences, above all the negative economic consequences or the difficult career opportunities.

*Are there programs or incentives that shall encourage more men to take an active part in their families and relieve women?*

There is a project by Männer.ch, which is financially supported by us, with the name "Der Teilzeitmann" [The part-time man]. This project is about presenting the benefits of working part-time, such as e.g. to have more time for the family. Parental leave or paternity leave as you know it from other EU countries does not exist in Switzerland. After the birth of a child, the fathers usually only have a few days off, while mothers have the statutory maternity leave of 14 weeks. However, there is a people's initiative which calls for paid paternity leave of 20 days and which now comes to vote in the Bundesrat. The Federal Council then decides whether to accept the proposal or, if necessary, makes a counterproposal and then passes it on to Parliament. However, measures to reconcile work and family life have priority for the Federal Council; the focus is on creating needs-based childcare provision, and not just after the birth of the child in the first years, but also at school age and beyond. In the Federal Administration, there is another offer that is also of particular interest to men. Parents have the option to reduce their working time by 20% after the birth of their child during one year, provided they do not fall below 60%. However, it is still hard to reduce working hours for men, as the conditions make part-time work difficult, either because of a lack of acceptance or because of financially rational reasons. Because of the persistent wage inequality, couples often decide for purely economic reasons that the mother takes on a greater part of the childcare and the father secures the family income by working full-time.

*How can organizations better support working parents, and especially mothers?*

Companies can give men greater acceptance of part-time work and not just limit their career opportunities per se. Nevertheless, this also applies to women. It is also a question of a company's image and they can score points here if they open up to these topics

and introduce appropriate measures. In addition, more flexible working hours, more flexible and longer maternity and paternity leave, mentoring, job sharing, and training would also be ways in which businesses can promote compatibility. Moreover, the achievement of equal pay is of course another very important point. Management has to communicate very clearly that these topics are important and act as a good example.

***General topic: Politics and Education***

*How is the distribution of women and men in politics?*

In the past, there was even a majority of women in the Bundesrat. Today we only have two women in the Bundesrat [out of a total of seven members]. Recently, a vacant seat was re-staffed and the women's issue was much discussed in public. Currently there is a demand in Parliament, which wants to extend the typical Swiss "magic formula" to the gender aspect. For the constitution stipulates that the government represents and covers the various parts of the country, but gender does not matter. However, Parliament's demand now aims to adequately represent gender in the government and to include this requirement in the constitution. In addition, there are various initiatives of the Federal Chancellery, but also the Federal Commission for Women's Issues. This commission realizes campaigns and projects prior to federal elections and tries to motivate the parties to get women on the party's lists and to fill good and important seats with women.

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