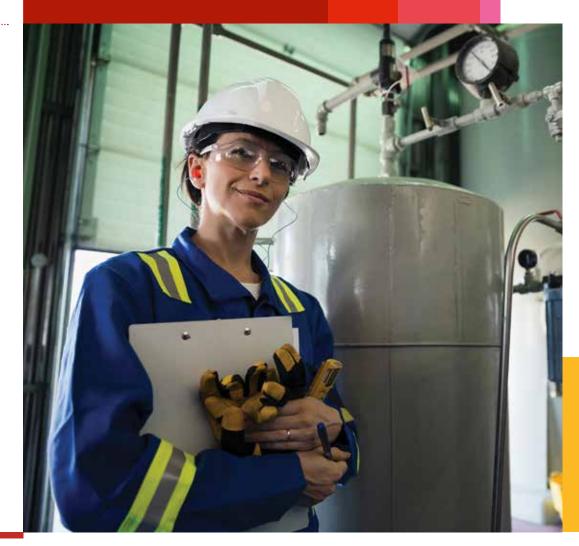
Igniting change:
building the pipeline
of female leaders
in energy

POWERful Women

February 2015





# Introduction



Here at PwC, we have people from all sorts of backgrounds, but for some reason people are often surprised when I tell them that I studied Physics at university. The path from there to my current role as a partner in our Consulting practice has been a fascinating one for me. I chose to focus on energy clients because the scale and complexity of the projects they undertake is always very interesting – this goes across the board, from engineering projects working with frontline operational teams to strategy and consulting advice in the corporate functions.

I'm really excited by my role as a founding supporter of POWERful Women (PfW), and the opportunities that it has given me to meet women at many different stages of their careers in the energy industry; many of whom have shared their experiences and insights in this report. I'm always struck by the enthusiasm and 'spark' you get from a roomful of women in the sector. At both the PfW launch event and the dinner and discussion evening in September 2014, I've come away feeling enthused and buoyed up by the women I've met and the stories I've heard.

I've been an advocate for gender diversity within the Consulting industry and there's no doubt that there's been a real, continuing change in attitudes and expectations during the course of my career. I think we're seeing signs of the same sort of change in energy too, and that's reflected in what our research for this report has shown us. But until the individual stories of the women we've spoken to become more standard and everyday, there's still work to be done.

Until recently, I was Chair of Governors at Harris Academy Bermondsey, who are currently setting up a science-focused sixth form. That's given me a chance to see how we could help young women in the UK to understand more about the fulfilling and challenging careers that are open to them in the energy industry. I'm looking forward to my, and PwC's, continued involvement with PfW. I hope that this report will bring ideas and inspiration so that we see new generations of powerful women coming through the industry.

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"POWERful Women's ambition is to ensure that 30% of executive energy company board members and 40% of energy company middle management are female by 2030 – at the latest."



Baroness Sandip Verma Parliamentary Under Secretary of State for the Department of Energy & Climate Change

Co-founder, POWERful Women

When I became an Energy Minister in 2012, I was immediately struck by the lack of diversity of leadership in the sector. So in June 2014, Laura Sandys and I set up POWERful Women - to find a new way to showcase the leadership potential of women in the energy sector and build a diverse pipeline for the CEOs of tomorrow.

This isn't just about gender equality. A more diverse pool of talent will bring fresh perspectives, new ideas and broader experience, which will be crucial to maintaining the UK's position in the global market, addressing a loss of trust in the sector from increasingly empowered consumers, and helping to secure Britain's energy future.

Already, in other parts of industry, there has been a gradual shift. Three years on from the Lord Davies Review of Women on Boards which set out a voluntary target of achieving 25 per cent female representation on FTSE 100 boards by 2015 – we are seeing evidence of this. With less than a year to go, this goal has nearly been reached. Women now account for 20.7 per cent of board positions in the FTSE 100 - up from 12.5 per cent in 2011. It is clear that we now need to see the scale and pace accelerate from within the energy sector too.

POWER ful WOMEN

For me, I think it is obvious that to achieve this, we need to know exactly how best to act to make this change. That's why the research behind this report was so important – it shows us the drivers and levers that will make a difference. The report also highlights how important it is to shine the spotlight on female innovators and 'powerful women' who have achieved success at the top table of the energy sector. Indeed, we should be celebrating the fantastic female role models that we have today - like Chief Executive of Drax Dorothy Thompson, BP's Chief Scientist Dr Angela Strank and Founder of Good Energy Juliet Davenport, to name but a few.

We also need to come together to encourage companies to appoint more women throughout their organisations to improve the talent pool long term. Some companies are already doing great work through adopting STEM (science, technology, engineering and maths) Ambassadors programmes, flexible working hours and internal targets for diversity and I am pleased that the Department Energy and Climate Change itself has a Women's Network with over 150 members. I would now like to see this progress built upon throughout the sector.

I look forward to the next steps in our journey and hope to hear your thoughts on this paper, and how this can help us start changing the landscape of energy. Starting now.

# Executive summary



There's no getting away from it. The statistics on women in the energy industry are appalling. Of the top 100 UK-headquartered energy companies (including oil and gas, power and renewables), 61% have no women on their board, and only 5% of executive board seats are held by women.

We may not know exactly what equality looks like. It's certainly too simplistic to say that it has to be 50/50, but we can say, with complete confidence, that equality doesn't look like this. At the time of writing this report the overall figure for women on FTSE 100 boards in the UK was 20.7%, just short of the Davies Report¹ target of 25% by 2015. This is in stark contrast to the numbers in the energy industry, with only 7 of the top 100 UK-headquartered energy companies meeting the target.

In producing this report, we looked at a number of data sources including:

- Publicly available data on listed companies
- Project 28-40 research findings from women in the energy sector<sup>2</sup>
- Responses to a survey we ran at an event for over 100 PfW Ambassadors in September 2014
- Interviews with over 40 senior figures in the energy industry (over 90% of which were women)

The information from these sources has formed the basis of our analysis and subsequent recommendations. The PfW Ambassadors and interviewees in particular, have shared their views and helped to influence this report. The most striking theme is their undeniable passion and enthusiasm for the industry, and that their experiences (some of which are profiled or quoted in this report) are inspiring and thought-provoking in a way that you simply wouldn't expect from the statistics.

As you can see from the introduction to this report, PfW was set up in response to the statistics. One of the primary differences between PfW and other networks is that it is definitely not an all-women group. Men are encouraged to join in too and help promote and achieve PfW goals.

PfW's aim is to encourage and support in the following ways:

- To provide mentoring and support to women in the industry at all levels. The fact that there are only three female CEOs in the top 100 energy companies that are UK-headquartered means that there is scope to improve from entry-level to board level.
- To question and challenge why women are so underrepresented in the energy sector, and to put in place the processes and actions that will start to remedy this. Many of the growing community of PfW Ambassadors have pledged to help to do this.

61%

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Only

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have at
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representation.

 $<sup>{\</sup>it 1https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/320000/bis-women-on-boards-2014.pdf}$ 

<sup>&</sup>lt;sup>2</sup>http://opportunitynow.bitc.org.uk/research-insight/research-articles/project-28-40-report

"There aren't enough truly powerful women at the moment; we have to get men on board. Decisions are made by men."

**Denise Wilson**, CEO, Women on Boards – Davies Review

One of the potential side benefits of PfW will, of course, be that it can provide an additional network and channel to identify women in the industry who are at, or near, the point where they become strong board candidates.

So this report is about how we get from the rather depressing picture we see in the quantitative data to the much more hopeful one painted by our interviewees. What can we do so that the career paths of the successful women we've spoken to become the norm, rather than the exception?

One thing is clear. It's not about 'fixing the women'. It's an industry problem. Yes, there are some recommendations in here for things that women can do to help themselves. But, we believe that if there's to be real and substantive change in the numbers of women entering, staying in, and reaching the highest levels of the energy industry, the people who can make that happen are the CEOs, senior leadership teams and those responsible for talent management.

If those groups are committed to change and to the actions we identify, we can make significant progress in creating the environment in which women, as much as men, can flourish. We think this is an entirely fixable problem.

What are the consistent themes we've identified? We asked our interviewees and the PfW Ambassadors what advice they would give to the various interested parties. Below is a summary of the suggestions that came up over and over again.

# Key recommendations for different groups

For further details, see 'What can we do about it?' on page 17.

# **CEOs**

- Lead by example
- Set and communicate targets
- Build a solid pipeline

# HR

- Demand diverse shortlists
- Report on gender diversity
- Align talent management processes

# Aspiring women

- Seek out opportunities
- Build your network and sponsorship
- Be aware of, and learn, the rules

# Senior management

- Be consistent in how you treat and talk about women
- Talent spot and sponsor high potential women
- Hold your teams to account

# Where are we now?



### Business case

The business case for increasing the number of women on boards has been made repeatedly, for example in the Davies Report<sup>3</sup>, but we wanted to reiterate this before showing an analysis of the energy sector diversity data.

When we surveyed our PfW Ambassadors, 100% said there is a good commercial business case for better gender diversity in energy.

# **Business performance**

There is plenty of evidence that more diverse boards drive better business performance and make better decisions. One of the key drivers of most energy companies is safety. If diverse groups make not just better decisions, but safer decisions, that should encourage boards in the sector to appoint more women. As Paul Lester, Non-executive Chairman of Greenergy International, explained:

"Women bring a different perspective – they're less frightened of asking questions – they're happy to say 'I'm not a technical person, so you'll have to explain xyz'. A man in the same position wouldn't want to admit ignorance."

### Ethical and societal factors

On the business-to-consumer side of things, customers are not only asking for better prices and quality, but are increasingly influenced in their loyalty by the ethics and culture of an organisation. An all-male (or, indeed an all-white) public face for a company is becoming less and less acceptable. As Francis Gugen, Non-executive Chairman, IGas Energy, explains:

"At the moment, most energy companies are unrepresentative of the communities they operate in. They don't always explain, and are often not set up to listen. They need to get better at both if they are to secure their social licence to operate long term."

And greater consumer power means a responsive and innovative customer strategy is key to retaining customers and remaining competitive:

"It's a business issue because at SSE the customer is at the heart of everything we do," says Alistair Phillips-Davies, CEO, SSE. "We know that half of our customers are female, and 30% of our workforce is made up of women. Whilst our gender split is better than the overall industry average, it really makes us focus on the need to be wholly connected to the customers we serve."

Kirsty McLaughlin's story is a very good example of how a different approach helped her company fix challenging stakeholder problems. **61%** 

of POWERful
Women
Ambassadors
believe the most
compelling
reason for
increasing
gender diversity
is better
decision-making

<sup>3</sup> https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/320000/bis-women-on-boards-2014.pdf



I was the first female Wayleaves
Officer to work at this particular
electrical engineering company
and I proved that a woman could
perform the job well. Since then
more women have been hired by the
company, both at junior and senior
levels. It's nice to think that I've
made a difference.

The job required not only organisational skills but also the ability to work alone onsite,

and to manage meetings with landowners, who could sometimes be aggressive.

I showed that women can bring a different approach to such situations, by disarming situations or thinking about issues from a different angle. I also introduced new policies into the company to support women, which were received positively. I showed that women can add value.

# Female representation on UK energy boards

The information below comes from our analysis of the top 100 UK-headquartered energy companies listed on the London Stock Exchange (LSE) and Alternative Investment Market (AIM). Our top 100 includes companies from oil and gas and power and renewables. As most nuclear companies are not publicly listed, these did not fall into our top 100 sample. However, recognising the importance of this sector in the UK, we have conducted some additional analysis on nuclear. Our methodology for company selection and analysis is described in Appendix 1.

We set out to review how UK energy companies compared to the targets set by PfW for female participation at board level and at senior management level. We also looked at the energy slice of the Project 28:40<sup>4</sup> research which provides insight into how more than 1,000 women in energy perceive their working environment.

### **Executive seats**

We found that only 5% of executive board seats in the top 100 energy companies were occupied by women. Clearly, there is a long way to go to reach the PfW target of 30% by 2030. Our PfW Ambassadors were confident that this was achievable - but only with much more effort.

# All board positions

Only 9% of all board positions are held by women. In the top 100 energy companies, the ratio of executive to non-executive positions is approximately 1:2 for men, whilst for women it is much higher, at 1:4.

Of all 100 companies looked at, 61% have an entirely male board of directors. Only three companies in the top 100 have boards with at least 30% women, the level at which a minority group is believed to have a critical mass and a voice.

Only 7 companies have achieved the Davies Report recommendation of at least 25% female representation on their board.<sup>5</sup> Proportion of female executive board positions in the top 100 UK-headquartered energy companies

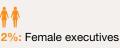




**5%**Current proportion of female executives

**30%**PfW target of female executives by 2030

Board positions in the top 100 UK-headquartered energy companies\*





Only **9%** of all board seats are occupied by women

7%: Female non-executives

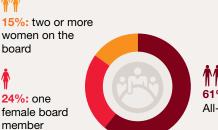


36%: Male executives



55%: Male non-executives

61% of the top 100 UK energy companies have allmale boards



61%: All-male board

<sup>\*</sup> The first chart covers percentage of male and female executive board seats only. The second encompasses all board seats (i.e., executive and non executive)

<sup>&</sup>lt;sup>4</sup> http://opportunitynow.bitc.org.uk/research-insight/research-articles/project-28-40-report

<sup>&</sup>lt;sup>5</sup> https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/320000/bis-women-on-boards-2014.pdf

We found that larger companies (with higher market capital) have slightly more women on their boards: 16% of all board seats for the top 20 energy companies, compared to 6% of seats in the next 80 companies.

Overall this analysis tells us what we already know – that there's a severe lack of gender diversity. These figures reinforce just how much work there is to do, and that effort at every level is needed to bring about significant change.

### Subsector breakdown

Our sample of 100 companies included 84 oil and gas companies and 16 power and renewables companies. We found that power and renewable companies had slightly better gender diversity on their boards – 17% of all board seats were held by women compared to 7% in oil and gas.

The pattern holds for executive board seats: for oil and gas companies the figure is 4%; for power and renewables, the figure is 10%.

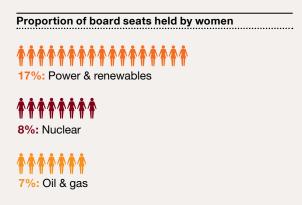
# Spotlight on nuclear

We reviewed the gender diversity of 15 UK nuclear companies from the Nuclear Industry Association (NIA), all of which are private companies.

Of the 100 board positions available in these 15 UK nuclear companies, 8% of them are held by women. This is in line with the overall energy picture (women hold 9% of all board seats in the top 100 public companies in our study). Two thirds (67%) of these 15 companies have no female board members.

Similar to our sample of publicly listed energy companies, smaller boards in nuclear have a much lower proportion of female members. 9% of all board positions with a board size of more than five members are held by women, whilst only 4% for boards of five or less Directors.

Gender diversity in the nuclear industry doesn't differ too greatly from the broader energy picture. Given its history which has, until recently, been focused on decommissioning and hence seen as one with limited future career opportunities, it may be that the pipeline of females, or males for that matter, has slowed. With the change in direction on new build and enhanced technology, now is the time for the industry to capitalise on the opportunities they can provide to potential employees and focus on attracting and retaining female talent.



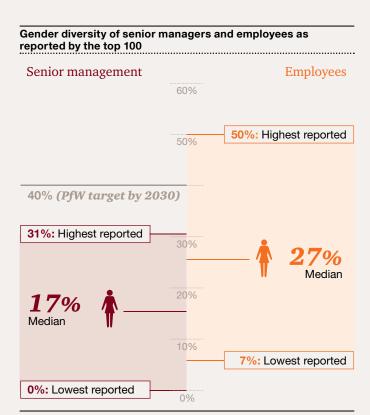
# Senior management

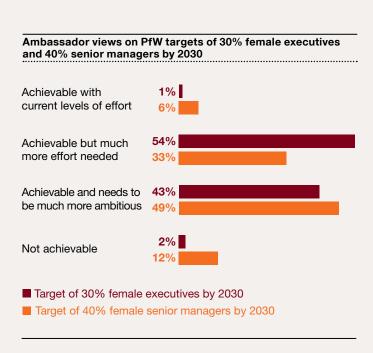
In our top 100 only 23 companies have reported on the percentage of females in senior management positions and only 30 reported the proportion of female employees. A further complication is that companies adopt different definitions for the term senior management and present data in different ways. So whilst our board data analysis gives a full picture of the top 100 listed UK companies and top 15 nuclear companies, our analysis of gender diversity in senior management is limited to those companies that have reported it. Nevertheless, we are able to provide a snapshot of what gender diversity looks like at senior management level and for the full workforce.

As the results show, the number of females in senior management positions falls short of the 40% PfW target, with reports ranging from 0% to 31%, with a median of 17%.

Further, based on the available data, the potential pool of females available to progress into senior management positions is insufficient to reach the 40% target in the near future. Significant efforts are needed to attract women into the sector, and as we explain later on, this needs to start in schools.

Despite the gap between the PfW targets and where we are today, our PfW Ambassadors believe these targets are achievable – but much more effort is required!







81% think that better gender balance at the top of their organisation would help to normalise women's ambitions.

*73*%

think that alternative childcare is necessary to reach a senior position.

25%

feel that work doesn't have to be the number one priority to succeed.

**Source:** Project 28-40<sup>6</sup>

# Project 28-40: work place perception from the energy sector

Project 28-40 is the UK's largest survey conducted so far of women in work, seeking to identify the trends within workplace cultures that may explain why UK employers are struggling to create a more gender-balanced workforce. We isolated responses from women in the energy sector (1096 in total) to give us a snapshot of how they see themselves, their ambitions and the organisations they work in.

# Balancing work and home life

73% think that someone else has to look after the kids if they want to reach a senior position, and nearly half (47%) felt that getting to the top whilst playing a lead role in raising children wasn't possible. More encouraging was the 76% that agreed their wider family was supportive and only 4% said their partner wasn't supportive of their career ambitions.

# Ambition and personal development

25% felt that work did not have to be their number one priority to succeed. The majority surveyed actively want to take on leadership roles and even more (75%) are confident in their ability to do so. 77% actively seek out opportunities for training and development.

# **Roles and organisations**

The responses from our group confirm the general impression of the energy sector as a predominantly male area: 70% agree that their organisation's culture is male-dominated, while 81% think that better gender balance at the top of their organisation would help to normalise women's ambitions.

# How does this compare with data for other sectors?

The energy sector does not appear to differ significantly from other sectors, even those where we might expect to see more of a difference such as the public sector or education. The points of greatest difference between the overall picture and the energy sector are:

- More women in the energy sector felt that 'the culture of my organisation is male dominated' (71% in comparison to 59% in other industries)
- Women in energy prioritised 'motivational' leadership, while most other sectors prioritise 'fair' leadership

However, overall, this suggests that the things that encourage or impede women in their careers are broadly similar across industries.

 $<sup>^6</sup> http://opportunitynow.bitc.org.uk/research-insight/research-articles/project-28-40-report$ 

# What's stopping us?

We asked all our interviewees what they thought were the barriers to women reaching senior levels in the energy industry. The common themes that emerged are summarised below.

# Cultural and historical barriers

Large parts of the energy sector are historically and culturally very male-dominated.

We've heard some entertainingly awful stories of the 'bad old days': of turning up on site not knowing whether there would be a toilet to use, of protective clothing that was several inches too long, or that wouldn't do up at the chest, of practical jokes that simply wouldn't be played on a man. Luckily, the women who told us those stories said that things had improved, although many are still used to being the only woman in the room. And the same goes for women in nontechnical roles.

In the longer-established sectors, there are very industry-specific reasons for lack of female involvement. The shutting down of most of the UK's coal production in the early 80s means that what remains of the industry is by definition a legacy workforce – there's simply no pipeline to speak of because of the lack of UK-based production, so the most recent mass hiring into the industry was over 30 years ago.

Similarly, the nuclear industry, until relatively recently, was assumed to be a dying industry, concerned only with a safe shut-down of remaining capacity, and in oil and gas, recruitment dipped sharply in the 1980s – that, together with the practical challenges for women working offshore, have combined to further reduce the female talent pipeline.

# Victoria Merton

Head of Communications, Peel Gas & Oil Limited

"I remember once being at Aberdeen airport, and being very aware of the sound my heels were making on the floor. Looking around, I realised I was the only woman in the whole place, apart from the one behind the coffee shop counter."

### Natalie Costello

Vice President, Chartering and Commercial Operations, BP

"We've been entering a period of a great crew change in oil and gas with the imminent retirement of a generation of oil and gas technical people who started in the industry in the 1970s and early 1980s. Now, we compete for new STEM talent with computing and other high tech industries. A challenge for us is to help people understand that energy is a high tech business, to promote STEM subjects in schools to create a future talent pipeline and to attract, retain and develop people in energy based STEM careers."

# Misplaced assumptions

There is a lot of anecdotal evidence which suggests that women are naturally more risk-averse than men, and they tend to apply for jobs if they fulfil far more of the stated requirements than a man would consider adequate. Sara Vaughan, Strategy and Regulation Director, Eon, commented:

"Men are better at asking, at believing in themselves. For example, I'm looking at a Non-executive Director job description. I tick all the boxes except 'Must have previous NED experience', so now I'm asking myself why not just apply anyway?"

There are also assumptions, whether conscious or unconscious, that are made by others about women – in particular, women who take time out to have children. Ruth Cairnie, former Executive VP at Shell, experienced this, along with several other interviewees, who identified returning from maternity leave as a make-or-break point where the way they are treated by their employer makes an enormous difference to their future careers. Ruth said:

"When I went back after having my second child, my boss's boss said, pretty much verbatim, 'Well, maybe it's time now to think about a development plan for you' – the implication being you're back, we didn't expect that, so now let's think about it."

Some of these barriers come from the best of intentions. Several women spoke of being told that a particular job wasn't 'right for them' for reasons that were not to do with their career trajectory – for example, 'because I don't have a job to offer your husband' when the role in question would have meant moving abroad. But surely, the point is that it's up to the woman to make it work, not to be told that she can't.

One of the most powerful things that will drive change is to shift the internalised assumptions of all interested parties from 'No, I can't' to 'Yes, I can'. We explore this further in our recommendations.

### Francis Gugen

Non-executive Chairman, IGas Energy

"I used to think it was that we didn't have the right structures in place to make it easier for women to remain committed throughout their careers. But now I don't think that's the main barrier. I think a key issue is the unconscious attitude of men, coming from the very best of motives; looking after women."



# **Outdated career models**

The very notion that there is a career path with associated timings that singles out high-flyers is one which may disadvantage women. Interviewees commented that the board members (particularly the executive board members) of many companies tend to have quite similar careers – such that Liz Tanner, Head of Legal, SSE commented that:

"The standard career path at companies like this is based on moving around, having different roles in different locations. Several of our most senior management have followed each other into particular jobs and roles that seem to be part of that path. It's much more difficult to do this if you have outside commitments – if you have to prove your dedication by moving just for the sake of moving, that's not right. You have to feel that you can step on the career path again easily if you step off for a while."

While there's no doubt that board members need a level of technical expertise and of relevant experience, it's worth asking whether recruiters are taking a flexible enough approach to what qualifications they're looking for. One Non-executive Director commented: "Preconceptions about what you're looking for limit your pool.

Especially in large companies, you may have a very significant and responsible job, without reporting directly to the board. I think a more flexible and pragmatic approach would help."

# Aspiring women's confidence levels

A number of interviewees described situations when women under-estimated their abilities. A lack of confidence 'because I don't tick all the boxes' is seen by many as a dangerous self-imposed barrier to progression.

Lots of our interviewees talked about a difference between male and female attitudes to failure – and also between observers' attitudes to male and female failure. The lower risk appetite attributed to women, which is part of the argument in favour of more diversity in decision-making groups, cuts both ways. Lucy Lingard, Project Manager, Pipeline Engineering and Supply Co. Ltd explains that:

"Women are supposed to be more risk averse. That's a great thing collectively because it improves decision-making. But it's not so great on an individual basis. Maybe we need to learn to take more personal risks."

# Nicola Dean

Finance Controller, URENCO UK

"When we look at the career model for high flyers – relocations, long hours, industry dinners – it's a very male model and it seems to assume you have a wife at home. I'd like to ask all men in senior positions 'How did you get there? How could you have still done it if you were a single parent or one half of a dual-career couple? What options would you have needed to succeed?"

### Ruth Cairnie

Former Executive VP, Shell

"I think there's a lack of ambition in the decisions taken on the development of women.

For example, promoting a man with high potential will be seen as a matter of course, but for a woman with the same degree of potential, people will still discuss 'taking a risk on her...'

And then, when they both make a mistake – and they both will make a mistake – the reaction to the woman is more likely to be 'Is she really all that good?"

Several interviewees also commented that the average woman in the industry tends to be under the spotlight more than her male equivalent, and that sometimes her performance can be viewed as a proxy for 'women's performance' in general:

"Women more often are blamed for failure. With men, it's much more just 'one of those things' and try to do better next time. Women have to constantly prove themselves in ways that men don't." (Jeanette Yuile, Senior Upstream Auditor, Shell).

# **Educational choices and family** influences

As we saw in our review of data, there's a need to increase the number of women entering the energy sector.

It's well-documented<sup>7</sup> that fewer girls choose to study STEM subjects. But, what can we do about that?

"The biggest issue is girls' perception of science subjects between the ages of 12-15, and the way in which subjects, particularly physics, are taught. Part of this is lack of female physics teachers, another issue is that the syllabi do not focus on the full educational spectrum; there needs to be more recognition that practical science is important in the energy sector." (Dame Sue Ion, Fellow of the Royal Academy of Engineering).

### Jane Bowie

Superintending Inspector, Office for Nuclear Regulation.

"Sometimes, women feel that they can't take career opportunities as they have other demands that they feel are limiting. I've been given great opportunities but have grabbed them with both hands and always delivered, whilst having a family life also. I think women should start with the premise of 'How can I make this opportunity work for me?', and work out the practicalities of how they can do it."





90% of PfW Ambassadors said they would recommend a career in energy to their daughters

Alan Dane, Head of the all-girls Harris Academy in Bermondsey says: "If we can show girls while they're still at school that studying the subjects that will be useful in the energy industry will help them to a rewarding, secure and well-paid future, I think it will increase interest in the sector. At the moment, there simply isn't enough information available, particularly to girls who come from families where it simply wouldn't occur to them to think about energy as a career. I want our students to see role models and be exposed to opportunities beyond their immediate circles."

Outreach from the energy sector into schools – not just universities – will help. The small numbers of women studying STEM subjects beyond 18 mean that if you wait until university, you've already lost the opportunity to talk to many potential future female high-flyers. EDF Energy is leading the way with an active primary and secondary school STEM programme. Niki Rousseau, Community Liaison Officer, explains this, and their mentoring programme, in more detail on the next page.

The role of family members in influencing choices is also important. The ASPIRES report<sup>8</sup>, which talks about 'scientific capital' within families as a key predictor of STEM success in children, echoes this.

"My grandfather was an engineer on the Glascarnoch Dam hydroelectric project, so I was very clear what the job entailed and that it related to real life. I remember one Christmas, working out the gradient each separate engine on the model railway could deal with – I always thought engineering was fun." (Lucy Lingard, Project Manager, Pipeline Engineering and Supply Co Ltd).

Crucial to attracting females into the energy sector is an understanding of the full range of opportunities on offer:

"We all have work to do in repositioning the energy industry brand as the innovative, important and exciting workplace that we know it to be," says Alistair Phillips-Davies, CEO, SSE. "The phrase 'energy company' now captures a huge range of jobs, activities and skills – with the added bonus of working in a sector that really matters. As a country, we need to encourage as many young women as possible to study STEM subjects – but there are now many jobs in the energy sector where the STEM subjects are not what's required. Indeed, our Wholesale business is run by a History graduate! In other words, there are a huge range of opportunities for skilled, committed people, whatever their specialism."

### Amanda Turner

VP, Global Multi-Client Solutions, Ikon Science

"My father always encouraged me to 'follow my heart'. I was the only girl in my Maths A Level class. I felt that there were no boundaries to what I could achieve or the career I could have. Some girls I knew were told by their family to stop studying at the age of 16 and get a job as 'girls didn't amount to much."

<sup>8</sup> http://www.kcl.ac.uk/sspp/departments/education/research/aspires/ASPIRES-final-report-December-2013.pdf

# Good practice case study: reaching out early

Niki Rousseau, Community Liaison Officer for Generation at EDF Energy

As an experienced STEM Ambassador, I work with schools, colleges and communities local to Sizewell B to provide information about the power station and our work on site. We are keen to enthuse young people about science, help them explore opportunities in engineering, and recruit and train those with good academic qualifications to join our industry's next generation.

Our education visits initially concentrated on secondary schools, but research has shown us that we need to engage with students at primary schools to really encourage an interest in STEM. So we have launched a tailored package for primary schools at Sizewell B, which fits in with their curriculum studies and compliments what they're learning at school.

We have developed strong links with several schools and colleges in the area through our outreach programme to forming of Suffolk's first Young

This has been a brilliant opportunity for some of our engineers at Sizewell B to give year 9 students real practical experience of engineering by stripping down an old car engine. This also helps them learn about health and safety, personal protection, bridge building and risk assessments.

Through our mentoring programme I have been able to go 'back to school' to encourage youngsters to think about a career in science, particularly girls, to share my experiences and how my learning journey started exactly where they are now. Many of our mentees have gone on to become apprentices in the industry.

There is nothing better for a young learner than to see business for real. The rewards come from making a difference to someone's career path, and the chance to inspire and enthuse young people.



# What can we do about it?

# Time changes things – but not fast enough.

It's easy to forget what progress we have made. In 1947, women had to resign from the Civil Service if they married. Until the 1960s, many airlines made air stewardesses retire either when they married or reached their mid-thirties. In 1988, women in the City were still being sent home to change if they came to work in trousers. And until last year, there was still one company in the FTSE 100 that had no female board members.

But time on its own isn't enough. The latest World Economic Forum report<sup>9</sup> on the gender pay gap suggests that at current rates of progress, it will take until 2095 for women's pay to match men's. Another critical factor is a wish, not just a willingness, to change amongst the leaders and boards of energy companies themselves. The Davies report 2011<sup>10</sup>, suggests that you reach critical mass when around 30% of roles at that level are occupied by women. This would mean the presence of women on boards and in senior positions is entirely normalised.

# What's the real appetite for change?

We've highlighted some cases in the report of companies that have, or are putting in place, systems that are designed to make a real difference. We believe that you have to take a proactive, measurable approach to increasing diversity if you want to do it in a sustained way.

# Who can make things change?

The most important people to make change happen are those who lead companies. We have set out the specific steps that CEOs can take to make a difference. We also recommend what HR and senior leaders can do, and how women can give themselves the best chance to progress.

 $<sup>^9\,</sup>http://www.weforum.org/reports/global-gender-gap-report-2014$ 

<sup>10</sup> https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/31710/11-745-women-on-boards.pdf



"I think CEOs have a role in helping position a realistic view on what it is really like in a senior position in the company and demonstrating that both men and women are achieving rewarding careers as part of a rounded life."

**Alistair Phillips-Davies** CEO, SSE

### 1: What can CEOs do?

Our top three recommendations came from a survey of more than 100 PfW Ambassadors.

### What is the most important thing a CEO can do to help women progress in the energy sector?



Lead by example – e.g. in creating a diverse leadership team and challenging bias



Set targets and hold leaders to account for delivering on them



Build a pipeline of female senior managers and executives through initiatives such as sponsoring programmes



Actively promote diversity within his/ her organisation and externally

Note: this reflects the top choice by voters when presented with the four options

### Lead by example

CEOs have a crucial role in mandating new policies to help women advance, but their behaviours as role models can have an even greater impact. What they do and say on a day-to-day basis sets the tone and cascades through an organisation. Is their own leadership team diverse? Do they talk positively about diversity? Do they invite quieter people into the conversation? One interviewee told us about her CEO giving her a copy of Sheryl Sandberg's 'Lean in' in which he'd written 'Go for it'. This encouraged her to apply for a role she was considering and she was successful in the application process.

Being clear about what's required, but also demonstrating that it's not an 'either-or' choice between home and a career is fundamental to attracting talent:

"CEOs need to better understand and take action on any barriers that women face that limit their ability to progress in the workplace," says Alistair Phillips-Davies, CEO, SSE.

### Set and communicate targets

Our view is if you don't measure diversity, you can't manage it. Denise Wilson, of Women on Boards, believes that the simple act of reporting numbers is extremely powerful: "The Davies Report traffic light reporting has harnessed the competitiveness of CEOs in the right direction by making visible who's doing well and who's not."

Good practices that we have heard of include regular discussions on diversity at board meetings and putting targets for diversity into senior managers' annual objectives. And senior leadership buy-in to adopting such processes is critical to their success:

"Focusing on a meaningful diversity score card is key," says Alistair Phillips-Davies, CEO, SSE. "Agreeing upfront with the senior team what is important to measure and the progressive trends we want to achieve is very important. Being able to report on this by business area drives localised accountability and action. The CEO has the responsibility of keeping this on the agenda as a strategic business priority that is monitored, reviewed and [ensuring] actions are taken."

Appendix 2 sets out the basic diversity measures that we recommend should be monitored.

# Build a solid pipeline

We heard from our interviewees and Ambassadors that understanding diversity is the best way to help access the biggest pool of talent. To tap into that diverse pool, what's needed is a commitment to nurture and develop talent in a way that goes beyond the annual performance process. Mark Elborne, CEO at General Electric UK, shared his story of how to make this work in practice.



# Case study: Talent-spotting Mark Elborne, CEO, General Electric (GE) UK

I wanted to make sure that we were providing truly challenging and stretching opportunities to our best people, in particular making sure we were creating a genuinely diverse cadre of rising stars. So, a few years ago, I asked the Chair of our UK HR Council to put in place a system that increased focus on our talent development processes and make them more visible across the company. What happens now is that between twice and four times a year, HR reps and leader/ sponsors of all GE's different business areas get together to showcase our top talent and look at what roles are available - we try to match our highflyers' development needs to the roles that we have coming up. It's broken down a lot of barriers, especially in recruitment prerequisites. For example, let's say our aviation division is looking for a chief engineer, they will almost certainly specify 'must have 5+ years of aviation experience'.

In this forum, we can really challenge that and understand what's truly essential and what's not. The business benefits hugely, as well as the individuals. It drives diversity because it's a forcing function – but it does take a lot of energy and resource to do it and get it right. We really look for people who need to be stretched; this process provides that and really helps them to develop. We've supported people into roles they might not have thought of. It also means that we don't rely entirely on self-promotion.

If you have some talented people who are reluctant to apply for things if they meet most, but not all, of the criteria, then it's even more important to run a process like this. There's no question that it gives more visibility to our top talent, and particularly to women because it encourages us to look right across our talent pool. You really need to hang on to your most talented employees. This process is designed to embed an attitude of 'If this person is good, we will find a good role for them and really help them develop'.

# Senior Manager, Oil industry

"A senior leader said to me [about diversity] 'It'll take time – ten to fifteen years.' That influences how diversity is seen. If people at the top say that, there's no urgency about it. You need CEOs and senior leaders to say 'Actually, we're doing something about it NOW."



### 2. What can HR do?

The three main areas where organisations can re-examine their processes to ensure they aren't disadvantaging women are: recruitment, reporting and talent management.

### **Demand diverse shortlists**

When recruiting for board-level positions, recruiters need to challenge themselves to spread the net wider than the obvious pool:

"There's still quite a small pool of women who get approached by recruiters. I get calls quite frequently – usually because they're looking for women with both industry and international experience. I will pass on details of other women from my address book if I know they have the right experience." (Ruth Cairnie, former Executive VP, Shell).

A common theme in our interviews has been the need for a mindset shift from 'no - it's too difficult' to 'yes I can'. This is critical to all parties that want to change the diversity landscape (including aspiring women as we'll show later). If recruiters feel they are falling victim to doing what's always done, we'd recommend a typical 'think outside the box' approach and question where they are on the scale below. Any shift to the right is a step in the right direction.

# Report on gender diversity

As we saw in our attempts to measure the proportion of women in senior management positions, not many companies report this information. This prompts the question: do many companies capture and measure this information? Or is the data so bad that they don't want to report it?

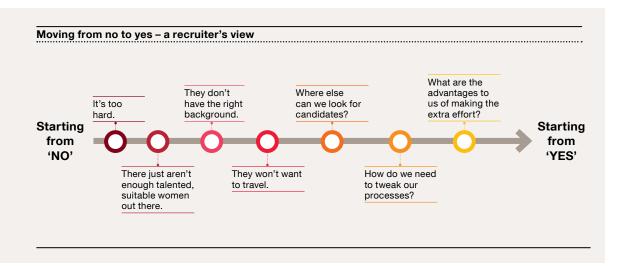
Reporting on diversity needs to be an organisation wide effort and led from the top, but, facilitated by HR. The foundation of this is a good baseline of the workforce today. Energy companies also need to understand whether their people processes encourage the progression of diverse talent or whether unconscious bias is built in.

For example, good questions to ask about performance management include:

- Have your managers undergone bias awareness training?
- Have you reviewed the distribution of performance ratings, males versus females to check parity?

A helpful data check here is to review the proportion of female top performers compared to the total number of females, which should be equal to the equivalent male ratio.

Questions and metrics like these should be used at all stages of the employee life-cycle - we've included more examples in Appendix 2.



Changing the language used in recruitment adverts at all levels could have a significant impact. "The language of job advertisements can be very off-putting – challenging, demanding etc. – very macho. How you describe jobs will influence hugely who applies for them. Saying a job is intellectually challenging is very different from saying it's challenging." (Katrina Williams, Director General for International, Science and Resilience, DECC).

Sometimes the lists of required technical skills and expertise are so narrowly drafted as to exclude capable candidates. Indeed, experience from other industries or areas can be an advantage. As Stephanie Hazell, Group Strategy and Corporate Development Director, National Grid, told us: "I am not complacent about the extent to which our industry could change in the future. In telecoms, I've seen fixed-line voice services become more or less obsolete, and mobile then become a utility service for data. So I recognise the real possibility of disruptive change, especially from innovative new market entrants."

Simon Langley, Head of Inclusion & Diversity, National Grid agrees: "Too many constraints in a job description limit the pool of applicants unnecessarily. And so does talking about it as 'Jim's leaving. I need to replace Jim.' If, instead, you say, 'Jim's leaving, that leaves a vacancy that we need to fill' then that doesn't immediately make you think you are looking for someone exactly like Jim."

The Davies Report 2014<sup>11</sup> contains further recommendations aimed at increasing gender diversity through recruitment.



# applying for the apprentice scheme, so we decided to look at why. We realised there were some really basic things, like in the publicity material for the scheme there were no photos which contained women. And we were asking questions at interview about 'Tell me what mechanical and engineering work you've

Gwen Parry-Jones, Safety and Assurance Director for Generation

Case study: Small changes, big results

at EDF Energy

done - for instance, have you put together a car with your dad?' Girls are far less likely to have done that sort of practical activity by around 16/17 years old - many of them won't ever have had a chance to.

So we changed the materials to include pictures of both men and women, and we tweaked the questions so that they asked about what sort of design work interviewees had done. We have 12.5% female apprentices now.

<sup>11</sup> https://www.gov.uk/government/uploads/system/uploads/ attachment\_data/file/320000/bis-women-on-boards-2014. pdf

# Align talent management processes

We hear a lot about the 'talent vacuum'. If it was simply that, it would surely mean more women being scouted for senior positions? But as we've already heard the search for board level roles tends to be sought from the same small pool.

What's required is a dedicated, focused approach to managing talent – to bring to the fore those that have the potential but don't necessarily have the networks or sponsorship that progression traditionally leans so heavily on. As Mark Elborne found, when he put in place a more rigorous talent management programme at GE – simply questioning existing processes and policy led to a breaking down of barriers and a greater pool of 'high potential' talent.

And the question really is about talent, not diversity – the two, however, do go hand-in-hand. It takes challenge and scrutiny at every stage of the recruitment and talent management process to really change the picture, as Simon Langley, Head of Inclusion & Diversity and National Grid explains:

"Defined roles need questioning, if you state 'must have 30 years engineering experience' then you're automatically selecting a man. In most large companies, there have only been a few people doing the absolute top jobs, and so the role and qualifications may be too narrowly defined, based not on the skills needed but on the skills that the people who've done that job have happened to have."

Simon goes on to talk about building diversity into succession planning: "We make sure that we monitor and review whether gender and ethnic diversity statistics for individuals identified as high-potential, reflect those in the rest of the company. We don't want to see a cloning process. It's a risk in traditional organisations. Over the last few years, we've deliberately moved some high-potential women into very challenging roles in parts of the business that they didn't know. The benefit to us as a company and to the women's careers has been great. And having more women on the executive committee has really changed the dynamic of that group. It's not a mindset shift to 'we need to appoint a woman', it's 'we need the right person for the job, and that may well be a woman'."

# Simon Langley

Head of Inclusion & Diversity, National Grid

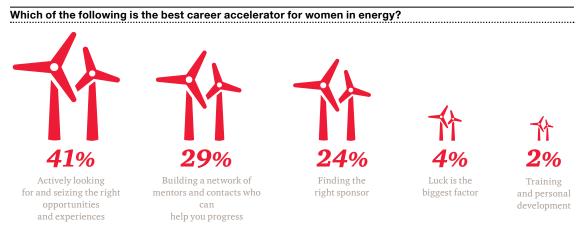
"We offer flexibility to all workers. And we've changed our default response from the way it is in the legislation. The law states that all employees have the right to request flexible working, but it doesn't say that employers have to grant it. Our policy is that we will automatically say 'yes', unless the person's manager makes a solid case against it. Part-time working is only a tiny fraction of the flexible working we have at National Grid."





# 3. What can aspiring women do?

Our PfW Ambassadors highlighted the most important things that women can do as: actively seeking opportunities, building a network of mentors and finding the right sponsor. Another theme that emerged from our interviewees was to 'learn the rules'.



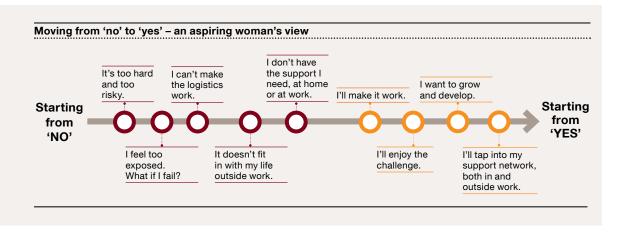
Note: this provides a view of the top choice selected by voters when provided the five options.

# Seek out opportunities

Actively seeking opportunities was rated the most important thing that women could do to accelerate their careers. As Holly Van Deursen, Director, Actuant Corp, put it: "If you want to be successful, you can't be waiting for someone to offer you a job."

One of the self-imposed barriers to progression highlighted earlier was a lack of confidence preventing women putting themselves forward for a role. Many of our interviewees described 'big break' situations where they had managed to ignore their inner voice of doubt, grasp opportunities and take a big career steps. It's crucial for women to believe they can get there and not to be deterred by the challenges.

The mindset shift to 'yes' from 'no' applies as much to aspiring women as it does to the recruiters, HR and company leaders.



# Build your network and sponsorship

Build relationships that can help you. Seek out people who can help you reach your goals and ask yourself how you can help them, too. Make sure that these people are aware of your ambitions. Raghdaa Hasan, Senior Vice-President, Global Business Development, Statoil commented: "It's not enough to have one sponsor; everyone needs to buy into it as you progress up the organisation. I've done a lot of stakeholder management."

A good network needs good gender balance. Formal women's networks help build a sense of community and provide suggestions to resolve frequently-encountered issues, while the informal work networks that you build up will increase your visibility.

Many of our interviewees say their biggest break was down to being singled out by someone senior for a particular job.

"You need to be invited through the gateway, whether you're male or female. But men are better at knocking on that door. You need senior people who are already through the gateway to escort you through – and they're mostly men. You have to be invited." (Danielle Lane, Head of Stakeholder Relations, Dong Energy).

# **Gwen Parry-Jones**

Safety and Assurance Director for Generation at EDF Energy

"What helped me most was sponsorship, my MD sponsor brought me back into a technical role, despite perhaps reservations from others. 'He took a risk...' – my words, he told me it was no risk at all! Our CEO commented at a recent presentation: 'If you have two candidates, both equally capable of doing the job, and one increases diversity and one doesn't, which one are you choosing? Why? This comment has set the expectation in our company that diversity is essential and that comes from the very top. This attitude is filtering down. We have a women's network – many of the mentors are men – that means they're getting insight into how it looks from a woman's point of view."

# Case study: Taking the lead at URENCO Nicola Dean, Finance Controller, URENCO UK

In May 2013, I attended a Women in Energy event hosted by BP and PwC. I was talking to one of the other women there and mentioned that there was no women's network at URENCO. She said "You have a moral obligation, as the most senior woman there, to support the young women in your organisation." Those words stayed with me and got me thinking.

It was a big challenge to set up the women's network, partly because it was the first time I'd defined myself at work by my gender. URENCO UK is only 20% female, so I knew I'd need the support of the all-male leadership team. I set out the business case and business benefits, and got unanimous support from all of the leadership team – except the MD – who went further and said "I don't care about the business case. It's simply the right thing to do."

When I wrote to all the women in the organisation to gauge interest, 53 out of 60 replied saying they were interested. So we discussed what we'd like to see - there were six main things:

- Role models and guest speakers
- Mentoring
- Self-development programmes
- Informal networking
- · Social events
- Discussion about the attract/recruit/retain process for women.

We usually get about 20-30 women at any one event we run.

### Be aware of, and learn the rules

There's often a high-flyers' career path within an organisation, but what is it? Are there particular roles that tend to be done by the people who are tipped for senior positions? Two of our interviewees pointed to roles as 'bag-carriers' to someone senior as a crucial thing for their career:

"The Technical Advisor role was important for me. It was fast-paced and highly visible. There was nowhere to hide and the work demand was high. It was an important time for the organisation and I had the opportunity of working with the CEO to help Ministers understand the work that we do. I was in the right place at the right time, but delivered." (Jane Bowie, Superintending Inspector, Office for Nuclear Regulation).

Helen Corey, CEO, Tower Bridge Ventures, told us:

"Yes, there are differences as a woman in a male-dominated sector. You have to know the rules. For example, I was meeting one of our strategic partners from India. He's cricket-mad. So a colleague texted me the cricket scores, I mentioned them, it's a sort of a tick in a box. It's about knowing the rules. You can either get really frustrated and feel excluded when a mainly male meeting spends the first 10 minutes talking about sport, or you can use that time to enjoy your coffee and work out the group dynamics. Think of that time as a learning opportunity."

# Good practice case study: Challenging the 'norm' with reverse mentoring at PwC

PwC's reverse mentoring programme aims to develop both senior leaders and staff, whilst positively affecting the firm's diversity profile; Davy Price-Stephens, a mentee partner, commented that: "The scheme has helped me to genuinely understand the specific challenges some hugely talented women in the corporate world face."

Mentors were carefully picked and trained to understand the objectives and ground rules of transparency and unconscious bias. Typical areas explored during mentoring sessions include communication and style, examining social 'no-nos' head on and leadership approaches and behaviours. Romana Karim, a mentor manager, told us that: "The scheme has given me a real opportunity to shape senior opinion, push boundaries and challenge the status quo."

The pilot of approximately 40 mentees has shown great benefit and is now expanding across the entire Consulting division, over 150 partners. Andy Woodfield, who is sponsoring the initiative across the firm said: "The reverse mentoring programme is creating wonderful energy and authentic engagement between partners and mentors. Both groups are enjoying learning about life at PwC from a completely different perspective, and for our partners in particular, it's really helping them to become more inclusive and open minded leaders."





# 4. What can senior management do?

Senior managers have a crucial role in driving and reinforcing the diversity agenda through the organisation. Our interviewees pointed to three areas where senior managers could make a difference.

# Be consistent in how you treat, and talk about women

When was the last time you heard a man described as 'abrasive'? Kieran Snyder carried out an interesting analysis<sup>12</sup> of the different sorts of language used in appraisals of men and women, and the relative frequency of criticism and praise. She found, by analysing almost 250 performance reviews, that 59% of the reviews received by men contained critical feedback. 88% of the reviews received by women did.

Ruth Cairnie, former Executive VP, Shell told us:

"One thing I do is to be quite open in saying to people: 'Do you realise you're talking completely differently about men and women?' I often call it out. People do tend to get defensive, though."

# Talent spot and sponsor high potential women

Dame Sue Ion, Fellow of the Royal Academy of Engineering, pointed to the responsibility that senior managers have in identifying and paving the way for future leaders to come through:

"Senior people have it within their gift to change the landscape by bringing forward talent. They should see it as a top priority, and not something to be left to an anonymous 'process'. One of your biggest contributions is to make sure that people better than you are in the formal succession plan." Succession planning is just one of the many ways in which leaders can do this. Innovation in approach can also help to provide a different perspective on just who those high potentials are, as successfully demonstrated by PwC who has recently introduced a reverse mentoring programme to not only develop both leaders and staff, but also to provide access and exposure which might not otherwise occur.

# Hold your teams to account

If others report to you, then you have the ability to demand more of them from a diversity perspective. And if your CEO is committed and supportive, then you have a responsibility to do so. Stephanie Hazell, Group Strategy and Corporate Development Director, National Grid, told us that they are currently working out how to make sure that diversity objectives are part of senior management and business annual priorities.

# Katrina Williams

Director General for International, Science and Resilience, DECC

"Suitability is not the same as visibility. You have to be systematic in your talent spotting to make sure that it's not just the pushy ones who get rewarded. You can't be diversity-friendly without a systematic approach."

# Jim Dewar, Non-executive Director,

Non-executive Director Energy World Corp

"Good leaders will always make time for you. I used to allocate around 25% of my time to 'people matters', and hired three separate individuals off the back of conversations they'd initiated."

<sup>&</sup>lt;sup>12</sup> The abrasiveness trap: High-achieving men and women are described differently in reviews: http://fortune. com/2014/08/26/performance-review-gender-bias/

# Different paths, great careers

We've already mentioned that whilst the gender diversity data in energy is poor, we've heard some very inspiring stories from successful women in the sector. Let's now hear a little from some of these women, why they love energy and the different career paths they've taken.

"I love that I work in an industry that builds things."

**Danielle Lane** Head of Stakeholder Relations, Dong Energy "The energy/power industry brings lots of opportunities to work with the best leaders at an early point in your career due to the scale of the industry, and its professionalism"

Holly Van Deursen
Director, Actuant Cor

"The key attraction for me is simply the scope of the work — I run a team of over 60 lawyers. We deal with everything from competition law, through construction litigation and M&A activity to executing warrants for changing meters."

**Liz Tanner** Head of Legal, SSE

"I love the possibilities in the oil business – it is a rich, exciting world for technology and scientific development with opportunities for challenging and well paid careers."

**Kitty Hall** Non-Executive Director, Det Norske Oljeselskap What I love about energy

"I've been interested in rocks and volcanoes since I was a little girl. I used to go to the library and get out every single book about them. It may be a bit geeky, but I don't care. I wasn't a tomboy particularly, I was just doing what I loved."

Amanda Turner
VP Global Multi-Client Solutions,

"We have a responsibility to keep the lights on – it's stuff that affects everyone's lives."

Sally Fairbairn
Head of Investor Relations,
SSE

"I get excited about how important energy is to everything we do. My work is related to international development issues, human rights issues, access to electricity and energy, and has major impacts on lives and communities."

**Lindsay Leask** Senior Policy Manager – Offshore Renewables, Scottish Renewables "What I love is the size and nature of the problems you get to solve. It's almost scary when you think about the implications – for instance, deep-water inspections – how do you solve a problem 6,000 feet down with no people?"

Lucy Lingard Project Manager, Pipeline Engineering and Supply Co Ltd

# Jane Bowie

Superintending Inspector, Office for Nuclear Regulation



I have spent my career in the nuclear industry, having started at Magnox Electric, writing guidance on how to design control room interfaces. I have spent time in consultancy and worked mainly on advanced gas cooled reactors, prior to joining the then Nuclear Installations Inspectorate in 2003. My career in the regulatory body has involved safety assessments of a number of reactor technologies, and a period as the technical advisor to the Chief Nuclear Inspector and Chief Executive Officer, which is a high profile and challenging role. I am currently the Head of Generic Design Assessment, and my team assess the reactor technologies proposed for deployment in the UK.

"The renaissance of the nuclear industry is very exciting, and there are great challenges and opportunities ahead for all of us involved. When I joined the industry the emphasis was on decommissioning and potential plant lifetime extensions rather than new build; now there are new technologies to understand, and this should generate renewed interest and an increase in graduates to the industry."

If we want to attract more women into the industry we need to focus on the opportunities, career paths and flexibilities that certainly the ONR offers. We are able to offer alternative working patterns that enable women to combine domestic and caring responsibilities with a really exciting career.

# My advice:

- Women should not impose restrictions on themselves; ask the organisation how they can help manage the work life balance they desire.
- Plan your time, manage your diary and always deliver. Good organisation and flexibility is key.
- Build your support network at home and at work.

"I really enjoy the strategy side of my current role; dealing with Government and influencing at all levels."

# Ruth Cairnie

Independent Director, former Executive VP at Shell



I've spent most of my career at Shell, after studying theoretical physics. I spent 13 years in research, before moving into my first business role, running Shell's Swedish aviation business. After a series of increasingly challenging roles up to VP level, I moved to the Group Strategy team, first as VP and then as Executive VP. I now have a portfolio of non-executive directorships in different sectors.

"If you care about the future of the earth, what better place is there than the energy industry to be part of the solution."

We need to tell more and better stories about the career opportunities in the energy sector. Once your face fits at a big company, you have a lot of scope. The opportunities are almost limitless: it's important work. It's core to people's lives.

# My advice:

- When I decided I wanted to move into a business role, I campaigned for it. You have to be clear and say what you want repeatedly if that's what it takes.
- You have to take opportunities to raise your profile. It may sound calculating, but it's not it's about having ideas and getting them heard.
- Being part of a leadership development programme can boost your confidence and help get you noticed.

"Leadership is a fluid quality, and you don't always find it where you expect to."

# Lisa Doogan

Director of Network Services, SSE



I started at SSE as a clerical assistant, and built a career initially in the customer service and complaints side of the business. I managed the customer service centre in Scotland, with 800 staff reporting to me. Eventually our COO offered me the job of Head of Operations for the distribution business in the north of Scotland, and I've been in the distribution side of SSE ever since. I'm now responsible for our change programme which will impact 3,400 staff, and is designed to equip us to respond to future market changes and challenges.

"Energy tends to be a very male-dominated world, which means that women are in a position to supply skills that are otherwise in short supply."

Some of the barriers I thought I experienced were imaginary ones, erected by me. I couldn't see what skills I was bringing to the role – leadership, people management, a customer service ethic. And my management style isn't command and control, which was a breath of fresh air. Once that particular penny had dropped, my confidence grew massively.

# My advice:

- Don't think about gender. Think about people, and how you can connect with them.
- Don't be frightened to be yourself at work. Be authentic, be genuine.
- Value and promote the particular things that you bring because you are a woman.

'The main driver for me is wanting to do a good job."

# Raghdaa Hasan

Senior Vice-President, Global Business Development, Statoil (U.K.) Limited



I've been at Statoil since 2011, where I am now the Senior Vice President of Global Business Development. I have about 16 years of upstream experience in various leadership positions. Prior to Statoil, I worked with Hess for seven years in business development, commercial and reservoir engineering and was part of the commercial leadership team. Prior to joining Hess, I worked for Schlumberger as part of the leadership development program in Singapore, Malaysia and Nigeria, where I also worked offshore leading a team of Schlumberger engineers – often the only woman on the drilling rigs. I have an MBA degree from Harvard Business School and a B.Sc. in Engineering from the American University in Cairo. I was raised, and lived, in Egypt until I was 22. I am married with two young children; a one year old and four year old.

# "Most importantly you have a duty to coach and mentor young women."

I am passionate about oil and gas – it's international, geopolitically and economically complex, and culturally diverse. You read about a bomb going off somewhere and you think 'How does that affect energy?'. You have to be on top of politics, macroeconomics, technology, commercial aspects and sustainability issues – specifically related to carbon and our communities.

### My advice:

 Women should aspire and demand more. But one has to be up for it. Believe in yourself.
 Always perform well. You have to do things that fit in with your own core values.

- Trust your gut. Whenever I haven't, I've regretted it.
- Inner strength is really important nobody's going to come to your rescue. Have the willpower to get up again – you need both agility and resilience. Willpower is what distinguishes the leaders from the workforce.
- Use your Emotional Intelligence. Know your audience and respond to them. Self-awareness is key for success, and women are good at it (better at it than men on the whole).
- In some ways it's easier for women to opt out

   it's seen as legitimate, socially acceptable,
   not to work. So it can feel like an uphill battle,
   being focused on your career. You have to be very clear about your demands. You have to train your employer to be a good employer for women.

"When I started out, I was indifferent about not having many women around. I don't like it now. We need critical mass in the industry."

# Gwen Parry-Jones

Safety & Assurance Director, EDF Energy Generation



We produce 20% of the UK's electricity, from several different sources. I am a board director for our Nuclear, Coal, Gas and Renewables businesses – amounting to 30 or so directorships at any one time. I am also a member of the board for the Civil Nuclear Police Authority.

I've been in the industry for 25 years. I studied physics, and then a Master's in Banking and Finance. I started as a reactor operator at Wylfa on Anglesey. I was the first woman in the UK to be a nuclear plant manager, and then a station director. I'm still the only one.

Looking back, my career looks like I had a good plan, but in fact whenever I reached a crossroads, I just chose the most interesting and different things. I didn't really plan to acquire the breadth of knowledge that I have, but it has been a happy coincidence that I now have a portfolio of skills and experience.

"I love the fact that nuclear energy is unique and demands our utmost respect and attention; you're the guardian, the custodian of that."

I think many women have three stages in their career. At first, I think that some women are very conscious that they are operating in a more masculine environment, and they seek out all the help they can find to help them navigate it. Then, usually around the time they get their first really substantive role, they don't want to be seen as different – their priority is fitting in and they do not want to be singled out in any way. And then, when they get to a fairly senior level, I think attitudes shift to 'How can I get and give help to thrive in this environment?'

### My advice:

- There isn't a layer of women just below board level waiting to break through onto the board. You have to start much earlier, laying the foundation and framework to get that breadth of experience from early on in your career.
- What helped me most was sponsorship. My sponsor brought me back into a technical role when I needed it.
- I think we need to teach girls and young women that you have to fake it for a little while. Live it, act it: you'll become it.

"I've been to Sizewell B many times, but I still get goosebumps going down the approach road, just thinking of the ingenuity of human beings in harnessing all this technology to improve people's lives."

# Tess Sundelin

Managing Director, Green Hedge Group



Having spent the first part of my career at the investment bank Goldman Sachs, I moved into the energy industry three years ago. At Green Hedge Group we develop, finance and operate renewable energy projects, with a focus on utility scale solar farms. Our diverse team includes engineers, lawyers, planners, electricians, chartered surveyors, design technicians and finance professionals. Managing an SME is the most fun I've ever had in my career – not a day goes by when I'm not learning something new.

"Renewable energy is a young, dynamic industry. There's a quick, steep development path both for people and companies – everything is up for grabs for those with the best solutions."

I initially wrestled with the offer to move to a small company in an emerging industry. It's a classic 'Lean In' dilemma – take a seat at the management table in a growing but uncertain business, or a mid-level role in a more established one? I consciously told myself not to make the 'safe' choice women often make. Sure, it was the riskier option. But it was also the one with the biggest potential upside: to progress with a company in a sector experiencing exponential growth, and to be at the helm of capturing that opportunity.

### My advice:

- Instruct recruiters to not just look within our (male dominated) sector, unless specific energy experience is critical to the role. It isn't always.
- Spend some time explaining to senior male colleagues what things look like from a woman's side of the career fence. Seeing that perspective can help them become better colleagues and managers.
- More women need to aspire to lead. It is not a bad thing to seek the platform and influence required to make your ideas reality.

"If you want to be at the table, you have to summon the courage to sit down at it."



# Looking to the future

We've heard from senior figures in the industry, both female and male, about the issues and what's needed. The problem, and solutions, are systemic; what's needed first is a dramatic increase in awareness – at the individual, organisational (both corporate and educational), and societal levels – of the true implications of lack of diversity: that organisations are missing out on a huge pool of talent, with potential savings into the millions if the talent, skill and capability of women were to be better harnessed. And secondly the wish to see real change and the volition to act. So where to go from here?

We've already set out what organisations can do, but you can also take action as an individual. Many gentle 'nudges' are equally effective, if not more so, than grand scale change; so we urge you, if you feel passionately about wanting to change the status quo, to take one or two of the actions opposite.

"I don't think we're the suffragettes. We're the second wave. There's a generation of girls, my daughter included, growing up expecting to enter the world of work, and to have senior roles."

Victoria Merton Head of Communications, Peel Gas & Oil Limited

# 1. Get involved:

- If you work in the energy sector, PfW would like to hear from you. Sign up to the mailing list here: http://powerfulwomen.org.uk/#form
- If you're interested in getting a mentor, or becoming a mentor (or both), you can apply at the same link above.

# 2. Put your hand up:

- If you aspire to a particular role, make sure you tell the people who have the power to appoint you to it.
- Ask for specific feedback.

# 3. Spread the word:

- Pass on this report.
- If there isn't already one, start a gender-balance network in your organisation.

# 4. Push the agenda:

- Ask your organisation for statistics on gender diversity. And ask them to publish them internally as well as externally.
- Propose that gender balance is discussed at the next board meeting

"It's about getting a whole cadre of women, not just individual stories. If a woman says 'I've never experienced any discrimination' I always think 'How do you know where you'd be? You might be prime minister.""

**Denise Wilson**Women on Boards

# Appendices

# Appendix 1: Methodology for data analysis

We analysed the top 100 publicly listed Energy companies and 15 key private nuclear companies in the UK to understand gender diversity on the board of directors, based on publicly available information.

# Sector definition

Our definition of 'Energy' included:

- Oil and gas companies including upstream, oilfield services, downstream, storage and transportation;
- Power companies including electricity, nuclear and renewables.

Excluded from the scope of our 115 companies were the water industry, mining and construction companies.

# Top list creation

We identified the top 100 energy companies listed on the London Stock Exchange (LSE) and the Alternative Investment Market (AIM), all headquartered in the UK, in order of Market Capitalisation.

We came up with a list of 84 oil and gas companies, and 16 power and renewables companies. The top 100 public companies had an aggregate market capitalisation of approximately £211.14 billion as at 30 November 2014.

We identified 15 key UK nuclear companies from the Nuclear Industry Association (NIA) Nuclear Industry Map under the categories of existing generation, decommissioning, new build, fuel services, and waste management which represent the key activities of the industry. We then verified the size, legal structure and ownership structure of these companies to ensure our list is a true representative of the industry in terms of assets and business activities. All key nuclear companies in the UK remain private.

### **Exclusion**

We focused our analyses on these top 115 companies to establish a meaningful dataset for which there is publicly available information,

and focused on companies which have the most potential to bring about influence and change within the energy sector in the UK.

As a consequence of this approach, small and mid-cap companies, and those who base their headquarters outside of the UK (including the Channel Islands) have not been considered in this analysis. We believe that the information from our qualitative interviews should be reflective of these organisations.

# Data and information sources

For public energy companies, we extracted board membership, senior management and employee data and information from the latest company annual reports, correct as at 30 November 2014.

Our market capitalisation data for publicly listed companies were taken directly from the exchange where they are listed – London Stock Exchange and Oslo Børs, corrected as at 30 November 2014. For private nuclear companies, we used board of directors and financial information from the latest available company annual reports. We have confirmed their legal and ownership structure using Orbis.

In constructing our database of board number and composition, we have excluded directors who were mentioned as retired or resigned in the annual reports. Company secretaries were not included as company or board directors.

### Analysis approach

Each company was evaluated on:

- Gender diversity of the board
- Composition of the board (i.e. executive and non-executive roles)
- Gender diversity variation by subsector, company size and board size

# **Terminology**

For consistency throughout the report, we use the term 'directors' to refer to those on the board of directors, including executive and non-executive directors.

# Appendix 2: Diversity metrics and monitoring

The below is a helpful set of questions and accompanying metrics that can be used at all stages of the employee lifecycle. This integrated diversity talent management checklist was developed by PwC and Brook Graham. 13

Process	Key questions	Metric or action
Talent strategy and workforce planning	<ul> <li>Based on headcount requirements have you scanned the marketplace to understand the % of females and where they are?</li> <li>Have you set targets for a % of women at each level of your talent pipeline?</li> <li>Do you hold leaders accountable for developing 'diverse' talent?</li> </ul>	% of females in the market becomes minimum recruitment target % of women at each level of talent pipeline
Attraction	<ul> <li>Do you know how attractive you are as an employer to women?</li> <li>Do you know what women want from their employer and are you adapting your value proposition accordingly?</li> <li>Can you set a recruitment target for gender based on sound market analysis?</li> <li>Are you advertising in the right places to attract female applicants?</li> </ul>	x% female applications x% females pre-selected (x is constant or increases)
Recruitment	<ul> <li>Have you analysed your process at each stage to see where/if women are falling out of the recruitment process and whether this is disproportionate to male recruits?</li> <li>Do you set targets at each stage of the recruitment process for female recruits and do you analyse your performance?</li> <li>Do you receive feedback from female candidates (successful and unsuccessful) to improve your process?</li> </ul>	x% females in selection process x% females offered x% females accept (x is constant or increases)
Performance management	<ul> <li>Have your performance managers undergone unconscious bias awareness training?</li> <li>Have you checked the distribution of performance ratings, males versus females, to ensure parity?</li> </ul>	% of female top performers/all females = % male top performers/all males
Assessment of potential	<ul> <li>Has the criteria you use for the assessment of high potential been 'gender-proofed'?</li> <li>Do you review the diversity of your high potential talent pool and hold leaders accountable for talent development?</li> </ul>	% of females in high potential talent pool
Training and leadership development	<ul> <li>Are certain development programmes regarded as 'career gateway' or 'transition' programmes?</li> <li>What guidance is provided to the business leaders nominating participants – does it reference gender diversity considerations?</li> <li>If executive development programmes are offered (say with business schools), are equal numbers of sponsored candidates male/female?</li> </ul>	% of parity in male and female nominations (representative from the pool from which participants are drawn) Gender split of participants on sponsored leadership programmes and mentoring programmes is proportionate
Succession planning	<ul> <li>Has a woman ever done that 'top job'?</li> <li>Is the succession pool a group of 'look a likes'?</li> <li>Are you allowing pools of one? This is not a succession pool</li> </ul>	At least 30% of pool should be female (i.e. 1 in 3 candidates)

<sup>&</sup>lt;sup>13</sup> The Female FTSE Board Report 2014, *Crossing the Finish Line*. http://www.som.cranfield.ac.uk/som/ftse

# Appendix 3: Reference organisations

We recognise the good work being done to improve gender diversity by a number of different groups and encourage you to tap into these groups.

### **POWERful Women**

http://powerfulwomen.org.uk

### The Government Equalities Office

https://www.gov.uk/government/organisations/government-equalities-office

### The Power of Diversity

http://www.thepowerofdiversity.com

### Women on Boards

http://www.womenonboards.co.uk

# Women's Engineering Society

http://www.wes.org.uk

### Women in Nuclear

http://www.win-global.org http://www.womeninnuclear.org.uk

### Women's Oil Council

http://www.oilcouncil.com/content/womens-oil-council

# Women in Renewable Energy

http://womeninrenewableenergy.ca http://www.wirescotland.com

# **Women in Solar Energy**

http://www.solwomen.org

# **An Inspirational Journey**

http://www.aninspirationaljourney.com

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