

Women in Hospitality, Travel, and Leisure 2020 WiH2020 Review

Creating executive level opportunity for women
in hospitality, travel, and leisure, achieving 33
percent female executive leadership by 2020.



Summary Of Contents:

- 3 Foreword
 - The Diversity in Hospitality, Travel and Leisure Charter
 - The WiH2020 Working Group
- 8 Executive Summary
- 10 Chapter 1: Gender Diversity: The Business Case
- 16 Chapter 2: "It all starts from the top." A Korn Ferry analysis of senior executive leadership in hospitality, travel, and leisure
- 32 Chapter 3: The Statistics. An analysis of the data relating to gender diversity at Board and Ex Co level in the Hospitality, Travel and Leisure Sectors
- 38 Chapter 4: Magnet for talent, or employer of last resort? An assessment of the hospitality, travel, and leisure industry's reputation for diversity and inclusion by PwC
- 48 Chapter 5: "Not enough" female talent? A review by the Centre for Diversity Policy Research & Practice, Oxford Brookes University
- 54 Chapter 6: Reasons to be optimistic. Recruiting and retaining female graduates by the Oxford School of Hospitality Management
- 60 Chapter 7: Supporting female leadership. Contributions from Fresh Limits, Criticaleye and Women Returners
- 68 Chapter 8: The regulatory framework. Contributions from the Government Equalities Office and Withers Worldwide
- 78 Contributor List

Foreword

Diversity in the workplace is a hot topic and has been on the agenda of boards across the country for many years, becoming more high profile following the publication of Lord Davies' report in 2011. Every day there is a new article, perspective, or a piece of research that shows that while progress has been made, it is too slow and there is still much to do. While the broad diversity agenda (including gender, BAME (Black, Asian, and Minority Ethnic), country of origin, and LGBT+) is recognised as being important, many executives are uncomfortable addressing the underlying issues. This includes focusing on the largest "minority" group: women. This is true across many sectors and is also the case across the hospitality, travel, and leisure (HTL) sector.

There is plenty of research and analysis on gender diversity in a variety of different industries (financial services, technology, and retail being primary examples), but very little has been written about how the hospitality, travel, and leisure sector is preparing to meet the challenge set by the 2016 Hampton-Alexander Review to fill 33 percent of its senior roles with women by 2020. We decided to shine the light on the sector and enlisted the help of a number of willing and resourceful people and organisations including Korn Ferry, PwC, Oxford Brookes, People1st, and many others to try to identify best practices and challenges, assess reputational risk, learn from the best, be inspired by role models, and inspire future generations to pursue a career in one of the most dynamic and exciting sectors in this country.

We spoke to over 100 chairmen, CEOs, NEDs, and group HRDs as well as executive search firms working within the sector and surveyed attitudes and expectations of millennials entering the world of hospitality. The need and desire to do more in the area of diversity and inclusion and to amplify the efforts currently being undertaken by individual organisations for the benefit of the whole industry have resulted in the development of the Diversity in Hospitality, Travel, and Leisure Charter.

I hope that this review will inspire all companies in our sector to sign up to the Charter, seize the opportunity to collaborate, and create an environment where diversity and inclusion are embraced and embedded to create value in both societal and financial terms for our industry.

I would like to thank all the contributors for making the WiH2020 Review happen and the members of the Working Group for their exceptional guidance, counsel, and support.



Tea Colaianne
Chair, WiH2020

The WiH2020 Working Group



Tea Colaianne,
Chair, WiH2020



Sarah Lim,
Managing Director and
Head of UK Consumer,
Korn Ferry



Jon Terry,
Partner, PwC



Susan Hooper,
Non Executive Director,
Rank Group and Wizzair
and former CEO, Saga



Simon Tarr,
Chief Executive,
People 1st



Simonetta Manfredi,
Professor at the Centre
for Diversity Policy
Research and Practice
at Oxford Brookes
University



Angela Maher,
Acting Head of School
Oxford School of
Hospitality Management,
Oxford Brookes
University



Erica Wilding,
Managing Associate,
Consumer, Korn Ferry



The Diversity in Hospitality, Travel and Leisure (HTL) Charter

In 2017 a group of leaders and opinion formers across hospitality, travel and leisure decided to take action to accelerate progress towards an inclusive culture within our industry and seize the opportunity to come together as an industry to amplify the impact of individual initiatives. We want as many companies as possible to sign up to The Diversity in Hospitality, Travel and Leisure Charter and actively contribute to making a difference in this area.

Our vision

A truly Diverse and Inclusive Hospitality, Travel and Leisure Industry

10 Point Action Plan

We ask that companies signing up to The Diversity in HTL Charter commit to a 10 point action plan.

I make the following commitment to Diversity

1. My company will have a diversity and inclusion strategy
2. My company will review the strategy and progress towards it will be reviewed annually
3. My company will set its own diversity goals, aligned to its strategy
4. I will include diversity in my personal objectives, aligned to the company's strategy
5. My company will review people policies and processes (for all staff) to promote an inclusive culture
6. I will support the progression of women into senior roles by focusing on the executive and the mid-tier level pipeline
7. My company will publish our Gender Pay Gap by 4th of April 2018 (and annually thereafter), and will include an explanation as to the causes and actions to address the issues, in order to promote transparency
8. My company will actively contribute to the Diversity in HTL Charter programme and provide constructive feedback
9. My company will take part in Diversity in HTL relevant surveys and research initiatives
10. My company commits to work collaboratively with others to tackle barriers to diversity

To sign up to The Diversity in HTL Charter please contact: www.pwc.co.uk/HTLdiversitycharter

“Creating the environment where fabulous talent from all genders and diverse backgrounds can flourish will be the key to success for any future leader.”

Charles Gurassa, Chairman, Channel 4; Deputy Chairman easyjet PLC and Senior Independent Director Merlin Entertainments PLC

“Gender diversity is a well-worn topic but I am excited about the next phase. The issue has moved beyond the idea that this is about giving a few more women a seat at the top table; smart leaders now appreciate that diverse teams are improved teams, more dynamic, creative, and better at solving problems. This is now about solving for the whole, not just one group. It’s hard, though, for any individual company to achieve great strides alone; collaboration is key. We’re working together towards a shared goal; many men and women taking even small steps together in the same direction can create powerful momentum and accelerate progress.”

Helena Morissey, Founder of the 30% Club and of the Diversity Project

“The single biggest issue and the one that needs our greatest attention is that of the pipeline of female executives. Sadly, this is more a trickle than a torrent. Without a healthy flow, there is no hope of getting more senior female executives onto the boards and executive teams of British businesses.”

Alison Brittain, CEO, Whitbread PLC

Executive Summary

There is rightly considerable scrutiny into diversity in boardrooms, the media, government, regulators, customers, and public at large, with a number of high profile reviews and reports, and bodies such as the 30% Club that have led the way in this ongoing debate. The second Hampton Alexander Report published in November 2017 was right to stress the improvements made across all industries to date but acknowledged the pace of change will need to accelerate to hit the target of 33 percent female representation across boards & executive committees by 2020. The report states that industry sector has marginal impact on whether a company has good gender diversity, but attributes the main driver to be whether the topic is given top-down business priority.

The report, which reveals the representation of women in Hospitality, Travel, and Leisure (HTL) stands at 25.5 percent and has, in many ways, mirrored some of the cross-sector findings of the Hampton Alexander Report. The report also highlighted a number of specific key trends and perspectives for the Hospitality, Travel, and Leisure sector, namely:

- There are very few female role models, CEOs and Chairmen in the sector;
- More female Executive Committee members reside in HR rather than Commercial or Finance, giving a false view on the sector's progress on gender diversity and the talent pipeline for CEO and top leadership roles;
- A significant number of small- to medium-size businesses do not think there is an issue regarding gender imbalance, nor see it as a priority;
- Progress on diversity in the sector is seen as 'simplistic', and slow in comparison to other sectors;
- A legacy perception of a 'blokey/laddish' culture hinders the sector's attempt to attract the best talent generally;
- The sector attracts a high number of female graduates, but it is not doing enough to retain them;
- A lack of flexibility in working conditions and/or support for women balancing careers with family is systemic;
- Larger businesses do tend to be more progressive in gender balance. Shareholders demand it, and most recognise that their board and executive management need to reflect their customer base;
- Appointments from outside of the HTL sector have helped to increase the pipeline of talented women;
- The regulatory landscape is now forcing businesses to take diversity more seriously to change the status quo;
- There is a general lack of appetite to engage in the debate.

Whilst recognising that some steps are being made in the right direction, more needs to be done. There is still a significant lack of women in the top commercial leadership roles, and very few as CEO or Chairman. The sector has little trouble attracting the women at entry level, yet despite this, many leave at middle-management level. There are some notable exceptions; companies such as IHG, Whitbread, Merlin Entertainments and easyJet, who stand out for leading on the diversity agenda at board level. We need to learn from some of the best examples in the industry to effect change across the whole. The philosophical case for why diversity matters is clear—we now invite the industry to step up and take action.



Sarah Lim,
Managing Director and Head
of UK Consumer, Korn Ferry

Chapter 1:

Gender Diversity: The Business Case

There are numerous authoritative sources that outline the business case for diversity and inclusion.

Fortune 500 companies in the top quartile for female representation outperform those in the lowest quartile by at least 53 percent return on equity.

Recent McKinsey research highlights that:

- Companies in the top quartile for racial and ethnic diversity are 35 percent more likely to have financial returns above their respective national industry medians.
- Companies in the top quartile for gender diversity are 15 percent more likely to have financial returns above their respective national industry medians.
- Companies in the bottom quartile both for gender and for ethnicity and race are statistically less likely to achieve above-average financial returns than the average companies in the data set (that is, bottom-quartile companies are lagging rather than merely not leading).
- In the United Kingdom, greater gender diversity on the senior executive team corresponds to the highest performance uplift in the data set: for every 10 percent increase in gender diversity, EBIT rose by 3.5 percent.

According to McKinsey's research, the correlation between greater gender and ethnic diversity in corporate leadership and profit indicates that when companies commit themselves to diverse leadership, they are more successful. More diverse companies are

better able to win top talent and improve their customer orientation, employee satisfaction, and decision making, and all that leads to a virtuous cycle of increasing returns. This in turn suggests that other kinds of diversity—for example, in age, sexual orientation, and experience (such as a global mindset and cultural fluency)—are also likely to bring some level of competitive advantage for companies that can attract and retain such diverse talent.

When looking specifically at the HTL industry compared to other industries, there is a much higher degree of customer interface and reliance on customer service. In the manufacturing industry, profit is significantly driven by operations and plant, and in the technology industry, profit is driven by technology, but in service industries, profit is predominantly driven by people. Additionally, in service industries people (customers and staff) are diverse, hence the imperative to get diversity management right in the HTL industry is amplified.

As highlighted recently in a piece of American academic research¹, diversity is central to financial success in the HTL industry. While diversity management is important in all industries, it is mission-critical within the HTL industry, given the diversity characteristics of customers and staff and the high level of interpersonal interaction between customers and staff. In HTL, service by staff generates a higher proportion of the “business value” purchased by customers. According to this study, higher investment in diversity management will lead to improved financial performance.

Companies in the HTL sector must do more to take full advantage of the opportunity that diverse leadership teams represent and create talent pipelines that are able to attract, develop, mentor, sponsor, and retain the next generations of global leaders at all levels of organizations.

The issue

Despite the wealth of career opportunities it offers, the HTL sector is plagued by underrepresentation of women in senior roles. Research by Korn Ferry reveals that women make up 25.5 percent of executive committee members across the sector and occupy 28 percent of places on FTSE-listed boards.² Whilst on first impression, this appears reasonably good, dig beneath the surface and it is clear that it masks a more systemic issue, given that a significant number of these women reside in the HR function, rather than in wider business leadership roles.

This dearth of women in senior roles is due to a number of factors, including skills shortages at managerial levels, all-male or male-dominated boards, and a large gender pay gap. There is a high labour turnover in the sector, and a prevalence of low pay, seasonal, and zero-hours contracts. Women are disproportionately represented in lower skills and lower paid areas of the industry, and underrepresented in technical areas and sectors, such as aviation.

Culturally, there is a need for promoting diversity and inclusion in all forms as a way of life. An in-depth analysis for this review by PwC found firms across the sector to have a “limited” focus on diversity and inclusion, lagging behind other sectors. Few companies in the sector disclose their diversity and inclusion strategies, sending the message that it is not a clear priority, and few disclose gender-diversity targets, such as board membership.

This is brought into sharp focus when it comes to research looking at the views of recent graduates. Data for this review

collated by Oxford Brookes University found that 53 percent of respondents thought their organisation was not doing enough to encourage diversity.

The operational nature of the sector

Work-life balance is one of the biggest challenges for those working in hospitality. The operational nature of the sector itself, with its ensuing high demands on employee time, is a major barrier to women's progression. Multi-site operations, travel, both nationally and internationally, and long working hours are the norm in the sector. It is clear that talented female staff leave the industry to start families. There is an incompatibility of high-stress, high-demand senior roles with caring responsibilities of all kinds. Many women are not given enough support or encouragement to return to the workplace. Whilst women-returns programmes targeted at those who have taken career breaks are taking off in other sectors, they have not yet been widely introduced in the hospitality industry.

Lack of role models

Role models create a positive narrative about women in leadership positions and opportunities for others. They can help tell a story, and attract and retain talented women. As Debbie Hewitt, Chairman of The Restaurant Group, puts it: “We’re just not getting our message across very well as a sector. We’re not telling the story very well about how exciting our sector is.”

The aim of this review is to contribute to a key target: achieving 33 percent female executive leadership by 2020.

We know that championing women's equality at work has a number of positive benefits including better corporate performance and stability, a more innovative working culture, helping to close the growing skills gap, better connections between organisations and their customers, and improvement of the image

² According to Boardex data for FTSE 350 hospitality companies

of the brand. Yet it goes without saying that businesses should always be focused on recruiting and rewarding the best talent. These two points are not mutually exclusive. This review aims to raise not only specific challenges that the hospitality, travel, and leisure industry will need to overcome, but also to provide some practical action points that companies can adopt to attract, retain, and reward employees to ensure greater gender diversity. By implementing initiatives like these, and the others detailed in this review, the HTL sector will develop and retain top talent capable of becoming the female CEOs of tomorrow.

"We have outstanding female leaders in hospitality, yet they are still in a small minority at executive level, despite countless studies proving that companies with female board members are more successful than those without. Today's board representation must reflect the changing demographics of workplace and workforce. Success and growth depend on it."

Jane Sunley, President of HR in Hospitality, and Founder of HR consultancy Purple Cubed

"The days of relying on only a handful of leaders or 'a few good men' to make decisions is, and deserves to be, a thing of the past. In every role and in every sector, women offer a level of intellect, insight, and ability that needs to be recognised. These skills know no chromosome bias, they are the simple traits that have made businesses successful since commerce began."

John Kelly, Chairman, Ladbrokes Coral PLC

"I think a team of different people can make better decisions than a sole person or a team of the same kind of people. The more views or options we put on the table the better the outcome the decision-making process will yield."

József Varadi, Chief Executive, Wizzair PLC

"As a modern customer-facing company, we wanted a boardroom that naturally reflected our customers and hence we sought to recruit women to make up our board. We are now seeking to improve gender balance in senior-management positions for the same reason."

Richard Baker, Chairman, Whitbread PLC

"The more we can make visible our role models, the more we can encourage and attract more talent at all levels into our industries."

Simone Roche, Founder, Northern Power Women

"Our recent white paper demonstrated that access to female role models is a major source of inspiration for 74 percent of women, who agree that role models have inspired them to develop their careers. Furthermore, 75 percent of those who regularly access role models expect to further progress at their existing organisations ... and are 42 percent more likely to achieve promotions."

Karen Gill, MBE, Co-founder, Everywoman

"In a recent piece of research undertaken by the Work Foundation, it was recommended that changes need to be made both culturally and organisationally to remove barriers in place for career progression, especially if women took time out of their employment for caring responsibilities. Women are still viewed as primary caregivers, and our research found a number of barriers when returning to work, including being perceived by colleagues as being less competent as a result of their period of leave and not being given the same opportunities as their male counterparts. For some women even returning to work was seen as difficult, due to the lack of flexibility offered by their employers or because of the cost of childcare. It is clear that organisations must do more to enhance the retention of women post-caring responsibilities, and provide them with equal opportunities to progress. Simple interventions such as discussing flexible work requirements, communication with employees throughout their leave, and mentoring and support could all aid in the retention of women."

Dr Zofia Bajorek, the Work Foundation

"One reason for the slow progress in achieving workplace diversity, despite its documented benefits, is that discrimination in the workplace today is largely implicit, embedded within an organisational culture that cultivates and maintains unconscious bias. It is critical that organisations identify and tackle any sources of bias that might influence selection, recruitment, and promotion decisions, preventing women from having the opportunity to demonstrate their capability at this level."

Dr. Zara Whysall, Head of Research, Kiddy & Partners

SODEXO - TOP 50 EMPLOYER FOR WOMEN FOR 4 YEARS IN A ROW

Sodexo, the global hospitality and facilities management operator, is the first business in the sector to be listed on the Times Top 50 Employers for Women. This is important external recognition for a company that has worked hard over the past eight years towards ambitious targets to achieve more gender-balanced senior management teams.

In 2009, Sodexo's global CEO, Michel Landel, on the back of increasing evidence of the business benefit of gender-balanced senior teams and in the spirit of Sodexo's strong values, wanted to better understand women's experience in senior positions. Research was conducted across the business and the Sodexo Women's Forum for Talent (SWIFT) was established, made up of 30 men and women from across the global business.

In order to drive the agenda across the business, SWIFT set ambitious targets. It set a goal for women to represent 36 percent of the Sodexo senior management team by 2020, rising to 40 percent by 2025.

These targets provided the impetus and energy around an action plan devised by SWIFT. As Megan Horsburgh, head of diversity and inclusion for Sodexo UK and Ireland, describes it: "what doesn't get measured doesn't get done".

The action plan set up activities across a number of work streams, including:

- Leadership development
- Promoting a female pipeline
- Increasing employee networks

Critically, Sodexo's focus is on achieving a gender-balanced senior management team. Sodexo UK and Ireland is well on its way to meeting its targets—currently, 33 percent of the senior-management team members are women.

Horsburgh believes the focus on a gender-balanced team, rather than female progression alone, is critical in order to get the buy-in from the business. She believes that the momentum achieved at Sodexo could not have been achieved if it was perceived simply as a "zero-sum game for women".

Horsburgh does not believe that any one specific workstream accounts for their progress to date, but rather that it is the result of the sum of all the parts and the momentum this brings.

The benefits of focusing on gender-balanced leadership can be seen in the results of research Sodexo conducted with 5,000 managers across 90 sites. It found that:

- Employee engagement increased four points between 2010 and 2012
- Favourable client opinions increased five points between 2010 and 2012
- Sites with gender-balanced management were 23 percent more likely to show an increase in gross profit over the previous three consecutive years
- Sites with gender-balanced management were 13 percent more likely to show consistent organic growth over the previous three consecutive years.

Sodexo has been on the Times Top 50 Employers for Women for the past four years and gives women joining the business confidence of its commitment to female progression.

Whilst this external recognition is welcome, the business benefits of pursuing a gender-balanced senior-management board are much more important, and Sodexo continues to make sure its agenda is inclusive. It also continues to innovate, with initiatives such as rolling out podcasts for women to talk about their experiences as a way to communicate and hear one another's experience across multi-site operations.

When asked what advice she would give to other businesses starting out in this area, Horsburgh stresses two points:

- Be inclusive: Target men and women and ensure that it is not seen as a zero-sum game
- Ensure that, whilst the agenda is driven by senior management, it permeates across all levels and parts of the business



Chapter 2:

"It all starts from the top." A Korn Ferry analysis of senior executive leadership in hospitality, travel, and leisure

Introduction

Research by Korn Ferry³ shows that boards are taking CEO succession planning seriously, with a trend toward greater numbers of internal rather than external CEO appointments. However, evidence shows that men are more likely to make the internal move to CEO than women. Equally, women tend to take on more roles and moves in their careers than men. There is no single path to the top but in fields such as human resources, where women tend to be overrepresented, very few make it to CEO. And all too often we see women coming from outside the industry to take the role of CEO, demonstrating that the industry has considerable work to do to identify, develop, and retain the best female talent.

Background to this research

At the start of 2017, Korn Ferry compiled its annual HTL CEO tracker, which measures industry CEO changes throughout the previous year. The results were surprising. Of the 24 CEO appointments identified throughout 2016 and early 2017, only one was female: Flybe's Christine Ourmières-Widener (following the publication of that report, Jane Holbrook, Chief Executive of Wagamama, was appointed).

During the summer of 2017, Korn Ferry conducted wider research in support of this review into Women in the HTL sector. The purpose was to analyse the broader representation of women at executive committee level in the HTL sector, defined as those operating as direct reports of the chief executive. Korn Ferry analysed the data from 134 companies across the HTL sector, those

with either a UK head office or a significant UK workforce. The following industry sub-sectors were reviewed: airlines; casual dining; hotels; car hire; gaming; pubs; travel companies; transport; technology-based travel companies; and general leisure and hospitality businesses.

Senior representatives at 105 organisations verified the data and Korn Ferry interviewed over 100 leaders in the sector. In the absence of verification for the remaining companies, Korn Ferry relied on its own research findings. The research and conversations were undertaken during July and August 2017 and it is this data that has formed the basis for the report. Changes since then have not been included.

The results: a mixed picture

Quantitative research: the findings

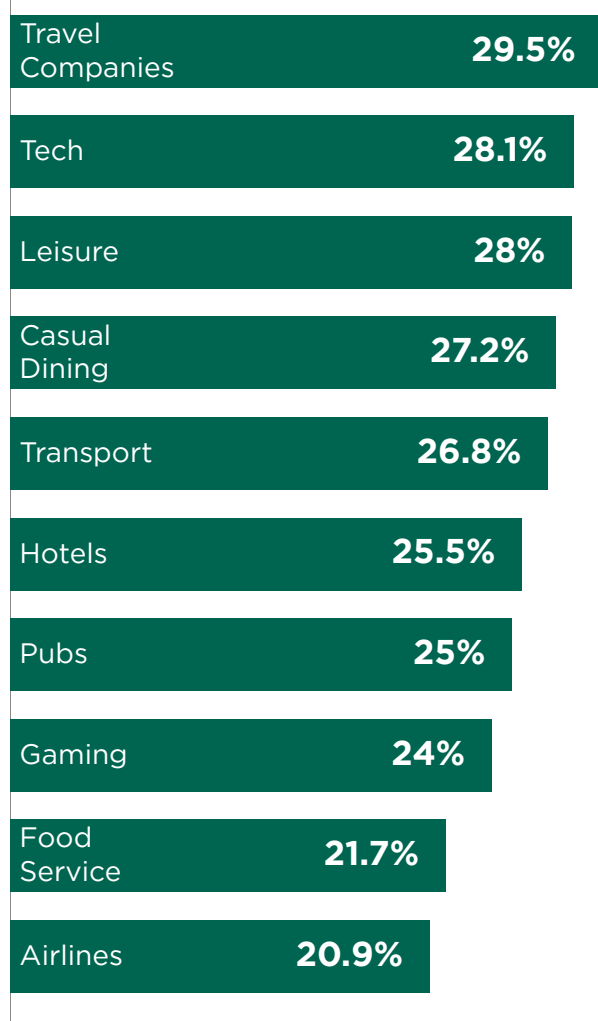
Korn Ferry's research revealed that women make up 25.5 percent of senior managers across the sector and occupy 28% of places on the boards of listed organisations.⁴ The further sub-sector analysis showed that travel companies and technology-led businesses in the sector were the best in terms of gender diversity, with women taking 29.5% and 28.1% respectively of senior management roles. Food Services (21.7%) and Airlines (20.9%) had the lowest representation.

Public versus private / private equity ownership

Within the sector there was great variation—some companies had significant levels of women in senior management roles, while others had no representation at all. Perhaps as a result of public scrutiny and mounting pressure requiring publicly quoted companies to be more transparent, or indeed due to the size and maturity of these (larger-scale) organisations, a greater percentage of women existed in senior roles in listed companies (in particular at Board level) than those in private / private equity backed companies.

Sub-sector analysis

Numbers of female senior executives in subsectors within Hospitality, Travel and Leisure



The key issue: HR versus the rest

Whilst the overall statistics for the sector on first impressions appeared encouraging, closer investigation revealed a more worrying picture. Past research has shown that the route to become CEO requires senior managers to have gained broad career experience in commercial, finance and/or operations/general management roles, and our findings showed that whilst the overall numbers of women on the executive committee looked encouraging, if one were to strip out those residing in the HRD seat, then the overall percentage of women in executive committee roles in wider commercial, general management, or financial leadership positions drops to 20.7%.

Qualitative research: views from the top

Interviews with Chairmen, CEOs and board members in the Hospitality, Travel, and Leisure industry

An emotive topic

When it came to the in-depth interviews, the topic of gender diversity proved to be an emotive one in many cases. Some felt that despite advances in the past decade, the legacy of the sector's 'old boy's network' remained. Others felt that the sector was not unique in facing this challenge: "Women face unconscious bias all the time and in all sectors, and will continue to do so until there is a more equitable representation at all levels," said a senior executive. One female interviewee warned of the danger of "alienating men" over the issue and objected to any portrayal of women as pawns of institutional sexism: "I get really angry when women start complaining about being victims [and] martyrs. I've worked in travel, financial services, and software sectors and there are more women in this sector than there are in the others". Some interviewees had never experienced any form of sexism or discrimination, such as

Alison O'Connor, director of corporate affairs at Arriva. "I've been in the transport sector for 16 years and I can honestly say that I've never seen any discrimination, although the sector undoubtedly needs to attract more women into senior roles and support their development," she said.

The majority of our interviewees, however, acknowledged that gender parity was an issue. Only a handful were unaware of the lack of senior female talent in the sector, and very few felt that the industry was no worse or better than others. Neil Gallagher, the chief executive of the hotel group GLH spoke for many when he said: "There is an indisputable issue with gender parity in the sector and the equal representation of men and women, which needs to be addressed. In an industry that is so focused on looking after the individual and delivering high levels of customer satisfaction, we need to ensure we look after our talent in the same manner—nurturing and supporting great people, regardless of gender." This reflection on the workforce being representative of the customer base was one picked up by Roeland Vos, president and CEO of Belmond Hotels who said, "It is important to us that our organization is representative of the wider population, both in the overall workforce but also at our leadership level. It will help us understand our employees, guests, and the world better."

No one interviewed disputed the benefits of gender-balanced senior-management teams, with one HR director pointing to the well-documented positive commercial and cultural impact that this can have: "Having a balanced senior team bonds the team in a different way—it's more like a family with a range of approaches, which leads to a healthy friction."

Emma Woods, customer director of Wagamama echoed this idea: "I work for a business with a new female CEO who insists on collaboration and communication among us, and designs meeting structures and team away-days that facilitate this. The result is a

strong feeling of team, but also the ability to have the difficult conversations more easily."

But a number of respondents questioned the focus on gender diversity as opposed to other forms of diversity, which they felt to be equally important. "I would say that ethnic diversity is a far greater challenge for us in the pub sector," said the HR director of a leading pub chain. This view was echoed by one chairman: "I'm not sure why gender is more important than race or age." And Debbie Hewitt, chairman of The Restaurant Group, said "All elements" of diversity mattered to a high-performing board, citing youth as an often-overlooked element: "It is a narrow-minded board that does not find a way of bringing the disruptor's mentality that many young digital natives bring to today's consumer offering."

However, as Susan Hooper, former CEO at Saga PLC and non-executive director of Wizz Air and Rank Group said: "On the face of it, no one could disagree that gender-balanced teams are a good thing. It's getting people to do something about it that's the issue." Simon Vincent, executive vice president and president EMEA at Hilton, added: "Raising awareness of the issue is half the battle."

Barriers to progression

When it came to barriers to progression at a senior-executive level, a number of contributory factors and themes were explored by our interviewees.

- The sector's focus on operations, with the ensuing high demands on employee time

Work-life balance is one of the biggest challenges for all those working in hospitality. The nature of the industry and its focus on multi-site operations is inescapable. Whilst career opportunities are versatile, senior executives are required to be flexible about job locations—and about putting in long hours once they arrive. The practical, on-the-ground nature of hospitality was cited by several of our interviewees as having a knock-on effect on gender diversity. However,

recent Korn Ferry Institute research shows that women CEOs who had operational experience found it to be pivotal in their careers. Specific experiences are crucial as they develop specific business and leadership skills. Interviewees talked about the fall in the numbers of senior female staff who leave the industry to start families, and pointed out that returning to work is often challenging due to long working hours, and lower remuneration than other sectors, which meant paying for childcare was an issue. "Companies need to recognise the opportunity created of talented women who are willing to return to the sector post-family. Our sector lends itself to optimising on this opportunity," said Debbie Hewitt. The managing director of a leading restaurant chain said the sector needed to put the onus firmly on businesses: "Just as technology has disrupted the world, companies should accept mild disruption to offer more flexible work patterns to help families achieve a better work life balance."

Comments were also made about the top-down, authoritative, 'command and control' nature of operations, with some interviewees stating they believed this to be more naturally appealing to men. Then there are subsectors that are seen as more traditionally appealing to men, such as the aviation industry, where one executive commented, "More men come into our sector as it's seen as gritty and requires technical capability." This issue creates a lack of female role models where women do not easily fit the organisational norm, which can in turn hinder networks or sponsors who can help them progress.



- **Male chairmen and chief executives hiring in their own likeness**

To some degree, this is related to unconscious bias, as Susan Hooper suggests, “The ease of hiring within one’s comfort zone has perpetuated the inequality.” With men still holding most senior roles, it is unsurprising therefore that organisations have tended to prefer masculine leadership styles and behaviours because it is what they are used to and what often feels more comfortable. However, as Susan Hooper also notes, “As men are in situations where there are more women than before, their comfort levels will change.”

- **The role of unconscious bias in recruitment decisions**

As one managing director said, “There has been a traditional male bias in our industry.” It is now uncommon for organisations to display overt bias in hiring, developing, or promoting employees, but subtle bias can be harder to identify and prevent. Setting internal targets, measuring progress, and analysing results can create a more transparent recruitment process, as will empowering people to challenge bias when they find it.

- **The sector’s poor record in managing the talent pipeline, resulting in a smaller female talent pool**

Opportunities for women to progress to CEO roles are limited. Many interviewees pointed to issues with the ‘talent pipeline’ as a reason for underrepresentation of women. We know that some women leave the sector, often around middle-management level, but often women can get ‘stuck’ at a particular level. Women perform well in areas like HR, which bolsters a strong company culture, builds talent, engages employees, and collaborates. Men have traditionally dominated in the areas of finance and strategy, which have been perceived as more important skills in senior roles.

- **The perception of a ‘blokey’ or ‘laddish’ culture within the sector**

This is an issue for many firms and subsectors. As Karen Myers, group human resources director of betting firm William Hill said, “We’ve worked hard to overcome the ‘blokey’ reputation that our sector has, in order to attract more senior female talent.” The culture in some organisations is still, however, based on male leadership style and behaviours. Women are often not well served if they try to adopt these behaviours, and a toxic culture can see women leaving the workplace. Organisations need to work hard to develop inclusive, meritocratic, and collaborative working cultures to help achieve their business’s goals.

- **A lack of celebrated female role models**

This was a perennial theme amongst our interviewees. “We think we’re OK and pat ourselves on the back for a diverse workforce at entry level, but we can on occasions overlook the lack of senior female role models,” said Debbie Hewitt. We need to champion female role models that are an example and encouragement to others, but we also need to look more broadly at business sponsors and board mentors who can provide insight and support and who can help women manage their careers more proactively.

- **A lack of confidence amongst women when it comes to a push for promotion**

Women need to be more proactive in seeking out roles and projects that equip them for senior leadership. They need to take on challenging and difficult roles that give them more visibility in an organisation. Said Karen Caddick, of over-50s travel firm Saga: “I have noticed that women are not always as proactive in pushing for promotion opportunities as men are. [Women are often] driven by a desire to be recognised on what they deliver, rather than to lobby for a bigger job, but also sometimes that’s due to a lack



of confidence. I see a part of my role, as group HR director, to ensure that we develop a culture in the business where we find ways to compensate for this and level the playing field through the use of proactive talent review discussions, mentoring, and ensuring that our senior women's skills and capabilities are recognised and discussed."

None of the above will be surprising to anyone who has ever looked at the subject of gender in the workplace. Many of these are societal-wide issues, and are by no means unique to the hospitality, travel, and leisure sector. However, critical factors for the industry appear to be the importance of operational experience, and the tendency for male dominated boards to appoint in their own likeness. When it comes to the latter, male dominated boards need to send a clear message to both current and would-be female employees about how their contributions will be valued and recognised. "It all starts from the top and that attitude permeates throughout the business," notes Simon Vincent, the Executive Vice President and President of Europe, Middle East and Africa, Hilton.

And many of the above factors are inextricably linked: a limited talent pool means fewer role models, for example. This is particularly true of homegrown talent – that is senior female leaders who have worked their way up from the bottom. Whilst the appointments of Chief Executive Carolyn McCall at easyJet in 2010 and, more recently Alison Brittain at Whitbread in 2015, were positive news stories, both came from other sectors, so did little to further the argument that hospitality provides robust and positive career paths for women.

One chief executive of an online travel company pointed out that whilst the weekly commute is now commonplace for men, the number of women prepared to travel long distances seems to be lower, possibly due to family commitments or personal choice. "I believe that decisions about travelling long distances for work are a matter of personal choice. The only thing a company must do is

provide equal opportunities to all," said Craig Cochrane, the senior vice president of HR at Movenpick.

All talk and no action?

When it comes to changing the status quo, the way forward for the sector is more nebulous. The vast majority of our respondents were adamant that the best person should get the job, irrespective of gender. As one chairman succinctly remarked, "Companies need the best people. Fullstop." This was a view echoed by many. Very few interviewees—only two out of a hundred—were in favour of the imposition of quotas. Simon Laffin, the chairman of Flybe, spoke for the majority when he said: "I don't believe in imposing quotas to diversify a company's board. In looking for the right next Flybe chief executive, we simply chose the best candidate."

Interestingly, a different perspective is held by Ufi Ibrahim, the chief executive of the British Hospitality Association, who told us: "If genuine change is desired it needs the introduction of quotas. It will take far too long if we wait for change to happen gradually." This is also the perspective of many leaders in other industry sectors.

Where specific interventions have been made to address obvious issues, such as a lack of female pilots, these were seen as long-term solutions. Initiatives such as working with schools and colleges, or apprenticeship schemes, for example, were too recently introduced to have produced tangible results.

The majority of our respondents were chairmen, CEOs, and HR directors, all of whom have a natural interest in the internal and external perceptions of their business, and concern for its strategic direction. Many shared their frustrations at what they sensed to be a general apathy and resistance to any sort of flexibility within the sector. Martin Shuker, the managing director at KFC UK, summed up these views when he said: "There are many barriers for female employees. There needs



Perspectives

"Recognising top retail, operational, or commercial talent, identifying positive case studies at all levels, and celebrating the achievements being made by women in our industry is critical to promoting gender diversity as well as inspiring our workforce of the future."

It not only shows what can and is being done, but crucially it helps to bust some of the common myths that are out there about the type of roles and work practices that lend themselves to flexible working, highlight that operational or senior roles are not incompatible with motherhood and tackle the perception, particularly prevalent in the pub and bar sector, that a solely operational career history is essential to board or leadership positions."

Kate Nicholls, Chief Executive, The ALMR

"As a business sector whose success relies on its ability to relate and respond to customer tastes, the cinema industry needs a workforce that reflects that of the wider population, not least in terms of gender. But while progress is undoubtedly being made, it remains the fact that—in the UK and across much of Europe—women are woefully underrepresented, in particular at senior levels. The more we understand the extent and nature of this issue, its drivers and its impact on performance, the better-equipped we will be to take the steps necessary to address that challenge, to the benefit not just of the individual companies and the people within them, but also, ultimately, our customers, the cinema-going public."

Phil Clapp, Chief Executive UK Cinema Association

"Whilst the majority of the brewing and pub workforce are women at 53 percent, it would be good to see more women in senior positions in the industry. As in other areas of the corporate world, there are challenges for women, such as career breaks and balancing work and family life especially with younger children, and they need encouragement to break the glass ceiling and have the confidence to reach the top."

Most BBPA members' boards have women directors, and women have been reaching roles traditionally taken by men, such as at London Brewer Fullers, where the head brewer is now a woman. Good progress has been made, but we need to build on this, to reflect our society, and acknowledge the importance of women, whose role as consumers and decision makers is increasingly important."

Brigid Simmonds OBE, Chief Executive, British Beer & Pub Association

Over the past eight years through the Women 1st campaign we have supported hundreds of businesses in the hospitality sector and in other parts of the economy to identify barriers to progression, create the right culture and systems and put in place bespoke support to help more women progress into senior roles. A lot has been accomplished, but as the WiH2020 research highlights, there is much more to do. Too often efforts to promote inclusion and diversity in the hospitality travel and leisure sectors have been hampered by a lack of real co-ordination, which has potentially stunted our collective impact. I hope this research stimulates a real sense of partnership in the sector to address the challenge head on."

Simon Tarr, Chief Executive, People 1st

Millions of women already work in Travel & Tourism, for whom the sector is often a good option. Activities distributed away from traditional business centres, the importance of small businesses and entrepreneurship, and flexible working conditions are all factors that increase opportunities for women to work and earn an income."

But it is important that women are represented equally at all levels of the sectors, reaching up to chief executives, directors, and board members. This is important not only for the prospects of individual women leaders, but to highlight the potential of all women and to build further momentum for equality in our sector."

It's great to see reports and initiatives that support this objective, and I'm happy to join all the other leaders supporting this vital initiative."

Gloria Guevara, President & CEO, World Travel & Tourism Council



to be an acceptance that they can take their foot off the gas to have a family and not be signalling that they're not committed to their careers."

At the other end of the spectrum, a number of senior executives—mostly chief executives of smaller, more entrepreneurial businesses and/or those that were private equity backed—thought gender was a non-issue, and maintained they only recruited the best candidate for the job, regardless of gender, or race and sexual orientation.

Beyond quotas

Some solutions were offered by our interviewees, including balanced shortlists, inclusion of women on interview panels, and a greater willingness to look outside of the usual suspects. Others called on recruiters to embrace a far greater degree of creativity and risk-taking in recruitment, for example, by championing job sharing. Many interviewees were cautious, and were keen to stress that gender diversity was a balancing act. The HR director of a leading pub chain said: "Our starting principle is always to take the best person for the job, but we made it clear to the headhunters that we would be very interested in seeing compelling female talent. We did not go as far as saying that we needed an all-female shortlist, as that would not have been right."

Perception and reality

Many of those recruited from outside the sector expressed surprise at the dearth of senior female talent in what they perceived as a fun, flexible, and consumer-focused sector. Many HR directors had been brought in—notably from financial services—to specifically look into the issue of diversity. Several commented that some early initiatives had not landed well. For example, female-only development programmes were seen to exclude male talent, and often resulted in large groups of disaffected male colleagues,

and poor engagement survey results across the business. "Coming from another sector, I would say that there is a distinct lack of investment in the development and coaching of senior managers. This might be due to the highly tactical nature of the sector, but still it is quite a marked difference compared to other sectors," said Anne Françoise Nesmes, the chief financial officer at Merlin Entertainments, who made the move to leisure from the pharmaceutical industry in 2016.

"As a business, gender equality is something Hilton is fully committed to. We are a global company that welcomes guests from all over the world, and we are acutely aware of our responsibility to help lead the way in terms of gender balance in the hospitality sector. We strive to see talent and innovation, not gender."

Simon Vincent, Executive Vice President and President, Europe, Middle East and Africa, Hilton

Conclusion

Unsurprisingly, there were very diverse views on this topic from those interviewed, although nearly all were in agreement that whilst applauding progress made to date, there is still much to be done. Many good examples and ideas were put forward by those interviewed to help address the issue, although legislation to drive quotas to encourage more gender diversity was not a popular solution. What was apparent was that change starts at the top, and businesses within the HTL sector need to think harder about how they recruit, develop, promote, and reward women; build the pipeline (and retain women within it); embed the right culture; and lead by example to effect industry change.

"I am a firm believer of diversity and inclusion, and strongly advocate the fact that gender equality is not a woman's issue, it's a business issue and a social issue. Rezidor was not a forerunner in championing this. But we are going to change that. We have made a strong commitment, since 2014, to have at least 30 percent of our senior leadership positions held by women. We need to achieve this target by 2022, as part of our five-year plan. As a global player, with an ambition to become one of the top three hotel companies in the world, we must act as the champions of the change, and leave a legacy that lasts forever."

Federico J González, President and CEO,
The Rezidor Hotel Group





INTERVIEW WITH FLYBE CEO CHRISTINE OURMIÈRES-WIDENER

- Can you briefly share your career highlights?

I have a Master's degree in Aeronautics and this was the path I decided to go down early on in my engineering studies. I was really interested in the different career paths I could take in the industry and this was reinforced when, as a graduate engineer in the maintenance department at Air France, I had the opportunity to work on Concorde in the hangar. That was a great experience and I feel very lucky to have done that. I went on to get an MBA and worked my way up through the ranks of Air France to become the airline's first-ever vice president/general manager of Air France-KLM, USA in New York; I was then appointed CEO at CityJet becoming the first female CEO of an Irish-licensed airline and one of only 15 across all commercial airlines; and before joining Flybe as CEO in January 2017, I spent time in New York as chief global sales officer for American Express Global Business Travel.

- What personality traits have enabled you to make it to the most senior levels in the corporate world?

Aviation is still a male-dominated industry but it's not really that different from other industries. You have to show a determination that you are good at what you do. When you show that you have a passion and want to share this passion with a team and that you want the team to achieve that is when you will be successful. It comes down to hard work, showing that you can actually successfully deliver, each day—maybe even each second.

- What are you most proud of?

Having achieved my goals to date—and my family!

- Have you ever had a mentor/sponsor? If yes, how did they help you?

At each step of my career I've been lucky enough to work with some very experienced CEOs, senior managers, and entrepreneurs and I've gained something valuable from them all. As a CEO, it's important to share experiences with one's peers and senior colleagues in the industry whom you trust. The best business advice I have ever been given was: "Identify your mistakes, but always balance them with the bigger picture."

- Is the aviation and travel industry attractive to women?

I think it's an attractive industry for anyone to consider! You never get bored; every day is a new day.

The airline industry and wider tourism industry can provide fantastic careers. Airlines in particular can be challenging but also very rewarding. They involve very complex distribution models, because you have to cover everything—B2B, B2C—and to be successful, also be 100 percent customer focused at all times at every stage of the passenger journey. The operations process is also highly complex because of the number of stakeholders. In addition to that, it is a highly regulated industry, in ways definitely more complex than other industries.

- What is your advice to those who want to progress in the sector?

It is a 24/7 job. You can never turn your phone off, so you have to have a genuine passion for the industry. Listen to everything and always ask questions. Understand industry best practices, get as much experience as possible across all areas of the business, be adaptable, embrace teamwork based on a clearly stated strategy—and try to take time to have some fun and enjoy the results of doing effective business.

- What do you think can be a game-changer in terms of achieving gender balance at senior-management level?

It's disappointing that there are not enough women at the top. Generally, there needs to be greater diversity overall when it comes to appointing people to senior leadership roles, as this can only benefit decision-making by bringing new skills and competencies and different perspectives into the mix. I'd like to see more women at all levels especially in aviation, as pilots, in operations, and in management roles. There needs to be a clear push to get women to study science, technology, engineering, and mathematics from an early age.



INTERVIEW WITH ALISON BRITTAIN, CEO, WHITBREAD PLC

- Please share a brief overview of your career.

I was appointed as chief executive officer of Whitbread PLC in December 2015. Prior to joining Whitbread, I was group director of Lloyds Banking Group's Retail Division, the UK's largest retail banking business, responsible for the Lloyds Bank, Halifax Bank, and Bank of Scotland retail branch networks along with Retail Business Banking and UK Wealth businesses. I'm a non-executive director for Marks and Spencer Group PLC and a council member and trustee at The Prince's Trust.

- What attracted you to the hospitality sector?

I love people and have a passion for customer-facing businesses, so running a company like Whitbread, with 50,000 people serving 28 million customers every month, is the perfect job for me. The hospitality sector is brilliant at attracting female graduates but it is not as good at retaining and progressing them to senior roles.

- What are the barriers in your view and how could they be overcome?

The issue is not a scarcity of talented, qualified women, but rather that they fall back, either because it becomes too culturally or practically difficult to progress, or they are overlooked when it comes to appointing senior-executive roles.

- Where should accountability to achieve diverse senior teams lie in the organisation?

Companies need to take the lead in changing their culture and mindset around the way they recruit and develop women. It's the responsibility of the company's board, CEO, headhunters, and leadership teams to encourage and enable a culture that provides aspiration, inspiration, support, and opportunity for the women in their business to progress.

- What is your word of wisdom to female millennials and managers who are thinking about a career in the sector?

Hospitality is a fantastic industry where women's innate communication and organisational skills are highly valuable and valued. I would encourage young girls and women who want to go into the world of business to embrace hospitality as a career, and be confident, brave and, most important of all, be yourself.



INTERVIEW WITH EMMA WOODS, CUSTOMER DIRECTOR, WAGAMAMA

Wagamama is one of the very few companies in the sector with 60 percent female representation at executive-board level. How did that happen?

There has been a 50 percent representation of women on the board for the last 18 months. The new executive board moved to 60 percent female when Jane Holbrook was promoted from chief operating officer role to chief executive, and I joined as customer director in April 2017.

How does it feel to be part of a gender-balanced board?

I have been part of two very balanced executive boards in my career and found both very energising. You feel you belong.

Are the team dynamics different, and if so, in what way? What works well? What works less well?

It's hard to pinpoint the differences because they are all subtle. But if I had to characterise it, I would say the discussions are more honest and we combine robust challenge with a strong sense of collaboration.

Is there any advice you would give to boards that are trying to become more diverse?

The management textbooks all tell us that diversity of thought helps businesses grow, so I'd ask the question back to the board: "What's holding you back?"

Any words of wisdom for women who want to progress within the sector?

This is a fantastic sector for women to flourish in. It's a sector that weeds out the average, but massively rewards real innovation and strong people leadership. So, if you care about delighting customers plus motivating young teams to deliver great service, which I know many women do, you are likely to be hugely successful. Just be prepared to bring your passion for it.



INTERVIEW WITH KATHRYN PRITCHARD, GROUP HR DIRECTOR, ODEON CINEMAS

Together with a group of high performing general managers, we opened up a discussion around diversity within Odeon and any perceived barriers to progression for women in the business. We held a number of listen-and-learn sessions with female leaders to explore the barriers and find solutions to help support the current and future female leaders.

We identified a number of areas to focus on: instilling confidence, or the feeling an employee has earned her place within the business; refreshing our maternity information and package to ensure it is user-friendly; providing paths for education and learning; simplifying business jargon; and teaching how to challenge constructively.

We delivered a development programme for female leaders across our cinema-operations business and support-office functions. The key areas of focus for the programme were based on issues raised through our working groups:

- Being assertive
- Lacking confidence in leadership abilities
- Not being heard in meetings or conversations
- Establishing authority with tricky teams

Our delegates have reported they feel more supported by other female colleagues from the programme, have taken responsibility for their own careers, and improved self-awareness.

Since we launched this initiative, our promotions have been equally split between men and women.

In addition to the work done so far, we are offering diversity training, additional development programmes, mentoring opportunities, and events that will unite the business to champion diversity.



INTERVIEW WITH LYNNE EMBLETON, CEO CARGO, IAG

Describe your career in a couple of sentences.

After graduating in maths and not wanting to be an accountant, I joined British Airways in operational research, applying analytics to business challenges. As my career developed, I took on roles including planning BA's worldwide route network, developing strategy, leading merger integration, and more recently, managing director of BA's business at Gatwick. I also spent six years as chairman of BA CityFlyer.

What are your main responsibilities as chief executive of IAG Cargo?

Currently, I lead a business that moves life's essentials—medicines, food, technology—between continents. Air freight operates at the heart of the global economy, yet the air-freight industry hasn't truly embraced digital and technology. I want IAG Cargo to lead in this transformation.

Can you outline the main reasons why you stayed at IAG/BA for so long?

I've had over 20 years in aviation. Initially I thought I would only stay for two, but found the industry to be complex, dynamic, and never short of challenges. I've been part of a business-facing major upheavals such as 9/11, the oil-price spike, the global financial crisis and, not least, mergers and consolidation. It's a great industry for developing aspects of your leadership from assessing multi-million-pound investments, to alliance collaboration, to leading large customer-service teams

Tell us about any obstacles and challenges you have encountered as a woman in the workplace. What support have you received from the company and your bosses over the years?

Apart from a few isolated situations, I haven't found gender to be a big issue. Like many big companies, the proportion of women reduces the more senior the level in the group and, also like many big companies, there are internal efforts to increase diversity. I'm interested in developing talent in all of its forms, and am keen to support means of helping diversity flourish.

What's your advice to women (re)entering the world of travel, leisure, and hospitality?

My fundamental principle is to do a job I enjoy and in which I can thrive. Additionally:

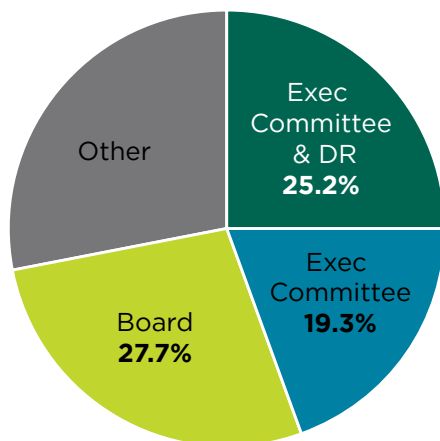
- Make a bit of time to build a network both inside your organisation and beyond, especially if you spend a long time with the same company.
- If you are values-driven, don't underestimate the need for there to be a good fit between you and the organisational culture.
- If there is a job you would like to do, make it known to those who can help make it happen, and actively ask them to advocate for you on the path towards that role.

Chapter 3:

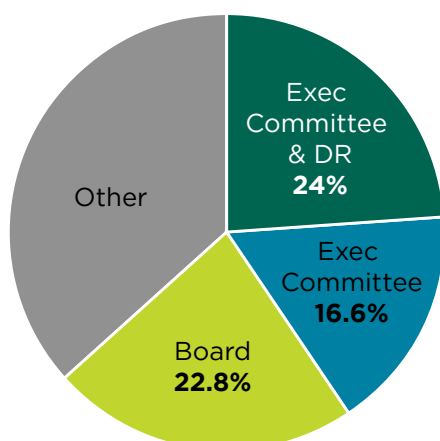
The Statistics. An analysis of the data relating to gender diversity at Board and Ex Co level in the Hospitality, Travel and Leisure Sectors

The Hampton-Alexander Review published its second report in November 2017. In this section, we have looked at the data from its report and highlighted the gender representation of listed companies in the HTL sector. We also conducted our own research on companies in the HTL sector that are either listed outside of the UK and have a significant workforce in this country and companies that are privately owned.

FTSE 100



FTSE 250



FTSE 100

Overall the Hampton-Alexander Review shows there has been little change in the overall representation of women in the combined executive committee and direct reports of listed companies. The percentage remains only slightly up from 25.1 percent to 25.2 percent in 2017. There has been greater movement in the representation of women on the executive committee, which has risen to 19.3 percent this year compared to 18.7 percent in 2016. The direct reports layer, which given its relative size skews the overall percentage on a combined basis, is slightly up at 26.1 percent.

There are 15 companies already at 33 percent or above, with General Retailer Next PLC, at 47 percent women, topping the FTSE 100 rankings. The spread of seven different industry sectors in the top 10 best performers shows that sector is less of a barrier to women's progress than is commonly perceived; easyJet PLC at 41 percent and Intercontinental Hotels Group PLC at 36 percent (from the HTL sector) feature in the top 10 best performers.

There are still seven all-male executive committees in the FTSE 100 and although this is down from 12 last year, it is disappointing, given the initiative to increase the number of women in FTSE leadership positions began in 2011. The positive news is that no companies in the HTL sector feature in this category.

There are 30 FTSE 100 companies with less than 20 percent female representation in the combined executive committee and direct reports. TUI AG is one of the companies in this group, with 13.2 percent female representation.

FTSE 250

The Hampton-Alexander Steering Group determined it appropriate to extend the 33 percent target to FTSE 250 companies for women's representation on the combined executive committee and direct reports this year. The starting position for the FTSE 250 is at 24 percent, similar to that of the FTSE 100. However, there is a more marked difference in women's representation on the executive committee, with the FTSE 250 at 16.6 percent, compared to the FTSE 100's current 19.3 percent.

Forty FTSE 250 companies already exceed the 33 percent target, with Cineworld Group PLC in the top 10 best performers at 42.1 percent women's representation.

Surprisingly there are still 47 all-male executive committees, which means almost one in five FTSE 250 companies reporting no women on the executive committee.

In addition, there are 66 companies who have currently less than 20 percent women on the combined executive committee and direct reports (including four companies in the HTL sector) and nine companies that are in single digits, with less than 10 percent women's representation. The Hampton-Alexander Review reports that the FTSE 250 has been set a significant challenge with the 33 percent target and a significant step-up in overall pace and appointment rate for women is required to achieve the aim.

The request to FTSE 250 companies to provide their leadership gender data was a voluntary one, albeit anticipated all companies would wish to comply. Only a small number of FTSE 250 companies chose not to respond to the request. Out of those 10 companies, it is disappointing to note that three are in the HTL sector: Marston's PLC, Wetherspoons JD PLC and Wizz Air Holdings PLC.

FTSE 350 Women on Boards

The Hampton-Alexander Review reports that progress in 2017 appears to have occurred again, which is encouraging. If the FTSE 100 achieves the same rate of progress over the next three years, as it did in the last three years, the 33 percent target will be within reach. However, the same is not the case for the FTSE 250 boards, where pace needs to accelerate to achieve the 33 percent target.

The FTSE 100 stands at 27.7 percent women, up from 26.6 percent and at its highest ever, while the FTSE 250 has also moved ahead at 22.8 percent, up from 21.1 percent in 2016. The FTSE 350 overall stands at 24.5 percent women's representation, up from 23 percent this time last year and very close to the 25 percent target set by the Davies Review in 2013.

The number of FTSE 350 companies already at or above the 33 percent target has increased to 82 and a further 55 companies appear to be on track to reach the 33 percent target by 2020. Companies currently above 27 percent women are deemed to be 'on track' on the assumption they progress over the next three years at the average rate of progress seen for FTSE 100 Boards over the last three years.

Whitbread PLC and Merlin Entertainments PLC, both at 44.4 percent, and Intercontinental Hotels Group PLC at 40 percent, feature in the top 10 best performers in the FTSE 100 category. Within the HTL sector of the FTSE 250 category, only Greggs features in the top 10 best performers.

This year the FTSE 100 board appointment rate of women was around 30 percent and just higher at 34 percent for the FTSE 250. This will need to increase to nearer 40 percent, or almost one in two appointments going to women, to reach the target.

The number of women chairs in the HLT sector has gone up to 17 from 14 last year, but the number of women CEOs went down from 18 to 15 (Alison Brittain at Whitbread being the only

female CEO in the HTL FTSE 100). There are only 14 women senior independent directors (SIDs) in the FTSE 100 and 57 on the FTSE 350 overall. Given that some 600 women have been appointed to FSTE 350 Boards since 2011, the expectation in 2018 and beyond must be that many more women are appointed into chair and SID roles. Debbie Hewitt at The Restaurant Group is the only woman chair in the HTL sector, and four women (Elizabeth McMeikan at Wetherspoon JD PLC, Dawn Airey at Thomas Cook Group PLC, Carolyn Bradley at Marston's PLC, and Helen Keays at Domino's

Pizza Group PLC) hold the position of senior independent director in the HTL FTSE 250 group.

In October 2017, there were only eight all-male boards in the FTSE 350, down from 152 all-male boards in 2011 and down from 11 in 2016. The Hampton-Alexander Review notes that interestingly, the all-male boards represent six different sectors of industry and cites poor leadership and lack of commitment as likely barriers to women's progress.

Gender diversity percentages at board and executive committee (EXCO) and direct reports (DR) level in HTL companies within the FTSE 350

- Already at 33% or more women
- On target at 27% or more women
- Below target. Low numbers of women or all-male board

FTSE 100

COMPANY	% WOMEN ON BOARD	WOMEN ON EXCO & DR%	BOARD SIZE	EXECUTIVE WOMEN DIRECTORS	TOTAL WOMEN DIRECTORS
Whitbread PLC	44.4%	29.4%	9	2	4
Merlin Entertainments PLC	44.4%	18.8%	9	1	4
Intercontinental Hotels Group PLC	40%	36%	10	0	4
easyJet PLC	33.3%	41%	9	1	3
TUI AG	30.8%	13.2%	26	1	8
Carnival PLC	27.3%	16.9%	11	0	3
Compass Group PLC	18.2%	26.6%	11	0	2
Paddy Power Betfair PLC	18.2%	22.2%	11	0	2
International Consolidated Airlines Group SA (IAG)	18.2%	20.5%	11	0	2

FTSE 250

COMPANY	% WOMEN ON BOARD	WOMEN ON EXCO & DR%	BOARD SIZE	EXECUTIVE WOMEN DIRECTORS	TOTAL WOMEN DIRECTORS
Greggs	42.9%	32.2%	7	0	3
Wetherspoon (JD) PLC	37.5%	NO DATA SUBMITTED	8	1	3
Thomas Cook Group Plc	36.4%	25.9%	11	0	4
William Hill Plc	27.3%	16.5%	11	1	3
Marston's PLC	25%	NO DATA SUBMITTED	8	0	2
Domino's Pizza Group PLC	25%	39.3%	8	1	2
Just Eat PLC	22.2%	28.6%	9	0	2
Ladbrokes Coral Group PLC	22.2%	25.4%	9	0	2
Wizz Air Holdings PLC	20%	NO DATA SUBMITTED	10	0	2
Cineworld Group PLC	20%	42.1%	10	0	2
The Restaurant Group PLC	16.7%	38.8%	6	0	1
Greene King PLC	14.3%	26.3%	7	0	1
Millennium & Copthorne PLC	11.1%	31.1%	9	0	1
GVC Holdings PLC	11.1%	31%	9	0	1
The Rank Group PLC	11.1%	29.7%	9	0	1
Mitchells & Butlers PLC	9.1%	38.8%	11	0	1
888 Holdings PLC	0%*	New Entry to Index	5	0	0

* 888 Holdings PLC has since appointed a woman non-executive on its board.

It is fair to say that the picture is rather mixed. The FTSE 100 companies seem to be doing well in terms of non-executive women directors (with three exceptions), but rather poorly in terms of the executive committee and direct reports level. The FTSE 250 appears to have focused more on the female leadership pipeline with some very pleasing results, and significantly less on women on boards with the overwhelming majority having to take serious and urgent action to meet the target set by the Hampton-Alexander Review. It is rather disappointing that three companies in the HTL sector did not submit their executive committee and direct reports data. Still, two of them have a woman senior independent director on their boards. This is encouraging, and hopefully they will participate in the Hampton-Alexander Review survey next year and report positive figures.

Companies that are not listed in the UK (either listed elsewhere or privately owned)

We reviewed female representation at executive committee/direct-report-to-the-CEO level across companies that have a significant workforce in the UK but are listed outside of this country, and those companies that are privately owned. The statistic for this group at 25.69 percent is comparable to those of the HTL companies in the FTSE 100 executive committee/direct report group, although clearly less progress has been made in this group than in the FTSE 250 companies.

HTL FTSE 100 ExCo/DR	Average of 24.95% female
HTL FTSE 250 ExCo/DR	Average of 31.21% female
HTL Non-Listed Organisations ExCo/DR	Average of 25.69% female.
HTL Non-Listed Organisations ExCo/DR excluding HR Directors	Average of 21.47% female

However, it is notable that if one were to strip out those residing in the HR seat, the overall percentage of women in executive committee roles drops to 21.47 percent. This is a positive reflection on the standing of the HR community in the HTL sector. However, it does reinforce the point that there is work to do in the sector to develop women in broader commercial, general management, or financial leadership positions, as past research tells us that the path to CEO roles is often via these functional routes.



Chapter 4:

Magnet for talent or employer of last resort? PwC assesses diversity & inclusion in the hospitality, travel, and leisure industry, and its effect on brand and reputation

A company's reputation when it comes to diversity and inclusion is increasingly important in attracting and retaining both customers and employees. Analysing how the diversity and inclusion objectives and records of leading hospitality companies are publicly perceived,⁵ consultants PwC looked at how companies come across, and how they can turn their reputation into a source of strength and credibility.

Introduction: Diversity and inclusion matters

The hospitality, travel, and leisure industry has much to offer able and ambitious people. Yet, fair or otherwise, public perceptions shaped by the prevalence of low pay, seasonal, and zero-hours contract work create challenges for recruitment, motivation, and retention within the industry. Analysis carried out by training organisation People 1st in 2015 points to a 'revolving door culture' within many hospitality companies, which has led to severe staff shortages and productivity falling behind other sectors⁷. There is early evidence that the consequences of the vote on the EU referendum are being felt in the sector, and the fall in net migration means that service-sector companies that rely on large-scale recruitment of skilled workers is becoming more difficult. Therefore, the need to tap into existing and new talent pools is more critical than ever.

A poor reputation when it comes to diversity and inclusion can exacerbate these issues

by discouraging women to take up careers within the industry, or choose to work for rival companies within it. It can also put off customers, many of whom may be friends or family members of employees.

At the other end of the spectrum, positive perceptions of diversity and inclusion can help make organisations stand out. A company that has a good reputation for diversity and inclusion can inspire confidence among women, who can be sure they will get the support they need, with tangible initiatives such as access to training and flexible hours. They also know that they'll have a fair chance of gaining promotion and reaching the top echelons of the organisation.

The reputational benefits don't just apply to women. PwC research shows that more than 80 percent of millennials—generally defined as those born between the mid-1980s and the mid-1990s—believe that an employer's policy on diversity, equality, and workforce inclusion is an important factor when deciding whether or not to work for that company⁶. This belief held true for both genders.

Getting this right will improve hospitality, travel, and leisure companies' ability to select from the best talent, boost motivation, and reduce turnover. The workforce and its leadership will also better reflect the diversity of the customer base and understand its demands.



Jon Terry,
Partner PwC

⁵ The information used in the research came from websites, annual reports, careers sites and general online searches (including mainstream social media sites). The use of publicly accessible information as the basis for the analysis, rather than how the organisation perceives itself, was intentionally designed to replicate the way that an external stakeholder would access information and, therefore, gain a view of the external reputation of an organisation's diversity and inclusion 'brand'.

⁶ 'The skills and productivity problem', People 1st, 2015 (<http://www.people1st.co.uk/insight-opinion/people-and-productivity/the-skills-productivity-problem-2015/>)

⁷ 'The female Millennial: A new era of talent', PwC, 2015 (http://www.pwc.com/jg/en/publications/the-female-Millennial_a-new-era-of-talent.pdf)

Our research

Using a well-developed PwC methodology, a team of MBA students from Lancaster University analysed 26 companies from the hospitality, travel, and leisure sector to determine how their records and objectives on diversity and inclusion are likely to be perceived by employees, potential recruits, customers, and other key stakeholders.

From disclosed strategies, objectives, and key performance indicators (KPIs), to levels of engagement and accountability within senior management, the analysis looked at information in the public domain across the four key dimensions:

1. Diversity and inclusion strategy

Gauging the extent to which formal strategies and policies are referenced, associated metrics and KPIs are published, and individuals are identified as being responsible and accountable.

2. Leadership and tone from the top

Gauging the relative passion for and direct involvement of the leadership team in promoting diversity and inclusion and building them into the management of the business. The existence of external and internal sponsorship and visible commitment from senior management is also considered.

3. HR processes

Gauging the extent to which key HR policies such as recruitment and career progression programmes for underrepresented groups are in place and referenced. Areas such as flexible working and parental leave/return-to-work programmes were also assessed here.

4. Other diversity and inclusion initiatives

Includes the level of information on networks for underrepresented groups, awareness training in areas such as unconscious bias, and involvement in awards programmes.

We evaluated these four areas, labelling progress from 'simplistic' through to 'defined', 'advanced' and 'leading'. Although this analysis isn't exhaustive, it sheds useful light on current perception, gaps in policy development, measurement and communication, and what more could be done to protect and enhance diversity and inclusion.

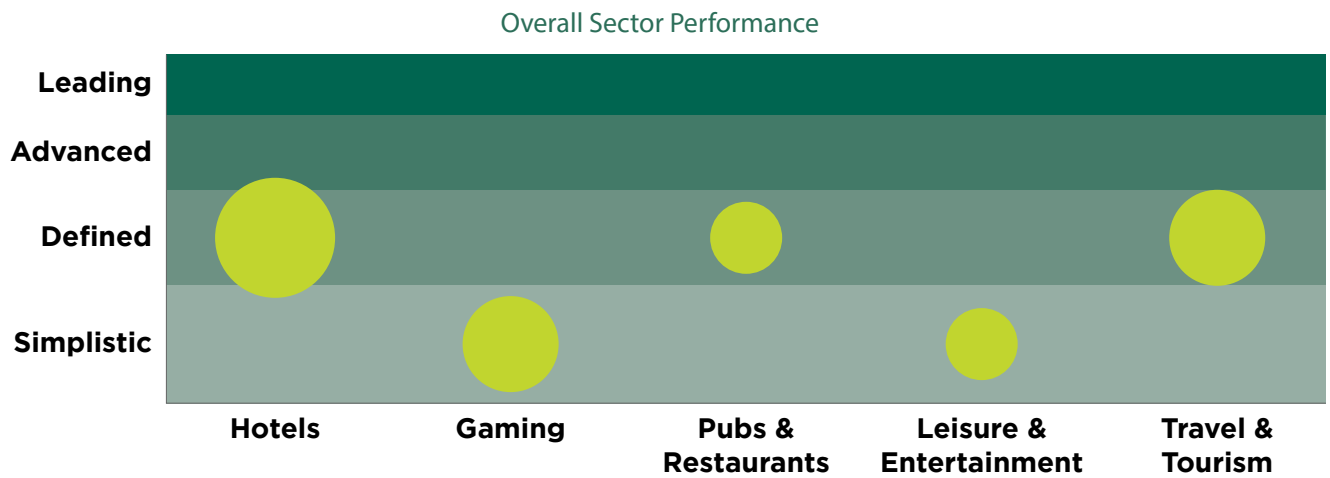
Results

So how is the hospitality, travel, and leisure industry perceived? On average, progress was significantly lower than some of the other industries PwC has analysed, highlighting what in many cases is the still limited focus on diversity and inclusion. None of the organisations we assessed are fully up to speed—'leading'—in any of the four dimensions, and there was only one instance of 'advanced,' which was in hotels, an area of the industry that tended to perform better than others. Many organisations are still at the 'simplistic' level.

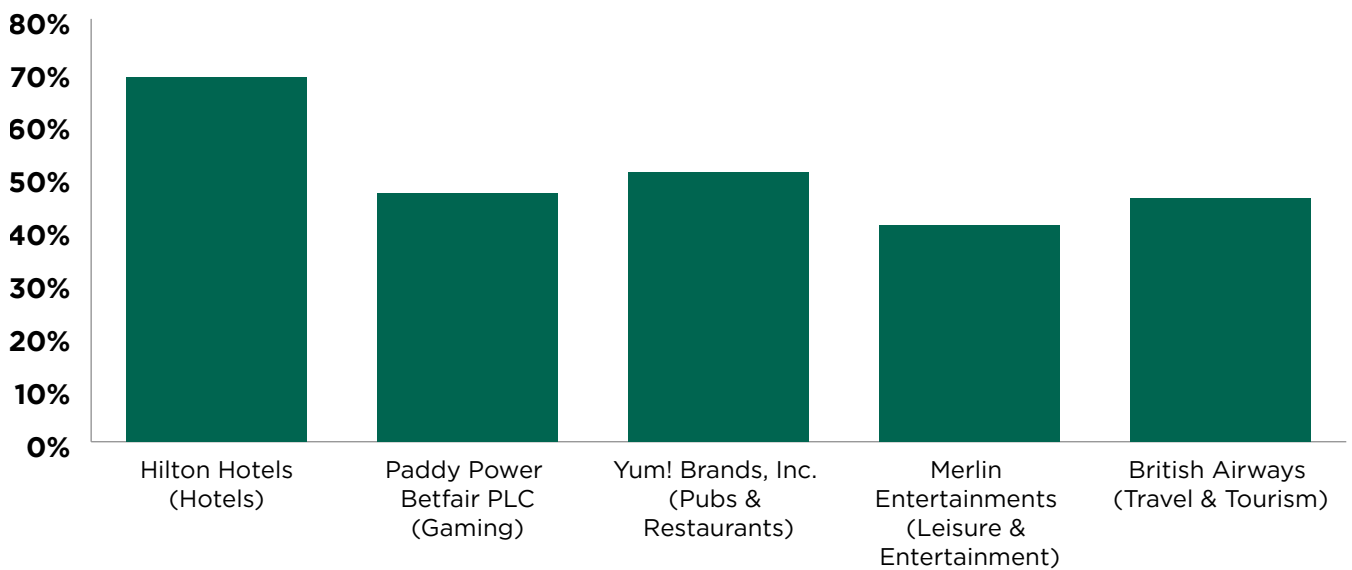
Yet as we highlight within our analysis, there are pockets of best practice to build on. Even if an organisation is lagging behind on diversity and inclusion, there are opportunities to get ahead by acknowledging there are issues that need to be addressed, and by setting out plans for accelerating progress. Such openness and resolve can make a favourable public impression.

There are many places to start this journey, but the most important is a vision and sense of urgency from leadership. Chief executives set the tone within an organisation and can make diversity and inclusion a real priority. While this chapter looks specifically at external perceptions of diversity and inclusion and how they can be shaped, we recognise that organisations have to practice what they preach. One of the surest ways to demonstrate this is a board that leads by example.

Gauging progress



Best performers in each of the sectors



'Simplistic' scores 1 out of 4 (25%), 'defined' scores 2 out of 4 (50%), 'advanced' scores 3 out of 4 (75%) and 'leading' scores 4 out of 4 (100%)

Going Deeper: The four dimensions analysed

Diversity and inclusion strategy

The aim: Organisations not only show that they have comprehensive strategies and policies in place, but that these are well articulated and communicated. To support this, a senior executive is responsible for delivering the objectives and a range of relevant metrics are monitored, tracked, and published.

What's working well

- A number of companies have incorporated statements on diversity and inclusion into annual reports and codes of conduct. Among front runners, this includes targets for female representation on their boards.
- Hilton Hotels has set three-year diversity goals targeting women and ethnic minority representation.
- McDonald's has set up a well-publicised women's leadership-development programme with the aim of appointing more women to senior positions, fostering balanced decision making, and creating a leadership team that reflects its customer base.

What isn't working

- Few companies disclose their strategy on diversity and inclusion; meaning that even if they have a strategy, it's clear that it's not a priority within their communications. This can create a perception that equality itself isn't a priority.
- Few companies disclose targets for gender balance in areas such as board membership. But targets and KPIs are effective ways to demonstrate intent when it comes to diversity and inclusion, and allow employees and potential employees to compare companies. Using the adage, "what gets measured gets done", they also ensure that gaps and weaknesses are identified and addressed.

What other sectors are doing

- Agreeing to a formal strategy and policy, and assigning a senior executive to be accountable for it. Clear goals or objectives to meet this strategy are considered to help ensure momentum is maintained and results are achieved.
- Broadening public awareness about strategies and progress on diversity and inclusion by looking beyond narrowly targeted disclosures such as annual reports to create short videos, social-media dialogue, and other more accessible communications.
- Connecting diversity and inclusion with their broader business agenda. This creates a strong narrative around the value and importance of diversity to their employees, customers, and stakeholders.

Leadership and tone from the top

The aim: Commitment from leadership is crucial in promoting diversity and inclusion and ensuring it's given appropriate prominence. The leadership team demonstrates active sponsorship and advocacy, and these values are reflected in their behaviour, decision making, performance assessment, and reward.

What's working well

- Whitbread promotes female role models and mentoring as part of its public commitment to bringing more women into leadership; eventually aiming for 50/50 representation. Clear signs of progress include a female chief executive.
- A member of the leadership team at Yum! Brands is responsible for diversity and inclusion, and visibly promotes these issues. The group also has assigned internal and external ambassadors for diversity and inclusion who share insights, gain feedback, and support efforts in this area.

- Most companies we analysed are aware of the 33 percent target for female representation on boards, advocated in the Davies Report.⁸ They're either working actively towards achieving the target, or have set their own internal targets on female progression. Many are making strong progress. Some have achieved female board representation of over 40 percent, and most have at least 20 percent. But neither this good news, nor the targets that underpin it, are sufficiently communicated or promoted.

What isn't working

- A common and critical weakness across the industry is a lack of ownership or sponsorship of diversity and inclusion strategies from the board. Instead, strategy, development, and execution are largely left to HR. But diversity and inclusion can be more effectively addressed and aligned with overall business strategies if clear oversight and direction come from the board.

What other sectors are doing

- Executives take charge of diversity and inclusion strategy, sponsoring initiatives and publicly commenting on progress and planned developments. Some have extended their roles and become advocates for diversity and inclusion within their industry.
- Using role models to create a positive narrative about women in leadership positions and opportunities for others. Role models include women in executive positions who are working flexibly.

HR processes

The aim: Organisations show that they have comprehensive diversity and inclusion policies and supporting processes in place in areas such as recruitment and career progression. They regularly report on progress and act on this information. They articulate a compelling employee value proposition for women with

other responsibilities, and as part of this have innovative arrangements for working flexibly and providing support with childcare and parental leave.

What's working well

- Thomas Cook seeks to ensure gender balance in recruitment shortlists.
- Yum! Brands advertises job openings in online networks used by diversity groups and associations.
- Mitchells & Butlers runs a well-promoted women's returner scheme for staff who have taken career breaks. Successes include encouraging women targeted for senior management to come back to work at least part-time.

What isn't working

- Lack of programmes to target and support recruitment from diverse talent pools and lack of information on what companies can offer women returning to work.
- Absence of detail on flexible working and part-time working that makes it easier to attract those with care responsibilities.
- Non-existent or limited disclosure on the gender pay gap, although this may change with incoming regulations⁹.
- Non-existent or limited public commitments on embedding diversity and inclusion goals and targets within standard HR processes. This is vital in ensuring that HR interventions work in a coordinated way.

What other sectors are doing

- Promoting a range of recruitment programmes and initiatives, including ensuring diversity of both candidate shortlists and hiring panels.
- Looking beyond minimum compliance with gender pay disclosures. For example, presenting strategies for closing the pay gap, and linking this to wider diversity and



inclusion programmes in areas such as recruitment and talent development.

- Promoting and advocating shared parental leave; reviewing flexible working and work-life balance programmes to attract a more diverse workforce.

Other diversity and inclusion initiatives

The aim: Organisations demonstrate that initiatives such as employee networks or unconscious bias awareness training are in place and built into the wider strategy and management of the business.

What's working well

- Merlin Entertainments and British Airways are among the companies making strong progress when it comes to promoting affinity and network groups.
- Many companies are entering awards and celebrating achievement.
- Many companies are disclosing information on mentoring/development opportunities.
- Training for executives is well promoted.

What isn't working

- While diversity networks are in place, there is little active promotion of them within many companies.
- Similarly, whilst training on issues such as bias awareness is available, there is often little promotion and hence interest, within some companies.
- Piecemeal approaches that support a range of initiatives, but fail to link them together or build them into overall strategies.

What other sectors are doing

- Bias awareness training is built into leadership development programmes and expectations for recruitment partners.
- Tracking and monitoring progress on workforce composition and highlighting high and low performers across the business.

Four key questions that will allow firms to take the initiative

Our analysis highlights large gaps when it comes to diversity and inclusion, and shows there is a need for progress in the industry. Hospitality companies can't ignore how they come across on the issues of diversity and inclusion: These issues are a key basis for how stakeholders judge them. But by actively managing their reputation companies can turn this scrutiny to their advantage. With this in mind, we believe that there are four key questions that organisations need to actively address.

1. How are you perceived across the four areas of strategy, leadership, HR processes, and other initiatives?
2. What risks and opportunities do these perceptions open up?
3. What is your strategy for addressing these risks and opportunities?
4. How do you measure and communicate progress?



ACTION POINTS

We have identified a number of immediate steps leaders can take on their journey to embed diversity and inclusion in their companies, enabling the hospitality industry to enhance its reputation and become an attractive industry for diverse talent. For organisations at the start of their journey it may be appropriate if initiatives focus more on certain types of diversity. However, it is important to ensure they are positioned within an overall long-term goal of creating an inclusive environment for all employees.

Short-term activities

Make the most of what you are already doing internally at both organisation and industry level

- If there are programmes and initiatives in place on diversity and inclusion, ensure these are prominently and externally disclosed. For example, empower employee networks to promote themselves externally, and forge new relationships with other networks in the sector. This can help improve an organisation's reputation, create new relationships with clients and stakeholders, and give network members an opportunity to gain new opportunities and experience in the industry.

Use gender pay gap reporting requirements as an opportunity to enhance the whole industry's reputation diversity

- Consider analysing pay gap figures from firms across the sector, and, as the picture emerges, identify the root causes of the gap (which is likely to be common for most firms).
- Focus on the narrative of what is being done at the industry level to address the issue.

On an organisational level

- Consider if reporting requirements could be used as a platform to gather, analyse, and review data for other diversity dimensions; at the very least, discuss priorities and commitments to diversity in all its forms.
 - Draw on technology and other tools to enable and support more flexible working with shifts that can be balanced with child-caring responsibilities
 - Development of a compelling employee value proposition that allows the organisation to articulate better what it offers a diverse workforce

Longer-term activities

Assign accountability to industry leaders and report progress.

- Ensure that any diversity programmes set up at an industry level have goals and objectives, and an accountable leader.

Make the most of your diversity and inclusion advocates

- Understand who the diversity and inclusion advocates in the sector are, and explore how their work can be applied at an industry level as well as an individual organisation level.

Review existing industry-wide initiatives and address any gaps

- Ensure that existing industry wide groups and initiatives are current and used by individual firms to enhance any internal initiatives. For example, HR programmes and employee networks may make more impact on a sector-wide basis—this is particularly relevant for smaller organisations. Review the goals and progress of those in place to ensure maximum impact, and consider if and how new initiatives should be put in place where significant gaps are identified.



Companies analysed by sector

HOTELS	PUBS & RESTAURANTS	TRAVEL & TOURISM	GAMING	LEISURE & ENTERTAINMENT
Premier Inn-Whitbread PLC	Greene King PLC	Tui Travel PLC	Ladbrokes Coral Group PLC	Merlin Entertainments PLC
InterContinental Hotels Group PLC	Mitchells & Butlers PLC	Thomas Cook Group PLC	Paddy Power Betfair PLC	Odeon and UCI Cinemas Group
Hilton Hotels	McDonald's Restaurants Ltd	easyJet PLC	William Hill PLC	Bourne Leisure
Travelodge	The Restaurant Group PLC	British Airways	Sky Betting and Gaming	Pure Gym Limited
	Casual Dining Group			Hollywood Bowl Group
	Yum! Brands, Inc.			
	Pizza Express			
	Nando's Ltd			
	Punch Taverns			

Chapter 5:

"Not enough" female talent?" - Views from the world of executive search by Professor Simonetta Manfredi and Ksenia Penchukova of the Centre for Diversity Policy Research and Practice at Oxford Brookes University

Introduction

The experience and expertise of search consultants can help shine a light on the causes of women's underrepresentation in senior roles within the hospitality, travel, and leisure industry.

With this aim, the Centre for Diversity Policy Research and Practice at Oxford Brookes University carried out a series of interviews with 14 search consultants from 11 executive recruitment firms with significant experience of working with the sector.

What follows summarises the key findings from the interviews and highlights areas for future action.

How gender diverse is the sector?

The hospitality, travel, and leisure industry is attracting many graduates, and a high proportion of them are female. Overall, women are well represented in junior and middle-management roles. However, there was consensus among our interviewees that this drops at middle-management level, when many women, generally aged between 30 and 40, leave the industry due to the difficulty of balancing work with family commitments. Operational roles that require the management of multiple sites were identified as being particularly challenging for women with family responsibilities. It is clear that the industry should focus on the loss of women at middle management level, as this has a direct impact on senior ranks. As one consultant said: "There is a lot of attention given to the top of the pyramid to executive and non-executive. There is much less attention being given lower down the pyramid."

"The hospitality industry is increasingly more open to accepting new talent from other sectors, especially for roles such as marketing, digital, and technology. This is mainly to bring in new disruptive thinking and supplement the existing internal talent."

Katie Thomas, Consultant, Russell Reynolds Associates

Cross-sector appointments

Most consultants agreed that the industry needs to consider candidates from other sectors in order to appoint greater numbers of talented women into senior roles. One interviewee said the amount of talent in the industry was simply "not enough" to increase female participation at a senior level, and noted the need to challenge the thinking of chief executives as to where candidates came from.

And whilst some felt that the hospitality sector was used to individuals who have never worked outside the industry, developing 'mono-line careers' through the management of multisite operations, other interviewees reported that clients were becoming more interested in cross-sector hiring. In these cases, the focus is on leadership and transferrable skills from other sectors, such as retail, finance, or other consumer services. The appointment of Alison Brittain, the chief executive of Whitbread and the former head of retail banking at Lloyds Banking Group, was cited as a successful example of this.



Positive action in recruitment and promotion

The 2010 Equality Act contains provisions that allow employers in a tie-break situation to appoint a candidate from an underrepresented group (e.g., a woman or minority). However, it is clear that this is currently underutilised and possibly poorly understood. Most consultants had not come across this provision being used or considered by their clients, and a few did not seem to be aware of its existence.

Only two interviewees had examples of clients, who when faced with two equally competent and experienced candidates, had chosen to appoint the female or minority candidate.

Gender differences: myth or reality?

Most interviewees observed some differences between male and female candidates. These related to the way men and women engage with executive search firms, namely their confidence in putting themselves forward for more senior roles and the way they present their achievements. A few consultants, however, felt these differences were more likely to relate to individuals' personalities rather than their gender.

"The selfless executives who puts the business first"

Several consultants reported that when they approach potential candidates, men tend to be more responsive than women. Anecdotally, they added that if they are not actively looking for a new job, women tend to be very focused and committed to their current role. As one consultant put it, women are more likely than men to be the "selfless executive who puts the business first".

Are women less confident?

Several interviewees felt that women tended to be more self-critical than men. One interviewee noted that women "expect to be recognised, rather than push for recognition." Others noted that, generally, women only consider applying for a new role if they think that they can meet all the job criteria, as opposed to men who are,

generally, more prepared to apply if they meet only part of the criteria. A few consultants suggested that some women should take a more proactive approach to their career management.

One gender difference noted by many consultants is that women are more likely to refer to commitments as a team effort: "We did this," as opposed to men, who are more likely to provide an individual account of their achievements: "I did this". And even fewer engage with networking, putting at a disadvantage those "who aren't in the right ecosystem to be picked out".

"Achieving more diverse leadership can't just be solved at board level without first removing the blockers to female talent progressing through the organisation. Simply, the available candidate pool of female and black and minority ethnic candidates at a senior level remains too small; the leisure sector in the UK needs to take a long-term view and really invest in growing, mentoring, developing, and retaining diverse talent."

Elliott Goldstein, partner and head of retail and leisure practices,
The MBS Group

Conscious or unconscious bias?

Most interviewees acknowledged that bias—both conscious and unconscious—may influence the recruitment process. As trusted advisers to clients, consultants can play an important role in challenging preconceptions and stereotypes, and can, as one consultant put it, ask "powerful questions" throughout the recruitment process such as "why is that important to the role?" and "why is that relevant?"

The importance of using inclusive language in job adverts was also noted, along with the need to tread carefully when using specific words to define candidates' qualities, for



example, 'impressive' or 'presence', which may be difficult to articulate and could reflect subjective judgements and unconscious bias.

The interview process itself was described by one consultant as a potential "bias minefield." It was suggested that panel interviews, which can be subjected to 'group think', be backed up by a strong, in-depth assessment of

candidates. It is also important that interview panels are made up of a diverse group of individuals, to reflect different points of view and perspectives. If organisations cannot find a senior woman to be included on an panel, as one consultant put it, "[it] says something about the team".



ACTION POINTS

Interviewees identified a number of action points for organisations in the hospitality industry and for executive search firms themselves.

For Leaders

Be open to cross-sector hires.

Be less prescriptive about job requirements. As one interviewee said, "If you always go for the same option, you are always going to get what you always got."

Look at candidates' potential, not just their proven track record.

Be aware of unconscious bias.

Adopt more agile and flexible working styles. These are equally important to both men and women with family responsibilities, especially, as one interviewee noted, among younger employees: "Millennials coming into the business...[will] have a different take on life."

Promote female role models within the organisation.

For executive search firms

Raise gender diversity with clients, even if it is not on their agenda. "Push the boundaries within the specifications and requirements for a role," said one interviewee. This can help to widen the talent pool and include more women at the long-list stage.

Be proactive and look for talented women. Said one consultant: "Who are the women to watch? Who are the ones that we think have potential? [If] a client has not asked you to do it... go out and do it anyway".

Host networking and social events for women who aspire to senior roles.

Publish anonymous gender statistics. It helps to keep track of the work being done to promote women as part of the search process.

Encourage culture change. Talk to clients about ways their organisations can be more inclusive and diverse.

Practice diversity within your own firm.

SEARCH FIRMS INTERVIEWED	
HVS	MBS Group
JMA Global	Odgers Berndtson
Korn Ferry	PSD Group
Fraser Giles Partnership	Russell Reynolds

Chapter 6:

Reasons to be optimistic: recruiting and retaining female graduates
By Angela Maher, Acting Head of the Oxford School of Hospitality
Management – Oxford Brookes University

Background

Women dominate the student population at the Oxford School of Hospitality Management, part of Oxford Brookes University, making up, on average, just over 70 percent of those studying for hospitality and tourism degrees. So, what happens to these women when they leave university?

Whilst Oxford Brookes University collects statistics on graduate employment each year, this is limited to surveying students six months after graduation, and there has been relatively little analysis carried out on longer term career trajectories. There is also a paucity of information (not only at Oxford Brookes, but across the higher education sector) on the career progression of female graduates from hospitality programmes. To this end, the Oxford School of Hospitality Management gathered data from 92 female and 41 male graduates working in the hospitality industry in order to better understand their experiences of gender diversity in the workplace¹⁰. Supplementary data was also gathered from 120 female and 35 male students currently studying for degrees at the school to shed light on their career hopes and aspirations.

The following analysis focuses mainly on the data gathered from 92 female graduates currently working in hospitality, with findings from the survey of current students used to support the analysis where appropriate. Comparisons between female and male respondents are made where appropriate, but should be treated with caution given the relatively small sample size of the latter.

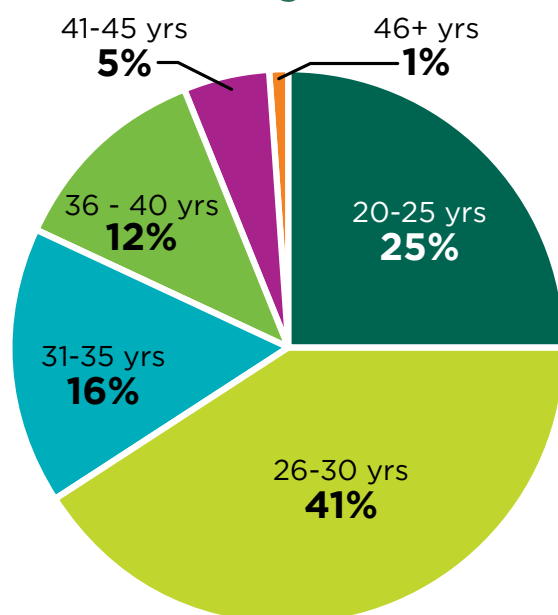
Profile of female respondents

Most of the respondents (66 percent) were aged 30 or under, with a further 28 percent aged 31 to 40. Thus, the majority of graduates surveyed fall into the generations popularly known as millennials (generally defined as those born between 1980 and the mid-1990s) or generation Z (born from 1996 onwards). These generations are very important: They are entering the workforce in larger numbers than ever before; they are highly educated; and they have different expectations to those who have come before them.

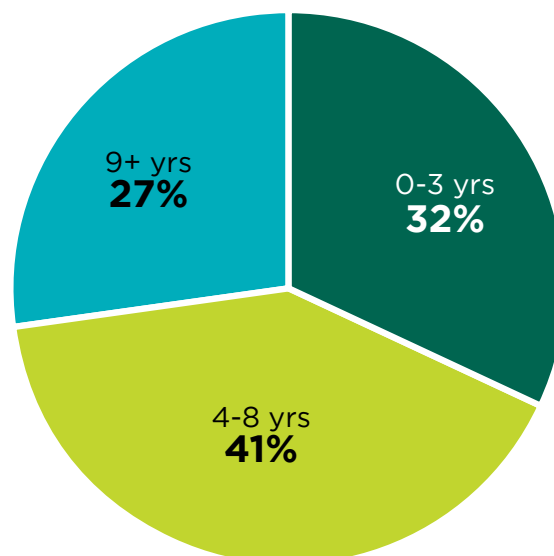
The graduates in this study can be roughly categorised as 'early careerists' (0 to 3 years' experience in the workplace), 'developing careerists' (4 to 8 years' experience) and 'established careerists' (9 or more years of experience). On average, the early and developing careerists had worked for two employers since graduating, and the established careerists 3.5 employers. None of the early careerists in our sample had children, and only 8 percent of developing careerists were mothers. Of the established careerists, less than half (44 percent) have children.

¹⁰ Oxford Brookes University wishes to thank the 30% Club and KPMG for kindly allowing to use some of the questions from the Think Future Study (April 2016) https://30percentclub.org/assets/uploads/UK/Research/Think_Future_Study_Final.pdf to survey Hospitality graduates and students

Age



Years' work experience



Where are female graduates working?

The majority of graduates are working in the UK (57 percent), with the rest dispersed fairly widely across European and other international locations. By far the largest employment sector for these graduates is in hotels, which employ almost 60 percent of respondents, followed by travel (14 percent), foodservice/contract catering (8 percent), and events (7 percent). Other graduates are spread across a diversity of hospitality sectors in smaller numbers.

What attracts female graduates to employers?

The five most important factors cited by female graduates are:

1. Opportunities for career progression (72 percent)
2. Competitive wages and other financial incentives (52 percent)
3. Excellent training and development programmes (46 percent)
4. Flexible working arrangements available (25 percent)
5. Good benefits packages, including pensions, healthcare and other benefits (24 percent)

These are the same five factors for male graduates in our sample, although they place slightly more emphasis on the first two (80 percent and 71 percent respectively). It is clear that opportunities for career progression is the number one factor for graduates when choosing an employer, closely followed by competitive salary. It is unsurprising that graduates are also seeking employers who will offer excellent training and development opportunities, as not only is this linked to promotion and salary, but this often adds meaning to work, resulting in higher levels of job satisfaction. The importance of flexible working correlates with previous research that suggests that millennials and generation Z put a high emphasis on work-life balance and flexibility.

STEP UP PROGRAMME

People 1st, the insight-driven performance and talent-management expert, has been running the Step-Up programme since 2011. The programme helps female managers transform their leadership abilities, giving them the skills and confidence to move up to the next level.

Spread over several months, the programme creates opportunities for delegates to practice new techniques, provide feedback experiences to their group, and take line managers along with them on their journey.

Since 2011, over 1,100 women have been trained using the programme with over 90 percent of delegates reporting improved confidence, and over a third receiving promotions or taking on new responsibilities shortly after the programme completion.

What do students think?

The results of the female student survey echo many of the graduate responses, albeit in a slightly different order.

Female students (all aged 18 to 25 years) placed more emphasis on work-life balance and finding enjoyable work, with two-thirds of females citing the latter as their most important life goal.

In terms of career priorities, female students ranked the following as important/very important:

1. Achieving work/life balance (97 percent)
2. Being able to spend time with family (97 percent)
3. Being involved with work that is meaningful or makes a difference (95 percent)
4. Earning a high salary (87 percent)
5. Having a role that gives me power and status (62.5 percent)

It is not only female students who place emphasis on achieving work-life balance and spending time with family; these were also the top two priorities for male students (97 percent and 94 percent, respectively). Earning a high salary is an important aspiration for both genders, as is securing a job that provides status and power.

Career progression and salary

In terms of career progression, the findings mirror that of wider research on women in hospitality, with only a small percentage of our respondents in very senior roles. Although one might expect early careerists to be in more junior roles, the number of established careerists in senior roles is relatively small. Only seven of 25 are at director level or above, and only one respondent is a chief executive. Whilst this is a very small study, the statistics are similar to those found in other studies of female executives in hospitality.

Leaving jobs

Our research indicates that the top reasons why female graduates leave, or would leave, an employer are a lack of opportunity for career progression, and salary. Almost a third of respondents cite a mismatch between how hard they work and the compensation they receive as a reason for leaving ("If I were to leave my current employer for another, the only reason would be better pay"), and the results also indicate that respondents would like their work to be more interesting and meaningful.

However, the picture is not all bad. Almost 60 percent of female graduates believe they can rise to their most senior levels with their current employer; less than a quarter believe they cannot. With 74 percent of graduates not actively seeking alternative employment or planning to stay with their current employer in the long term, employers have an opportunity to consider ways in which they can address issues of career progression and compensation. Female students are also hugely optimistic that they have the ability to

advance their careers as far as they want (84 percent), and 79 percent believe they will have the opportunity to do so. This gives employers a positive platform to build upon if they wish to attract and retain female talent. With this in mind, what does the research suggest they need to focus on?

Diversity matters

It is clear from our research that both female graduates and students are seeking to work for employers with a strong record on equality and diversity. Almost all graduates—93 percent and 67 percent of students state that an employer's policy on diversity, equality, and workforce inclusion is important when deciding whether to work for them.

“When I look at joining a new company, I Google the most influential people i.e., managing directors, directors, C-suite and I note how many are female.”

When asked how much of a priority gender diversity was in their current workplace, the results indicate that graduates themselves see gender diversity as more important than their chief executive or direct-line manager. There is clearly work to be done here, especially as 79 percent of graduates believe gender-diversity programmes to be a ‘good thing’ to have in the organisation.

Our findings also show that more can be done in regard to equal opportunities at work; 60 percent of respondents agree that whilst organisations talk about diversity, they don't feel opportunities are really equal for all, and 53 percent believe their organisation is not doing enough to encourage diversity.

“It is male-dominated, and doesn't look like it will change any time soon ... they will... continue to employ males at the top, regardless of females being more qualified or able.”

When it comes to promotion and development, some women feel that

employers are too male-biased (22 percent and 21 percent respectively) and 33 percent of respondents felt their gender has played a key role in them missing out on a raise, promotion, key assignment, or chance to get ahead.

Flexibility, work-life balance, and making the work meaningful

All of our female graduates and students made it clear that work-life balance was a top priority: 88 percent of graduates said it was ‘very important’, and it is also top of the list for current students. However, 59 percent of graduates report that the demands of their current job significantly interfere with their personal life.

The results of the study indicate that whilst the majority of employers offer some sort of flexibility initiatives, 35 percent of female graduates do not believe these are available to them in practice, and a further 30 percent believe taking advantage of such programmes will have negative career consequences. This is clearly worrying, and it indicates that employers could be doing more to promote uptake of such initiatives, as well as to give women the confidence that flexible working will not negatively impact their careers. Although only a small percentage of women in our survey are mothers, it is clear that as women progress, children can have an important impact on their careers.

“My view is that women unfortunately still often have to choose between career and building a family.”

It is not only women returners that employers need to focus on, and indeed this issue may be overplayed. Women of all ages and in all circumstances are looking for greater flexibility in their lives, and employers would do well to look closely at career breaks and international opportunities. One respondent said she “always resigned” from jobs in order to travel; another said she left in order to move geographically.

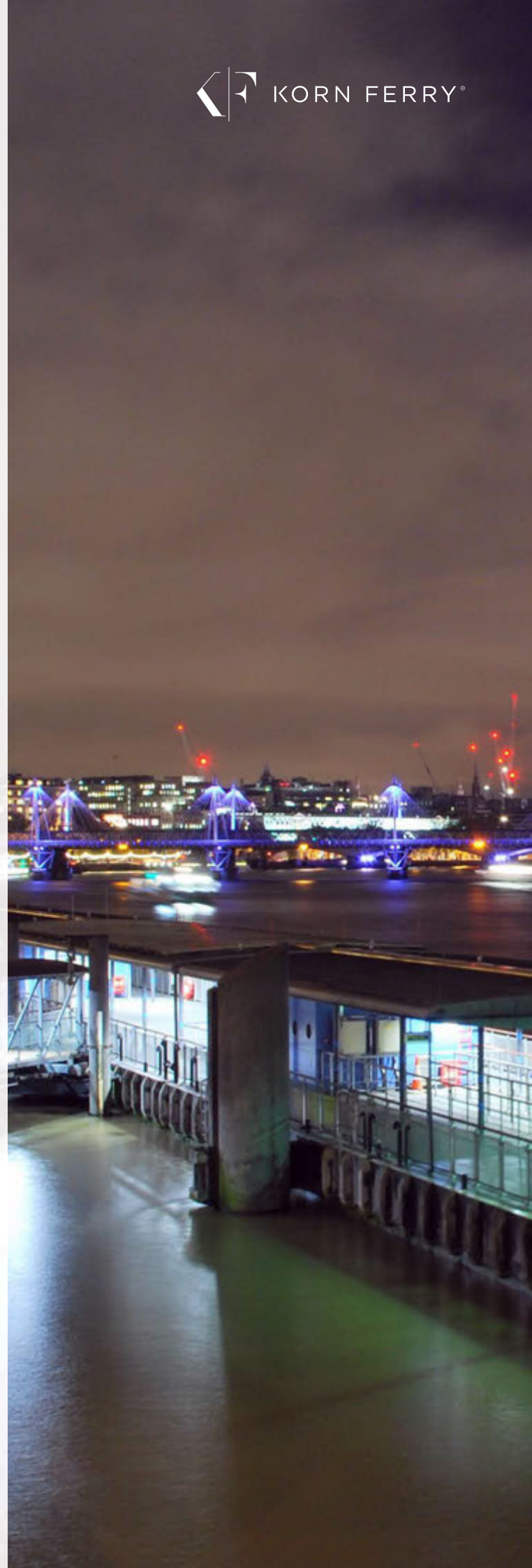
Employers also need to consider how to keep work both meaningful and interesting, namely through training, development, and challenging projects and assignments.

Can female role models help?

Female role models have proven to be a key factor in promoting and enhancing diversity in the workplace. Despite the lack of women at the very top of hospitality organisations, the majority of female graduates—86 percent identified senior role models in their own organisations. This is a striking statistic, and if these role models can be mobilised to provide greater support for young women coming into the sector, this in turn could have a positive impact on their progression into leadership

Summary

Whilst the research reveals some depressingly familiar scenarios, including the lack of women in senior roles, the lack of career progression opportunities, and a mismatch between how hard women work and their level of compensation, the findings do suggest many reasons for optimism. For example, there is great potential for mobilising role models to support development of women. There is also a high proportion of women who are not actively seeking other employment, or who intend to stay with current employers, so employers have an opportunity to capitalise on this stability. What was surprising from the study was the degree to which employers' reputation for equality and diversity is important to both students and graduates when seeking to work for an organisation—this really matters. The research also reveals high levels of self-belief among female respondents that they can reach the highest levels in an organisation. If employers can capitalise on this by providing more support to help women reach the most senior roles, then the HTL industry will be a much better place to work for female graduates.





Chapter 7:

Supporting Female Leadership

1. 'Female Leadership: Emotional Intelligence to the Fore' – Personal reflections from James Hyde, founder, Fresh Limits Coaching Consultancy

Much has been written about gender inequality in the workplace, and it will no doubt remain as a top agenda item until more balance and equality has been achieved. In my earlier incarnation as a headhunter, I must admit to being oblivious to any undercurrents of frustration that female colleagues held. Throughout my career, I have worked alongside highly successful and high-earning female colleagues. Why did I miss the nuances and, with hindsight, the obvious bias that existed?

In my current role as a leadership coach, my awareness and insight are thankfully much sharper, and I am aware of inequality, and the frustration that it causes.

Whilst gender inequality has reduced, we still have a long way to go to address imbalances. And although attitudes towards gender stereotyping are deeply rooted, we must all work hard to call out bad behaviour.

I believe that in most developed societies, there is an acceptance that men and women think, act, and feel differently—and we should all recognise, celebrate, and utilise these characteristics if we truly believe in building and developing diverse teams. Children are stereotyped—for example, the caring and nurturing elements of girls' toys contrasts with the macho action and war gaming of boys'. I am convinced that these formative years are often overlooked in the gender debate.

Having coached many female leaders and aspiring leaders, I see two common themes. Firstly, chief executives are often slow to realise the power of diversity in their leadership teams, and the balance between traditional intelligence (IQ) and emotional intelligence (EQ) is frequently overlooked. Secondly, female leaders often underestimate their ability to leverage their EQ skills to develop more open, loyal, and cohesive environments.

During my 30 years in business, I have consistently seen women display stronger empathy, better listening, and greater collaboration than men.

Whilst female leaders can be encouraged to express and assert themselves in a more proactive way, it is clearly a two-way street. I have heard several female leaders talking about 'imposter syndrome.' They do not feel, or are often made to feel, as though they don't belong within their male-dominated teams in the boardroom.

This is self-deprecation at best and, arguably, insecurity at worst. However, it can be neutralised easily by the higher-EQ chief executive, who sees the obvious benefits of inclusive, relaxed, and open debate that is not dominated by over-eager, big-ego alpha males or females. After all, the quieter, more observant team member is often the one with the most valuable insights. High-performing leadership teams need diverse opinions and working styles to enable effective decision making.

I try to eradicate imposter syndrome when I see it. Winning teams demand diversity, and leaders who develop teams based on biases of loyalty and gender rather than merit and plurality do so at their peril. Chief executives need to eradicate tokenism, and ensure that they have strong and meritocratic teams whose skills, values, and personalities are fully utilised.

The dinosaur days of overlooking female talent due to maternity leave and ongoing parental duties are thankfully less prevalent, although work is still needed to change this wasteful and illogical attitude. Flexible working is a valued and essential part of a progressive working environment. Employers recognise this as a key weapon in attracting, developing, and retaining talent.

When it comes to coaches and leaders, there is a need to continue to encourage women to “lean in”, in the words of Sheryl Sandberg. Leaders continuously need to demonstrate assertiveness, clarity, confidence, and strong communication skills. This often requires uncomfortable change. Women are often much slower to push for this, something that is, in my opinion, mainly driven by fear of not being liked.

Another important factor is learning to withstand criticism. Making decisions that are unpopular are a business necessity and this requires authentic and courageous leadership. Combining this with the more nurturing aspects that women often possess can be a powerful combination. I am a believer in the adage that when you need to change things, you cannot please everyone. If you do, you are arguably not making enough progress.

These essential ingredients of emotional intelligence need to be asserted more powerfully by women, and recognised and rewarded by all if we are going to truly encourage female leaders to fulfill their potential and close the gender gap.

2. The right development opportunities are key. By Jamie Wilson, Managing Director, Group Services, Criticaleye

The benefits of greater gender diversity within any organisation are now well documented and unquestionable. No matter what type of business or sector you work within, a more varied and diverse workforce has been shown to have a positive impact on the bottom line, especially for firms with women in leadership roles.

But while most businesses and executives recognise the benefits of diversity in theory, as well as see the success of organisations that do champion and support the progression of women in their businesses, the problem of gender inequality in the workplace and unequal pay continues unabated. Organisations might be saying all the right things when it comes to gender equality, but this goodwill isn’t translating into equal opportunity and equal pay, not to mention how they support and transition women into leadership roles.

Of course, some progress has been made. There are, for example, now no all-male boards in the FTSE 100, which is a good step in the right direction. There are also many different organisations campaigning for and supporting women in business, whether that is encouraging younger women into industries they might not have previously considered or those further on in their career who wish to break through the glass ceiling of management into leadership roles.

In today’s fast-paced and disruptive environment, exposure to ideas and different ways of thinking from cross-industry sources is fundamental. With competition no longer restricted to your own industry or sector, leaders and future leaders of any business will need to have a broader understanding of the market than ever before. Similarly, the role of mentors, especially in terms of bringing more women up the ranks and into leadership roles, will become increasingly important. Equal

pay aside, if organisations want to benefit from gender diversity, they must be prepared to look in the mirror and honestly challenge themselves on their approach to diversity.

The value of mentoring

Access to a mentor is important at many different stages of a leader's career. For women in business, especially those with aspirations to progress to leadership roles, an effective mentor is invaluable. Mentorships provide an opportunity for executives to discuss and debate ideas and challenges with an impartial and experienced sounding board. A good mentor should be a guide rather than an instructor, drawing on years of experience to make suggestions and impart advice that is untarnished by hidden bias or personal agenda. By asking questions and offering ideas rather than simply telling a mentee what approach they should be taking, a good mentor helps executives find their own solutions to challenges.

Having access to experienced and inspiring role models is a great opportunity for women, as well as provides an effective development tool. Within the confines of the organisation and the daily pressures of their roles, they rarely have the chance to have an open and honest conversation about themselves, where they would like to progress within the business, and what they need to do to get there. Mentorship also enables the mentee to have confidential conversations that would not be possible within the business or with their manager, and to try and find solutions, in a professional and constructive way, to challenges they are facing. Individuals who use a mentor find the experience of freeing up their thinking highly valuable. Additionally, from the organisation's perspective, a mentoring programme that exemplifies diversity in many areas including gender, thought, and experience will demonstrate a real and tangible commitment to a diversity agenda.

The power of networks

In today's environment, executive and leadership development must have a two-pronged approach. On the one hand, it should promote better skills and capabilities within an executive's own business, and on the other, it should broaden their views and understanding of the outside world, as well as what constitutes best practice in other sectors, so that both they and the business as a whole are continuously learning and improving. The most powerful networks and communities are broad and wide-ranging. It's no longer enough to network with other executives from your own industry; there are huge benefits to be gained by learning from peers from outside your immediate circles and experience.

Giving female talent within your business the opportunity to mix with communities of cross-industry peers will undoubtedly improve their confidence and performance. Our community of senior executives and leaders is purposefully broad because we believe the fundamentals of great leadership and performance transcend industry, sector, and discipline. This is not to say that we don't have sector-specific discussions, but there are immeasurable benefits to understanding how other types of organisations are approaching similar problems and challenges.

Promoting women's participation in groups and networks outside of the company and their areas of specialism opens doors, expands their horizons and, again, demonstrates a commitment from the company to their development. Not only this, but the company benefits from new ideas and promotes employee loyalty from individuals because of the development opportunities available to them.



A shift in culture: practical steps to gender equality

Three key points recur within discussions at Criticaleye on gender diversity and its subsequent impact on women in business and leadership: firstly, that businesses looking to achieve gender equality must be self-aware of their strengths and shortcomings to be successful; secondly, change must be led from the top down; and finally, that organisational culture is vital to achieving true gender equality in the workplace.

Gender equality must be led by an executive team that recognises and embraces the invaluable benefits of diversity at all levels of the business, and looks to implement the types of development opportunities we have already covered. That said, everyone has a role to play; ideally, the leadership team has to demonstrate greater diversity through their executive appointments, as well as by implementing practical measures to foster a more supportive and inclusive culture. As gender equality increasingly becomes a key indicator of present and future success for businesses, businesses are going to have to take rapid steps to address equality if they want to attract and retain the best talent.

The issue of gender inequality and unequal pay won't be solved overnight. Gender pay-gap reporting is a positive step forward but real and lasting change should not rely on legislation. Everyone can play a role in promoting gender equality, but the leadership team must fully understand and support the benefits of creating a more diverse board and workforce through tailored development opportunities. Organisations that don't address this crucial issue will ultimately fall behind those who do. In a global, digital world, businesses that encapsulate diversity of thought, flexibility, and innovation will stride ahead of those who, willingly or unwillingly, maintain an environment that fails to attract and retain the best talent.

3. A lesson for the hospitality industry? The Importance of Returner Programmes for Women. By Julianne Miles, Co-founder and Managing Director of Women Returners

A 2016 PwC study conducted with Women Returners and the 30% Club identified that there are over 550,000 UK professional women on extended career breaks for caring reasons. Around 75 percent of women on career breaks intend to return to the workforce when the time is right; however, most face significant barriers when they try to resume their careers.

One of the biggest challenges is the bias from employers and recruitment agencies against candidates without up-to-date skills and experience; they see returners as too risky to bring into experienced roles. As a result, highly-qualified and experienced women rarely make it past an initial CV screen if they apply directly for advertised jobs. Many women who have taken multi-year breaks also lose their professional identity, reducing their confidence in their professional abilities and their value in the marketplace. The combination of these factors means that many women returners decide that they will never be able to pick up their previous career, and take a lower level role or decide to retrain. Apart from the loss of skilled talent, this also exacerbates the gender pay gap. A 2016 report by the Institute of Fiscal Studies found that people lose an average of 4 percent of salary for each year out of the workforce.

Creating solutions for returners and employers

Returner programmes have grown rapidly in the UK since 2014. They have started to change the conversation around returners in a variety of sectors, including financial services, construction, telecoms, IT, PR, and government. Employers are recognising that this high-calibre and motivated group can help to fill talent gaps and to increase gender, age, and cognitive diversity.



Central to this change of employer mindset has been the introduction of 'returnships'; higher-level paid internships tailored to create a supported route back to mid-to-senior level roles. The majority of participants are women who have taken a break for childcare reasons, however programmes are open to anyone who has taken a long career break. Returnships range from 3 to 6 months, with a strong possibility of an ongoing role at the end. Employers get access to an untapped high-calibre candidate pool, with the opportunity of a built-in trial period to reduce the perceived risk. Returners take on professionally paid work using their existing skills and experience, and receive support from the employer in terms of training, mentoring, and often coaching to enable them to rapidly rebuild their professional confidence and skills.

The UK returnship market has grown rapidly from three companies in 2014 to over 35 in 2017. Typically, the majority are employed in ongoing roles at the company at the end of the programme. One example is O2, which brought 12 women from its 2016 career-returners programme into their operations and tech functions, made offers to another 10, and took on eight in ongoing roles. Samina Malik worked for over a decade at Reuters and a mobile tech company before her 10-year break. Now back at O2 as a supplier manager, she says: "If it wasn't for the programme, I'd probably still be applying for jobs I'm over-qualified for and not even getting them." Judith Hunt, O2's UK diversity and inclusion manager described "the amazing talent of women looking to return to the workplace".

Returnships are not the only form of returner programme. Women Returners has also pioneered 'supported hiring' programmes, where returners are hired directly to permanent roles with coaching and mentoring support through the transition period. These are proving successful where organisations are keen to access and support this new talent pool and have fewer biases against people without recent experience. Hiring barriers will

inevitably break down as organisations see increasing numbers of experienced women with long career breaks coming back in mid-to-senior roles. As Julie Thornton, head of human resources at Tideway, the London infrastructure project, which has run annual returnships since 2015 said: "We've learned to look past the gap to the skills".

As yet, returner programmes have not reached the HTL industry. However, their success across other sectors demonstrates that they could help to address the fallout of women at more senior roles in this sector, too.

- Women Returners (www.womenreturners.com) is a consulting, coaching, and networking organisation that works with individuals and organisations to enable the return to work of experienced professionals after a long career break.



Chapter 8:

The regulatory framework

1. Gender pay-gap reporting: An overview by Sara Abbonizio and Joanne Keatley, DfE Government Equalities Office

The overall UK gender pay gap now stands at 18.4 percent, with the full-time gap being the lowest since records began, at 9.1 percent. However, at the current pace of change, that gap will not close until 2050. That is why in April 2017, the UK became one of the first countries to introduce mandatory gender pay-gap reporting; the government wants to accelerate the rate of year-on-year progress and close the gap.

There is still confusion between the 'gender pay gap' and 'equal pay'. Men and women who carry out the same work, similar work, or work of equal value should be paid the same; it has been unlawful to pay men and women differently since 1970: That is equal pay. The gender pay gap shows the difference between the average (mean or median) hourly earnings of men and women within a workforce, expressed as a percentage of men's earnings. Nearly all employers will have a gender pay gap this year and for most, those gaps will not be the result of paying men and women differently for comparable work.

Causes of the gender pay gap

The causes of the gender pay gap are varied and overlapping. Nationally, women still predominate in lower-paid occupations, such as caring, cashiering, catering, cleaning, and clerical work. They are also underrepresented in higher-paying occupations such as science, technology, engineering, and maths (STEM), despite significant skills shortages in this area. Women are more likely than men to be

caregivers (both for their own children or as unpaid carers) and as a result, a much higher proportion work part-time, generally earning less per hour than their full-time counterparts; there is a lack of well-paid part time positions available, for both men and women.

Shouldering the majority of caring responsibilities also means women are more likely to take time out of the labour market, which can similarly have an adverse impact on their career progression. Women are less likely to occupy senior roles within an organisation, making up only 35 percent of managers, directors, and senior officials in the UK. This may also be the result of conscious or unconscious biases within business cultures.

The hospitality industry

The hospitality industry has a variety of sectors and roles, so a number of different factors come into play affecting its gender pay gaps. Analysis by Fourth of their clients' operational data in March 2017 showed that women's average pay was a little higher than that of men's across the quick-service restaurant sector and the hotel-restaurants sector, but across the pub sector and restaurant sector, women typically earn less on average than males.¹¹

Regulations

These are important issues to address, so the regulations require employers to publish a number of complementary metrics to help them understand the underlying causes:

- overall gender pay gap, mean and median
- mean and median gender bonus gap for those receiving a bonus



- proportion of male and proportion of female employees that received a bonus
- proportion of men and women working at different pay quartiles

The mean gender pay gap reflects an employer's full range of earnings. It is useful because women are often over-represented at the low earning extreme and men over-represented at the high extreme. The median gender pay gap is the best representation of 'typical' earnings, because it represents the midpoint in the pay range and is unaffected by a small number of very high earners. Calculating the mean and median gender bonus gap is important because over £46 billion was paid out in bonuses in 2016/17¹². The proportions of male and female employees that received a bonus shows whether bonuses are being allocated fairly. Lastly, publishing the proportions of men and women working in each pay quartile will show if there are blockages to women's upward progression within an organisation.

How and when?

Employers can publish these figures at any point during each 12-month period, but they must use information from the same date every year—31 March for the public sector and 5 April for the private and voluntary sectors. Employers must publish their pay-gap figures on their own website and on the government's online reporting service. Registering on the government's website is easy and can be done here: www.genderpaygap.campaign.gov.uk. The government has also produced user-friendly guidance with ACAS to help employers calculate and report their data. This can be accessed online here: www.acas.org.uk and via 'Closing it together,' the government's gender pay gap reporting campaign page: www.genderpaygap.campaign.gov.uk.

Action plans

Employers are strongly encouraged to publish a narrative alongside their data. They should use this as an opportunity to highlight underlying causes of their gender pay gap (for example, female employees could make up a small proportion of senior employees) and any steps that they have in place, or will put in place, to improve gender equality and their future gender pay gap.

The government recognises that, at this point in time, many employers will have gender pay gaps; the most important thing is that, after taking the initial step to analyse their gaps, employers are taking action to address them. The best employers will use this as an opportunity to tackle barriers holding their staff back.

Business benefits

Mandatory reporting gives HR teams and other champions a really good reason to put gender equality on the radar of their senior-leadership teams. By transparently identifying and tackling gender pay gaps, employers can enhance their reputation as fair and progressive; this can help attract a wider talent pool and address skill shortages. When staff feel valued and supported, retention rates improve which lowers costs; staff productivity is also boosted. A diverse workforce can also better meet the needs of customers and suppliers. McKinsey Global Institute has said that the UK could add £150 billion to its GDP by 2025 by bridging the gender gap in work.

By publishing their figures and taking prompt action, employers will be making a real difference to their female employees. They will also get their customers and investors talking about their innovative actions to reduce their gap rather than just the metrics themselves. Research by Business in the Community showed that at least two-thirds of employees surveyed would ask what actions their employers are taking to close any gender pay gaps. Publishing early and taking action allows employers to get on the front foot.

The hospitality industry is a significant UK employer, with women making up over 50 percent of overall employees. As such, there is scope for it to help significantly in closing the UK's gender pay gap, as well as in tackling it at organisational and industry levels.

Next steps

The causes of the gender pay gap vary between organisations and so the steps to help close it will also be varied. Some considerations may be supporting flexible working for all, introducing unconscious bias training, setting internal targets for the recruitment of women at senior levels, encouraging employees to take up the Shared Parental Leave offer, and supporting employees back into the workplace after maternity/paternity leave or career breaks.

Whatever steps an organisation takes, it should consider how this can be communicated to its employees, stakeholders, and the wider public in general; how the actions will apply in practice, across a variety of positions and levels of seniority; and how it will monitor progress in a meaningful way.

- See genderpaygap.campaign.gov.uk for more information



2. Gender equality: A legal perspective, By Christina Morton, Professional Support Lawyer, Withers Worldwide

The current environment in the UK and Europe

The figures are stark. According to a 2015 Women's Business Council report¹³ women in the UK have 71 percent of the economic opportunity men have, and only 69 percent of working-age women are employed, compared to 78 percent of men. Forty-two percent of women are likely to work part-time, compared with just 12 percent of men. This likelihood increases as women get older, with half of women over 50 working part-time. For women who wish to return to the workplace, evidence gathered by the UK Parliament's All-Party Parliamentary Group on women returners suggests that there is a lack of support available to make this happen. Some of the issues identified include outdated skills, CV gaps, the cost of childcare, and a lack of confidence. The report finds that for many women, barriers such as these lead to them dropping out of the labour market altogether.

According to a study by Eurofound, an EU agency for the improvement of living and working conditions, the main reasons for gender inequality in labour markets in Europe are vertical segregation, family and care responsibilities, differences in work time and job valuation, and educational differences, as well as segregation of representation. The study finds that women often choose part-time jobs in order to better reconcile work and family responsibilities, which makes it almost impossible to reach top managerial positions. Moreover, being the principal caregivers, women are often unavailable to offer the kind of flexibility that companies would require—they are less available for long-distance travel and unplanned coverage.

The hospitality sector

The hospitality sector provides some classic examples of these structural problems, and

some issues that are specific to the sector. A 2013 study, *International Perspectives on Women and Work in Hotels, Catering and Tourism* by Thomas Baum of the University of Strathclyde, notes that longitudinal data generally points to increasing levels of female participation in the hotels, catering, and tourism workforce, but concludes that: "Women are disproportionately represented in lower-skill and lower-paid areas of [hotels, catering, and tourism] work, notably housekeeping and some customer-contact areas. They are underrepresented in kitchen work and in areas such as engineering and security. Furthermore, there are widespread disparities in terms of the extent to which women access senior technical and managerial roles within the sector."

The study says women are also more likely to play flexible roles than their male counterparts, by undertaking part-time, seasonal, agency, and casual work in the sector. They are also overrepresented within informal and marginalised areas of work, and are thus subject to disproportionate exploitation.

Inequality and discrimination

Governments in the UK and Europe are increasingly vocal about the persistence of gender inequality in pay, promotion, and participation in work across all sectors. Theresa May used her first speech as prime minister to highlight the differences in earning power between women and men, and vowed to fight against this "burning injustice". The former prime minister, David Cameron, introduced measures "to eradicate gender inequality in the workplace and remove barriers to women's success", including a commitment to "end the gender pay gap in a generation".

But amongst the cultural, structural, economic, and historical contributors to the unequal participation of women in work outlined above, there lurk vestiges of individual prejudice, which translate into the persistence of unlawful sex discrimination in the workplace. This manifests itself in a panoply of working



practices and individual behaviours such as lack of training, promotion, and mentoring for women; long working hours or after-work socialising that are disadvantageous to women with caring responsibilities; marginalisation of pregnant women and those on maternity leave; failure to appoint or promote women of child-bearing age; and harassment, sexist language, sexist dress codes, stereotypical assumptions, and patronising attitudes.

Sex discrimination claims in the UK

Government statistics on sex discrimination and equal-pay claims have to be understood against a backdrop of a dramatic (80 percent) fall in the number of claims brought against employers following the introduction of employment tribunal fees in 2013. Those fees have now been ruled unlawful by the UK Supreme Court because of their adverse impact on access to justice and their particular impact on women.

Figures for 2015/6 and 2016/7, however, show a sharp increase in the number of sex discrimination claims brought (5,371, rising to 8,836). Only a fraction of those would have resulted in a final hearing, and a still smaller fraction in an award against an employer—the vast majority of cases brought to the tribunal settle before a final hearing and only a small number are decided in favour of employees.

The number of claims presented to employment tribunals is the tip of the iceberg of complaints. All claims have to be referred in the first instance to the Advisory Conciliation and Arbitration Service (ACAS), and a very high proportion of these are settled at that stage. The number of claims resulting in an actual award against employers for sex discrimination is far from representative of the scale of discrimination to which women in UK workplaces are subject. Women going on maternity leave or returning from it are particularly vulnerable, and the impact of tribunal fees on them has been particularly harsh.

The equality legal framework

Sex discrimination and equal pay law in the UK and Europe have evolved in parallel. The current framework of legislation in the UK is contained in the Equality Act 2010 (the 'Act'), which replaced previous anti-discrimination laws with a single act.

The Act prohibits direct and indirect sex discrimination, sex-related harassment, and sexual harassment, and includes specific measures to protect women during the period beginning with the start of pregnancy and ending with the return to work after maternity leave. The Act also prohibits victimisation of women who exercise their rights under the Act. Separate measures protect the health and safety of women who are pregnant or breastfeeding.

Positive discrimination and positive action

Positive discrimination is generally unlawful in the UK, for example, where it consists of deliberately favouring one group over another on grounds of a protected characteristic including sex, race, age, pregnancy and disability.¹⁴

But the Act contains provisions on 'positive action', which is potentially lawful. These provisions apply where persons who share a protected characteristic suffer a disadvantage connected to the characteristic, or have particular needs or are disproportionately underrepresented. Employers can take certain actions to address these problems without exposing themselves to discrimination claims.

Employers may take proportionate measures not merely to train or encourage members of underrepresented groups to apply for jobs, but also to overcome a perceived disadvantage or to meet specific needs based on a protected characteristic. It could, for example, cover such things as prioritising female hotel managers with caring responsibilities for flexible working arrangements if there have been more requests than the business can accommodate.



Positive action in recruitment and promotion is permitted where an employer reasonably considers that persons with a particular protected characteristic, such as women, are disadvantaged or are disproportionately underrepresented in the organisation, perhaps at a specific level such as senior management. The permitted action would be treating a female candidate more favourably in connection with recruitment or promotion than a male candidate. However, this would only be permitted where the female candidate is as qualified as the male candidate; the employer does not have a policy of treating women more favourably in connection with recruitment or promotion than men; and where the action is a proportionate means of achieving a legitimate aim, which means that there is no other way of achieving the same objective that would have a less discriminatory impact on men.

The supplement to the EHRC Code states that: "This provision essentially allows positive action in recruitment and promotion in relation to a 'tie-breaker'. It allows an employer faced with making a choice between two or more candidates who are of equal merit to take into consideration whether one is from a group that is disproportionately underrepresented or otherwise disadvantaged within the workforce."

The legal constraints on positive action are such that the provisions are used with great caution by employers, who fear operating the provisions incorrectly and running the risk of discrimination claims. There are examples of them being used in the context of high-profile public appointments, for example for politicians and judges, but little evidence of their uptake in the private sector.

Are quotas the answer?

In order to tackle inequality in the workplace, governments across the world are stepping in to introduce quotas, which set a fixed number or percentage of women, usually in particular positions such as public office or the boards of

listed companies. In March 2015, the German parliament voted to implement a new law requiring over 100 listed companies to allot 30 percent of seats on non-executive boards to women. Given this and other European examples and the fact that the European Commission has contemplated a directive for a mandatory 40 percent gender quota, campaigners in the UK have argued for similar measures.

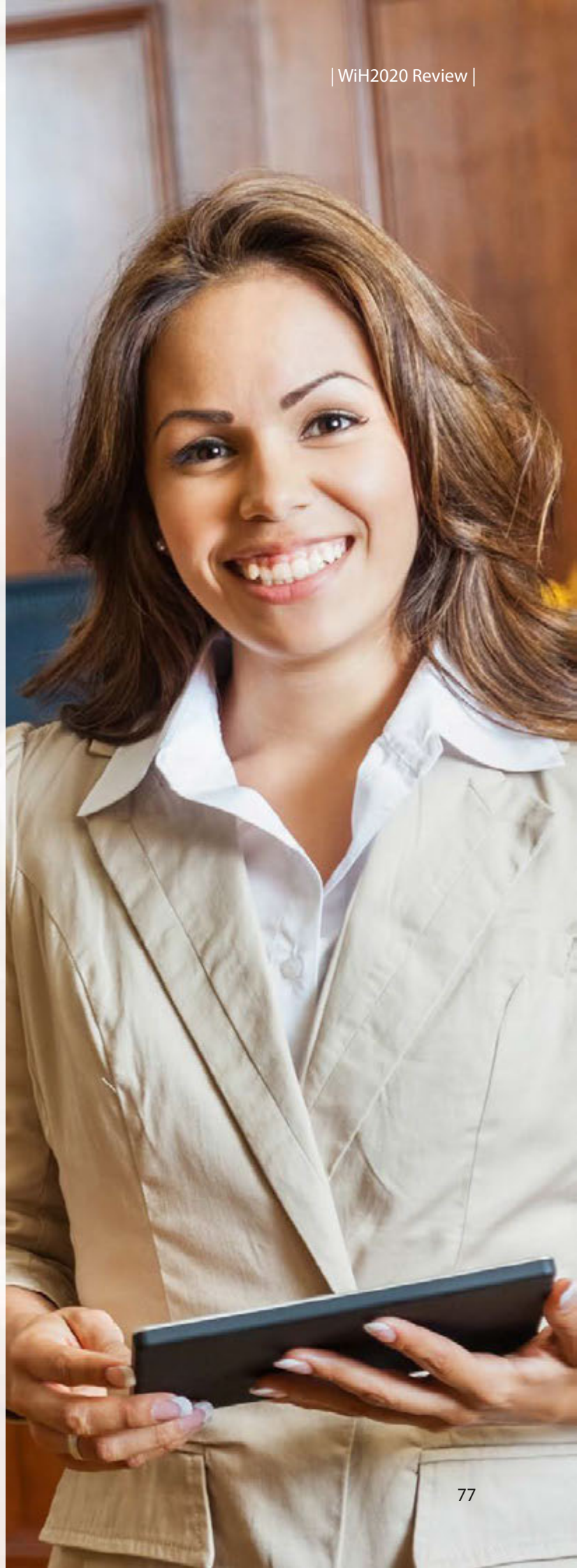
With fewer than a third of seats on FTSE 100 boards in the UK and similar numbers of seats in Parliament currently held by women, supporters of quotas argue that, whilst equality law and individual tribunal claims have restrained (but not eliminated) much official discrimination in the workplace, quotas are 'an unfortunate, but necessary' instrument to tackle discrimination at the upper echelons of public and private sector organisations, and to enhance the goals of social equality. Many proponents of quotas are convinced that they will also lead to better decision making and better-run organisations by forcing the issue of gender balance.

Opponents of quotas argue that enforced measures can have a detrimental effect, leading to the promotion of unmeritorious candidates due to a need to meet targets, and scepticism towards women who have acquired high-level roles through quota systems. These factors have a tendency, they argue, to undermine the very goal they seek to achieve, that of greater gender equality in senior positions. Critics also argue that gender quotas do not in practice provide a wider social benefit. They point to a so-called 'golden skirt' phenomenon in which only a small minority of female executives benefit from quota initiatives, and cause resentment in the process. Quotas, they argue, are inimical to meritocracy. There is further scepticism about the impact on quotas on the overall gender pay gap, the argument being that as the causes of the pay gap are so complex, promoting small numbers of women at board

or senior-management level will do little to address the gap.

Proponents of quotas, however, point to the profound impact the presence of women at senior levels can have on workplace culture and on the kinds of self-perpetuating practices that can act as a serious deterrent to women contemplating roles traditionally occupied by men. Moreover, only once women have begun to break through the 'glass ceiling', they argue, and enter into senior positions, will the kinds of structural inequalities that benefit a male-dominated status quo begin to be dismantled.

In the UK, the Women's Business Council currently reports that there are now 22 percent women on boards of FTSE 350 companies—more than double the proportion in 2011. That means that 78 percent of boards remain male, however, and for many, without the assistance of quotas, the progress towards equality remains unacceptably slow.



WiH2020 Contributor List

Jamie Wilson, Criticaleye

Sara Abbonizio and Joanne Keatley, DfE Government Equalities Office

James Hyde, Fresh Limits

Dr Zara Whysall, Kiddy & Partners

Sarah Lim and Erica Wilding, Korn Ferry

Blessy Penumala, Lancaster University

Miyoko Takahashi, Lancaster University

Nathalie Torres Munoz, Lancaster University

Sharan Bathija, Lancaster University

Professor Simonetta Manfredi and Ksenia Penchukova, Centre for Diversity Policy Research and Practice at Oxford Brookes University

Angela Maher, Oxford School of Hospitality Management, Oxford Brookes University

Simon Tarr and Martin-Christian Kent, People 1st

Jon Terry and Alastair Wood, PwC

Dr Zofia Bajorek, The Work Foundation

Christina Morton, Withers Worldwide LLP

Julianne Miles, Women Returners



