

To: Executive Board
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From: [REDACTED]
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Date: 28 May 2013
Subject: ACTION PLAN TO ENHANCE GENDER DIVERSITY FOR SALARY BANDS I AND ABOVE

The two core principles of the ECB's diversity policy are respect for our colleagues and focus on merit when assessing each individual's contribution to the ECB. As captured in the ECB's public statement on diversity, the ECB is committed to fostering diversity on an on-going basis, in recognition of the fact that the diversity of its staff positively contributes to its success as an institution. As a merit-based organisation, the ECB embodies diversity values, such as respect, fairness, inclusiveness, equal opportunity and transparency.

Despite clear efforts undertaken within the organisation, ECB gender diversity statistics at higher salary band level have not shown any significant improvement in the past years. At the moment female managers account for only 18% of the managerial population at the ECB. Several studies have revealed that true gender diversity is reached when the underrepresented gender accounts for at least one third of the components in a team. Such critical mass is needed to generate positive effects on company performance; it is the point where women are no longer just "role models" or "tokens", but they become an integral part of a team and add value. DG/H proposes to enhance the ECB's gender diversity policy by incorporating this concept of critical mass in the form of setting specific gender targets for the salary bands I and above.

In February 2013 the Executive Board requested DG/H to "define, evaluate and propose an action plan with measures to enhance gender diversity at managerial level", and provided further guidance on 2 April 2013. This memo outlines a proposed gender diversity action plan, focusing on the introduction of gender targets. In this context, further instruments that could help, directly or indirectly, the ECB and business areas progressing in terms of gender diversity are also put forward.

The Executive Board is invited to:

- a) Approve the introduction of the following ECB-wide gender targets:**
 - by end-2019 35% of the I-L banded positions, and 28% of the K-L banded positions, shall be held by women**

- b) Approve the monitoring and reporting modalities, as contained in the note, and the following interim targets:**
 - by end-2015 23% of the I-L banded positions, and 19% of the K-L banded positions, shall be held by women**
 - by end-2017 29% of the I-L banded positions, and 24% of the K-L banded positions, shall be held by women**

- c) Approve specifically the following elements of the action plan and mandate DG/H to launch the related consultations with Staff Representatives:**
 - for all internal campaigns for H-band positions and above, if women do not account for at least one third of the (envisaged) shortlist, the campaign shall be closed, with the vacancy to be advertised externally**
 - enhance flexible working by allowing for 5 days of teleworking per month**

- d) Mandate DG/H to implement the action plan on gender diversity, as contained in the note, involving consultation of staff representatives insofar as required.**

Action plan to enhance Gender diversity for salary bands I and above

1. ECB-wide gender targets

As of 31 January 2013, the ECB had, in total, 36 females and 174 males in I-L banded positions, and 6 females and 36 males in K-L banded positions, as illustrated in the table below. This translates into a percentage of 17.14% females in salary bands I-L and of 14.29% females in salary bands K-L.

	Current # positions bands I-L	of which held by women	% women	Current # positions bands K-L	of which held by women	% women
ECB	210	36	17.14%	42	6	14.29%

In order to substantially increase gender diversity at the level of the higher salary bands, DG/H proposes to set as a medium-term target, for the ECB as a whole, to have women constituting at least 35% of the team encompassing all managers and advisers (salary bands I-L) by the end of 2019. This threshold is considered a minimum target to be reached. Higher targets (e.g. 40%) may be proposed at a later stage following progress made.

In addition, DG/H proposes to set as a medium-term target, for the ECB as a whole, to have women constituting at least 28% of the team encompassing all senior managers and principal advisers (salary bands K and L) by the end of 2019. With the current number of I-L positions, meeting the above end-2019 targets would require the additional appointment of a total of 38 women to salary bands I-L (from 36 to 74), including a total of 6 women to salary bands K and L (from 6 to 12).

These target figures in percentage terms shall be maintained in the period ahead, while the significant organisational changes, in particular taking into consideration the establishment of the new business areas dedicated to the supervisory function, may lead to significantly higher numbers in absolute terms.

2. Intermediate targets

In order to strengthen the monitoring over time, and to increase commitment and accountability, it is proposed to set intermediate targets for the end of 2015 and end of 2017. In this context, Business Areas shall also define, with the help of DG/H, interim targets for them, taking into account their specificities, e.g. number of vacant positions available, number of cases of retirement, possibilities linked to managerial mobility rounds.

Overall, DG/H proposes the following intermediate targets for end-2015 and end-2017:

Total # I-L positions	of which women	% I-L women January 2013	Target End-2015	Target End-2017	Target End-2019
210	36	17.14%	23%	29%	35%
Total #K-L positions	of which women	% K-L women January 2013	Target End-2015	Target End-2017	Target End-2019
42	6	14.29%	19%	24%	28%

Taking the organisational changes into account, these intermediary targets could be translated into the number of females required in certain salary bands at particular points in time, in line with the growth in the number of positions.

3. Monitoring of gender targets and recruitment statistics by gender

The gender diversity picture, at the level of individual business areas, for salary bands I and above, is presented in the Annex. With respect to monitoring gender diversity data and targets, it is proposed that, on a yearly basis as of 2014, DG/H, supported by Diversity Ambassadors, reports to the Executive Board on the progress made, overall and by each business area, towards the targets in place at that time. Such reporting shall be based on an analysis covering the following points:

- How many vacancies were published in bands H and above, including calls for expression of interest? For these salary bands, how many direct appointments and short term promotions were decided upon?
- How many managers and advisers in the business area participated in the annual mobility round?
- For all positions in bands H and above (including short-term positions), how many (wo)men applied/expressed interest/were shortlisted/were selected? On which grounds were women not selected, which requirements were not met? How did this differ between internal and external positions/vacancies? Which advertising channels may have made a difference in this respect?
- Did the new appointments increase the gender diversity in the various higher salary bands and related teams of managers and advisers?
- Was/were the target(s) achieved and/or maintained? How was/were the target(s) achieved (e.g. via internal or external recruitment campaigns, direct appointments)? Why was it not possible to reach and/or maintain the target(s)?

Information on the progress made by business areas in terms of increasing gender diversity would be published to all ECB staff, e.g. via the Annual Report on ECB Human Resources, and should be discussed in the various management fora in 2016 and 2018. In addition, it is recommended that progress made by the ECB in terms of increasing gender diversity be published externally via the ECB's Annual Report.

In order to strengthen the various reporting and monitoring channels as described above, the accountability of managers for gender diversity results in their areas needs to be enhanced, to be embedded in the appraisal discussions and with achievements to be taken into account in ASBR decisions.

4. Operational measures to foster gender diversity

In order to reach gender targets and foster inclusion on an on-going basis, DG/H proposes to introduce practical measures that can directly or indirectly help business areas to make further progress towards gender diversity. Direct measures focus primarily on the recruitment phase, and aim at increasing the share of applications from female candidates in recruitment campaigns for positions banded H and above. Indirect measures aim at (i) increasing awareness of and commitment to gender diversity among managers and staff, (ii) working on the talent pipeline and (iii) creating the conditions for a more inclusive working culture. The table below shows an overview of these envisaged measures.

Action	Deadline	Responsibility
<i>Direct measures</i>		
Publish definition of gender targets internally and externally	July 2013	DG/H to define and DG/C to publish
For all campaigns for H-band positions and above, Business Areas and DG/H representatives systematically make extra efforts to identify suitable women and encourage them to apply (e.g. include a default sentence in vacancy notices, especially in external vacancy notices, stating that female applications are welcome)	on-going	Business Area and DG/H representatives in panels to take action
For all campaigns for H-band positions and above, advertise vacancies externally if: <ul style="list-style-type: none"> • women do not account for at least one third of the (envisaged) shortlist • it is unlikely that there will be sufficient potential to find suitable internal female candidates • the positions are part of the new SSM function 	December 2013	DG/H to amend staffing provisions as needed, with consultation of staff representatives

Action	Deadline	Responsibility
Make use of existing women's networks and dedicated communication channels when advertising positions externally	on-going	Business Areas and DG/H representatives in panels to take action and report in the recruitment memo on the action taken in this respect
Appoint at least 2 women to selection committees for all campaigns in salary bands H and above	on-going	DG/H representatives to monitor process
For all campaigns for H-band positions and above, put more emphasis on competencies rather than on expertise only	on-going	DG/H representatives to monitor process
<i>Indirect measures</i>		
Select/nominate Diversity Ambassadors ¹ , preferably at higher salary band level, per Business Area: one or two volunteers responsible for monitoring progress made in their area, reporting to DG/H and contributing to BA-specific initiatives on gender diversity	July 2013	One or two staff members per Business Area to be nominated
Introduce elements of accountability for managers towards gender diversity: <ul style="list-style-type: none"> • Enhance the appraisal discussion of managers, by explicitly including the topic of gender diversity² • Introduce specific questions in the Multi Source Feedback exercise, evaluating commitment to (and results achieved in) gender diversity • Include “embracing gender diversity” in managerial role profiles, with subsequent incorporation into HR processes (recruitment of managers) 	Before the next appraisal round and next MSF exercise	DG/H to update information on appraisal discussion for managers, MSF questionnaire and managerial role profiles
Mentoring: <ul style="list-style-type: none"> • Turn the pilot programme into a permanent offer • Relax eligibility criteria for the programme (no minimum number of years with permanent contract) • Allow a wider target group of staff members (in terms of salary bands) to be part of the programme as mentees 	September 2014	DG/H to present definitive proposal post pilot phase
Training: <ul style="list-style-type: none"> • Introduce developmental training on management skills for women • Pay attention to gender diversity issues in future (senior) management training to increase awareness and commitment 	January 2014	DG/H to procure for and launch the training

¹ The ambassadors may help investigating, e.g. via local surveys, the root causes behind the low number of female applications to higher banded positions, and identifying the obstacles to gender diversity (if any) in their own business areas.

² A concrete indicator can be: ability to create room for development (stretching assignments, visible roles, access to external work experience, and access to scarce training opportunities) to the underrepresented gender.

Action	Deadline	Responsibility
<p>Working time:</p> <ul style="list-style-type: none"> • Allow for 5 days of teleworking per month • More opportunity for flexible working arrangements, part-time arrangements and position-sharing at management level • Include a sentence in vacancy notices to indicate whether the advertised position is compatible with a part-time arrangement or not • Move away from a culture of working late, by appreciating starting early as much as working late, by focusing on output and not on the hours put into a task. Meetings should be scheduled to take place between 9 a.m. and 6 p.m. at the latest. 	on-going	<p>BAs to introduce measures that best suit their organisational needs</p> <p>DG/H to provide guidance on best practices and monitor application of local flexibility within the bank to ensure consistency</p> <p>DG/H to update teleworking policy, with consultation of staff representatives</p>

Annex. Business area overview of higher salary band positions held by women

	Current # positions bands I-L	of which held by women	% women	Current # positions bands K-L	of which held by women	% women
C	10	3	30.00%	4	2	50.00%
DBN	7	0	0.00%	1	0	0.00%
DGA	15	0	0.00%	3	0	0.00%
DGC	10	7	70.00%	2	1	50.00%
DGE	34	2	5.88%	4	0	0.00%
DGF	8	1	12.50%	2	0	0.00%
DGH	11	5	45.45%	2	0	0.00%
DGI	10	1	10.00%	2	0	0.00%
DGIS	12	1	8.33%	2	0	0.00%
DGL	11	3	27.27%	2	1	50.00%
DGM	16	3	18.75%	4	1	25.00%
DGP	9	2	22.22%	2	1	50.00%
DGR	12	0	0.00%	4	0	0.00%
DGS	18	3	16.67%	2	0	0.00%
DGSE	8	3	37.50%	3	0	0.00%
DIA	4	0	0.00%	1	0	0.00%
DRM	4	0	0.00%	1	0	0.00%
T2S	7	1	14.29%	1	0	0.00%
ESRB	4	1	25.00%	1	0	0.00%
ECB	210	36	17.14%	42	6	14.29%