EUROSYSTEM

SEC/EB/20/1166/15 DG HUMAN RESOURCES TMA

Date:

**ECB-RESTRICTED** 

To: The Executive Board

Via: M. Diemer [approved], A.-S. Catherin [approved]

From:

Cc: E. Murciano, I. Raczne Szőke, K. Tsitsibikou,

29 September 2020

Subject: Operationalising the ECB Gender Strategy 2020-2026

In its meeting on 12 May 2020 the Executive Board approved the gender targets for 2020-2026, aimed at increasing the proportion of women at the ECB, and accompanying measures to facilitate their implementation. HR was requested to revert with details on how the new targets and measures would be operationalised. This memo outlines i.) options to develop local intake targets, ii.) the method for developing local share targets, and iii.) the next implementation steps.

#### The Executive Board is invited to:

- (a) approve the implementation of either:
  - (i) the universal application of 50-50 intake targets locally;
  - (ii) [...1
- (b) take note of the localisation of share targets;
- (c) endorse the corresponding operationalisation plan and measures;
- (d) request DG/HR to launch the consultation with the staff representatives on the list of measures changing the bank foreseen in this memo as next steps.

## 1. Background

In May 2020, the Executive Board approved the introduction of ECB-wide annual minimum intake targets of 50% females for all levels starting at Analyst (E/F), combined with realistic share targets considering projected female outflow.

	Share Targets		
	2022	2024	2026
Sen. managers (K-L band)	37%	38%	40%
All managers (I-L-bands)	33%	34%	36%
Team lead (H-band)	37%	40%	42%
Experts (F/G-band)	44%	45%	47%
Analysts (E/F-band)	51%	51%	51%

Intake targets <sup>1</sup>	Intake 2012-19
50%	32.9%
50%	35.4%
50%	35.9%
50%	40.2%
50%	49.9%

<sup>&</sup>lt;sup>1</sup> These are minimum targets

To facilitate their success, these targets are accompanied by a series of measures, for implementation in 2020-2023.

## 2. Intake Targets per Business Area: Proposal

A realistic application of the ECB-wide targets to Business Areas is critical to both achieve the ECB targets and ensure local buy-in. There are two options to develop the intake targets at Business Area level: universal application of 50-50 intake targets or [...].

## 2.1 Option 1: universal application of 50-50 intake targets

If each Business Area meets its defined 50% female intake<sup>2</sup> target, the ECB will meet its overall target. Therefore each Business Area should have a localised intake target which matches the ECB-wide intake targets. A minimum 50% female intake would be universally applied to all Business Areas for all salary bands as of E/F, with the exception of senior management positions (K-L) which will remain ECB-wide targets to account for the small sample size at Business Area level.

This universal application allows for a common narrative and shared responsibility for both the ECB's targets and the Business Area reality. This understandable and focussed measurement would prevent certain business areas from carrying the burden for others. The application of 50% minimum female intake had broad support from the Diversity and Inclusion Ambassador community<sup>3</sup>.

It also, however, poses a motivational risk for Business Areas which have different historical realities in terms of their female intake and the number of female applicants. An area with a low historical intake may give up if faced with a target of 50%. Nevertheless, data analytics of the organisation's experience at senior management level has proven that even with low female applications it is possible to markedly increase the female intake. This is even more likely when accompanied with strong measures as outlined below, in section 4.

### 2.2 Option 2: [...]

#### 2.3 HR Recommendation

Weighing the above considerations, and acknowledging that the overall ECB targets are ambitious, DG/HR recommends option 1 (the universal application of 50-50 intake targets). The strengths of this option are the clarity of the message, the accountability of local management, and most importantly the feasibility of achieving the overall objective of increasing the female share and meeting the ECB's wide targets.

### 3. Business Area Share Targets

The ECB wide- share targets<sup>4</sup> were determined by modelling the effect of the 50% intake targets and an assumed female outflow on the overall share of female representation. Local share targets will be developed by the HR Analytics team using the same model, but taking into account the local intake target, dependent on the Executive Board's decision and included in the Score Cards rolled out by the end of the year. These projections are weighted based on the business unit's size relative to the whole ECB.

The local targets are dynamic and will be reviewed as needed once regular monitoring and gender score cards are in place (by the end of 2020). They will be adjusted to account for developments in the overall share of Business Areas, e.g. as a result of mobility. Business Areas' shares may change due to mobility without impacting the ECB's overall share. Intake targets will however remain constant at 50%.

## 4. Accompanying Measures

Any movement to a new position either through (external or internal) recruitment, reserve list usage, or promotion without recruitment. It does not include mobility.

In a stakeholder session on 3 July, 64% of Diversity and Inclusion Ambassadors present supported the application of 50% minimum targets be applied universally to business areas.

Number of employees with permanent, fixed-term convertible, fixed-term non-convertible contracts and Graduates. It does not include trainees, ESCB/IOs or those on short term contracts.

DG/HR has developed an operationalisation plan (Annex 1) with timelines and requirements for the implementation. The measures set out in this plan will facilitate achieving our gender targets. The plan was developed considering the priority of certain measures, in combination with their respective effort and the required resources necessary for maximum impact.

The operationalisation plan delineates between those measures which are fundamentally new, changing the bank (CtB) and those which see adjustments in our day-to-day work running the bank (RtB).

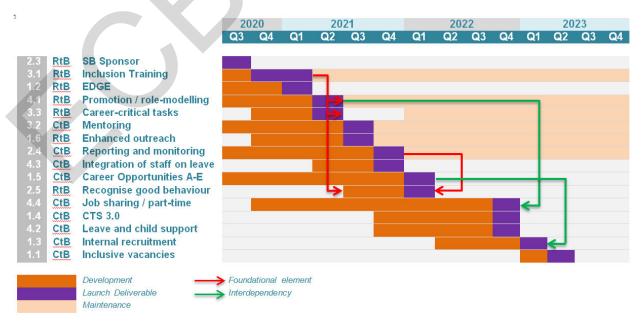
As a first priority, DG/HR is working on:

- gender scorecards and reporting for Business Areas to monitor their efforts;
  - The following will be measured overall and per band for each Business Area, cluster and institution-wide:
    - the female intake (number and share) compared to the intake target
    - the current female stock (number and share), compared to (a) the share target and
      (b) what is expected if the intake share is met
    - analysis of the intake can be viewed by (a) internal promotions and (b) external hires, each related to (i) the overall intake and (ii) the overall number promoted or external hires respectively.
    - evolution of the share target, i.e. the target adjusted for the impacts of mobility inflow and outflow and other outflow of a Business Area (e.g. via promotions or leaving the ECB).
- Diversity & Inclusion training (mandatory for all managers and available to the Executive Board);
- · preparation for EDGE certification;
- making part-time a default in advertising positions;
- re-launching mentoring for staff.

While mentoring was originally identified as quick win, to ensure we gain the maximum impact from it and implement a sustainable solution in collaboration with the relevant stakeholders<sup>5</sup>, the timeline now foresees implementation in the summer of 2021.

In addition, DG/HR, in collaboration with stakeholders, has identified a number of other measures which will be investigated and potentially elaborated on, including:

- exploring the use of agility pools as a method to secure female talent;
- engaging the relevant stakeholders, including DG/C, to review the ECB's Corporate Social Responsibility activities to position the ECB as a female-friendly employer, e.g. Germany's Mädchen-Zukunftstag;
- investigating potential additional actions that could be taken as part of our recruitment strategy to increase the overall share of women, within our legal framework.



<sup>&</sup>lt;sup>5</sup> Including DG/IS to implement within the ECB's IT infrastructure

# 5. Next Steps

Upon approval of this memo, DG/HR will launch a consultation with the staff representatives for their insight and feedback on the list of measures that are changing the bank (CtB). These measures include:

- Systematically neutral and inclusive vacancies;
- Internal head-hunting and career fairs to identify talent from underrepresented gender;
- Career Transition Support Scheme, Version 3.0;
- Career support programme for support bands (A-E) and exploration of possibility to offer dedicated career opportunities to qualified staff at D and E bands;
- Enhanced monitoring, reporting & publication of our efforts towards gender diversity;
- Relaunching ECB-wide mentoring;
- Reviewing our parental leave and child support policies;
- Improving staff integration during/after leave, including parental leave;
- Investigating job sharing possibilities, including for managers.

### List of Annexes

Annex 1: Gender Strategy Operationalisation Plan