

The Environment

March 2023

CIWEM

THE MAGAZINE FOR THE CHARTERED INSTITUTION OF WATER AND ENVIRONMENTAL MANAGEMENT



SPECIAL ISSUE

WOMEN CHANGING OUR WORLD

06 **SHEROES**
A celebration

12 **NET ZERO**
Missing the mark

18 **INTERVIEW**
Sophia Kianni

20 **SUDS AND THE CITY**
Make water-saving sexy

38 **CIWEM NEWS**
Meet our chairwomen

NEED THE SKILLS TO DELIVER NET ZERO? ACT NOW



Last autumn, 18 leading UK energy organisations pledged to work harder to support female middle managers, having discovered that mid-level women are critical to a successful transition to net zero. **Elizabeth Baxter** reports

The tide is turning in the energy sector. Tackling climate change and creating a secure, affordable energy system requires a larger workforce and a wider range of skills. Diversity of thought and effective leadership will underpin the innovation it takes to deliver an urgent energy transition.

Leaders realise that their companies' futures demand diversity and inclusion – that those that don't face a major business risk. However, companies focus too much on hunting for diverse talent, as if the pool of talented individuals is finite and the quest for talent is a zero-sum game.

“Supervisors need to build courage and skills for listening and giving and receiving feedback, not avoiding difficult conversations”

Rather than hunt for talent, companies should cultivate it. Just as seed growth depends on environment – soil quality,

sunlight, water and temperature – growth at work reflects the leadership, management and culture. The energy sector doesn't yet attract and cultivate the diverse contributors who will deliver a just transition to net zero.

POWERful Women aims to build a gender-balanced, inclusive and diverse UK energy sector. The baselines show female representation is woeful in UK energy. In 2022, women held just 15 per cent of executive director roles and 27 per cent of board seats. We want to increase this to 40 per cent of middle management and leadership by 2030.

Three-quarters of the 80 largest energy companies have no women in executive roles. Almost a quarter have no women on their boards. Compare that to the FTSE 250, where women hold 37 per cent of board seats and 25 per cent of executive roles.

WHY SO LITTLE PROGRESS?

POWERful Women and Bain & Company surveyed more than

4,700 UK employees and interviewed 32 women in energy.

The energy responses give reason for optimism. First, women are attracted to the sense of purpose that working in the energy sector offers. Energy is vital to our lives, to addressing climate change. Energy-sector challenges are stimulating, varied and engaging.

Second, these companies are setting targets and investing in diversity-



supporting policies; 70 per cent of female and 57 per cent of male respondents said their organisation communicated diversity targets. We found a strong correlation – companies with diversity commitments are more attractive to women.

Most respondents said that their employers have diversity-supporting policies: flexibility, family support, sponsorship, mentorship and affinity groups. However, only a minority of respondents reporting using these policies.

For example, 65 per cent of respondents said their employer has informal sponsorship but just 15 per cent had been sponsored. The story is similar for formal sponsorship – 58 per cent offer versus a 12 per cent uptake. Yet sponsorship is vital to progression.

This shows a delivery gap – companies make diversity commitments and create supporting policies that don't deliver the desired impact. It's a poor return on their investment.

One woman in middle management told us: "One company I worked for offered a leadership scheme to train future middle managers. However, the selection process was ad hoc. It was difficult to get in. Some of those who were successful were still waiting for a middle-management position. It felt like a tick-box exercise."

The missing piece is culture. Yes, companies need programmes, but they must support them with deep cultural transformation to create a supportive environment for employees, even if that is difficult and resource intensive.

There are no quick fixes to build the diverse workforce and inclusive culture that the future demands. But the companies that succeed put themselves in an exceptional position for future success.

CULTIVATE FEMALE TALENT

Companies need to become more diverse and to build truly inclusive cultures. But how?

It starts with the leaders

Leaders must drive investment in diversity and inclusion. They must be accountable for their own behaviours – they set the tone for the entire organisation. Organisations must provide accessible role models for under-represented groups. Our study reinforced that you can't be what you can't see.

It continues with managers

Everyone needs equal access to effective professional development. That means focusing on the quality of line managers and upskilling them.

Line managers determine employees' experiences – they must seek to understand people's individual needs and goals, and support them with sponsorship, mentoring, coaching and access to development opportunities.

Just 60 per cent of women were confident that they would progress in their careers. This correlated strongly with the quality of professional development they received. "I would like more of a culture of giving and receiving honest direct feedback," one woman told us. "Supervisors need to build courage and skills for listening and giving and receiving feedback, not avoiding difficult conversations."

Three-quarters of the 80 largest UK energy companies have no women in executive roles. Almost a quarter have no women on their boards

Use data and feedback

What gets measured gets managed. Each company's journey will be different. Companies need a data-based approach to setting targets, regularly assessing and actioning feedback, and monitoring performance rigorously. Companies must assess their point of departure to shape priority actions. Key questions include:

Diversity: What HR data should we gather? What does that data tell us? What targets should we set? How are we performing against those targets?

Inclusion: What questions should we ask employees? How should we assess their engagement and inclusion? What are our employees telling us?

Initiatives: How effective are our policies? How can we improve them? Have our improvements yielded the desired results? What further improvements should we pursue?

Culture makes or breaks DEI

A company's behaviours and culture either amplify or undermine its diversity-supporting initiatives. One in

four female middle managers in energy experiences non-inclusive behaviours; lack of recognition from supervisors, difficulty getting their share of voice in meetings, or being less challenged in work assignments.

Only 72 per cent feel that all are treated fairly, from whatever background. We must minimise unconscious bias and ditch the so-called boys' club to ensure that everyone feels respected and valued. Companies that invest in building an inclusive culture across the organisation will excel at cultivating talent and will reap the benefits.

WHAT WOMEN SAY

One interview was particularly poignant. Let's call her Natalia. Natalia is a middle manager at an energy company, two levels below executive grade. To progress, she says, she would need to sacrifice her work-life balance and flexibility, even "sell her soul" to manoeuvre to get noticed by C-suite decision makers.

Natalia says her skills and experience are less recognised than those of male middle managers, whose backgrounds are more similar to those in the C suite. Those men are louder and more visible in her company's boys'-club culture. Natalia dreams of a work culture that acknowledges and respects women's different value proposition and needs.

Despite the tremendous business, environmental and societal challenges we face, our business leaders must make diversity and inclusion their priority. They must take ownership, equip managers to better cultivate talent, deepen the feedback loop, monitor performance and focus on culture.

Each of us can contribute to making our companies more diverse and inclusive. Please encourage your organisation, leaders and managers to ask these key questions and to report on progress.

When you see that an initiative doesn't deliver, call it out. Be an ally and advocate. Bring more people into the conversation. Speak up and speak out – your voice matters. **o**

Elizabeth Baxter is a board member of POWERful Women and director of project finance at solar-power producer Sonnedix