

Chapter 6

Women's Business Council, United Kingdom

6.1 Context

Over the last several decades, the United Kingdom (UK) has seen steady progress on the situation of women in economic activities. Women hold key positions as both workers and consumers, and there are currently more women in the workforce than ever before having increased by 771,000 to a high of 14.4 million since 2010 (HM Treasury 2014). Although a gender pay gap still exists, it is almost zero for those under 40 working full time (WBC 2014). This progress has been seen across all levels of the UK's employment sector, including in high skilled, technical and management roles (HM Treasury 2014).

Nevertheless, the UK still faces barriers to women's involvement in business and employment. Despite decades of progress, women are more likely to be in low paying jobs, with their hourly earnings 19.7 per cent less than those of men (WBC 2013a). Women face constraints progressing along the leadership pipeline, with significantly fewer women in positions of senior management. As another indicator of the gender gap, only 67 per cent of working age women are employed compared to 76 per cent of men (WBC 2013a). Disparities in regards to entrepreneurship also persist, with only 19 per cent of small and medium-sized enterprises (SMEs) run by women (WBC 2013a). Throughout all sectors of the UK economy, women's economic activity remains hindered and their potential untapped.

To counter some of these disparities, the UK government has recognised the need to capitalise on the country's talent pool of women. Evidence demonstrates that the economy would greatly benefit by increasing gender equality throughout the workplace. Equalising labour markets is not just beneficial to women; it also leads to greater growth for businesses and the economy as a whole. For example, recent studies demonstrate that gender parity could increase economic growth by 0.5 per cent of the gross domestic product (GDP) each year, accumulating to 10 per cent by 2030. Currently, there are approximately 2.4 million women in the UK who are not working but want to work; tapping into this pool presents a key opportunity for increasing the labour force and realising women's right to work. Recent research has demonstrated that increasing female entrepreneurship could add up to 70 billion pounds sterling to the economy, and that if women were involved in SMEs to the same extent as men, more than one million more female entrepreneurs would be created. As such, facilitating greater participation of women in economic activities not only has individual benefits, but leads to greater benefits to society as a whole.

6.2 Key institutional actors

Established by the UK government in 2012, the Women's Business Council (WBC) is an independent working group that was developed to catalyse action between the business community and the government, in order to maximise women's contributions to economic growth. WBC is composed of professionals from diverse business backgrounds, tasked with advising the government on how to reach this goal. The initiative, which was originally set up to operate for one year, built on existing government activities to increase gender equality in the workplace such as the flagship 'Think, Act, Report' programme, a framework for companies to examine gender equality in their work spaces.

Originally WBC comprised eight members (two men and six women), plus a Chair, Ruby McGregor-Smith CBE. Members came from a range of business community leaders, including from the advertising, recruitment, enterprise, retail, legal, financial and pharmaceutical sectors. Six additional members (two men and four women) were added when WBC's mandate was extended in 2013, to inject some fresh thinking into the work, increase sectorial representation and extend its reach into all areas of the business community. Secretarial support was provided by the Government Equalities Office and independent research commissioned where needed. Reporting and progress reports were made to the Minister for Women and Equalities, and the overall report and recommendations of the WBC were delivered to the government and disseminated across UK ministries.

6.3 Theory of change

WBC operates from the belief that while 'women need to work, work also needs women' (2013a). The WBC approach is built on the idea that improving gender diversity will lead to greater creativity, problem solving and flexibility, all much-needed skillsets for the UK to adapt to the changing economic environment. WBC based this premise on recent evidence and research (2013), demonstrating that better diversity in senior management is positively correlated with high-performance cultures. WBC's theory of change centres on two interrelated ideas: first, by providing better career advice, experience and skills to women, the talent pool in the UK labour market would improve (2013a) and second, by changing workplace culture, providing help with resources such as childcare costs and strengthening the pipeline of women managers, the cost of losing women's talent to the economy could be minimised (2013a). Aiming to both increase resources and change organisational culture, WBC took a long-term view, ensuring that longevity and continuity be applied to all suggested strategies.

6.4 Social institutions and discriminatory norms

The establishment of WBC demonstrates the government's commitment to overcoming current barriers to women's economic participation. The Government of the United Kingdom and WBC have addressed women's economic participation through a multi-layered approach to systemic and structural causes that need to be taken into account to increase gender equity in the workforce.

Formal laws, accountability and policies: For women to progress in the workplace, proper policies and institutional mechanisms need to be in place to encourage their success. The lack of flexible working arrangements, inadequate childcare provision and barriers to career breaks (for parental leave or other reasons) hinder the advancement of women along the leadership pipeline, all of which contribute to discriminatory practice and bias. WBC has advocated for formal policies and mechanisms to break down some of these barriers. For example, new legislation on shared parental leave and flexible working hours aim to institutionalise resources for employees to be able to accommodate career and family responsibilities (WBC 2013a). Institutional mechanisms such as the government's 'Think, Act, Report' initiative also address some of the formal barriers to women's participation by creating frameworks for companies to report on their gender distribution as an accountability tool.

Access to resources and opportunities: Complementing the need for institutional mechanisms is the ability of women to access the resources that formal policies put in place. For example, a critical resource for many women is access to childcare. This is often a barrier to women in the UK, as the average cost of nursery placements has gone up by 23 per cent, whereas wages have only increased by 2.5 per cent (WBC 2013a). WBC has also increased the resources that are accessible to businesses, through their online platform of tools, case studies and guidelines, for gender-friendly work environments. These tools provide best practice resources to businesses, so they can address the needs of their female employees.

Informal cultural norms and exclusionary practices: Much of WBC's work focuses on challenging norms and discriminatory practices that act as societal impediments to women's participation in the economy. As noted above, women are concentrated in the lowest paying jobs, employed less than men and participate in fewer entrepreneurship activities. Even though girls are outperforming boys in educational achievement, this is not translating into the same career aspirations or progress. Stereotypes over female versus male jobs often create unconscious bias around the roles women should be performing. This is demonstrated in the science, technology, education and mathematics (STEM) industries, where women make up only 13 per cent of engineering and 18 per cent of technology placements at universities, yet hold 89 per cent of nursing and 85 per cent of education positions (WBC 2013a).

Box 6.1 Changing mind-sets, breaking down barriers

'A change in mind-set, particularly that of senior business figures, is critical if we are to break down the barriers that many women face in forging a successful career.'

–Women's Business Council

The same biases can be seen in women's involvement at the senior management level, with women's participation dropping drastically when it comes to high-level leadership roles (WBC 2013a). In its advisory capacity, the WBC brings visibility

to some of these entrenched social norms in an effort to eradicate the barriers. The WBC has also created tools and resources to counteract some of these discriminatory practices. For example, the WBC website provides different interventions that have been used in order to support young girls in broadening their career goals and challenging gender biases that keep them from STEM activities. The WBC also provides examples of different role models and successful women, in order to increase the representation of women in business as mentors for young girls.

Women's and men's consciousness: Unconscious bias by leaders and decision-makers, particularly men in senior management roles, continues to hinder women's participation in economic activities. To address these concerns, the WBC raises awareness on the challenges women face in order to build management capacity on how to help remove some of these barriers. The WBC particularly focuses on male business leaders, in order to raise their consciousness on how to create more equitable business environments (WBC 2014). Additionally, these activities build women's capacity and ownership of their career progression, increasing their confidence and ability to engage in positive employment and entrepreneurship.

6.5 Strategies

The objectives of WBC have been to advise the government on how to maximise women's contribution to future economic growth by identifying barriers and challenges that prevent women from achieving their economic potential; identifying the means of overcoming current obstacles; generating proposals for government and business to maximise women's contribution to economic growth; and acting as a sounding board on the impact of proposed policy announcements for women in business (UK Government 2012). Through these, WBC has aimed to facilitate knowledge transfer, collect best practice and act as a platform for the government to increase its engagement on women's participation in economic activities. In order to meet the stated objectives, the WBC utilised **three different sets of strategies**:

WBC began its examination by **commissioning evidence papers** and research around women's economic participation across all life stages, using member expertise to explore this evidence base in depth. The main three areas investigated were:

- A 'Starting Out' phase examining the choices girls and young women make about education and employment.
- A 'Getting On' phase examining the middle stage of a women's life and career progression, how businesses can attract and keep talent, and how pipeline progression can work effectively.
- A 'Staying On' phase examining the experiences of older women, stereotypes around age and gender, and preparing for retirement.

Additional research focussed on women's participation in enterprise.

Following the preliminary research phase, the second set of strategies WBC utilised was **publishing and raising awareness on the findings**, which was conducted in partnership with the government. To conclude investigations and present

recommendations, WBC released a comprehensive report in June 2013 detailing both the findings and concrete ways for business and government to improve women's economic participation (WBC 2013a). This was followed by an additional set of publically available reports, including the government's response to WBC outlining how the recommendations would be taken forward; a 'six months on' report by WBC (2013b) that included case studies and guidelines for employers to implement suggested reforms; and a 'one year on' report with further advice to business and an update on progress made by the government (2014).

The final strategy used by WBC has been the **development of a website** to house information, case studies and tools on women's participation in economic activities. The online platform disseminates WBC's knowledge and advice to a wider audience, both domestically and internationally. Online resources include evidence on the challenges facing women in business in the UK, tools to support businesses to increase diversity, a matrix of indicators to enable the government to track progress, and examples of case studies to showcase innovation and best practice. Utilising online communication tools has facilitated the wide reach of WBC's material, as well as increased its engagement with the business community.

Box 6.2 Development and contribution

'We need to ensure that at every stage of a woman's career there is opportunity to learn skills, develop and contribute in a dynamic business environment.'

–Women's Business Council

Due to the success of these activities and the strong partnership that was established between the government and WBC, the council's mandate was extended beyond its one-year timeframe. This extension, announced on WBC's one-year anniversary, was used as an opportunity to increase its scope by bringing in new members and increasing the diversity of actors involved, including representatives from banking and financial services, supermarkets and telecommunications.

6.6 Outcomes to date

WBC has facilitated a bond between government and the business community. This successful partnership has created a strong platform from which discussion and action on women's economic participation has been launched. WBC has disseminated its research and recommendations, increasing awareness of these issues across the UK and building up strategies to engage more women in economic activities. The effects of the council have manifested across several areas.

At the individual level, WBC has undertaken over 500 activities to promote its recommendations, reaching more than 138,000 people through engagement opportunities. **At the government level**, actions taken in response to WBC's recommendations include developing a web-based portal to advise women who want to set up their own enterprises, and training more than 15,000 mentors to support

persons growing a business, with a specific focus on women entrepreneurs. The government has also allocated financial resources to ensure women have access to adequate economic opportunities, including £1.6 million to support rural women's enterprise and £600,000 towards the 'Get Mentoring' initiative. **Within the wider community**, the partnership between WBC, government and the business community has led to an environment where women are able to take advantage of additional economic activities. At the time of the 'One Year On' report, female employment had increased 1 per cent over the previous year, and there were 166,000 more self-employed women and more than 4,000 new women graduates in STEM (WBC 2014). As such, these initiatives have contributed to reducing women's unemployment and the gender gap, and promoted female entrepreneurship across the UK.

Box 6.3 Outcomes from the WBC: returning to work

'The government has achieved a lot in the last year, including extending the right to request flexible working to all employees, introducing a system of shared parental leave, and announcing our support for parents of nearly two million children with the Tax Free Childcare scheme. This will make a huge difference to women, giving them the support they need to get back to work.'

–Nicky Morgan, Minister for Women and Equalities

The impact of the WBC's work can also be seen in challenging some of the institutional and discriminatory norms mentioned previously. For example, the government has begun to promote policies and mechanisms to strengthen gender diversity, such as the introduction of shared parental leave or working with businesses to increase the number of women on boards (WBC 2014). In addition, responding to a WBC recommendation, the government created a stereotype-free toolkit to help parents guide their daughters, aged 12 to 16, to make decisions on their subject and career choices. WBC's work has also greatly contributed to challenging unconscious bias surrounding women's roles in the workplace. Through its awareness raising activities, it has generated greater visibility of the barriers women face in economic participation. Taken together, these activities demonstrate institutional- and systemic-level change. Due to the partnerships created and activities undertaken by WBC, greater gender diversity has been encouraged and organisations are contributing to a pattern of wider cultural change (WBC 2015).¹

6.7 Lessons learned and the way forward

WBC's activities have demonstrated several key lessons for those working on women's economic participation. In particular, the partnership approach between a specifically created, independent council and government has been a significant success. Governments have lauded this unique collaboration internationally and the UK has discussed the work of WBC at several international events, including the United

Nations Commission on the Status of Women. Many of WBC's observations and methods can be tailored and applied to different national contexts. For example, facilitating discussions among business leaders and governments, sharing best practice, monitoring implementation and gender diversity are all activities that can be utilised across many different regions and countries in the Commonwealth.

Box 6.4 Outcomes from the WBC: employment and boards

'We are hugely encouraged by the progress that has been made over the last year. More women than ever are in employment ... and there are more women sitting on boards than at any time.'

– WBC Chair, Ruby McGregor Smith

Nevertheless, there are still entrenched challenges that act as barriers to increasing women's employment, entrepreneurship and economic activity. In its 'One Year On' report, WBC identified several of these challenges. For example, 74 per cent of women believe that sexism is present in the workplace (WBC 2015). Harassment and sexist practices decrease the possibility for women to work in fair, equitable and safe environments. Unconscious bias in recruitment and promotion systems continues to limit the progression of women into leadership roles, and while there has been some progress on new institutional mechanisms to address women's employment concerns, formal policies on flexible work, childcare or strategies to address caregiver roles still do not adequately respond to the wide scope of women's work needs. It is necessary to work across all four quadrants of the Gender at Work change framework, to ensure that employers are both providing resources to women and ensuring that they utilise this untapped potential.

Finally, while WBC's analysis and advocacy is a much-needed first step, understanding the complex needs of different groups of women in the working world is also crucial. Women in leadership positions need different strategies to those working in low-paid or vulnerable employment sectors, with factors such as age, race, class, ethnicity and gender identity influencing a woman's lived experience. In order to address some of these challenges and building on the platform already created by WBC, the government has identified several emerging themes that will need to be addressed in the coming years if progress on women's economic activity is to continue. These include:

- Providing advice to young girls to help them fulfil their potential.
- Establishing talent management and the adoption of flexible working arrangements.
- Enabling older women to re-skill.
- Supporting return to work policies after having children.
- Taking into account the role of women as caregivers.
- Establishing positive female role models for employment and entrepreneurship.

Note

- 1 WBC continues to carry out its mandate and to meet every six months to monitor progress in implementation of the recommendations emerging from its research.

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