# WOMEN'S EMPOWERMENT PRINCIPLES

MARCH 2020

## WEPs IN ACTION



Treat all women and men fairly at work – respect and support human rights and nondiscrimination

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CASE STUDY: TELE2

#### **CONFRONTING GENDER IMBALANCES HEAD-ON**

#### LESSONS LEARNED

- Building a corporate brand that reflects today's customers and their values cannot be achieved without addressing gender imbalances within the company.
- Setting ambitious targets with a clear timeline (such as a 50-50 gender balance by 2023 at all levels) is sometimes the impetus needed to push for transformative change within the organization.
- Utilizing the experience and engagement of senior managers and staff reduces the need for external resources and helps deliver sustainable results against gender equality goals.
- Implementing a measure that is simple and easy to visualize, such as the 2+1 recruitment principle, and without exceptions to the rule, can lead to tangible results within a short period of time.

- Allowing for a longer recruitment process is sometimes necessary if one wants to uphold the values of fairness and non-discrimination in hiring practices. It also leads to higher quality recruitments.
- Retaining women goes hand-in-hand with improved recruitment policies. This includes, for example, policies that go above and beyond legislative requirements for parental leave, flexible work environment, and fair and equal compensation.
- Facilitating open dialogue and internal communication is key during times of transformation towards gender equality.
- Engaging with girls and women in the community to address the root causes of gender imbalances in the technology sector improves women's representation in the industry.

#### CONTEXT

Tele2 is a telecommunications (telecom) firm operating in Sweden, Germany, Latvia, Lithuania and Estonia. Information Technologies (IT) and telecoms have traditionally been male dominated: in 2018, women made up just 28 per cent of those working in the sector in Sweden and only 17 per cent of telecoms firms were led by women.

The issue of gender imbalance came into sharp focus when in 2018, the company merged with another Swedish IT services provider, Com Hem. Only nine per cent of the new global leadership team were women. This led to reflection on the state of gender inequality in the IT and telecom sector overall, and particularly in Tele2.

The firm's Group President and Chief Executive Officer, Anders Nilsson, resolved to tackle the problem head-on. The senior leadership team recognized that not only is gender inequality unfair and discriminatory, it is also bad for business: gender-balanced teams outperform those that are unbalanced. Tele2 also knew that it could not fulfill its commitment to building a brand that reflects its customers and their values without addressing gender imbalances within the company.

Recognizing that the roots of women's under-representation in the IT industry begin early in the lives of girls – starting with the subjects they choose at school and university and their subsequent career options – the firm's aim was to reach girls and women at these different stages. From getting girls interested in coding in school to providing opportunities in their careers and promoting them to senior positions, the company put in place a 16-point action plan to address the causes of gender imbalances at every stage of life.

The plan covers the education, recruitment, retention, training and career development of girls and women. Its aim is to see a 50-50 gender balance within the company at executive, managerial and employee level by 2023. It was implemented in the firm's Swedish operations in 2019 and affected around 3,000 employees, just under a third of whom were women.

Setting clear policies and metrics in place and with a commitment to make no exceptions, the strategy has already started to deliver results. In less than a year, 66 per cent of all new hires at all levels were women. This figure used to be less than 30 per cent.

#### **ACTIONS**

Tele2 has put in place 16 initiatives to intervene at different stages in women's lives with the aim to tackle inequalities. They stem from what the firm calls a "16-point plan" and consist of the following measures:

#### **Engaging girls and women in the community**

Collaborate with organizations that work with girls and young women to encourage them to learn technologyrelated subjects.

#### **Recruiting women**

Create an employer brand that attracts diverse talent, including those of different gender, generation and ethnicity. Implement a new "2+1 principle" hiring two women for every one man, while hiring the best talent.

- Create a pipeline of diverse external candidates, aiming to make sure that 75 per cent are women.
- Ensure that assessments for external candidates are free from cultural and gender biases.
- Review the language used in job adverts to ensure that they are attractive to women.
- Make sure that at least one woman is included in final interview panels to ensure a diverse perspective.
- Develop special initiatives to recruit immigrants.

As part of its commitment to tackle the roots of the problem, Tele2 has started new projects with its long-time partner organization, REACH for Change, and formed new partnerships with Datatjej (Data Girls) and Tjejer Kodar (Coding Girls) to encourage girls to choose IT-related subjects in school. Datatjej arranges meetings at Tele2's headquarters in Stockholm which give young women the opportunity to find out first-hand about working in IT in a big technology company. Tjejer Kodar inspires young women to try out programming and arranges events which Tele2 are involved in.

Most significantly, a new recruitment policy –the "2+1 principle"- has been put in place. When the firm's data revealed that for every one woman, the company was hiring two men, they decided to reverse this pattern and put in place a strict policy of hiring two women for every one man.

This principle now applies to all teams that have gender imbalance and since it was put into action, 66 per cent of new recruits are now women.

Tele2's leadership team were clear that "2+1" did not mean that the best candidates would not be appointed. Instead, the organization needed to work harder to attract a more diverse pool of candidates and set itself a target of 75 per cent of all applicants being women, regardless of the role. Paying close attention to the tone and language of job adverts so that they are attractive to women has been particularly helpful and has already proven to increase the number of female applicants.

While recruitment has been an important part of Tele2's action to tackle gender imbalances, they recognized that retention is equally important.

As Viktor Wallström, Executive Vice President Communications and Sustainability, and Erik Wottrich, Head of Sustainability, say: the company could be recruiting 80 per cent women, but if 100 per cent of those who leave are also women, the goal of being fully gender-balanced by 2023 will not be achieved.

With this in mind, the company is reviewing its parental leave policy, flexible work environment and its compensation policies to ensure that they are attractive to women. Swedish legislation provides 480 days of paid parental leave (80 per cent of the regular salary), to be shared between both parents. Tele2 voluntarily tops this pay with an additional 10 per cent during the parental leave. They have also reduced the length of service required before employees are entitled to these top-up benefits.

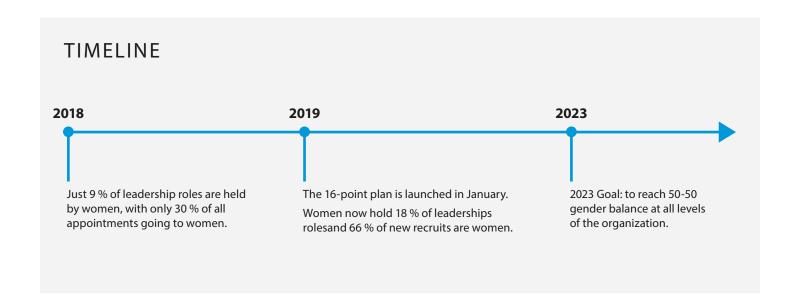
Succession planning is the next step. In all leadership roles, the aim is to have at least one female successor, whether external or internal. This is already happening in the executive management team, but the company is working to implement it in all other leading management functions.

When it comes to career development, the company has an executive training programme designed for students and graduates. Each year, a trainee shadows a member of the leadership team for a full year. Selected trainees are also able to fast-track their progression to executive level. Other programmes for IT and technology training are also in place, and follow a similar 2+1 principle, so that women make up around two thirds of places.

Tele2 is still in the process of implementing some parts of the plan including unconscious bias training for new recruits; sponsorship of female talent by members of the leadership team; and ensuring all employees have a career plan.

Responsibility for the 16-point plan lies with the human resources team, but the wider management function has been engaged to make sure it becomes a reality. The goal is to use the experience and commitment of existing teams to deliver the plan, which also means that no additional budget is needed to make it happen.

The main measures of success are the 2+1 recruitment principle and achieving a full 50-50 gender balance by 2023. These are being closely monitored via an annual employee survey looking at how engaged employees are, and annual reports, both of which are shared throughout the organization. A diversity council has also been set up, providing employee feedback and involving staff more closely in the plans and actions.



#### **CHALLENGES**

There was a strong and mixed initial reaction to the 16- point plan, the biggest concern being whether Tele2 was lowering its standards or expectations for new recruits.

When the 2+1 principle was launched in 2019, there was frustration at having to wait for alternative candidates when managers felt they had already found the right person. This was particularly true when managers needed to recruit quickly. But it was the commitment of the senior leadership team to implement 2+1 with no exceptions that ensured it has been successfully achieved so quickly.

A year on, employees have grown to understand that standards have not been lowered. Instead, the company is no longer rushing to hire the most easily available candidate but is spending more time finding the best candidate. A lot of the initial worries have been resolved and managers feel comfortable knowing that they can discuss any concerns with both human resources and the senior management.

Viktor Wallström and Erik Wottrich say that companies in similar industries who want to take a similar approach need to prepare themselves for longer recruitment timescales, given the limited pool of candidates with the rights skills. Tele2's experience shows that HR can find the best candidates while upholding the 2+1 principle. It just takes slightly longer.

Negative reaction from employees about the 2+1 recruitment principle.

Inability to hire quickly, especially because of an already limited pool of talent in the market.

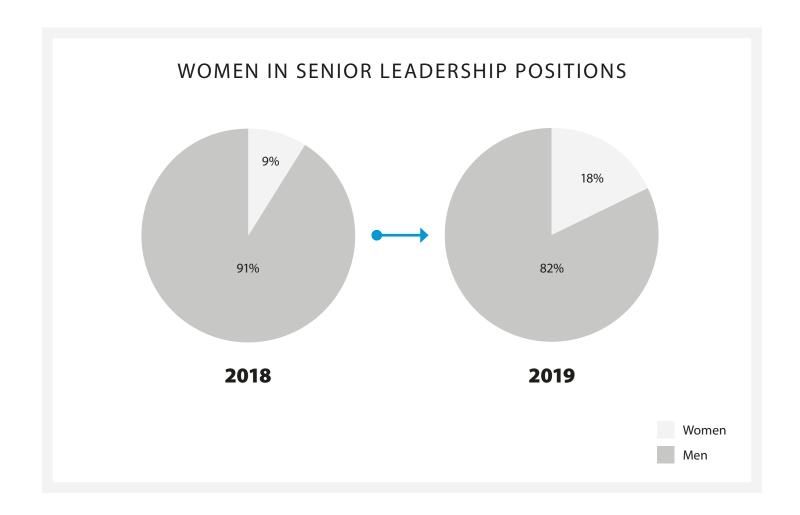
Ensured that senior management is engaged and committed to the recruitment principle and willing to have dialogue with employees about it.

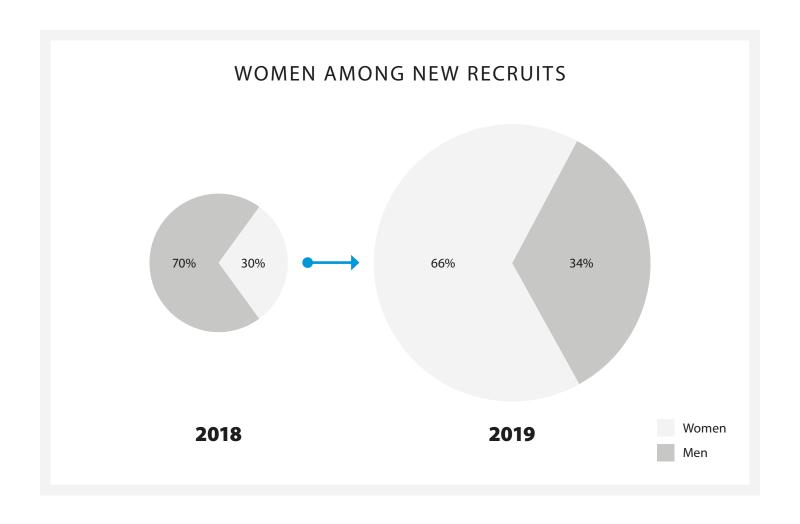
The consistency and personal commitment of the CEO, who pushed and raised awareness of why gender equality matters.

### **RESULTS**

CHALLENGE

In just under a year, the company has gone from 30 per cent of all new hires being women to 66 per cent. Women now hold 18 per cent of senior leadership roles, compared to just nine per cent at the outset. The firm's workforce in Sweden is now 31 per cent female, above the industry average of 28 per cent.





#### RECOMMENDATIONS

The fact that the 2+1 principle has been so successful so quickly shows that simplicity and clarity in a policy can make a real difference. A very clear steer from Tele2's CEO that there will be no exceptions to the principle has also been effective in embedding it and making it a reality.

Setting ambitious targets is also important. Those targets also need to be monitored and followed up, with actions put in place if progress is not being made.

In order to ensure widespread buy-in for the programme, employees need to understand the rationale behind the implementation of new measures. As in all times of change and transition, communicating as much and as openly as possible is key to achieving this buy-in.

#### THE ROLE OF WEPs

For Tele2, committing to the Women's Empowerment Principles seemed like a natural step given the overlap between them and its own 16-point plan. The company wants to use the WEPs platform as an opportunity to show the rest of the

world that women's empowerment is something that they are committed to. Ultimately, Tele2 would like to witness gender equality and women's empowerment being prioritized by all companies across the world.

Principle 1



Establish high-level corporate leadership for gender equality.

Principle 2



Treat all women and men fairly at work- respect and support human rights and nondiscrimination.

Principle 3



Ensure the health, safety and well-being of all women and men workers.

Principle 4



Promote education, training and professional development for women.

Principle 5



Implement enterprise development, supply chain and marketing practices that empower women.

Principle 6



Promote equality through community initiatives and advocacy.

Principle 7



Measure and publicly report on progress to achieve gender equality.



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WOMEN'S EMPOWERMENT PRINCIPLES

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