



Maximising women's contribution to future economic growth

Executive summary — June 2013



Foreword



Ruby McGregor-Smith CBE
Chair of the Women's
Business Council

The UK faces unprecedented challenges in the current financial climate, with businesses operating in one of the toughest economic situations the UK has ever seen.

It has never been more important to fully capitalise on the skills and talents of all people, regardless of their gender. I passionately believe that by creating opportunity for all, raising aspirations and enabling people to maximise their talents, we will deliver stronger economic growth.

Today's workforce is changing and is becoming more diverse, however further change is required to create a national skills base that can meet the demands of a global market. If we don't take action to address this, the economic impact will be significant and we will lose competitiveness internationally.

It is for these reasons that the work of the Women's Business Council could not be more timely.

As a working mother with two children I know the challenges faced in balancing a career and family life. I agreed to chair the WBC in order to make a difference, to make things better for the next generation and to ensure our children do not face the same barriers I faced. I believe in choices at every stage of our lives. I fully respect the choice of parents to stay at home with their families, but those who do wish to return to their career should be able to do so and have the opportunity to fulfil their potential.

Our national economy needs women's contribution, and action is required to remove the obstacles that currently restrict women from realising their full potential. These obstacles appear at all stages of women's working lives and I am committed to working to reduce their impact.

To achieve this, we urgently need to broaden girls' aspirations and career choices. We need to create a business culture that embraces flexible working and provides better support for working parents. We need to support more women in setting up their own businesses. We need to ensure that at every stage of a woman's career she has the opportunity to learn skills, develop and contribute in a dynamic business environment. If we can achieve this, we will unblock the talent pipeline that for so long has restricted women from reaching the most senior levels in business – and we will deliver economic growth.

We need to create a business culture that embraces flexible working and provides better support for working parents

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

Action is required to remove the obstacles that currently restrict women from realising their full potential.

These obstacles appear at all stages of women's working lives and I am committed to working to reduce their impact.

If we can achieve this, we will unblock the talent pipeline that for so long has restricted women reaching the most senior levels in business and we will deliver economic growth

Our recommendations are addressed to both Government and business, and cover women's opportunities at all stages of their working lives. The strategy we set out looks to the future, and will actively support growth over the long term. In developing these recommendations we have considered a broad range of existing research, whilst also commissioning new research that provides further evidence in support of the link between high performance and gender diversity.

Creating better business cultures attracts the best talent to organisations. Our evidence shows that businesses with more diverse workforces are stronger performers, better at supporting individual needs, and more attuned to their customer base. Many of the best employers and businesses are ahead of the game in recognising this. There are individual examples of best practice where our recommendations are already delivering results. But more needs to be done.

The WBC membership was drawn from a wide range of business sectors and they have brought significant experience, insight and commitment to the table. I would like to thank all the members of the WBC, our partners and the Government Equalities Office for their support. We will continue to work with the Government and business to ensure that our recommendations are implemented, progress is made and activity is accelerated in those areas where there is much to gain.

Now is the time for action. Through the implementation of these recommendations we have the opportunity to raise aspirations and allow talented people to reach their long term potential – ultimately, this will improve the talent pipeline and drive economic growth, positioning the economy for success.

About the Women's Business Council

The Women's Business Council is an independent, one-year working group that was set up by the Government in 2012 with the aim of ensuring real action by Government, business and others to maximise women's contribution to economic growth. Its members are all business people working in a range of sectors – including advertising, recruitment, social media, enterprise, retail, legal, financial and pharmaceutical – who have been brought together to drive this agenda forward. What we have in common is experience in business and commitment to equal opportunities for women.

Council members



Eddie Gray
CEO of Dynavax
Technologies



Wendy Hallett
Managing Director,
Hallett Retail



Sue Langley
Non Executive
Director UK
Asset Resolution



Ruby McGregor-Smith
Chief Executive,
MITIE Group PLC



Sue O'Brien
CEO, Norman
Broadbent



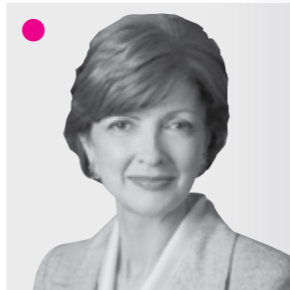
Jill Shedden
Group HR director,
Centrica plc



Cilla Snowball
Group Chairman
and Group CEO,
AMV BBDO



John Timpson CBE
Chairman,
Timpson Limited



Fiona Woolf
Partner, CMS
Cameron McKenna

Executive summary

The Women's Business Council was set up in 2012 to advise Government on how women's contribution to growth can be optimised. Our aim has been to focus on areas with the greatest potential economic benefit and on recommendations with a clear economic case for action. Our full report is set out in the pages that follow. Its key messages are:

There are currently 2.4 million women who are not working and want to work.



Read the full report at
womensbusinesscouncil.dcms.gov.uk

There is an overwhelming business case, supported by strong evidence, for maximising women's contribution to the UK's economic growth agenda

While women need work, work also needs women. By equalising the labour force participation rates of men and women, the UK could further increase GDP per capita growth by 0.5 percentage points per year, with potential gains of 10% of GDP by 2030. There are over 2.4 million women who are not in work but want to work, and over 1.3 million women who want to increase the number of hours they work. We need to unblock this mismatch and optimise the potential for the UK's economic growth.

We urgently need to broaden girls' aspirations and career choices by creating a greater partnership between schools, career development professionals, business and parents

Investment in the futures of girls and young women allows us to maximise their economic potential, provide the greatest return and increase the UK's competitiveness in a global market. Girls tend to do well at school, but this does not always translate into their ambition. They also tend to end up concentrated in sectors that offer narrower scope for reward, and are under-represented in areas of skills shortages and high potential, such as science, technology, engineering and maths (STEM).

We have made several recommendations for action in this area. The key ones are:

- A culture change in careers provision for young people and adults is needed. Business, careers professionals and schools should work together to ensure increased access to high quality work experience and job shadowing. As part of this, employers should commit to ensuring their graduates, trainees and apprentices visit schools regularly to act as role models and deliver more accessible, first-hand insights about the range of career opportunities available.
- The Government should report on how it plans to implement the findings of Ofsted's report on careers advice and information, including how it will actively engage with industry and business to improve careers guidance and deliver results.
- A more cohesive approach should be taken by business and Government to encourage girls into STEM subjects and STEM careers.

There are over 1.3 million women who want to work more hours.



Business culture needs to embrace the benefits of flexible working and support for working parents

Women in the middle phase of their working lives are looking to capitalise on the progress they have made, either by securing their positions or looking to move into senior and managerial roles. This is also a time when many women will have children, and can experience a downward shift in status. Three issues are critical at this point: how business manages talent; the cost and availability of childcare; and a working arrangement and culture which gives some degree of flexibility on how long, where and when they work. This can be in terms of working time, working location and pattern of working.

We have made several recommendations for action in this area. The key ones are:

- Business should, wherever possible and practical, offer employment contracts which reflect the needs of the job itself rather than when or where the work is to be done.
- Business should do more to help mothers when returning to work, including effective return to work procedures, work experience for mothers taking career breaks and talent management schemes.
- Government should closely monitor the implementation of the Childcare Commission's welcome recommendations on changing the tax system in order to reduce the financial burden carried by working parents. If the economic climate allows this should be expanded further, as we firmly believe this will aid economic growth.

By equalising men's and women's economic participation rates we could add more than 10% to the size of the economy by 2030.

+10%



Women in the third phase of their working lives offer tremendous untapped potential and opportunity for economic growth

The UK population is ageing, and the average age at retirement is increasing. This provides a growing resource for economic growth – and for women's financial independence in later life. Key challenges for many women in the third phase of their working lives are to keep their skills updated and learn new ones in order to take advantage of employment opportunities in growing sectors. For others, the main challenge is the need to reduce their hours to accommodate increased caring responsibilities for children, grandchildren and ageing parents.

We have made several recommendations for action in this area. The key ones are:

- Government should appoint a business champion for workers in the third phase of their working lives to promote the business benefits of recruiting and retaining this group. They should work with key business, skills and career development organisations to steer effective change in support services for these staff.
- Business should review the flexible working opportunities they provide for third phase staff, and should network and share good practice on how to manage a multigenerational workforce.
- Government should work with local authorities and Local Enterprise Partnerships to test assistive technology and IT for carers, to increase the support available to carers who want to remain in the workplace.

There is enormous potential in women's untapped entrepreneurialism, and a strong case for providing more support for women who want to set up their own businesses

Enterprise is vital for economic growth, national competitiveness and innovation. If women were setting up and running new businesses at the same rate as men, we could have an extra one million female entrepreneurs. They are currently only half as likely to do this, and they and the economy pay the price.

We have made several recommendations for action in this area. The key ones are:

- Business should utilise the British Chambers of Commerce women's business networks and support joint working between schools and organisations like Everywoman, to promote an industry-led approach that will raise girls' awareness of enterprise as a career opportunity.
- Financial institutions should ensure they market their services to women who want to set up their own business.
- Government should broaden its messages on what an enterprise is and ensure inclusive marketing of support services, in recognition of the differences between male and female entrepreneurs.

Summary

Taken together, these actions represent a road map for clear and achievable gains. Many of them build on current initiatives, or align existing activities. We have been aware throughout of the need to avoid excessive burden on either business or Government – indeed we do not believe that it is necessary for action to be burdensome to be effective. We are at a turning point in women's economic development: the current economic situation is difficult for us all, but also provides an opportunity for gaining overdue recognition of the vital contribution of women to our country's national prosperity.

The time to act is now. The recovery from the financial crisis and recession in 2008-09 has been slow and faltering, and businesses across the country (as well as Government departments) are doing all they can to get the economy moving. The UK will not be able to meet its potential unless we use the talents, skills and experience of all.

Recommendations overview

1. Starting out

Supporting the choices of girls and young women

- Broaden girls' aspirations and their understanding of career options by creating more effective partnerships between schools, career development professionals, parents and employers.
- Utilise the skills and talents of girls and young women to increase the nation's economic competitiveness in a global market.

Improving careers advice



Supporting girls and parents with better information and resources



Promoting effective work experience and developing workplace skills



Supporting more girls into STEM careers



2. Getting on

Supporting women in the middle phase of their working lives

The creation of a work and social environment which ensures women can fully contribute their economic potential by:

- ensuring effective talent management;
- facilitating access to affordable, accessible and quality childcare; and,
- supporting culture change in business through the promotion and adoption of flexible working.

Ensuring effective talent management



Facilitating access to affordable Childcare



Promoting and supporting flexible working



3. Staying on

Supporting women's continuing development and contribution in the third phase of their working lives

Ensure the skills and talents of women in the third phase of their working lives are fully used and are not lost to the economy due to caring responsibilities or the changing labour market by:

- helping individuals and businesses better balance senior roles and caring responsibilities; and,
- supporting these women to gain the skills to work in sectors forecasting growth and experiencing skills shortages.

Reskilling to match sectors of predicted growth



Helping to balancing work and caring responsibilities



Challenging ingrained stereotypes and workplace culture



4. Enterprise

Helping women gain the necessary skills to set up and run their own business

- ensuring women understand how enterprise opportunities can offer financial independence and flexibility in the workplace; and,
- helping women to gain the necessary skills to run their own business.

Promoting enterprise through education



Increasing the availability of inspirational role models



Providing access to finance



Promoting support for women who want to start a business

SME APP

Women's
Business
Council

Supported by



Government
Equalities Office

Read the full report at
womensbusinesscouncil.dcms.gov.uk