

Winning the fight for female talent

How to gain the
diversity edge through
inclusive recruitment

March 2017

#FemaleTalent

#InclusiveRecruitment



About the research

Today, more and more CEOs are focusing on talent diversity and inclusion to help drive innovation in their organisations and create competitive advantage. And with expectations of talent, customers and stakeholders continuing to grow, gender parity in the workplace has clearly become both a social cause and a business imperative.

Yet, in most countries in the world women have long been – and remain – underrepresented at every level in the corporate talent pipeline. In an effort to close this gap, one approach that leaders are taking is to turn their energies towards making their businesses more attractive to female talent. But what are the precise methods that employers are using to rise to this challenge? Is this approach having an impact? And – more generally – what are the diversity experiences and expectations of the modern workforce?

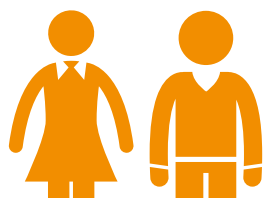
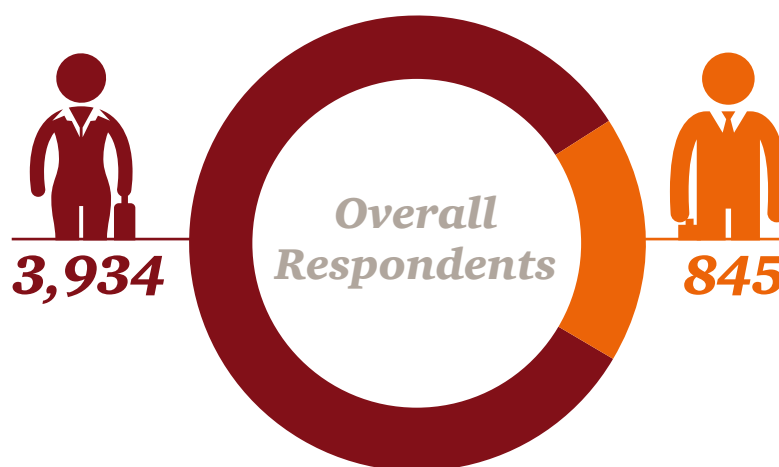
To help answer these questions and more, we decided to explore these themes more deeply, by commissioning Opinium Research to carry out an in-depth international survey of executives with responsibility for diversity within their organisations. The resulting study, conducted between 5 and 25 January 2017, included 328 respondents representing organisations headquartered in 18 different countries and from a variety of sectors, with a combined workforce of over four-and-a-half million employees.

In parallel, we also commissioned Opinium Research to conduct an online survey among talent with recent experience of the jobs market. This strand of the research covered a total of 4,792 respondents from over 70 countries. All of the respondents were currently employed or about to start their first job, with females accounting for 82% of the total (3,934) and males for the remaining 18% (845). In terms of hire type, 32% were career starters, 52% were job movers, 8% were job hunters and a further 8% were career returners.

With four generations now active in the workforce, this research captured the perceptions of talent from each of the four generations. The proportions were 4%

Generation Z, 72% Millennials, 19% Generation X, and 5% Baby Boomers.

Drawing on the combined findings from these two studies, this report aims to provide some compelling insights into the current trends around diversity and talent attraction, and the career aspirations and expectations of the modern workforce. We hope these insights will help you reposition and fine-tune your organisation's diversity and talent strategies to achieve better attraction of today's large – and growing – pool of female talent.



The career starter

Recently started or about to start their first job, most likely as a graduate hire but could also be a school leaver



The job mover

Experienced professionals who have recently changed or are about to change employers



The job hunter

Experienced professionals currently active in the jobs market



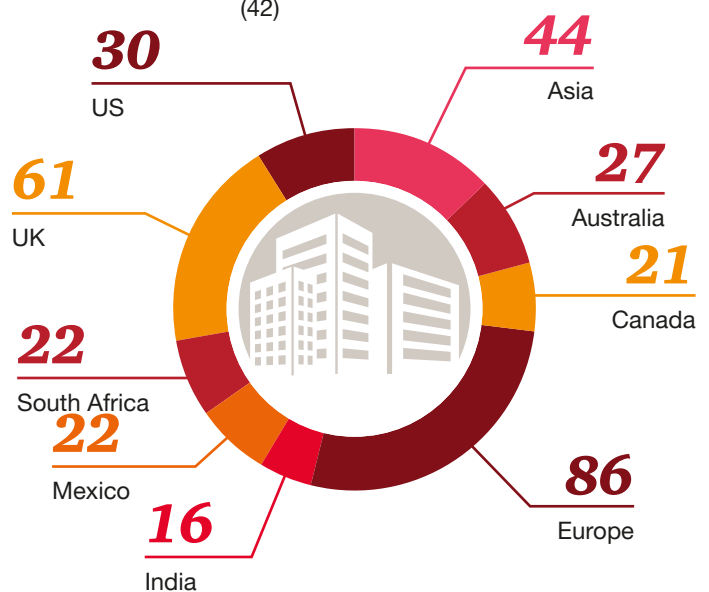
The career returner

Recently returned to work following a career break/time away from work

Talent survey - *Respondents by country*

382 Australia	62 Austria	152 Brazil	248 Canada	187 China & Hong Kong	178 France	185 Germany
232 India	73 Ireland	98 Italy	68 Japan	43 Luxembourg	103 Malaysia	204 Mexico
233 Netherlands	50 New Zealand	95 Poland	203 Singapore	191 South Africa	269 Spain	173 Switzerland
94 The Middle East	421 UK	320 US	52 Vietnam	345 Other countries (42)		

Employer survey *Respondents by region*



Respondents from over 25 sectors







Contents

	Page
Executive summary	2
Introduction	4
Talent attraction: Not a level playing field	6
Employer trends	9
The fight for female talent	13
Opportunities for career progression – yes please	15
An inclusive talent brand: not an option – but an imperative	18
The potential-plus opportunity	23
Show me the – fair and equitable – money	26
Diversity technology trends	29
Gender inclusive recruitment - Road map to success	30
Summary	32
Credits	33
Contacts	34

Executive Summary

Picture these varying scenarios...



Sue, a technology whizz with extensive experience in building and leading teams in many different countries, has been asked by a search firm to apply for a position for which she's ideally suited. But she decides not to apply – because she feels the tone of the job description is very aggressive and the organisation probably has too macho a culture.



Camille has just given the job interview of her life. She had 12 years' banking experience behind her before taking a two-year career break. Pierre's interview performance and experience were nowhere as good as Camille's, but he doesn't have a CV gap. So the recruiter decides to offer him the position.



Lena, an engineering student, is about to graduate top of her class – and has successfully secured interviews for the graduate programmes of all her top choice employers. She wants to work for a company where she can thrive and see people like herself working at all levels. But she finds that Grace and Leon are the only interviewers who talk about their company's commitment to diversity and share its progress in a convincing way. So theirs is the only job offer she really considers.



Jing Li and Wei Lui are newly-weds who are just starting the excitement of married life in a new country. Jing is very career focused and held a more senior position than her husband in their home country, and Wei has agreed to move abroad to support Jing in getting more international experience. While they're being interviewed for new jobs, the interviewers seem to look at Wei's wedding ring, consider his probable age and think he must be a family man, he'll be committed to the job. But when Jing is interviewing, the recruiters seem to look at her wedding ring, consider her probable age, and think she may have or be about to start a family – so she might not be fully committed.



Michelle is a high-performing risk management expert with 12 years of industry experience. She's really interested in applying for a risk management role advertised in a professional services firm. In the end she decides not to apply because she doesn't have any selling experience. The job description listed selling skills as a requirement, despite it not being a fundamental skill for the role.



Elizabeth is very excited about a role she's applied for with a healthcare company – and feels the organisation can really help her achieve her career aspirations. During the final interview, she asks her prospective boss how the company can support her career as a woman. Tim assumes Elizabeth is a mother, and starts talking about the great flexibility programmes he has helped many mothers on his team to use over the years. Elizabeth is shocked that this is Tim's immediate response, and leaves the interview thinking this probably isn't the employer for her after all.

Do any of these scenarios sound familiar?

Is your organisation missing out on exceptional female talent because you're failing to deliver gender inclusive recruitment?

Are unconscious gender stereotypes impacting your organisation's hiring decisions?

Despite good intentions, could your organisation be letting blindspots and attraction and selection processes that lack objectivity hamper its ability to attract the best and brightest talent?

If your answer to any of these questions is yes, you need to act. To create a sustainable talent pipeline and be a talent magnet to the modern workforce, employers must actively focus on creating and delivering gender inclusive recruitment.

PwC's ground-breaking research throws a new light on this pressing business challenge and opportunity. Our study highlights eight critical themes, each generating opportunities to improve the gender inclusiveness and overall effectiveness of employer attraction and selection activities.

Talent attraction: Not a level playing field

One of our most striking findings is that growing numbers of women feel employers are biased in favour of male candidates when attracting talent. Indeed, over one fifth of the women in our study said they have experienced gender discrimination personally when applying or interviewing for a job. And when asked to cite the factors preventing higher levels of female recruitment at experienced levels, women and employers suggest very different reasons. One thing is clear: employers will need to do more than become better at looking outside when hiring female talent. They will also need to look inside, at their own processes, if they are to succeed in delivering gender inclusive recruitment.

Employer trends

The good news is that 80% of employers said they've aligned their diversity and recruitment strategies. This is vital, as diversity efforts operated in a silo will not achieve diversity goals. However, while we're clearly seeing organisations make substantial efforts, it's also evident that sizeable strides are still required. Crucially, employers must identify the most significant pain points in their attraction and selection processes, intervene to address them, and then assess the impact of their interventions to ensure they're accelerating their progress through meaningful results.

The fight for female talent

We're seeing a tidal wave of organisations across the world injecting greater urgency into their efforts to tackle gender imbalances, as they aim to create a more sustainable talent pipeline, gain competitive edge and be a magnet for talent. And explicit hiring targets have

emerged as a core driver in fulfilling these ambitions. Some 78% of large organisations said they're actively seeking to hire more women – especially into more experienced and senior positions. As organisations fight to attract female talent – particularly at levels and in sectors where they're currently underrepresented – we're now seeing competition for female talent escalate to a whole new level.

Opportunities for career progression – yes please

Three shining stars emerge as the most attractive employer traits by which the modern workforce navigate their careers. These are 1) opportunities for career progression, 2) competitive wages, and 3) a culture of flexibility and work-life balance. To attract the best and brightest male and female talent, employers need to make these traits integral to their employer brand. Female and male job-hunters and -movers also identified a lack of opportunities for career progression as the top reason for leaving their former employers. Employers simply must recognise that traditional gender stereotypes that over associate career ambition with men and flexibility and work-life balance with women life stage are well and truly out of date.

An inclusive talent brand: not an option – but an imperative

Female candidates increasingly want an accurate and honest impression of an employer's workplace experience and culture before deciding whether to join them. And what they're looking for is employers who WALK their diversity talk – including creating a workforce that reflects wider society and an inclusive talent environment where all employees can fulfil their potential. When considering a potential employer, 61% of women look at the diversity of the employer's leadership team, 67% at whether it has positive role models similar to them, and 56% at whether the organisation publicly shares its progress on diversity. So to win the fight for female talent, it's not enough for an employer to have an attractive talent brand: it's also vital to have an inclusive talent brand.

The potential-plus opportunity

With availability of key skills still a growing concern for CEOs worldwide, employers must explore new approaches for finding the skills they'll need for both today and tomorrow. A shift from hiring for the complete and perfect skillset to hiring for potential, for example learning agility, plus skills and experience could turn the talent threat into an opportunity. With most employers now actively focused on increasing their levels of experienced female hires, career returners are one avenue worth exploring.

Show me the – fair and equitable – money

With today's talent voicing growing demands for disclosures on fair and equal pay, some 50% of women said they believe there's a pay gap between equally-qualified male and female experienced hires. Employers need to embed measures to close this gap into their recruitment activities, ranging from monitoring for and fixing pay discrepancies to establishing processes that prevent them from occurring in the first place.

Diversity technology trends

Opportunities to use digital technologies and data analytics to revolutionise inclusive recruitment are increasing rapidly. But while growing numbers of employers are adopting or exploring the use of such technologies, most are failing to keep pace. What's clear is that the modern recruiter will need to be able to work alongside technology to enable recruitment processes – and not only for gender inclusive recruitment.

Explore our full report to learn more about this research – and the critical areas of opportunity to benefit from gender inclusive recruitment and win the fight for female talent.

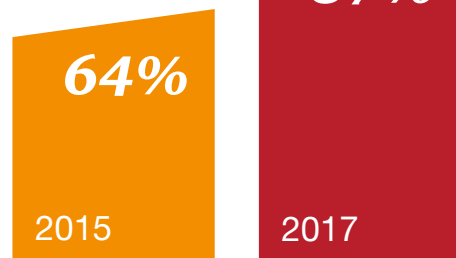
Introduction: a growing focus on female talent

We are in a time of public discontent stemming from a wide range of concerns – many of them focused on people's own future role in business and society. One of the biggest of these concerns is the fear that, one day, our jobs will be taken away by factors including automation and globalisation. Yet, at a time when technology appears to be taking over the workplace, our most recent *Global CEO Survey* indicates that people power is reaching new heights. Some 77% of all CEOs globally see availability of skills as the single biggest threat to their business – and they cite particular challenges in finding and recruiting uniquely human capabilities such as adaptability, problem-solving, collaborative skills and creativity.¹ In the age of automation, CEOs still need people, with 52% planning to increase their headcount in the coming 12 months.

So, not only do the majority of CEOs want to recruit more people: they're also looking for very specific and hard-to-define skills – a finding that should ring alarm bells with HR functions across the globe. The recruitment market is about to become very competitive indeed.

At the same time, we're seeing CEOs across the globe focus increasingly on talent diversity and inclusiveness to support their efforts to drive greater innovation and create competitive advantage. This year 87% of CEOs globally told us they were doing this, up from 64% just two years ago.²

The number of CEOs focused on talent diversity and inclusiveness



Source: 18th PwC Annual Global CEO Survey (2015) and 20th PwC Annual Survey (2017)

Fighting for talent



**77% of CEOs see
availability of skills
as the biggest threat
to their business**

Source: 20th Annual Global CEO Survey, PwC 2017



1 20th Annual Global CEO Survey, PwC 2017

2 18th Annual Global CEO Survey, PwC 2015



Also, with 74% of CEOs telling us they're focused on seeking out the best talent regardless of geography or demographics, it's clear employers are committed to taking specific steps to improve their access to talent and attract the people they need, whoever and wherever they may be.

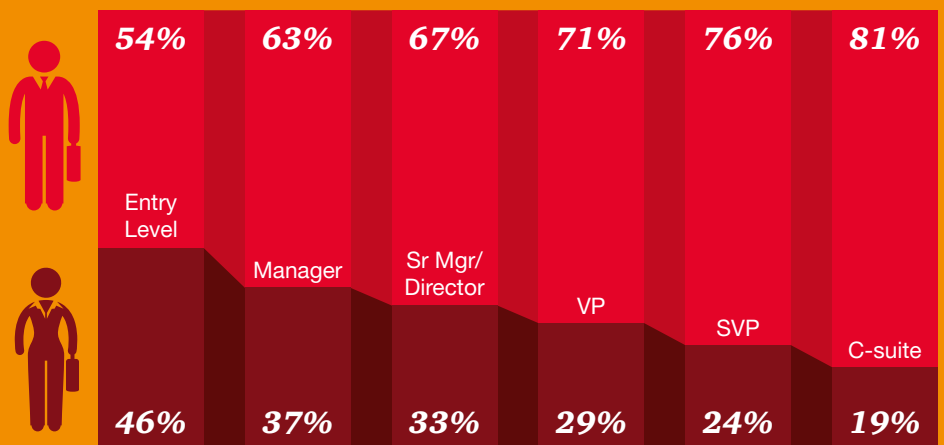
In recent decades, we've seen female talent enter the workforce in increasing numbers. Yet in most countries in the world women remain underrepresented at every level in the corporate pipeline, with the gap becoming more pronounced at each level of seniority. It's shocking that the rate of progress has been so slow. But what's even more shocking is that, at the current rate of change, it's estimated that we won't see gender equality achieved in the global workforce for another 170 years.³

Despite such figures, women clearly make up one of the most significant talent pools available to all organisations. And CEOs have finally woken up to the fact that they've failed for far too long to leverage this immense talent pool as fully as possible. With exceptionally talented women now in the workforce, leaders are turning their efforts towards greater levels of female recruitment as one approach to plug these gaps, win the war for talent in today's skills crunch, and gain competitive advantage.

These shifts mean internal recruitment functions have become more important than ever before in driving the execution of business strategy, and that achieving higher levels of inclusive talent attraction has never been a bigger imperative.

Against this background, we've produced this report to help companies gain a deeper understanding of the dynamics of gender inclusive recruitment. In particular, we hope to inform and enhance companies' decision-making by bringing them greater insight both into the mind of the modern workforce and the views of executives leading diversity efforts across the globe. Whatever industries your organisation is active in, and wherever in the world, we hope these insights will help you foster enhanced attraction of female talent as a critical component of your diversity and talent management strategies.

Women are underrepresented at every level in the corporate pipeline



% of employees by level

Source: World Economic Forum, Women and Work, 2016

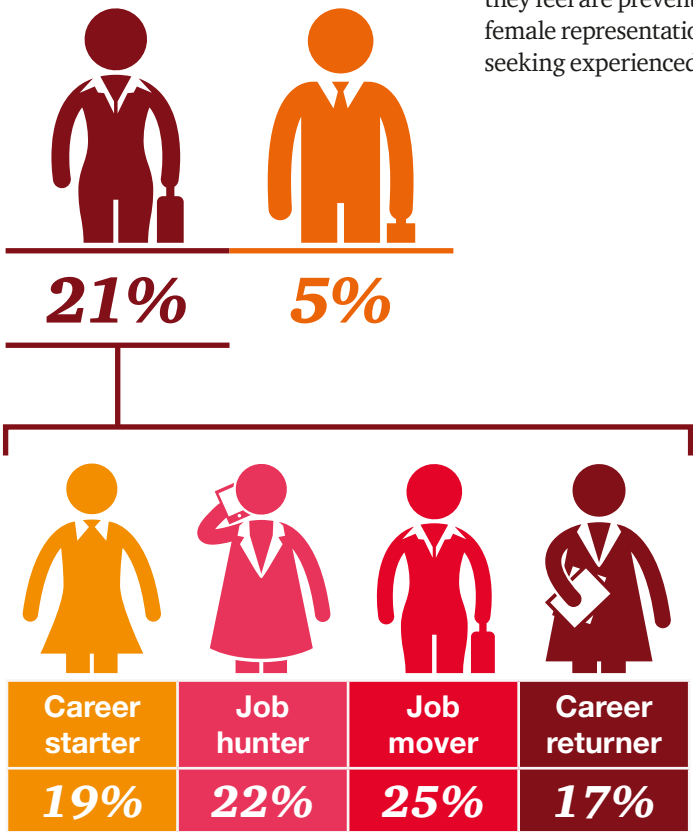
³ The Global Gender Gap, World Economic Forum, 2016

Talent attraction: Not a level playing field

On the question of whether men and women have a fair and equal chance of succeeding in employers' hiring activities, our research confirms that women's viewpoint differs significantly from those of their male peers and employers. In fact, over one-fifth of women surveyed around the world said that they had personally experienced gender discrimination when applying or interviewing for a job, compared with just 5% of men. And while the proportion was slightly higher for mothers, at 22%, some 19% of women with no children also said they had experience of this.

Have you ever personally experienced gender discrimination when applying or interviewing for a job?

Respondents who answered yes



Meanwhile, the perception that employers are biased in favour of male candidates when it comes to attracting talent is on the rise. This view was expressed by 28% of female millennials – up from 16% in 2011 – and by 30% of women overall, compared with 13% of all male respondents. Women were most likely to feel this way in Switzerland (46%), Brazil, Ireland and the US (40%) and the UK (38%) as were women working in the following sectors, mining and metals (50%), power and utilities (41%) and energy (38%).

When it comes to applying for experienced hire jobs, 27% of women – compared with 16% of men and 14% of employers – do not believe that female applicants have the same chance of being selected as their male counterparts. So, what barriers do they feel are preventing higher levels of female representation when companies are seeking experienced hires?

I believe that experienced female job applicants have equal hiring opportunities as experienced male job applicants

Respondents who disagree

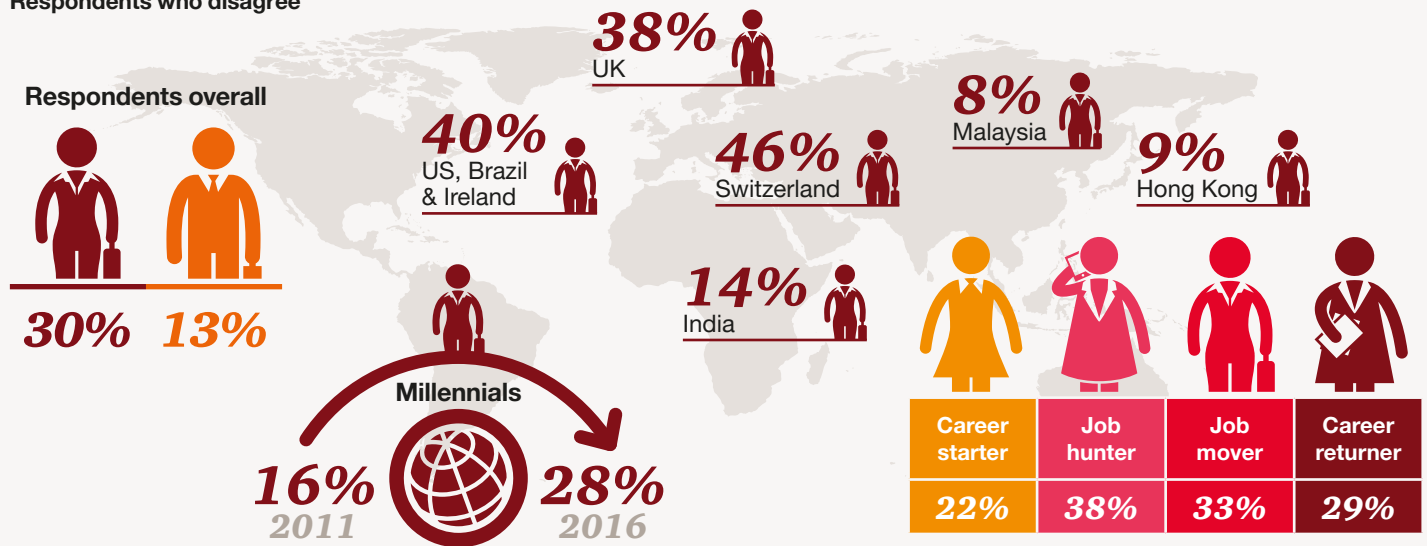


Interestingly, while there are some similarities between the views of women and men when responding to this question, the views of women and employers mostly shows marked differences. Of the top five barriers identified by employers, four explicitly point to external factors, such as the lack of a sufficient candidate pool, the industry sector not being viewed as attractive by women, or a lack of adequate skills or experience. All three groups of respondents identify the third-highest barrier as being that women do not pursue career opportunities as aggressively as men do. However, with the exception of this barrier, women identify internal – as opposed to external – factors as the four other barriers in their top five, such as systemic challenges within employer attraction and selection activities and processes.

Meanwhile, both women and men identify the top two barriers as being the impact of gender stereotypes and assumptions in the recruitment process, and concerns over the cost and impact of maternity leave – although women do so by a much wider margin.

Do you think employers are doing enough to treat females equally to males in the workplace in terms of attracting employees

Respondents who disagree



What do you feel are the most significant barriers to increased levels of female experienced hires

	Employer	Male	Female
Lack of sufficient candidate pool	38% (1)	26% (4)	15%
Our industry sector is not viewed as attractive to women	24% (2)	22% (5)	14%
Women do not pursue career opportunities as aggressively as men do	21% (3)	30% (3)	29% (3)
Lack of adequate skills/experience	20% (4)	16%	14%
The impact of gender stereotypes/assumptions in the recruitment process	18% (5)	35% (1)	45% (1)
Concerns over cost and impact of maternity leave	16%	33% (2)	42% (2)
Interviewers have a tendency to select candidates that are similar to themselves	15%	21%	26% (4)
Organisational diversity policies are not sufficiently effective	13%	14%	16% (5)
Recruitment/Headhunter agencies do not refer enough female candidates	13%	7%	10%
My organisation is not actively doing enough to attract and recruit women	12%	6%	8%
Other	7%	8%	3%

This raises an important question: do the owners of these recruitment processes bring their own protective biases to the fore regarding the objectivity of the attraction and selection processes they own? In this context, it's clear that employers are actively trying to recruit more women, but to be successful they are going to have to do more than look outside their organisations. Given the experiences and perceptions of female talent identified in this research, employers will also need to look inside, at their own processes, if they are to succeed in fostering fair and equal recruitment and deliver on their diversity goals.



PwC: Leveraging data to bust gender stereotypes

PwC's⁴ diversity strategy went through a definitive transition five years ago when we shifted from what could be called a 'leading practices' approach to very much a 'data-driven' approach.⁵ For example, historically there was a general perception at PwC that we needed to fix our leaking pipeline of female talent by driving diversity programmes focused on the retention of women and on support for new mothers.

However, when we applied rigorous analytics the data told us something very different. In fact, it revealed that:

- Across the network, more women leave than men at our most junior grades only – and at this point in their lives very few of these women are at the stage of starting a family.
- At all other grades, more men actually leave than women. But we were replacing both our male and female leavers with predominately male experienced hires.

This data-driven approach enabled us to debunk a common myth: that the equal gender representation at the graduate hire stage was not reflected at the top because, at some point during their career, our women were leaving to have families.

In response to this insight, we have switched from a strategy focused on staunching a leaking pipeline of female talent, to an approach today under which we have identified diverse experienced hires as a critical KPI for global diversity acceleration.

Tough questions about objective talent attraction:

- How will you evolve your talent acquisition strategy to meet the dual demands of an increasingly diverse talent pool and a rapidly-changing work landscape?
- What are you doing to make sure your talent acquisition processes and systems are objective and free of bias? And how will you drive the awareness and behavioural change needed to do the same for human decision-making?
- How will you drive the awareness and behavioural change needed to optimise the human component of decision-making?
- How will you tackle external and internal barriers to inclusive attraction in a holistic way? And how will you make sure your efforts are targeted at your true diversity challenges?
- What will it cost your organisation, if you get your talent pipeline wrong?

⁴ PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details

⁵ The PwC diversity journey: Creating impact, achieving results, PwC 2016

Employer trends: What's hot – and what's having a real impact

Are your organisation's organisational recruitment strategy and diversity strategy aligned?

Respondents that agreed



If the opening chapter of this report makes one thing clear, it's that organisations around the world still have a long way to go on the journey to gender-inclusive recruitment. But what are the current trends in diversity? And which ones are having the greatest impact?

As we look to answer these questions, the good news is that 80% of employers said they've aligned their diversity and recruitment strategies. This is vital, as diversity efforts operated in a silo will not help to achieve established diversity goals. To do this, they will need instead to be aligned and embedded within the critical people and business activities across the entire organisation.

At the same time, 58% of employers said they are actively trying to increase their levels of female hires, rising to 78% for large employers. So, what are the inclusive recruitment practices currently being used by employers?

The three diversity practices that emerge from our research as the most popular are, firstly, ensuring the diversity of the interview panel or interviewers throughout the interviewing process (52%); secondly, training recruitment professionals so they are equipped to focus on driving more inclusive recruitment efforts (49%); and thirdly, reviewing role descriptions to ensure use of inclusive language (48%).



Is your organisation actively trying to attract and recruit more diverse talent?

Respondents who answered:

Yes – recruit more female talent



*Employers with more than 10,000 employees

<i>Has your organisation introduced any of the following diversity practices?</i>	Yes	No but exploring	No and not currently exploring
We train our recruitment professionals so they are equipped to focus on driving more inclusive recruitment efforts	49%	25%	20%
We ensure diversity of interview panel/interviewers throughout the interviewing process	52%	21%	23%
We review role descriptions to ensure use of inclusive language	48%	24%	21%
We train all of our interviewers in unconscious bias	46%	26%	22%
We have established recruitment targets for our experienced hire recruiting	46%	24%	23%
We leverage our in-house diversity employee resource/ affinity groups to support with more diverse recruitment	42%	27%	24%
We now recruit from a broader number of universities at campus/ graduate level (e.g., expanding beyond top tier universities)	45%	20%	28%
We passively manage a diverse candidate pipeline of potential hires	36%	27%	29%
We leverage diversity associations to access diverse talent segments	36%	27%	31%
We require diverse slates of candidates for all leadership positions (e.g., 30% must be female)	38%	23%	31%
We undertake early attraction efforts (e.g., target teenagers during school years, rather than depending on a campus/graduate pipeline) to make our organisation and sector more appealing	36%	24%	34%
We have introduced 'Blind' applications (for example removed names, gender, age, university details from resume)	27%	24%	44%
We offer enhanced referral benefits for diverse hires as part of our employee referral scheme	28%	24%	41%
We offer head hunters/recruitment agencies enhanced commission for diverse hires	26%	21%	44%



“Requiring mandatory gender balance for shortlists and interviews has increased our levels of external female leadership appointments”

Diversity Leader, Banking Sector, Australia

Of the employers who've adopted the diversity practices identified in our study, 71% said these were having an impact on their recruitment efforts. Thirty-nine per cent said the practices had led to increased levels of female applicants, 32% to increased levels of female graduate hires, 27% to increased levels of female experienced hires, and 24% to increased levels of external female leadership appointments.

We also asked the 71% of employers who'd adopted these practices to provide us with their qualitative assessment of which practices were having the most impact.

Establishing gender diversity recruitment targets was the clearer winner, with 28% of respondents saying this was their most impactful practice. Given that only 46% of employers have currently established diversity recruitment targets, the potential impact of gender targets could be significant.

While it's clear that substantial efforts are starting to take shape in organisations globally, it's also evident that sizeable strides are still required. In most cases, less than half of organisations have adopted many of the fundamental practices identified as critical to enabling inclusive recruitment. Many organisations are also unclear on which of these practices are having an impact.



Which of your implemented diversity practices have had the most impact in delivering results?

Top five practices identified as having most impact by respondents who said their adopted diversity practices were having a positive impact on their recruitment efforts



Going forward, it will be vital for employers to identify the most significant challenges in their attraction efforts and selection processes, respond with interventions to address these specific challenges, and then assess the impact of these interventions to ensure they're achieving meaningful results.

Having provided you with a clearer picture of employers' current diversity practices and trends, we will, in the remainder of this report, shine a light on the many opportunities and challenges that gender inclusive recruitment presents to employers.

Case Study



PwC UK: Driving inclusive recruitment through a series of interventions

PwC UK's Financial Services Risk and Regulation (FSRR) practice helps our clients redefine the way they respond to risk and regulation, and to stand out in their industry for the right reasons. To help sustain our growth, we launched a major recruitment drive aimed at attracting significant numbers of experienced hires.

This is an area of our profession that tends to be relatively male-dominated – making it critical that our latest talent acquisition effort did not undo any of our previous hard-won progress in improving our diversity. So we developed and implemented a series of interventions to ensure talent diversity would remain a core imperative of this recruitment drive.

We applied our interventions at four stages of the recruitment process:

- **Accessing a diverse pipeline.** We felt that diverse candidates were underrepresented in the initial long-lists put forward by headhunters. So we pushed back, articulated our expectations clearly, and offered higher commission payments on successful female and ethnic minority candidates.
- **Role descriptions and selection for interview.** To ensure our opportunities would be attractive to all talent, we reviewed the criteria for every role through a 'diversity lens', and – if necessary – amended the role descriptions. For example, to attract talent from industry, we agreed that 'selling experience' was not a fundamental requirement for some roles, and removed it from many job specs. We also took out masculine language and replaced it with wording that was more universally appealing.
- **Interview.** To help remove any potential blindspots during the interview process, we took two actions. Firstly, we carried out unconscious bias awareness training with the entire interview panel, including the FSRR leadership team. Secondly, we ensured our interviewing panels themselves were diverse, by requiring that they include at least one female/ethnic minority partner.
- **Offer.** To encourage female and minority candidates to accept our offer, we selected a 'partner sponsor' to discuss the offer and role with them. In doing this we took diversity fully into account, for example pairing a female partner with a female candidate.

Our focus on diversity during this recruitment drive has delivered clear results. Over the 18 month period we hired 247 experienced hires, 39% of whom were female and 34% from minority backgrounds. It proves that you can achieve diversity even in cases where many people might assume it's impossible. And, buoyed up by our success with this recruitment drive, we're continuing to apply a diversity lens to all our talent attraction efforts.

Tough questions about delivering inclusive recruitment in an impactful way:

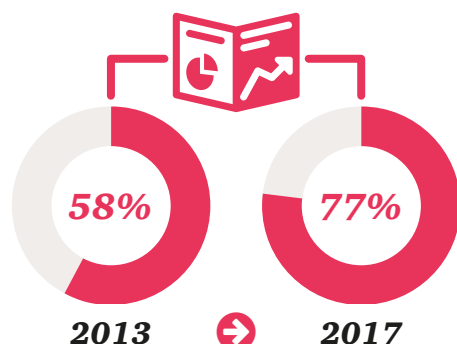
- How well prepared is your organisation to find, attract and keep tomorrow's workforce – even as you deal with today's talent challenges?
- How are you adjusting your talent acquisition strategies to be more inclusive of female talent? And how will you attract talent with different needs, aspirations and experiences from multiple generations?
- How will you deliver visible action and results?
- How will you stay focused on inclusive recruitment amid today's blizzard of change in the employment environment and workforce – including trends such as the rise of the gig economy and the outsourcing of recruitment functions?

The fight for female talent



Employers looking to gain competitive advantage, be a magnet for top talent, win the fight for key skills and do the right thing are increasingly focused on attracting greater numbers of female talent. In fact, some 78% of large organisations are actively trying to recruit higher numbers of female talent – particularly more experienced and senior-level female talent. Significantly, those employers who say their diversity efforts have led to increased levels of female applicants and hires, add that the practice that's had the greatest impact in delivering these results is establishing gender diversity recruitment targets.

The number of CEOs concerned that a shortage of key skills could impair their company's growth



Source: 16th and 20th Annual Global CEO Surveys, PwC 2013 and 2017

Meanwhile, PwC's *Global CEO Survey* shows that CEOs are continuing to struggle to find the talent they need, and that 77% are concerned that a shortage of key skills could impair their company's growth, up from 58% in 2013.⁶ In particular, the skills that are most important – and often the hardest to find – are uniquely human capabilities, such as adaptability, problem-solving, collaborative skills and creativity

and innovation.⁷ It seems that we're witnessing a move away from high demand for what were traditionally masculine traits, and a shift towards leadership skills that are more intuitively female, such as collaboration and creativity.

So, as the focus on increasing the level of female hires continues to intensify – particularly at the more senior levels, where they are most underrepresented – we're seeing the widespread establishment of female recruitment targets and a shift towards recruiting skills that reflect for more feminine capabilities. All of this means the war for talent is witnessing an emerging trend: an escalating fight for female talent. As employers enter this talent battle, they need to recognise they won't just face competition from other would-be employers when hiring female talent. As employer demand for female talent rises over time, it will be critically important not only to attract female talent, but also to be able to develop, engage, progress and

retain female talent once inside the organisation.

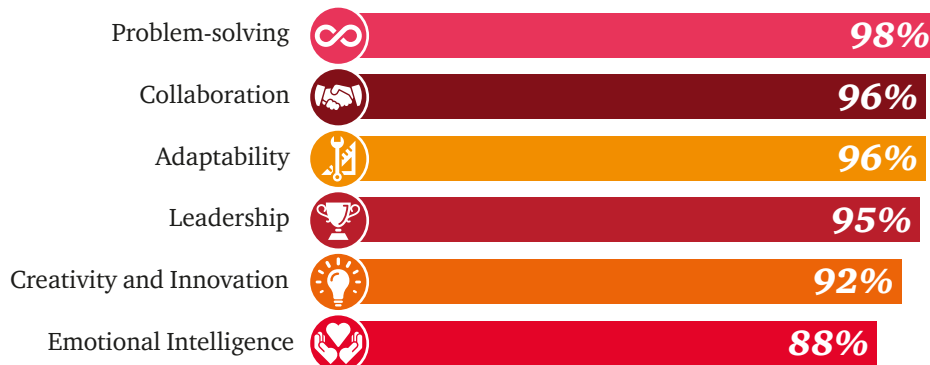
Some sectors will have a particularly big challenge and fight on their hands. For example, consider STEM (science, technology, engineering and mathematics) fields, where women currently account for only 32% of graduates worldwide.⁸ As employers in these sectors compete for the same small talent pool, women with STEM skills are highly sought after. And with the growing trend for employers in sectors such as technology to publicly disclose their workforce demographics and diversity targets, STEM employers have to contend with an extra layer of complexity, given the increased pressure and scrutiny they face both from the media and also from talent themselves.

As competition for female talent continues to grow, the ability to understand where female talent communities are and how to reach them will become a basic requirement for any recruiting function.

The most important skills are those that can't be performed by machines

Q: In addition to technical business experience, how important are the following skills to your organisation?

Respondents who answered very important or somewhat important



Source: 20th Annual Global CEO Survey, PwC 2017

⁶ Technology, talent and trust: In the age of the machine, people matter more than ever, PwC 2017

⁷ 20th Annual Global CEO Survey, PwC 2017

⁸ The Global Gender Gap, World Economic Forum, 2016

Spotlight on sector trends: Traditionally male-dominated sectors are getting bolder about diversity

We are seeing an increasing trend of global household-name organisations establishing targets to increase female representation throughout their workforces. And explicit hiring targets have emerged as a core driver in fulfilling these ambitions. More and more employers are going public with their targets, or committing to publish targets for the number of women they hire.

Traditionally male-dominated sectors are being particularly bold in this regard. Global digital industrial giant GE recently announced goals of having 20,000 women filling STEM roles across its businesses by 2020, and of achieving 50:50 representation on all technical entry-level programmes.⁹

Meanwhile, Australian mining giant BHP Billiton wants half its workforce to be female by 2025 – an especially ambitious target, given that today the level of female representation in its global workforce stands at 17%.¹⁰

These pioneering businesses represent just two examples of a much wider trend. Across the world, we're seeing a tidal wave of organisations injecting greater urgency into their efforts to tackle gender imbalances – especially in technical fields – as they aim to create a more sustainable pipeline of future talent, and drive business transformation, economic impact and competitive edge.

Case Study



Royal Australian Air Force: Making Air Force a career destination for talented women

At Air Force we know our ability to deliver airpower in the future will depend on us having the best people for the wide range of Air Force jobs, regardless of gender, age or culture. We need to 'future-proof' Air Force with targeted programs to attract, recruit and retain the very best people. Increasing our levels of female representation is just one of our many diversity priorities, and we've implemented a range of diversity initiatives to support this.

To promote Air Force as an employer of choice to young women we've adopted some early attraction strategies. Back in 2013 we began the hosting of experiential Flight Camps and Technical Camps run over several days for women aged between 16 and 18. This gives these women an opportunity to explore the exciting aviation and technical trade careers available within the Air Force, whilst being exposed to military aviation operations and Air Force recruiting specialists to discuss possible careers within the military. They've been a success. 100% of the participants indicate post-camp that they intend to submit an application to join the Air Force. Many have since joined or are now in the recruitment process.

To ensure we are attractive to female talent we also place significant efforts on promoting an inclusive talent brand. To do this we clearly articulate our commitment to diversity on our website, we profile our flying career options for females, and we articulate our focus on women's development. We also make our personnel diversity guides public internally and externally. These include Flying through parenthood and the Air Force guide to flexible employment, among others.

We've also established Project WINTER (women in non-traditional roles) with the

specific aim of increasing the participation and support of women in Air Force jobs where there is less than 7% female participation. As part of our Project WINTER efforts the Chief of Air Force awards two scholarships annually to women under the age of 24 which are designed to assist women with the costs of pursuing a career in aviation. And we've also introduced our Graduate Pilot Scheme aimed at attracting women to become Air Force Pilots. Successful female applicants have all their degree fees paid for, receive a salary while completing their flying hours, have their practical flying hours paid for, and have only a three year service obligation after receiving their wings.

Through the delivery of targeted programmes Air Force as an organisation has been able to identify and understand the barriers to increasing diversity, and to put into action policies, programmes and initiatives to mitigate or remove those barriers. WGCDR Llani Kennealy, the Gender Advisor to Chief of Air Force, says that "removing barriers is not about reducing standards – it is about critically examining our systems to ensure they are set up to deliver the best possible personnel outcomes for delivering future capability. Air Force has benefited from the contribution and service of many, many talented women over the years. To be able to draw further from the female talent pool within the Australian workforce, we must be willing to lean forward with innovative programmes while remaining flexible with our approach to attracting, developing and retaining female talent."

Our gender diversity efforts are having an impact. We've seen our female representation increase to 19.2%, and we are committed to reaching 25% within six years.

Tough questions about the fight for female talent:

- How will you compete with other employers for female talent with key skills? Especially in sectors where demand is outstripping supply?
- How will you capitalise on the female talent pool to access harder-to-find skills – the likes of leadership, creativity and adaptability – that your company needs to innovate and build brand differentiation?
- How will you build the capability your recruitment function needs in order to understand where female talent communities are and how to reach them?
- How will you engage, develop, progress and – crucially – retain female talent once hired?

9 www.gereports.com/engineering-future-ges-goal-bridge-stem-gender-gap-2020/

10 www.bhpbilliton.com/-/media/bhp/documents/investors/shareholderinfo/2016/161020_bhpbillitonplc2016agmspeeches.pdf?la=en

“Learning how to manage human talent with different ambitions, with different ways of segmenting itself, that is much more omnipresent and much more multi-channel, will become an absolutely fundamental competence of organisations, to empower human development as the main centre of companies.”

Jorge Mario Velásquez Jaramillo
Grupo Argos SA
Colombia

Opportunities for career progression – yes please

Our research presents some compelling findings that debunk traditional gender stereotypes about the career aspirations and expectations of the modern workforce. When presented with 13 choices on what they consider makes an employer most attractive, the three options that emerge as shining stars are opportunities for career progression; competitive wages and financial benefits; and flexible work arrangements and a culture of work-life balance.

These are ranked as the three most attractive employer traits by both men and women, albeit in slightly different orders. Taking a deeper look at our findings from female respondents, these three employer traits are identified as the three most attractive by female career starters, female job movers and female job hunters – together accounting for the vast majority of women active in the jobs market.

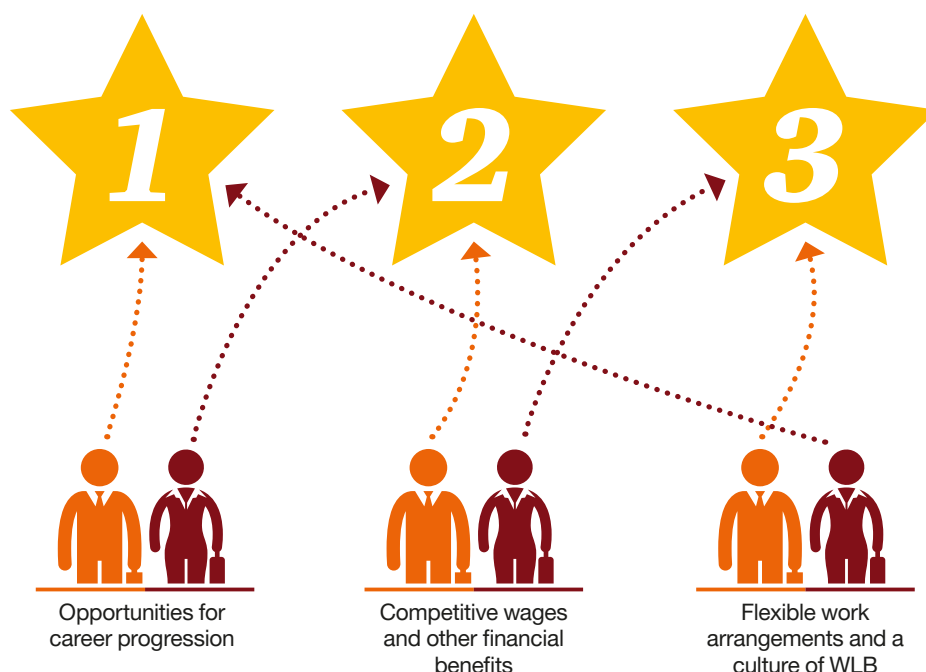
Career ambition must no longer be considered a mainly male characteristic, with female millennials – the generation soon to account for 50% of the global workforce – and female generation Zs ranking opportunities for career progression as the most attractive employer trait. It also comes out on top for female career starters, the female respondents who are just beginning their careers as either a graduate hire or school leaver. For the women in our study overall, opportunities for career progression comes out as the second most attractive employer trait, but is ranked top by our female respondents in the following countries: Brazil, China, France, Hong Kong, India, Ireland, Luxembourg, Poland, New Zealand, Russia, South Africa and the UAE.

Life stage does not appear to disrupt this trend dramatically: for example, while opportunities for career progression ranks as the most attractive employer trait for men overall, among fathers it drops one place to second position. It also falls one place for mothers, from the second to the third most attractive employer trait. So the core message is clear: no matter which way you look at the figures, opportunities for career progression ranks as a top-three attractive trait both for men and women pretty much across the board.

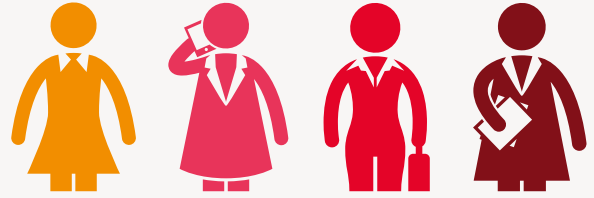
Furthermore, for both male and female job movers and job hunters, a lack of opportunities for career progression was cited as the top reason they decided to leave their former employers.

Top three factors that make an organisation an attractive employer

Top three selected from 13 options



Which of the following factors do you believe make an organisation an attractive employer?



Top 5 selected from 13 options	Career starter	Job hunter	Job mover	Career returner
Opportunities for career progression	1	2	3	4
Competitive wages and other financial benefits	3	3	2	2
Flexible work arrangements and a culture of work-life balance	2	1	1	1
Excellent training & development programmes	4	5	5	5
Good benefits package. For example, pensions, healthcare & other benefits		4	4	3
Opportunities for international experience	5			

Looking across the range of other employer traits respondents could select from, some interesting gender differences emerge. Men are significantly more likely than women to rank an employer brand I would be proud to tell people I work for (20% and a 6-point preference gap) and a reputation as an employer of the best and brightest people (15% and a 7-point preference gap) as attractive employer traits. In contrast, women are significantly more likely than men to rank a good benefits package, for example pensions, healthcare and other benefits (27% and a 9-point preference gap) and a reputation as a fair and equal employer (15% and a 6-point preference gap) as attractive employer traits.

So, while there are common traits identified as most attractive by both genders, some distinct gender preferences emerge beneath these. In general, men are more concerned with the more immediate and commercial qualities of the employers they work for, while women have priorities that reflect a more sustainable, longer-term perspective.

Overall these findings clearly show that *traditional stereotypes associated with gender or life stage*, for example, the over association of career ambition with men, and flexibility and work life balance demands with women (specifically mothers), *are well and truly out of date*. To be a magnet to the modern talent pool, organisations must equip themselves to



offer opportunities for career progression, flexible work arrangements and a culture of work life balance, and competitive pay as workforce-wide realities for all their talent. And to attract the best and brightest male and female talent, they must also make these an integral part of their talent brands and employee value propositions.

“Women today are looking for much more from their careers than previous generations – and organisations need to keep up if they are to secure the talent they need to grow their business.”

Sharmila Karve, PwC Global Diversity Leader



DBS – A talent brand that puts career opportunity front and centre

DBS is a leading financial services group in Asia, with over 280 branches across 18 markets. We are headquartered in Singapore, with a growing presence in Greater China, Southeast Asia and South Asia.

At DBS, we strongly believe that our diversity is a source of strength. Having employees from different backgrounds and disciplines helps ensure that, as an organisation, we benefit from a multiplicity of views and perspectives. In our efforts to foster and increase our diversity, we focus specifically on three key pillars: gender, multi-generational, and multi-cultural diversity.

A defining trait of DBS as an employer is our mantra of developing our own talent to build an internal succession pipeline running all the way from entry level hires to senior management. We articulate this talent mantra loud and clear in our employer brand. This reflects our aspiration to be the university of banking talent and our deeply-held belief in investing in our people – and this talent-centric culture is driven from the very top of our organisation.

We start building future leaders right from the beginning of our people's careers – with our talent development programmes for younger and less experienced employees helping to strengthen our leadership core, and ensure our current leaders build new leaders for tomorrow. We take an integrated approach to developing high-potential talent at all levels, and this talent framework enables the bank to create the vital pool of diverse talent needed to support continued and sustained growth.

This approach is underpinned by the company's 'triple E' recipe for leadership development – experience, exposure and education. Through experiential learning such as job rotations and work-based projects; exposure in the form of observing, coaching, mentoring and networking sessions with leaders; and education through workshops and training courses, our talent are able to make great leaps in terms of growth and development, and progress their careers.

Our inclusive talent culture and internally-driven focus on leadership development are paying clear dividend in terms of diversity. With women currently accounting for 56% of our workforce and holding 38% of our senior leadership positions, we are recognised as a market leader for gender diversity by the Financial Women's Association of Singapore (FWA). From a talent attraction perspective, we are viewed as an employer of choice by the female talents in our markets: last year, 54% of our entry-level hires and 44% of our more experienced hires were female.

We believe that it's our proven ability to keep structural gender biases out of our recruitment and talent management processes, coupled with our performance-driven mindset, that enables us to deliver this level of performance in gender diversity – an achievement that's especially challenging in both an industry and market like ours. Through our attributes, commitment and relentless focus, we've created an environment in which both our male and female talent can thrive. And they're continuing to do so with us, every day.

Tough questions about opportunities for employer brand:

- How are you communicating the positive aspects of your employer brand – and making sure they stand up in reality?
- How are you adapting your employer brand to make it appealing to both men and women from multiple generations?
- Do you have the right recruitment and talent structures in place to enable all talent to thrive?
- How will you transform your work-life and flexibility strategies to be attractive and available across your entire talent pool?
- How will you eliminate the potential impact of inherent biases stemming from outdated gender stereotypes?

An inclusive talent brand: not an option – but an imperative



Candidates increasingly want an accurate and honest impression of an employer's workplace experience and culture before making a decision on whether to join them. And a critical attribute of the authentic picture they're seeking is that the workforce reflects the society in which the organisation operates, and fosters an inclusive talent environment where all employees can fulfil their potential. Furthermore, just talking about diversity as part of an employer brand is no longer enough. When deciding whether or not to work for an employer, over half of women are looking to see active diversity progress.

Is an employer's policy on diversity, equality and workforce inclusion important when you decide whether or not you should work for them?

Respondents that agree



86%



74%

Source: The female millennial: A new era of talent, PwC 2015

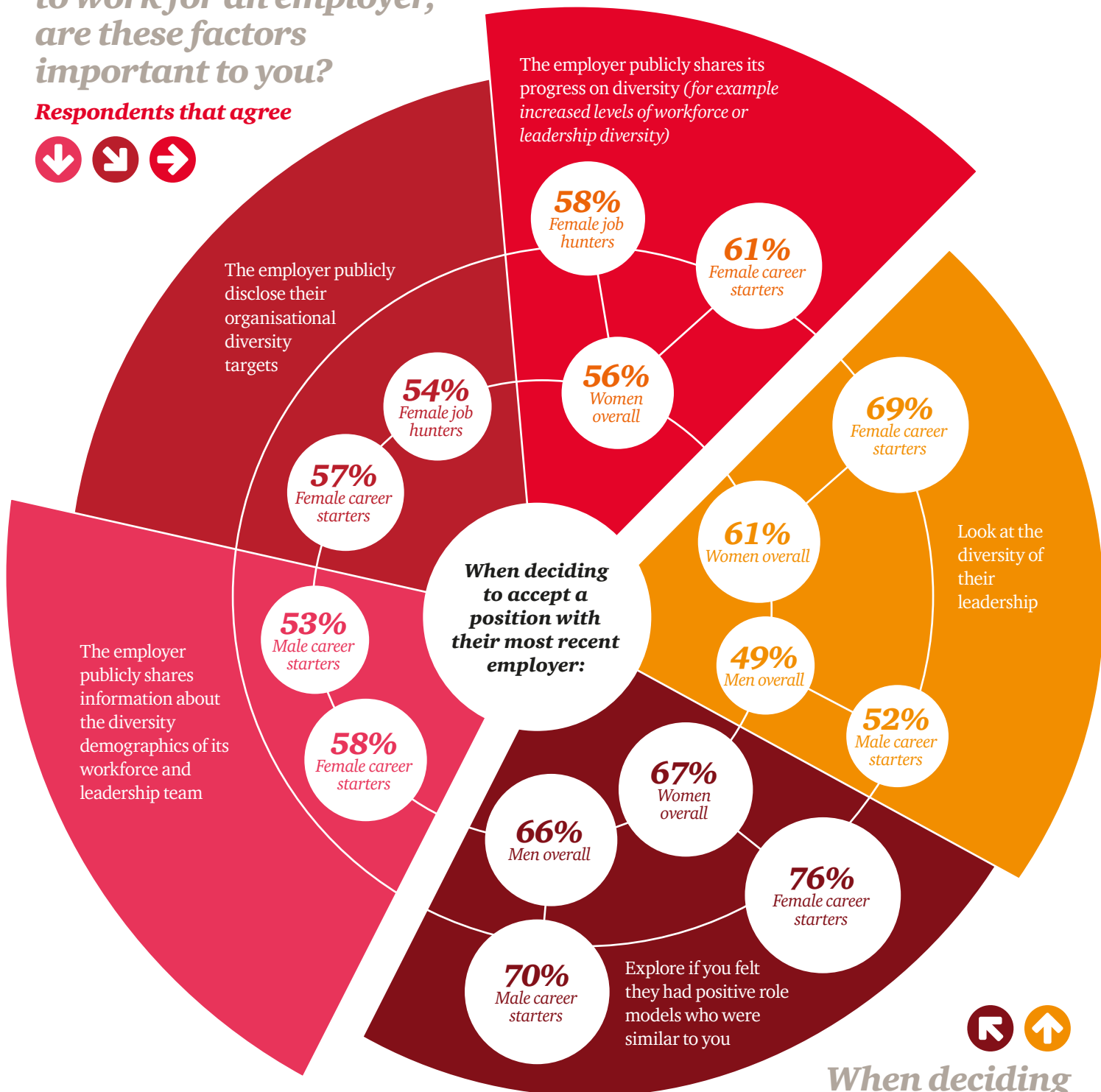
Indeed, when choosing whether or not to accept a job offer, more and more female (and in many cases male) talent will only make a decision after exploring the diversity of the employer's leadership teams, understanding its diversity demographics, and establishing what its diversity targets are.

“The gender diversity of our leadership and wider workforce itself has led to greater levels of female attraction for our organisation”

Recruitment Leader, Insurance Sector, Asia

When deciding whether to work for an employer, are these factors important to you?

Respondents that agree



Two-thirds of women and men considered whether the organisation had positive role models who were similar to them when deciding to accept a position with their most recent employer. Interestingly, this factor was particularly important to women working in sectors that are widely regarded as relatively male-dominated, such as FinTech (85%), Engineering and Construction (82%) and Asset Management (78%). Similarly, assessing the diversity of the leadership team was most important to women working in

Engineering and Construction (79%), Asset Management (76%) and Industrial Manufacturing (71%).

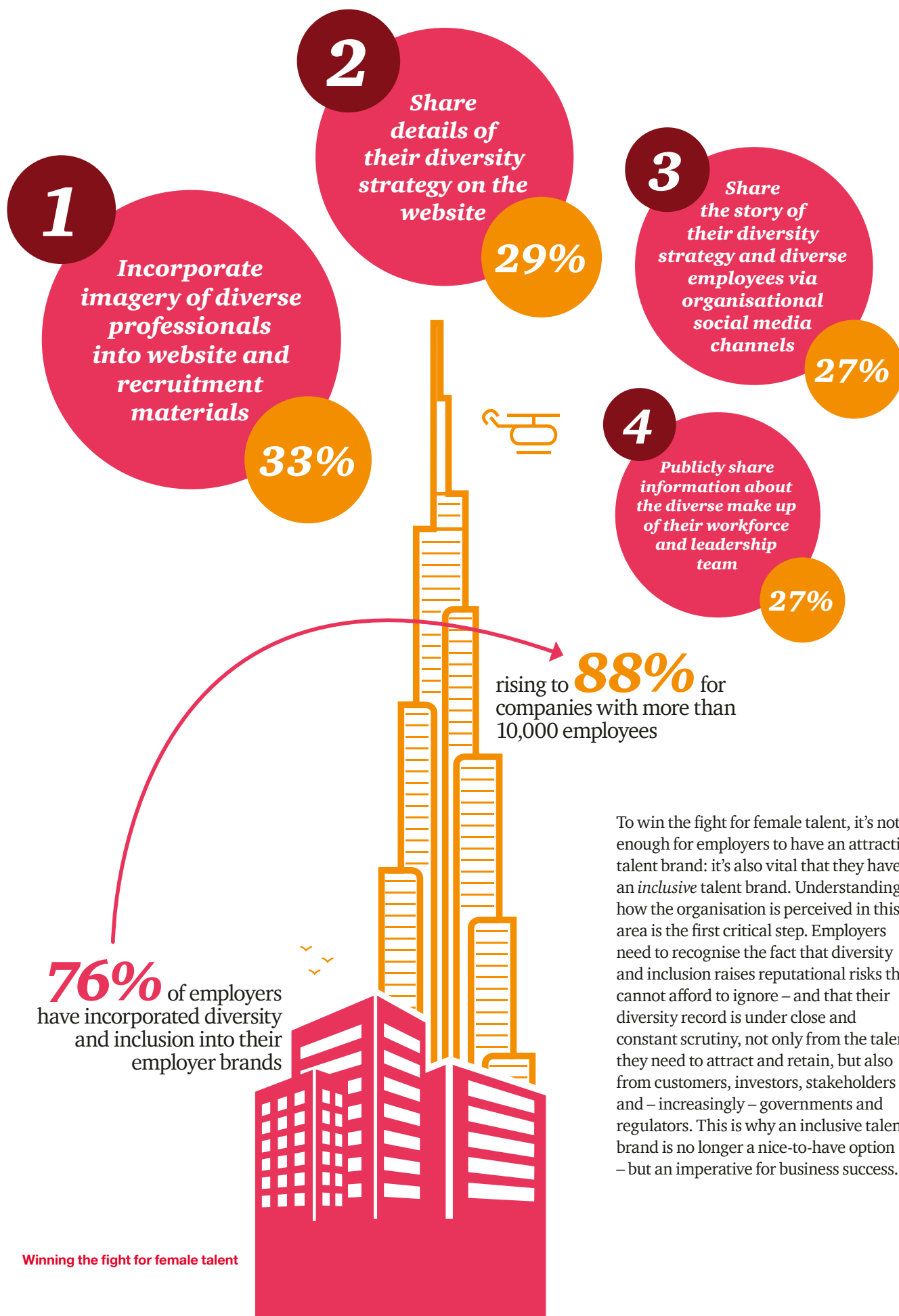
Employers are focusing significant efforts on responding to these demands – but there's still a mismatch between what candidates want to know and what is currently being shared. As the *Talent Attraction: Not a level playing field* section of this report underlines, female candidates clearly feel there is more work to be done to make the hiring marketplace a truly level playing field.

When deciding to accept a position with your most recent employer did you do any of the following?

Respondents that said yes



The most popular strategies used by employers to embed diversity and inclusion in their employer brand





Facebook EMEA: Attracting diverse talent is vital for us to mirror, engage and connect with 1.86 billion people worldwide

Facebook's mission is to make the world more open and connected. It is a global platform that connects over 1.86bn people to communities and businesses worldwide.

As a truly global organisation, it employs an incredibly diverse workforce in offices around the world, for example there are over 75 nationalities in the International HQ in Dublin. Diversity is central to their mission of creating a more open and connected world; it is considered a must-have, not an option.

Emma Cashmore, Diversity Programme Manager with Facebook EMEA, added: "We want to reflect our users, whoever and wherever they are, and we need to understand their different experiences. A way of doing that is through the diversity and cognitive diversity of our own workforce. We go beyond recognising and reflecting characteristics like gender, ethnicity and LGBT, we also strive to be inclusive on background, heritage, beliefs and many other facets which give rise to the richness of experience which shapes us as people and drives creativity in our teams."

Facebook EMEA Employment Brand Manager, Caoimhe Shepherd said: "When you're building a product that connects 1.86 billion people across the world, you can't do it from one mindset. Attracting diverse talent is essential in enabling us to respond to everyone's needs as we scale globally and engage locally. We also know that potential employees engage more when they see diversity in our teams and so we incorporate this in content such as photos, blogs and Lives."

The employment brand team actively promote diversity through their employees' stories via blogs, Facebook Live video interviews and panel discussions on topics such as *Inside the Data Analytics London team*, *How to disrupt yourself and create a step change in your career*, giving people a way to connect with the company and hear first-hand experiences from a wide range of employees. Facebook also uses its own platform to reach potential employees through highly effective targeted ad campaigns.

Facebook's most recent annual *Diversity Report* demonstrated the company's long-term commitment to improving diversity and showed a positive hiring trend - while the current representation in senior leadership is 27% women, of new senior leadership hires at Facebook in the US over the last 12 months, 29% are women.¹¹

¹¹ <http://newsroom.fb.com/news/2016/07/facebook-diversity-update-positive-hiring-trends-show-progress/>



PwC Germany: Adopting a targeted female attraction strategy

At PwC Germany we are committed to recruiting and developing the best graduate talent, however we've traditionally found it easier to attract male graduates than female for our Advisory practice. We wanted to redress this balance and to do this we knew we needed to undertake additional and directed efforts targeting female talent on campus. The result: the adoption of the PwC Germany Advisory *Career Lounge*.

Since the launch of the programme in 2013, we've hosted *Career Lounge* events in various PwC locations across Germany. The format is simple. For one evening, female students invited to attend the event get the chance to meet and talk with female role models from across PwC's consulting business. In a relaxed atmosphere with drinks and snacks, the students can ask our successful women any questions they like, and discuss perspectives and topics around diversity and careers.

Students interested in attending a *Career Lounge* apply in advance, and we then choose the participants based on their curriculum vitae. It's proven to be a great way for PwC women and potential female joiners to get to know each other on both a professional and personal basis, and for female students to visualise their own career path. *Career Lounge* is having a positive impact, we've connected with over 539 female students across Germany since it began, and last year we saw a rise in the number of female applicants (33%) and female campus hires (42%). These numbers make us even more excited to host our next *Career Lounge* event in April 2017.



Tough questions about the inclusive talent brand imperative:

- Do you have the right role models in place to help attract and retain female talent?
- How will you understand how your workforce demographics and diversity efforts are perceived across and beyond your workforce?
- What risks and opportunities do these perceptions open up?
- How does diversity and inclusion fit into the wider drive to improve transparency and trust?
- How will you make sure you are on the path to demonstrable progress? And how will you measure and communicate your efforts and progress?

“One of the human capabilities we must place at the forefront of our attraction strategy is learning agility. This means hiring people who have a high capacity to learn new things so that we can teach and build the skills needed today and in the future, so that being ready and agile in responding to inevitable change is a natural part of our DNA. If we keep hiring the best learners I firmly believe we will have the best and most agile workforce in the long run.”

Charles MacLeod
Global Sourcing Leader, PwC

The potential-plus opportunity



When it comes to recruiting more experienced and senior-level professionals, employers cite a lack of a significant candidate pool as the biggest barrier to higher levels of female hiring. As employers try to find the talent and skills they need, while simultaneously looking to increase female representation through measures such as gender recruitment targets, a vital skillset for any recruiting function will be understanding where female talent communities are and how to reach them.

CEOs are concerned about the availability of key skills, and – with a few exceptions – their level of concern has risen steadily year on year.¹² Finding a solution to this problem involves recognising that finding fully-formed employees with the exact skills that the organisation needs both today and tomorrow is not always feasible. Employees like these are most often made, not found. And with 77% of CEOs concerned that skills shortages could impair their company's growth,¹³ a shift from hiring for the complete and perfect skillset to hiring for potential, for example learning agility, plus skills and experience could turn the talent threat into the talent opportunity.

One significant source of underutilised *potential-plus* talent across the globe is professional women returning from career breaks. Some 76% of professional women on career breaks want to return to work.¹⁴ Yet three in five highly skilled and qualified returning professional women could end up in lower-skilled – and, as result, lower-paid – jobs¹⁵. One reason for this is the negative bias against the ‘CV gap’ among recruiters and potential employers, who often assume that a lack of recent experience is automatically associated with erosion of skills.¹⁶ And with traditional gender norms becoming increasingly outdated, this CV gap is more likely to become an issue for both male and female talent, as both men and women are increasingly making the decision to take time away from work for any of a multitude of reasons. Depending on the individual – and not on their gender – these reasons might include a desire to focus on family, unaffordable childcare costs, or a decision to take a back step to support the career development of their partner.

Some 76% of professional women on career breaks want to return to work.



Yet 3 in 5 highly skilled and qualified returning professional women could end up in lower-skilled – and, as result, lower-paid jobs

Source: Women returners, PwC 2016



12 20th Annual Global CEO Survey, PwC 2017
13 Ibid

14 Women returners, The £1 billion career break penalty for professional women, PwC 2016

15 Ibid

16 Off-Ramps and On-Ramps Revisited, US Centre for Talent Innovation, Hewlett S.A. et al, 2010

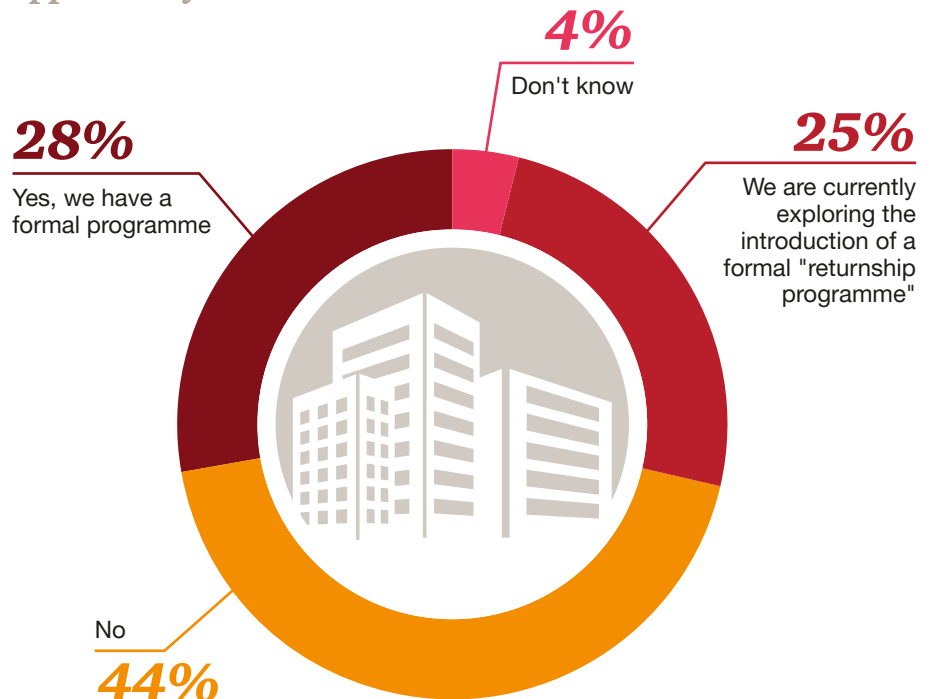
“I used to say that up to the 19th century the most important people were those who had liquid resources, money. In the 20th century world, it was essentially the engineers, but in the 21st century, it is the ones who are able to manage talent. So talent is going to be the driver for the 21st century.”

Ignacio S. Galán
Chairman, Iberdrola, Spain

With the majority of employers now actively focusing on increasing their levels of experienced female hires, the career returner opportunity is definitely one avenue worth exploring. Over a quarter (28%) of employers have already adopted a formal returner programme, and a further 25% are currently exploring this opportunity. Many organisations approach this via a returnship model, offering internship style opportunities for approximately three months that may lead to a permanent position. PwC’s UK firm has had much success with this approach through the adoption of the PwC UK Back to Business programme.¹⁷ Meanwhile, UBS Switzerland has adopted a senior level returner programme that is open both to women and men and offers them permanent positions (see featured case study). Overcoming the career break ‘penalty’ for female professionals offers benefits that extend far beyond the employers involved, with – for example – the potential to increase economic output in the UK alone is estimated at £1.7 billion.¹⁸

Have you introduced a formal career returner programme?

For example a programme that offers women who have been out of the workforce for a number of years a stint with your organisation that could lead to a permanent job opportunity.



¹⁷ www.pwc.co.uk/careers/experienced-jobs/opportunities/back-to-business.html

¹⁸ Women returners, The £1 billion career break penalty for professional women, PwC 2016

Case Study



UBS: Attracting career returners with the UBS Career Comeback programme

At UBS, we're in the business of providing financial advice and solutions to a diverse range of clients across the globe – so we know that having a workforce with wide diversity and an inclusive working environment is a competitive strength that helps us deliver our business strategy. We also know that experienced talent can add value to our workplace and enrich our culture. But despite this, it's not always easy to find the right opportunity and support when returning to work after a career break. This is why we could see clear benefits from introducing a programme aimed at female professionals who have been absent from the workforce for over two years.

It was with these benefits in mind that we launched our UBS Career Comeback programme last September, and recruited fifteen returnees into regular, open, permanent, Director level positions in Switzerland. These hires came with different skills, and therefore took on roles in many different areas of the bank – ranging across client advisory, accounting, financial reporting, project management, legal and human resources.

To make sure they receive the support, development and mentoring they need as they transition back to workplace, all 15 hires are part of a class and support system of people who experience the Career Comeback programme together. This includes a two week on-boarding programme which gets them up to speed on UBS and financial markets – ensuring they can navigate our business and technology platforms, and make a fast, positive impact. This all happens before their first day on the job.

Denise, a Certified Public Accountant and mother of three, is one of the 15 Career Comeback hires, starting a role last September in our Corporate Centre. She comments: "There are so many reasons why I'm glad I applied for the UBS Career Programme. There is nothing more rejuvenating and motivating than being in a programme with 14 smart and highly-qualified professionals, many of whom are also parents. The on-boarding training alone left me with so many powerful and useful impressions that at the end of each day, I couldn't stop thinking about what I'd learned. Most importantly, it gave me the confidence that I can do anything."

We believe the programme has been a success – and this year we'll be recruiting a further class of career returners through the programme. Career Comeback has also joined the large and expanding suite of tools that we at UBS are using to pursue our aspiration to increase the ratio of women in management roles to one third.

Career Comeback has also been launched as a programme in the US, and in the coming year we plan to extend the reach of Career Comeback still further by introducing the programme in the UK.

Find out more: <https://www.ubs.com/microsites/ubs-career-comeback/en/welcome.html>

Tough questions about the 'potential-plus' opportunity:

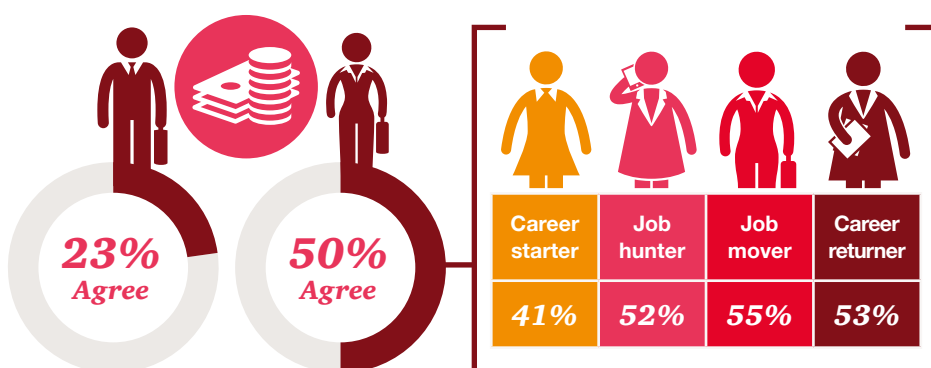
- What are you doing to make your workforce more diverse? And how will you create and embed a culture that empowers the diversity edge?
- How will you capitalise on the 'potential-plus' opportunity to compete for and win talent in the skills crunch?
- How will you capitalise on highly-skilled, highly-qualified but currently underutilised talent pools, such as female career returners?

Show me the – fair and equitable – money

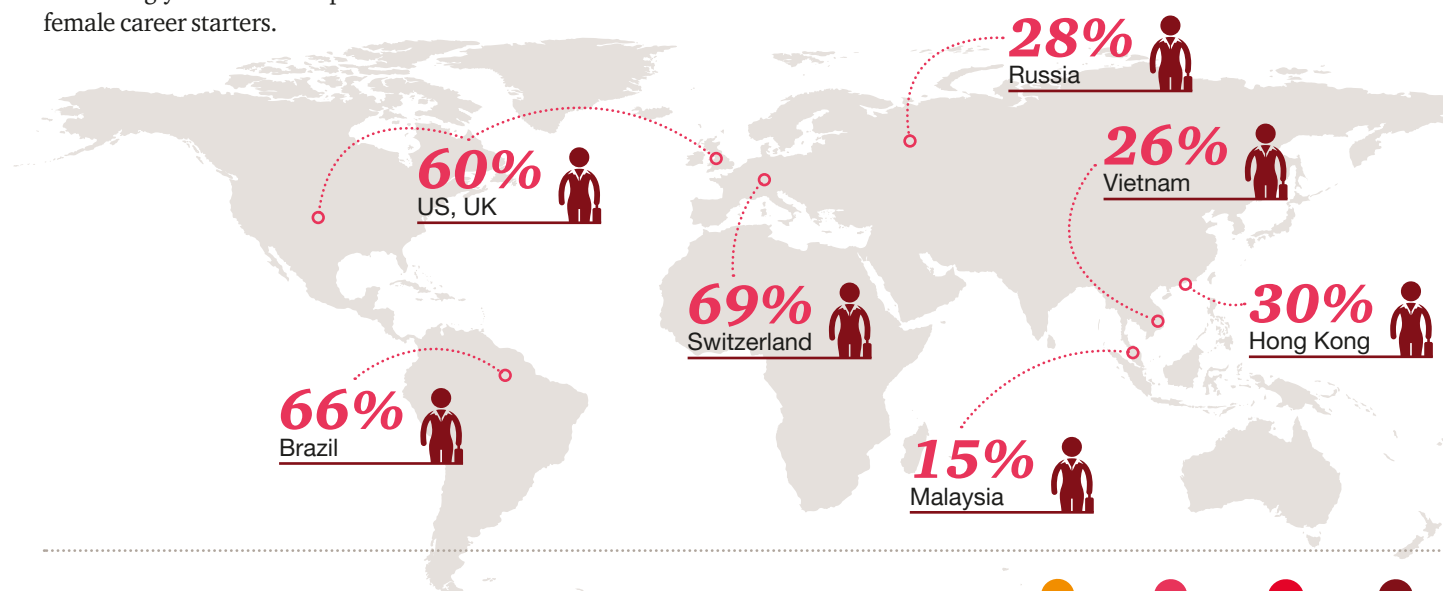
Whether a woman is a career starter, a more experienced job mover or job hunter, or a career returner – and no matter which of the four generations she represents – she ranks competitive wages and other financial benefits among her top three most attractive traits in an employer. Pay is important to women, and they expect it to be fair and equal. But, in common with many men, they voice a significant level of concern over pay equality. In our study, half of all women said they believe there is a gender pay gap between equally qualified male and female hires, with almost one quarter of men saying the same. Furthermore, when deciding whether or not to work for an employer, 46% of women said it was important to them that an employer publicly discloses the gender pay gap across its organisation, interestingly this is most important to female career starters.

Do you believe there is a gender pay gap between equally qualified experienced male and female hires?

Respondents that said: Yes in favour of men

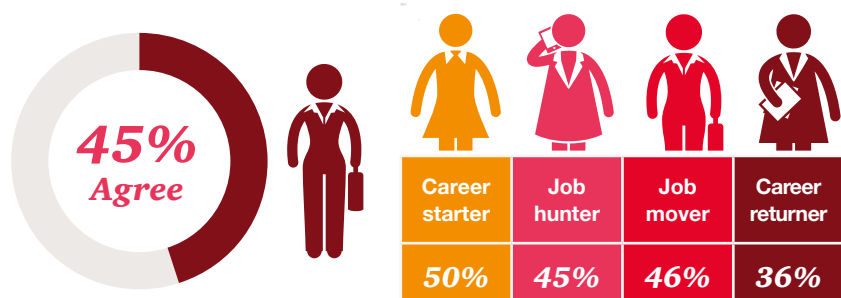


Female respondents that said: yes in favour of men



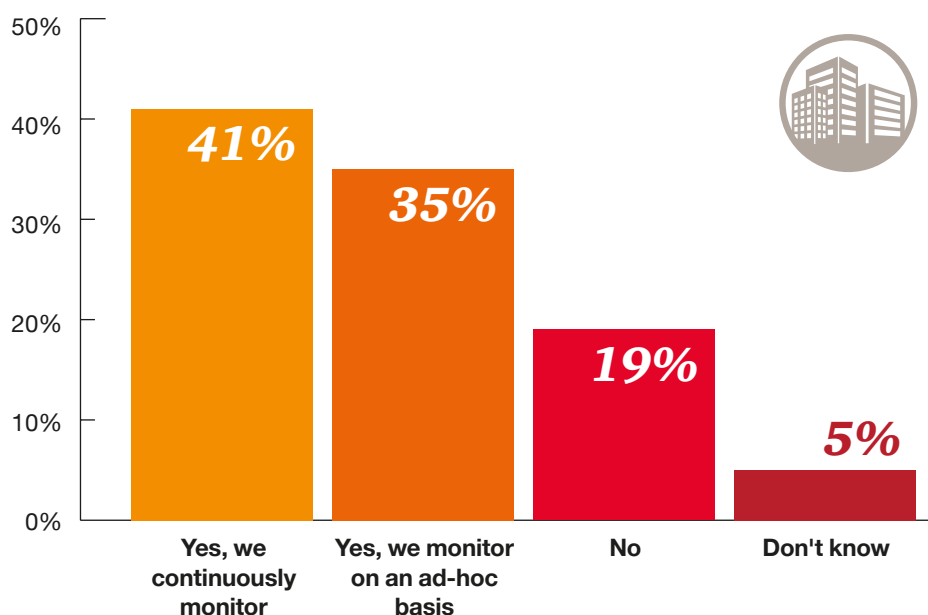
When deciding whether or not to work for your most recent employer, was it important to you that they publicly disclosed their organisational gender pay gap

Respondents that agree



Given the growing demand from talent for disclosures on fair and equal pay it is of note that only 41% of employers said they currently carry out monitoring on an ongoing basis to identify any salary/compensation discrepancies between equally qualified male and female experienced hires.

Do you monitor salary to identify any possible salary/compensation discrepancy between equally qualified male and female experienced hires?



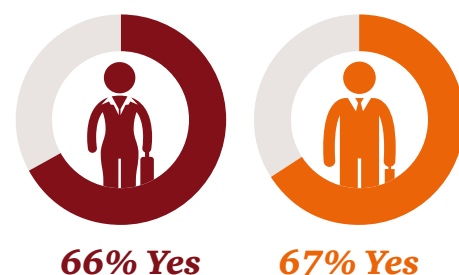
Salary negotiation – not just a male trait

Our research flatly refutes the idea that salary negotiation is typically a male trait. In fact we found that almost equal numbers of men and women negotiated their salary, and almost equal numbers were successful in increasing their employer's initial offer. Yet we must recognise that an increase in the number of women who are ready, willing and able to negotiate their salary is unlikely to fix either pay inequity or the gender pay gap, and research identifies that the latter still exists in nearly every country in the world.¹⁹ Instead, measures to eradicate pay inequity must be woven into recruitment activities, through processes ranging from monitoring for and fixing pay discrepancies and more importantly to establishing processes that prevent such occurrences in the first place.

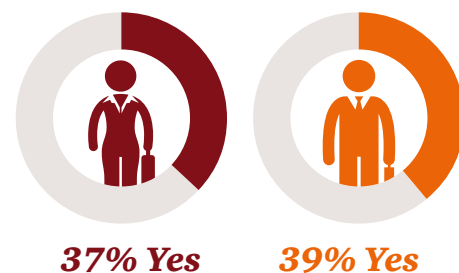
There are also other – more psychological – hurdles to overcome. For example, research indicates that our brains are susceptible to an unconscious bias called 'anchoring'. What this means is that our minds get fixed on an initial number, with the result that when it comes to pay decisions, there is a tendency to anchor too much on someone's current salary instead of what the job is actually worth.²⁰ Organisations such as Google have responded by identifying salaries based on what the job is worth, and excluding previous salary information from decisions on salary offers. And this approach is having a demonstrable impact: during Google's 2015 hiring activities, it led to the women Google hired receiving a salary increase on joining that was 30% higher on average than their male counterparts.²¹ Already, one US state is focused on making this standard practice. Massachusetts will enact a new pay equity law from July 2018 that makes it illegal for employers to ask job applicants what they've earned in the past.



When accepting your most recent job did you negotiate with your employer on salary?



Of which: Yes and the initial salary offer increased:



Excludes responses from respondents who identified the starting salary was fixed (for example a graduate programme starting salary)

¹⁹ The Global Gender Gap Report, World Economic Forum, 2016

²⁰ Thinking Fast and Slow. Daniel Kahneman, 2011

²¹ <https://rework.withgoogle.com/guides/pay-equity/steps/structure-your-pay-process/>

Spotlight on government interventions

UK Government adopts mandatory gender pay gap reporting:

In a move that had long been resisted by some businesses, the UK government formally announced that from April 2017 organisations operating in the UK with more than 250 employees will have to publish their gender pay gap. This progressive move to mandatory gender pay gap reporting aims to shine a light on current pay discrepancies between average female and average male earnings. With pay inequality illegal in the UK, this move aims to drive greater transparency of the gender pay gap and foster action regarding the underrepresentation of women in what are typically higher paid roles.

Employers will be required to publish six pay gap metrics:

1. The mean gender pay gap
2. The median gender pay gap
3. The mean gender bonus gap
4. The median gender bonus gap
5. The proportions of men and women getting a bonus
6. The proportion of men and women in each of four pay quartiles (lower, lower middle, upper middle and upper quartile pay bands).

Find out more at: www.equalpayportal.co.uk/gender-pay-gap-reporting/

Massachusetts bans employers from asking about previous compensation:

A new pay equity law will come into effect in the US state of Massachusetts from July 2018, making it illegal for employers to ask job applicants what they've earned in the past. Massachusetts is the first US state to ban the practice.

This step is specifically designed to close the pay gap and prevent job seekers from being put at a disadvantage, as employers commonly base salary offers on past salary information. As a result, people who have been earning below-market wages are more likely to continue to be underpaid. This has historically been a particular issue for women, who are statistically likely to be paid less than their male peers for the same work in the US.

For example if a company is hiring two architects, and knows the applicants' respective salary histories, it may be inclined to offer Alan US\$100,000 because he was paid US\$90,000 by his last employer, while offering Alison US\$90,000 because she was paid US\$80,000 by her last employer. But if the company does not know their previous salaries, it will be more likely to offer a salary based on what the job is worth, not previous salary. The result is a greater likelihood of both Alan and Alison receiving an equal salary offer of US\$95,000.

Find out more at: <https://qz.com/749476/massachusetts-salary-history-job-interviews/>

Tough questions about equal pay:

- How will you define, monitor and deliver fair and equitable pay?
- How will you go beyond fixing salary gaps on a one-off basis, and instead establish processes that eradicate pay gap creep during selection processes and salary decisions?
- How well prepared are you to respond to new or forthcoming legislation?
- How will you communicate your efforts and progress towards fair and equitable pay?

Diversity technology trends

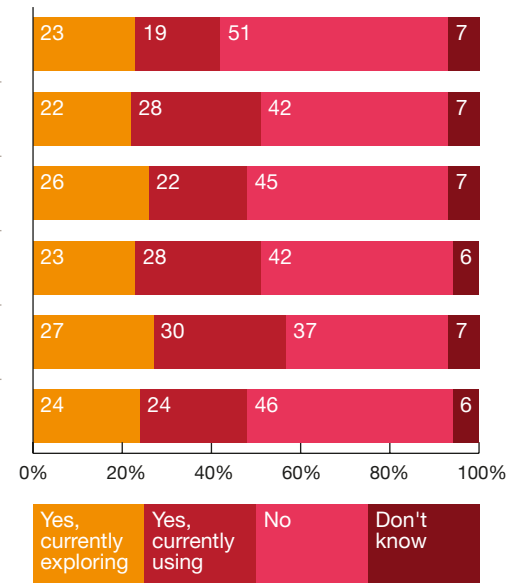
As in all facets of business, technology is shaping how employers execute their diversity strategies – and we are certainly at a point in time when the opportunities to use digital technologies to revolutionise inclusive recruitment are growing rapidly. Technology solutions offer employers more effective and scalable opportunities to find and reach the female talent they need, enable more objective hiring processes and decisions, and gain an understanding in real time of the impact their efforts are having.

In our study, talent identification platforms that search for, identify, and communicate with specific types of diverse talent emerge as the most commonly-adopted technology in this area, currently used by 30% of employers. Meanwhile, 28% said they are using software to create language-neutral job postings. And the same proportion – 28% - said they're utilising performance audition platforms that ignore traditional candidate information such as gender, age and university, focusing instead on the candidate's performance in a specific challenge or job-related task.

But in general, we've found that employers are failing to keep pace with the growing numbers of software start-ups focused on using technology to help firms hire the best and brightest from underrepresented talent pools. Indeed, a significant number of employers indicated that they have no plans whatsoever to adopt many of the technology solutions designed to support more inclusive hiring currently on the market.

Are you using or considering using any of these technology solutions in your efforts to draw more women and minority job candidates to your organisation?

Use artificial intelligence to tailor the onboarding experience based on demographics of new recruits	23	19	51	7
Utilising a performance audition platform whereby candidates participate in a challenge and selection is based solely on their performance	22	28	42	7
Dashboard technology illustrating real time diversity recruitment metrics and trends	26	22	45	7
Utilising software to assess if job postings use biased language and/or to create job postings with neutral language	23	28	42	6
Recruitment via a 'diverse talent identification platform' to search for, identify and communicate with specific types of diverse talent	27	30	37	7
Are you using or considering utilising digital solutions (e.g. an App) to create blind applications	24	24	46	6



Wider technology trends in the recruitment process will also influence inclusive recruitment. For example, we are beginning to see leading businesses use recruitment process automation (RPA) as a means of saving costs. RPA is the use of technology to perform repetitive and high-volume tasks in the recruiting process by converting candidate data into a searchable database. Advanced key word searches are then performed to screen candidates, generate emails and even schedule and conduct assessments. While RPA lacks human judgement, it is typically through the human quotient that conscious and unconscious bias influences selection and hiring decisions. However, if employers are to achieve the diversity edge in their recruitment activities, the inclusion factor will have to be built in as an absolute consideration in the design of RPA searches.

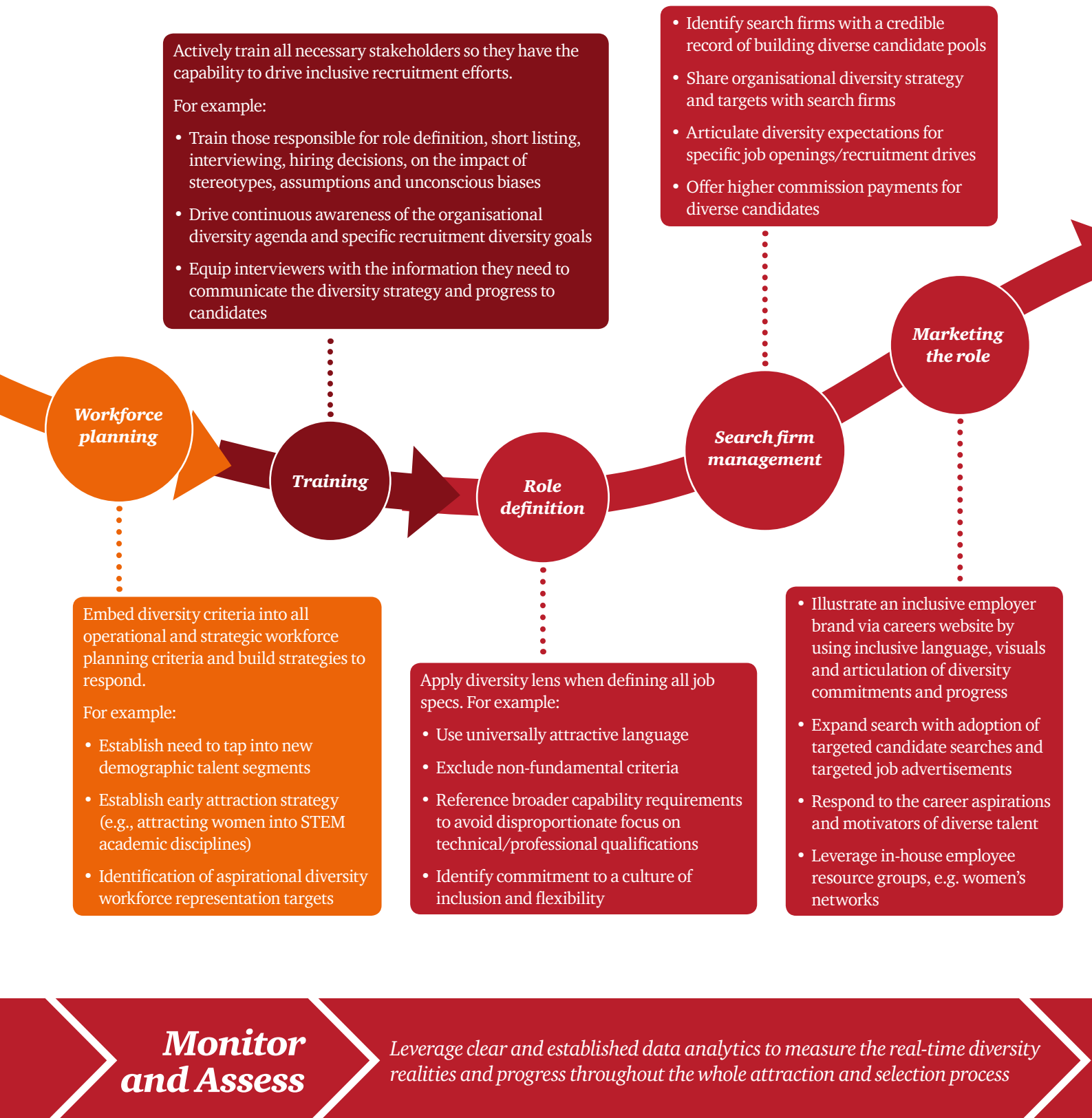
That said, one thing is clearly absolute: it's the certainty that recruiters will need to be able to work alongside technology to enable any recruiting process – and this is equally true for gender inclusive recruitment.

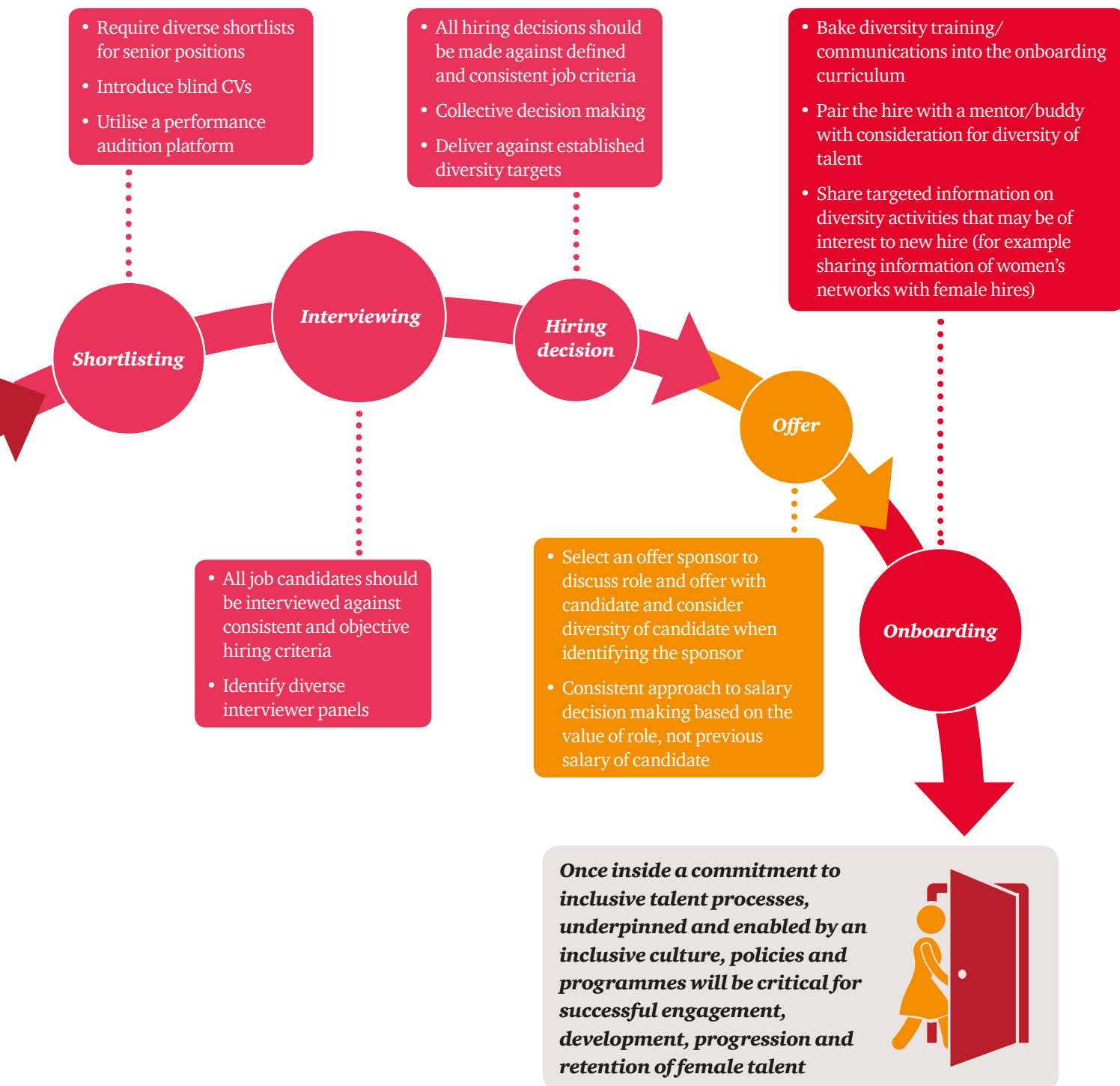
Tough questions about diversity technology trends:

- Is your recruitment function ready to adopt and harness new technologies to increase the effectiveness of your inclusive recruitment, and your recruitment efforts more generally?
- Have you considered how artificial intelligence and automation will help you gain an edge in the race for all talent, and develop the capabilities your organisation needs to build competitive advantage?

Gender inclusive recruitment

Road map to success





Establish KPIs to measure the effectiveness of each established intervention and where unsuccessful review

Summary

CEOs from across the world have told us that talent diversity is both a business priority and important driver of business performance, generating benefits that include higher innovation and an ability to strengthen the corporate brand and enhance customer satisfaction.²² A particular priority for organisations is to boost their attractiveness to female candidates as a potential employer and increase their levels of female recruitment, especially at more experienced and senior levels.

The results shared throughout this report highlight that there is a significant appetite among both employers and the modern workforce – in particular female talent – to drive change that fosters gender inclusive recruitment. At the same time, the recruitment function is being revolutionised and challenged in a myriad of different ways – such as responding to technology change while capitalising on this digital opportunity; competing for talent in the midst of a skills crunch; and attracting and recruiting a blend of traditional and contingent employees, reflecting the rise of the gig economy.

At this defining moment of change and opportunity, one thing is clear: whether recruitment is driven internally or indeed outsourced, it must be positioned to

respond to the core learnings and difficult questions highlighted throughout this report. And significant evolution is still required to achieve truly inclusive recruitment and win out in the accelerating fight for female talent.

Inclusive recruitment is not only the right thing to do: it's the smart thing to do. But it will also be just the beginning of this journey for employers. Once female talent have been onboarded; developing, engaging, progressing and retaining this talent will become ever more critical, as women become an even more valued talent commodity and the competition for female talent continues to intensify. Employers still have a lot of work to do to rise to these challenges – a fact that's underlined both by today's leadership and workforce demographics, and also by the views of our female, male and employer respondents.

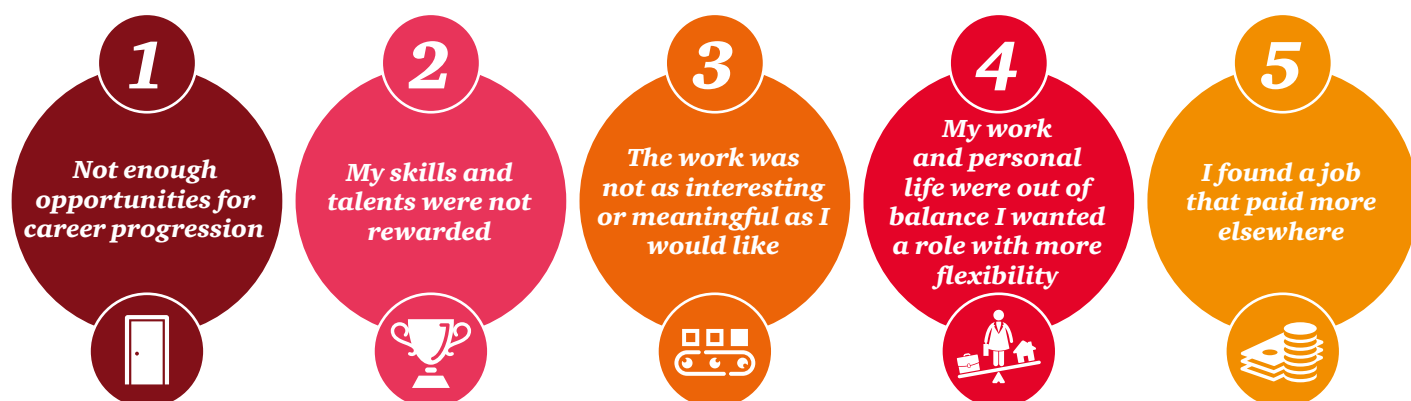
A commitment to inclusive talent processes – underpinned and enabled by an inclusive talent culture, policies and programmes – will enable organisations to create a business model where all talent can prosper, including women. Because when the best talent rises to the top, everyone wins.

To learn more visit:
www.pwc.com/femaletalent

Do you believe an employee's diversity (for example gender/ethnicity/age) can be a barrier to employee progression in your current organisation?



Top five reasons women said they left their former employer



Credits

Executive sponsors



Sharmila Karve

PwC Global Diversity Leader



Bob Moritz

PwC Global Chairman



Aoife Flood

Global Diversity & Inclusion Programme Office

Special thanks to our featured case-study companies

- DBS
- Facebook
- Royal Australian Air Force
- UBS

Special thanks to all of our respondents

Thank you to the 328 diversity, recruitment and human resources executives and 4,792 female and male employees who completed our research surveys. This report could not have happened without you, the insights you shared are truly valued.

We'd like to thank the following PwC experts for their insights and contributions

Anne Freer, Andrea Plasschaert, Bob Moritz, Bradley Deckert, Bhushan Sethi, Birthe Stegmann, Charles Macleod, Dale Meikle, Jon Terry, Jennifer Chapman, Justine Brown, Karen Loon, Lauren Kim, Maricela Castillo-Cox, Mary Ellen Chopoorian, Maya Bhatti, Sarah Churchman, Sharmila Karve, Sharon O'Connor.

We'd like to thank the following for support with design and research

Mark Goggin at MG Creative

Adam Drummond, Priya Minhas and James Endersby at Opinium Research

Contact us

If you would like to discuss the issues raised in this report in more detail please contact us

Aoife Flood

PwC (Global)

+353 1 792 6459

aoife.flood@ie.pwc.com

Jon Terry

PwC UK

+44 (0)207 212 4370

jon.p.terry@pwc.com

Sue Johnson

PwC Switzerland

+41 58 792 9098

sue.johnson@ch.pwc.com

Bhushan Sethi

PwC US

+1 917 863 9369

bhushan.sethi@pwc.com

Karen Forward

PwC Canada

+1 416 687 8116

karen.j.forward@ca.pwc.com

Susan Price

PwC Australia

+61 (2) 8266 2175

susan.price@pwc.com

Harjeet Baura

PwC Hong Kong

+852 2289 2715

harjeet.baura@hk.pwc.com

Katy Bennett

PwC UK

+44 (0) 20 7213 5168

katy.e.bennett@uk.pwc.com

Taylor Goodman

PwC US

+1 216 570 1169

taylor.m.goodman@pwc.com

Jennifer Chapman

PwC UK

07 795 452 044

jennifer.s.chapman@pwc.com

Nicky Wakefield

PwC Singapore

+65 6236 7998

nicole.j.wakefield@sg.pwc.com

Mar Gallardo

PwC Spain

+34 915 684 456

mar.gallardo@es.pwc.com

Jessica Molina

PwC The Netherlands

+31 (0) 88 792 74 62

jessica.molina@nl.pwc.com

Stefanie Coleman

PwC US

+1 646 313 3924

coleman.stefanie@pwc.com



At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 157 countries with more than 208,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2017 PwC. All rights reserved. 'PwC' refers to the PwC network and/or one of more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.