



SDG 5, gender equality:

Gender Equality in organisations: A whim or the way forward?

Your old friend John Flake is the CEO of the mid-sized technology company BestTech, which is located in your country. The company has grown rapidly in recent years and currently has 200 employees. Around 60% of the employees are men and 40% are women. The gender representation, while fairly even overall, is uneven across roles within the company. Women are well represented in administration, HR, and customer support, but they make up only 20% of technical roles and 10% of senior management positions.

John Flake is an electrical engineer and has been with BestTech since its founding 12 years ago. He has led many of the innovation projects at BestTech through the years and was recently promoted to CEO. Now he is actively thinking about the best strategy on how to develop BestTech in order to meet the demands of the future.

He was recently approached by a large European firm that would like to do business with BestTech. This firm has a long history and appears to be a good partner for BestTech, and having a long-term relationship with this firm would make BestTech's future much more secure. This firm has a strong ESG (Environmental, Social, and Governance) agenda. It places strong emphasis on sustainability in its own operations, especially on gender equality. The firm tells BestTech that before they make any deals, they want to make sure that their partners follow a similar ESG agenda. Hence, before they can make a deal with BestTech, they will assess BestTech's ESG policy, especially in regard to gender equality.

John is optimistic that BestTech fulfils all the requirements of the prospective business partner and asks the HR department to produce a memo on the status of gender equality at BestTech.

The memo shows that:

- The average salary of women is 15–25% lower than that of men in comparable roles.
- No woman has been promoted to the executive team in the last eight years.
- Women are more likely to leave the company within five years than men.

After reading the memo, John not only felt the firm had let the female employees down but also that they might not be able to sign a deal with the large European firm. He calls you, as he knows you recently attended a course on gender equality. The firm is doing well, so he



wants to hire you to do an internal audit of where your firm stands in terms of gender equality to see where the firm could be doing better.

- ✓ For discussion: What are the things you could be looking at in order to assess your firm's position in terms of equality?

The assessment could include wage structure, working conditions, promotion possibilities, and work-life balance, to name a few issues.

After receiving various data from HR and interviewing both women and men working at BestTech, you present your findings to John Flake.

The results include the following:

- Pay negotiations are individualised and confidential.
- Employees are expected to work long hours. There is little flexibility in determining work hours, and employees are expected to be constantly available for work.
- Recruitment relies heavily on informal networks and referrals.
- Promotion criteria include concepts like 'leadership presence' and 'availability'.
- Few men take parental leave, even when entitled to it by law.
- Some employees state that there is already gender equality in the firm and the fact that women earn less is only due to the fact that they are less likely to have the education needed to work in a technical role at BestTech.

John Flake now must consider the options he faces for bringing the firm forward. He could choose not to change anything. After all, women choose lower wage jobs, and they leave earlier because many go on maternity leave and do not return. Furthermore, many employees are happy with the current state. However, John must face the fact that if he chooses this route, he has little or no chance of signing the deal with the large European company.

He could choose to ensure there is gender equality at all levels throughout the firm. He could choose to do everything in his power to get as close as possible to gender equality to show sustainability in terms of SDG 5 and improve the chances of signing that deal.

He could also make some basic improvements towards gender equality and provide explanations for why there is a wage differential within the firm. He could do enough to make his firm look good, and hopefully that would be enough to get the deal signed.

This is a big decision for John Flake to make. Going for the second option would cost the firm money, and thus he has to convince the board that this is worthwhile. At the same time, this route will imply changes to BestTech's internal culture and might lead to some employees who do not agree with the change of policy choosing to leave the company.



Finally, the route John chooses may affect the external reputation of BestTech and hence its long-term competitiveness.

- ✓ What are the pros and cons of each option? Discuss in terms of the cost to BestTech, gains for BestTech, employee attitudes, and BestTech's reputation.

John decides he wants to aim for trying to convince the board of BestTech that the option of ensuring gender equality throughout the firm is the best way forward. He needs to prepare carefully so he can convince the board, as he knows they will be concerned about the cost of these changes.

- ✓ What are the steps John needs to take in order to implement gender equality fully into BestTech's processes and culture?

Some discussion points:

- What are the gender issues at BestTech?
- Which issues are structural and which are individual?
- Are there cultural issues to deal with?

What are the possible measures BestTech can take? Below are some suggestions for discussion:

- Hiring practices: Transparency in hiring, professional hiring processes.
- Work structure: Provide more flexibility and shorter working hours. This benefits all employees.
- Pay structure: Answer the question why women are paid less. Pay transparency.
- Leadership roles: Prepare women better for leadership roles.
- Work culture: How will the firm get everyone on board? How will they deal with any backlash? Why might employees resist the gender equality initiatives.
- Set targets: Set measurable targets for each of the identified areas of improvement.
- Which three initiatives should John make a priority?

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