

Women in business
in Central Europe
Faster, higher, stronger?





“Getting more women into the labour market and in top jobs makes good sense for our economies and our businesses. In times of demographic change, tapping the full potential of women in the workforce will pay off more than ever. Women mean business.”

Viviane Reding, former Vice-President of the European Commission and Commissioner for Justice, Fundamental Rights and Citizenship

10 years, 10 countries, 10 stories



Alastair Teare

CEO

Deloitte Central Europe

I am delighted to share this inaugural report that highlights many important topics surrounding gender equality in business in Central Europe.

In 2011 Deloitte Central Europe proudly launched the SheXO Club, a regional programme with the mission to support the growth of women in the workplace. By creating an environment for thought exchange, support and networking opportunities, the SheXO Club has enabled executive women throughout Central Europe to develop relationship-building skills while facilitating personal and professional growth. The SheXO Club's projects endeavour to increase female participation in leadership positions and to combat gender inequality stemming from unequal access to career opportunities and remuneration.

We launched the Deloitte 2014 SheXO Survey to measure business professionals' perceptions about the current status of women in business. In Deloitte Central Europe, we believe that championing diversity is key for talent development. Encouraging both genders to take responsibility for supporting female talent advancement can only improve business performance. Engaging in dialogue about diversity enables us to overcome barriers and inspire future generations.

I very much hope that you will find the results of the Deloitte 2014 SheXO Survey as thought-provoking and motivating as I do.



Barbara Žibret Kralj, Msc

Partner

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Looking back I realize that I have shared the milestones in my life with those of my country. 2004 was a pivotal year in the history of Slovenia, just as it was a crucial also for me. Not just crucial – seismic. I became a mother for the first time, a new role that I had to develop alongside my career as an audit expert in Deloitte. It was not always easy – at times it was even overwhelming – but in the end my desire to prove that I can make it always prevailed.

In 2014, as Slovenia joins the other EU10 countries in observing the 10th anniversary of its accession to the EU, I celebrated my appointment as the first female partner in Deloitte Slovenia's history. As a wife, a mother of two children, and a businesswoman with a successful career, I am proof that women possess the knowledge and capability to achieve fulfilment in both professional and private life simultaneously.

This report makes it all too clear that even ten years after ascending to the EU, women in the countries of the EU10 are facing a number of challenges to gaining parity with men in the economic sphere. Fortunately, as I hope this report shows, there is a lot that can be done to bring about positive change in a way that is agreeable to both men and women, one that recognizes the value that women add to organizations without condescending to their drive and ambition. The SheXO Club and I look forward to charting developments in this area, in Slovenia and across Central Europe, over the coming months and years.

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EU accession as a story of success

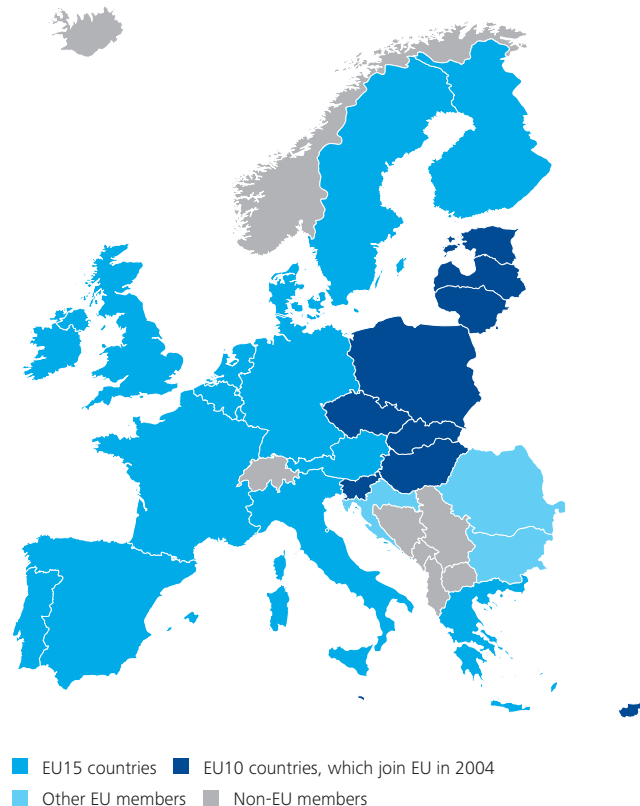
This year marks the 10th anniversary since ten countries joined the European Union in its largest single expansion on 1 May 2004: Cyprus, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia and Slovenia (the “EU10”).

Anniversaries present an opportunity to look back and gauge progress. In this report, we look at the EU10 countries’ achievements in the past ten years in terms of the progress of women in political and economic life, comparing their results to Germany, and discuss measures that could contribute to reducing differences between women and men in political and economic spheres.

The comparison of the EU10 countries and Germany was carried out in the areas of economic, social and environmental development as well as gender equality in political and economic life. The following data and proprietary metrics were used:

- Development Index: measuring economic, social and environmental development
- Status of Women Index: assessing the overall picture of the status of women
- Deloitte SheXO Survey 2014: surveying businessmen and businesswomen to gauge their perception of the status of women in business.

Figure 1: Map of EU countries



¹ The survey was conducted by Mediana d.o.o., Slovenian market research and consulting company, using CAWI (computer assisted web interviewing) and CATI (computer assisted telephone interviewing) methodology. Malta and Cyprus were not included into the survey since the countries don't have a sufficient number of small and middle sized companies to reach N=100 responses by middle and top management.

Economic development

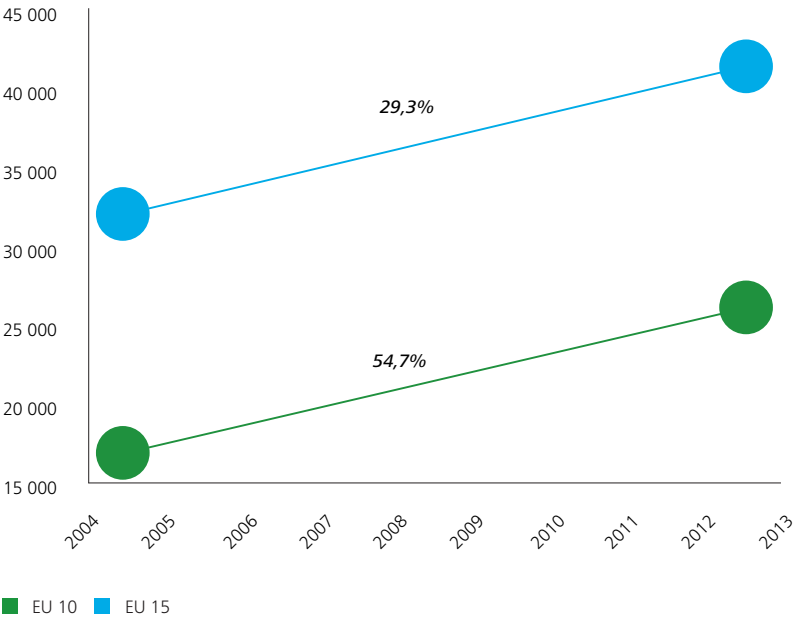
In the past ten years each of these countries has succeeded in improving the EU10 countries economic development by increasing their GDP per capita (measured in purchasing power parity compared to 2004) despite the economic crisis which hit Europe in 2008 (see Graph 1).

Cyprus and Slovenia were the most impacted by the crisis, as their GDP per capita in 2013 declined by 7.4% and 2.7% respectively compared to 2008. The other EU10 countries and Germany, however, achieved positive economic growth compared to 2008.

Compared to 2004, EU10 countries grew at a compound annual growth rate (CAGR) of 5.0%, while Germany grew at 4.3%. Poland and Malta have achieved constant annual growth since 2004, the only two EU10 countries to have done so.

When looking at the differences between 2004 and 2013, Latvia and Lithuania achieved the highest CAGR of 7.8%; their GDP per capita measured in purchasing power parity almost doubled, posting 96% growth in that period. They are followed by Poland (6.7%), Slovakia (6.6%) and Estonia (6.0%).

Graph 1: GDP per capita development by group of countries (PPP, international dollars)

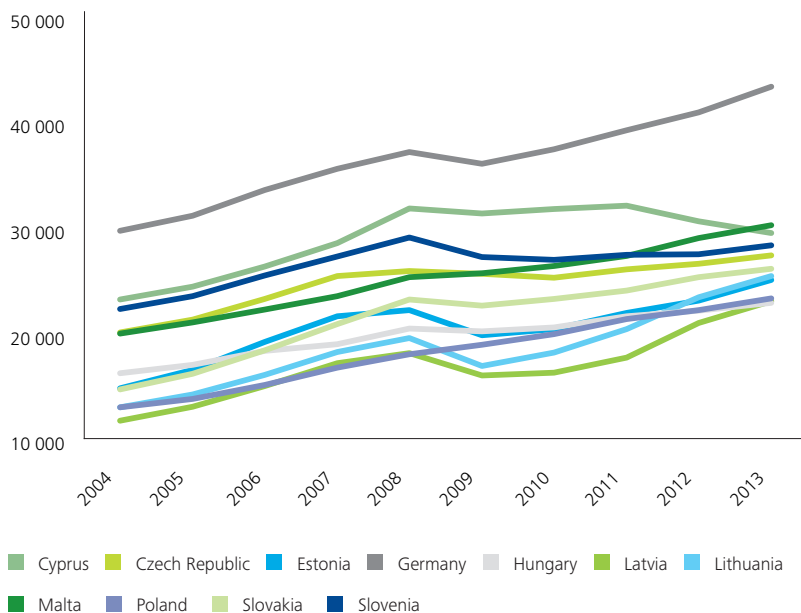


Source: World Bank

Germany's GDP per capita was higher than all EU10 countries in the period 2004-2013. Germany was also affected by the economic crisis in 2008. However it quickly picked up again in 2009, reporting positive GDP per capita growth compared to 2008 levels.

The EU10 countries share the same success story. Although their GDP per capita is on average below the levels of other EU members, on average the group of EU10 countries achieved the highest growth among groups of countries in the EU according to the date of their accession (see Graph 2). Comparing 2004 to 2013, EU10 countries achieved growth of 54,7% which is 25,4 percentage points above the growth achieved by EU15 countries (EU members prior to 2004, including Germany).

Graph 2: GDP per capita development by country (PPP, international dollars)



Source: World Bank

Looking beyond economics: the Development Index

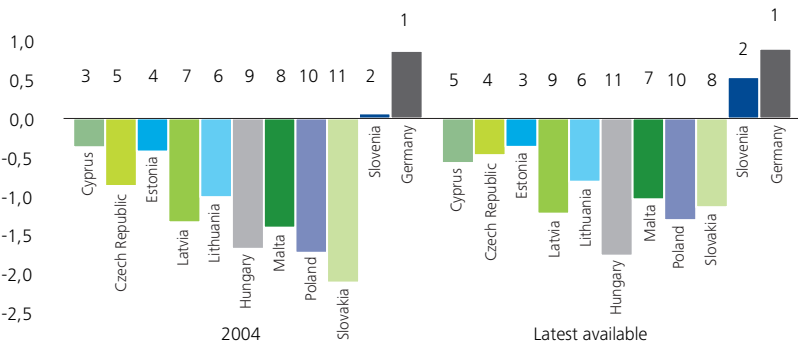
To compare not only the economic but also social and environmental development among countries in the EU, we ranked them according to a proprietary methodology (the Development Index) which analyses seventeen variables of World Bank data for each country using principal component analysis²: six are economic³, six are social⁴ and five are environmental⁵.

The Development Index was calculated for both 2004 and the year for which the latest data is available for each country (most often periods 2010-2012). According to this metric, the higher the value of a country's Development Index the more developed that country is overall.

According to the Development Index, Germany is more developed than any of the EU10 countries. Compared to 2004, its development was relatively stable with an increase of 3.1% in its index value. Among the EU group of countries, Slovenia is the most developed according to the latest available data; its Index increased significantly compared to 2004, when Slovenia was also the most-developed of the EU10 countries.

Slovakia has improved the most compared to other EU10 countries and Germany, moving up four places from the least developed country in 2004. Czech Republic, Estonia and Malta also improved compared to other EU10 countries, while Lithuania's and Poland's position close to the top of EU10 countries also remained the same between 2004 and the present. Meanwhile Cyprus, Latvia and Hungary reported a decrease in their development.

Graph 3: Development indicator in 2004 and based on latest available data by country



Source: World Bank, Deloitte analysis
Legend: Data labels in bold mark the ranking of countries in a given year

² Principal component analysis is a statistical technique which can form a new set of independent variables that are linear transformations of the original. The number of new variables which can be designed can equal the number of original variables. The aim of this method is to create as little new variables, which represent a high proportion of the information provided by the original variables (Sharma, S. (1996). Applied multivariate techniques).

³ Economic development variables include: GDP per capita in purchase power parity (current international dollars), Total unemployment as % of total labour force, Total labour participation rate (% of total population ages 15+), Annual inflation measured by consumer prices, Agriculture value added as % of GDP and Research and development expenditure as % of GDP.

⁴ Social development variables include: Gross enrolment ratio (tertiary education), Number of researchers in R&D per million people, Life expectancy at birth, Public spending on education as % of GDP, Fertility rate and Health expenditure as % of GDP.

⁵ Environmental development variables include: CO2 emissions per capita, Forest area as % of land area, Fertilizer consumption per hectare of arable land, Arable land as % of land area and Urban population as % of total.

The group of EU10 countries are less developed than EU15 countries, which also include Germany, based on both 2004 and the latest available data (see Graph 4). Although the Index shows improvement for the group EU10 countries and deterioration for EU15 countries, EU15 countries remain more developed.

Graph 4: Development indicator in 2004 and based on latest available data for group of countries



Source: World Bank, Deloitte analysis

Table 1: Ranking of EU countries based on Development indicator in 2004 and last available data

Country	Value of indicator		Rank (EU members)			Rank (EU10 countries + Germany)		
	2004	Latest available	2004	Latest available	Change	2004	Latest available	Change
Finland	3,477	2,545	1	1	0			
Sweden	3,176	2,358	2	2	0			
Denmark	2,522	2,148	4	3	1			
France	1,073	1,124	8	4	4			
Austria	0,817	1,116	10	5	5			
Netherlands	1,314	1,011	5	6	-1			
Germany	0,871	0,898	9	7	2	1	1	0
Luxembourg	2,695	0,831	3	8	-5			
United Kingdom	1,200	0,714	6	9	-3			
Ireland	0,592	0,589	11	10	1			
Slovenia	0,065	0,531	12	11	1	2	2	0
Belgium	1,165	0,227	7	12	-5			
Portugal	(0,320)	0,130	13	13	0			
Spain	(0,380)	(0,151)	15	14	1			
Estonia	(0,424)	(0,363)	16	15	1	4	3	1
Czech Republic	(0,868)	(0,468)	19	16	3	5	4	1
Cyprus	(0,367)	(0,573)	14	17	-3	3	5	-2

Country	Value of indicator		Rank (EU members)			Rank (EU10 countries + Germany)		
	2004	Latest available	2004	Latest available	Change	2004	Latest available	Change
Greece	(0,700)	(0,719)	18	18	0			
Lithuania	(1,012)	(0,813)	20	19	1	6	6	0
Italy	(0,687)	(0,815)	17	20	-3			
Malta	(1,406)	(1,042)	22	21	1	8	7	1
Slovakia	(2,113)	(1,141)	26	22	4	11	8	3
Latvia	(1,337)	(1,223)	21	23	-2	7	9	-2
Poland	(1,728)	(1,308)	25	24	1	10	10	0
Bulgaria	(2,919)	(1,599)	27	25	2			
Hungary	(1,677)	(1,764)	24	26	-2	9	11	-2
Croatia	(1,615)	(1,792)	23	27	-4			
Romania	(3,482)	(2,203)	28	28	0			
EU	0,297	0,247	n/a	n/a	n/a	n/a	n/a	n/a
EU10 ¹	(1,087)	(0,816)	n/a	n/a	n/a	n/a	n/a	n/a
EU15 ²	1,108	0,900	n/a	n/a	n/a	n/a	n/a	n/a
EU25 ³	0,223	0,185	n/a	n/a	n/a	n/a	n/a	n/a

Source: World bank, Deloitte analysis

Note: 1) Average of EU10 countries, which joined EU in 2004;

2) Average of EU15 countries, which joined EU prior 2004;

3) Average of EU25 countries, including all countries which were members of EU in or prior 2004

Deloitte SheXO Survey 2014: Gender equality in business and EU accession

As the previous chapter makes evident, those countries that became EU member states in 2004 (the EU10) benefited economically from their accession to the EU. What about the area of gender equality? Were women equal to men in contributing to the development of their countries' political and economic environment? Is there a difference between Germany and the EU10 countries in this regard, and if so, what is it?

To answer these questions, we took as our sample the EU10 countries and Germany, comparing them along a number of metrics (the following chapter). We then created a Status of Women Index to assess the overall picture of the status of women in our sample countries. Finally, we carried out the Deloitte SheXO Survey 2014⁶ to gauge the perception of businessmen and businesswomen about the issue of the status of women in business in their respective countries.

The Status of Women Index provides a critical framework and context for our survey. We calculated it using publicly available data and included those variables⁷ which we think are relevant for the objective assessment of the status of women in a given country.

We additionally conducted the Deloitte SheXO Survey 2014 among top and middle management in countries of our sample to measure the sentiment of businessmen and businesswomen about the issue of status of women in business.

Comparing the data in the status of Women Index against the results of the Deloitte SheXO Survey 2014, we see an interesting picture emerge where respondents from countries in our sample in which the issue of gender equality is already part of public discourse or where legal measures encouraging gender diversity in business have already been implemented were already implemented are more critical in assessing the overall status of women in their country.

⁶ The Deloitte SheXO Survey 2014 was conducted by Mediana d.o.o., Slovenian market research and consulting company, using CAWI (computer assisted web interviewing) and CATI (computer assisted telephone interviewing) methodology. Malta and Cyprus were not included into the survey since the countries don't have a sufficient number of small and middle sized companies to reach N=100 responses by middle and top management.

⁷ The variables used in Women Index calculation: women population working; fertility; women unemployed; women at risk of poverty; women per one man graduating; total gender pay gap; managerial gender pay gap; political quotas; number of women in national parliament; number of women ministers; number of women board members; and number of women CEOs.

Women making their way

Women represent the majority of the population in all 11 selected countries. Nevertheless, they won their voting rights only in the previous century. First in the Baltic countries and in Poland, and mostly recently in Cyprus in 1960, which means that their political power and influence on their societies and development of their countries was considerably minor compared with the male segment of population.

The fact that this situation has not changed significantly is supported also by the graphs below showing the share of women representatives in national parliaments and leading political positions in the observed countries.

Table 2: Women's suffrage

Country	Women's suffrage
<i>Estonia, Latvia, Lithuania, Poland</i>	1917
<i>Germany</i>	1918
<i>Czech Republic, Slovakia</i>	1920
<i>Hungary, Slovenia</i>	1945
<i>Malta</i>	1947
<i>Cyprus</i>	1960

Table 3: Share of women in national parliaments

Country	Women (%)	Men (%)
<i>Cyprus</i>	14	86
<i>Czech Republic</i>	20	80
<i>Estonia</i>	19	81
<i>Germany</i>	36	64
<i>Hungary</i>	10	90
<i>Latvia</i>	26	74
<i>Lithuania</i>	23	77
<i>Malta</i>	13	87
<i>Poland</i>	24	76
<i>Slovakia</i>	20	80
<i>Slovenia</i>	36	64

Women are best represented in the national parliaments of Germany and Slovenia (36%), followed by Latvia (26%) and Poland (24%), while they are underrepresented in Hungary with barely 10% of seats, followed by Malta (13%) and Cyprus (14%). We can see a relationship between year women attained suffrage and share of women in national parliaments, with Hungary, Malta and Cyprus ranking last. On the other hand, Slovenia and Hungary show a very interesting picture, considering women in both countries gained the right to vote in 1945. Today, Slovenia ranks first in the EU10 countries while Hungary lags behind.

The percentage of women in the top political positions is also low. Only two of them currently have female presidents (Lithuania and Malta), while two women lead their countries as prime ministers, namely, Angela Merkel in Germany and Laimdota Straujuma in Latvia (the latter elected in November 2014).

The situation in government cabinets varies from one country to another. Slovenia is leading the way with a 43% share of female ministers, followed by Germany (38%), Estonia and Latvia (both 36%). At the bottom of the ladder is Hungary (0%), followed by Malta and Slovakia (both 7%) and Cyprus (8%).

Graph 5: Share of women in national parliaments

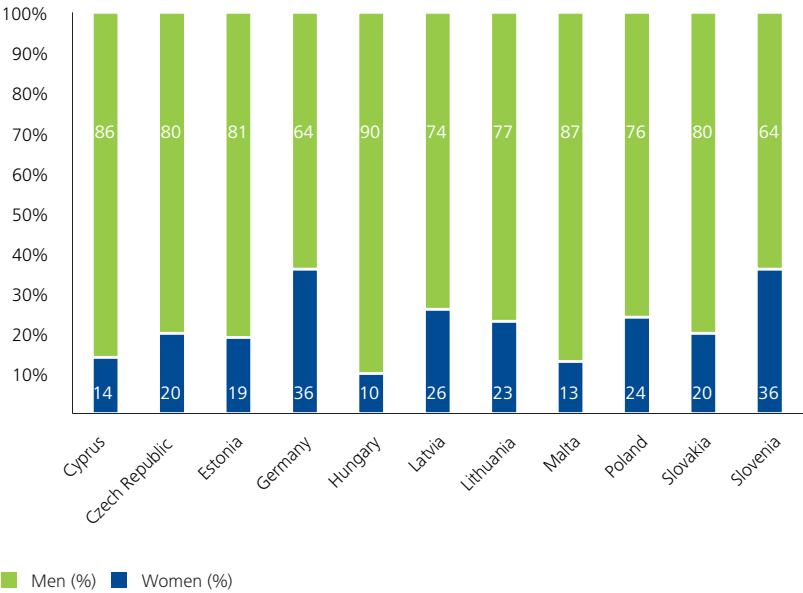
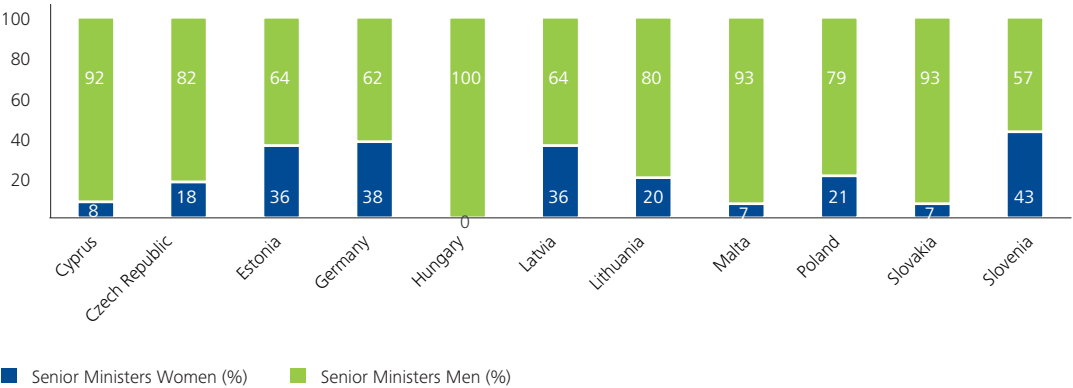


Table 4: Share of women on leading political positions in the participating countries

Country	President	Prime Minister	Senior Ministers	
			Women (%)	Men (%)
Cyprus	M	M	8	92
Czech Republic	M	M	18	82
Estonia	M	M	36	64
Germany	M	W	38	62
Hungary	M	M	0	100
Latvia	M	W	36	64
Lithuania	W	M	20	80
Malta	W	M	7	93
Poland	M	M	21	79
Slovakia	M	M	7	93
Slovenia	M	M	43	57

*Senior ministers: members of the government who have a seat on the cabinet or council of ministers

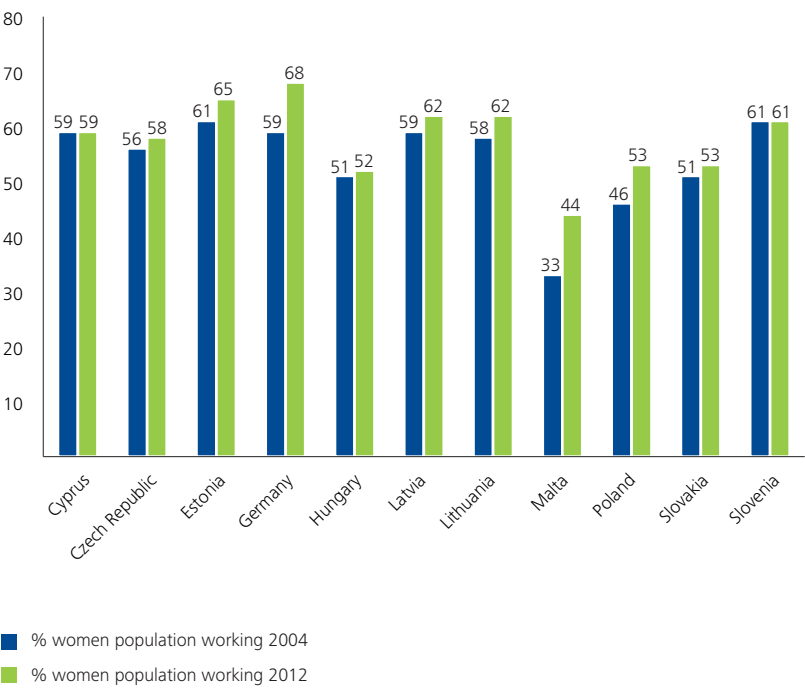
Graph 6: Share of female ministers



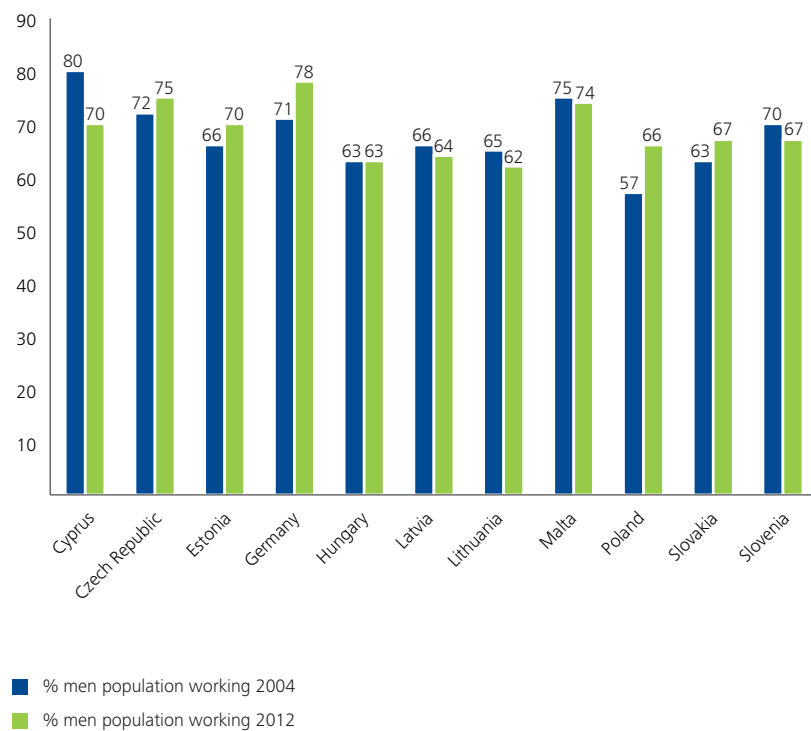
Source: European Commission

The lesser political power of women is also reflected in their social and economic roles. The percentage of employed women is still lower in comparison with men, most notably in Malta, where only 44% of the eligible female population is employed. Nevertheless encouraging progress has been recorded in the last decade as the share of employed women has increased in all countries in this sample, with the exception of Cyprus and Slovenia, where this percentage remains unchanged. This is all the more remarkable when compared with the trend of employment among male populations: six of 11 countries recorded a decrease (Cyprus, Latvia, Lithuania, Malta and Slovenia) or stagnation in the level of male employment from 2004 to 2012.

Graph 7: Comparison of women population working for 2004 - 2012



Graph 8: Comparison of men population working for 2004 - 2012



Source: Eurostat

Maternity is often cited as the primary reason for lower employment among women. However this claim does not apply to the countries in our sample (see Table 5). In all countries except Cyprus and Slovenia, the employment rate among women increased from 2004 to 2012 in parallel with the fertility rate (number of children per woman). In Cyprus or in Slovenia the employment rate among women has not changed; while the birth rate in Cyprus has dropped, in Slovenia it has increased significantly in relation to other countries.

Table 5: Women population working and fertility rate

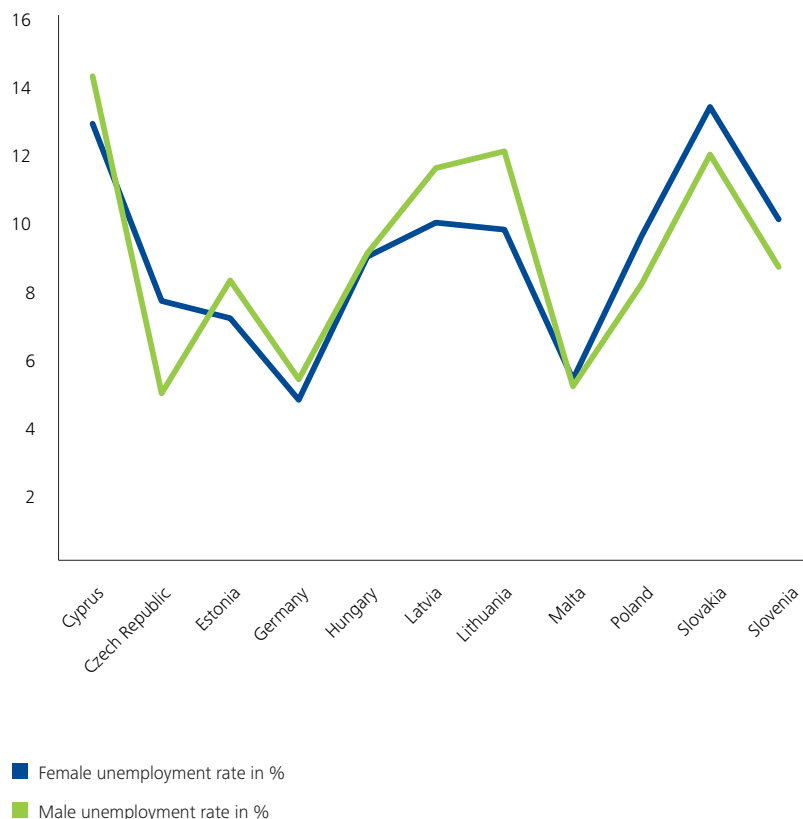
Country	% women population working 2004	Fertility rate 2004	% women population working 2012	Fertility rate 2012
<i>Cyprus</i>	59	1,52	59	1,39
<i>Czech Republic</i>	56	1,23	58	1,45
<i>Estonia</i>	61	1,47	65	1,56
<i>Germany</i>	59	1,36	68	1,38
<i>Hungary</i>	51	1,27	52	1,34
<i>Latvia</i>	59	1,29	62	1,44
<i>Lithuania</i>	58	1,27	62	1,6
<i>Malta</i>	33	1,4	44	1,43
<i>Poland</i>	46	1,22	53	1,3
<i>Slovakia</i>	51	1,25	53	1,34
<i>Slovenia</i>	61	1,25	61	1,58

Source: Eurostat

An interesting trend also appears in the area of unemployment. Historically women have been more affected by unemployment than men. In 2000, the unemployment rate for women in the countries now comprising the EU28 was around 10%, while the rate for men was below 8% (these and subsequent unemployment statistics are from Eurostat). Since the first quarter of 2008, when they were at their lowest levels of 6.3% and 7.4% respectively, male and female unemployment rates in the EU28 converged, and by the second quarter of 2009 the male unemployment rate was higher. The decline of the men's rate during 2010 and the first half of 2011 and the corresponding stability in the women's rate over the same period brought the male rate below the female rate once again. Since then the two rates have risen at the same pace until mid-2013, when they reached their highest value, both at 10.9%. In the second half of 2013 both the male and the female rates declined, reaching respectively 10.6% and 10.8 %at the end of the year. (Source: Eurostat)

The gender comparison in the countries in our sample revealed a lower unemployment rate among women in Germany, Estonia, Cyprus, Latvia and Lithuania; an unchanged situation in Hungary and Malta; and higher unemployment among women in the remaining countries.

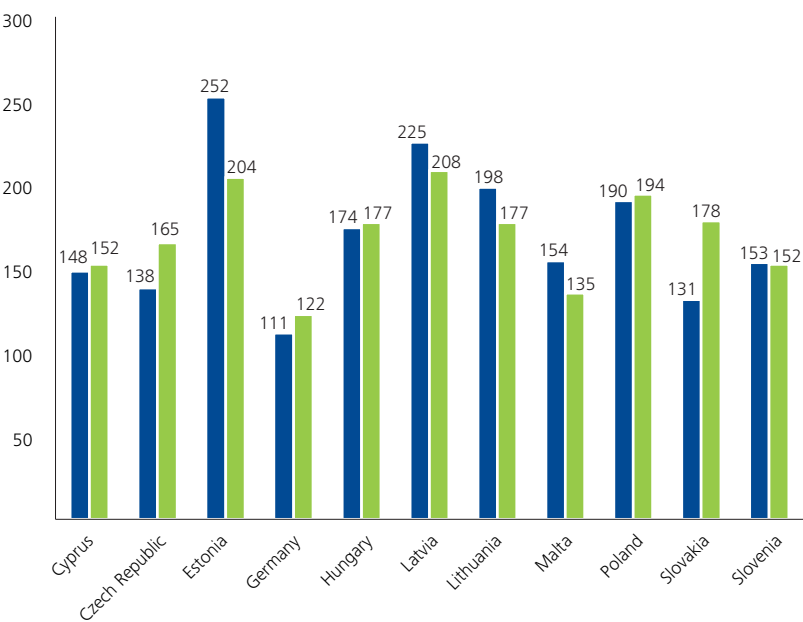
Graph 9: Unemployment rate by sex and age groups - annual average, %, 2013, age 25-64



Source: Eurostat

In terms of education, statistics show that women have an advantage over their male counterparts in the workforce. In all of the countries in our sample, the share of women with a university degree significantly exceeds the men's share. The most obvious gap was recorded in Latvia, where 208 women per 100 men obtained university degree in 2012. The smallest difference in number of graduates by gender was recorded in Germany, with 122 women per 100 men in 2012.

Graph 10: Number of women university graduates per 100 men graduates



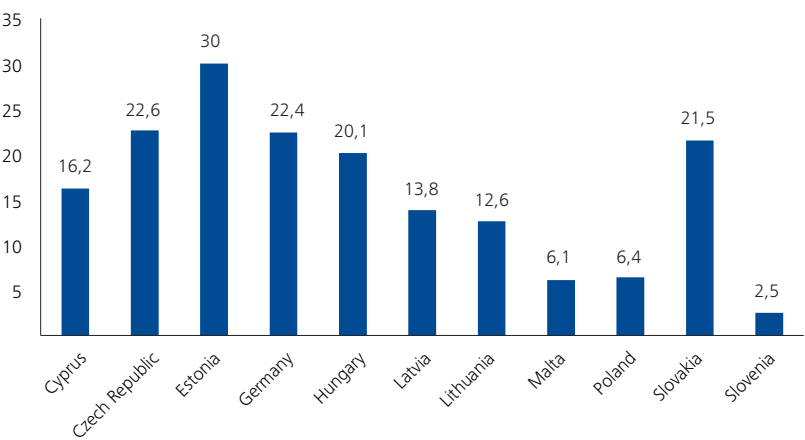
*data for Malta are from 2005

- Women per 100 men graduating 2004
- Women per 100 men graduating 2012

Source: Eurostat

Although the share of employed women continues to increase and that there are more university-educated women than men, the payment women receive for work performed is still lower than for their male colleagues. The largest gender pay gap was recorded in Estonia (30%).

Graph 11: Gender pay gap (in %)



■ GPG in %

Source: Eurostat

In terms of the widest pay gap between genders for the same work performed, Estonia is followed by the Czech Republic (22.6%), Germany (22.4%) and Slovakia (21.5%). On the other hand, the lowest difference in compensation was recorded in Slovenia, where the gap stands at 2.5% in advantage of men. A pay gap of less than 10% was also recorded in Poland and Malta.

However, the gender pay gap⁸ is not an indicator of the overall inequality between women and men since it only accounts for employees receiving a salary. The gender pay gap must be looked at in conjunction with other indicators linked to the labor market, in particular those that reflect the different working patterns of women. In countries where the female employment rate is low (e.g. Malta), the pay gap is lower than average. This may be a reflection of the small proportion of low-skilled or unskilled women in the workforce.

A wide pay gap is usually characteristic of a labor market which is highly segregated, meaning that women are more concentrated in a restricted number of sectors or professions (e.g. the Czech Republic and Estonia) but we can observe this trend in nearly every country in our sample. The majority of the female workforce is concentrated in the education/training and health/welfare sectors, while they represent a minority in better-paid sectors like science, mathematics/computing and engineering.

This gap in compensation is also characteristic of countries in which a significant proportion of women work part-time (e.g. Germany and Malta). With the exception of Germany (45%) and Malta (26%), all other countries in our sample report a very low proportion of women working part time (all below 13% while the EU28 average is 32%).

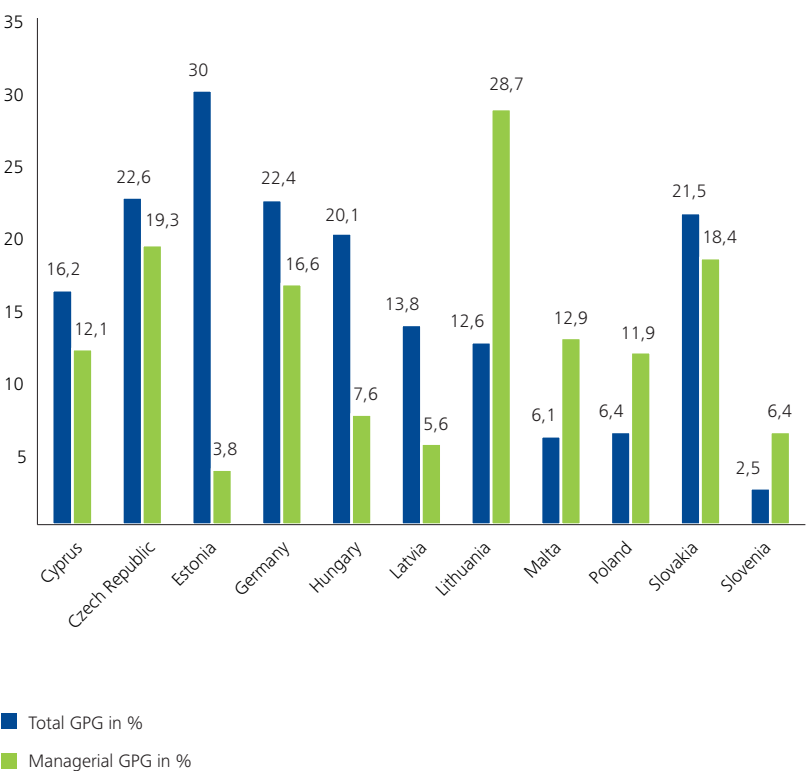
The above is typical if we calculate gender pay gap on total working population (from here on GPG Total). However the situation can be quite different if we look at gender pay gap in a specific group of employees, such as chief executives and managing directors (Managerial GPG).⁹

⁸ The unadjusted Gender Pay Gap (GPG) represents the difference between average gross hourly earnings of salaried male employees and of salaried female employees as a percentage of average gross hourly earnings of salaried male employees. The population consists of all salaried employees in enterprises with 10 employees or more.

⁹ The unadjusted Managerial Gender Pay Gap (Managerial GPG) represents the difference between average gross hourly earnings of salaried male employees and of salaried female employees as a percentage of average gross hourly earnings of salaried male employees. The population consists of all salaried employees in enterprises with 10 employees or more, with tertiary education, employed in managerial positions in the financial services sector. According to the International Standard Classification of Occupations, 2008 (ISCO-08) Managers Group includes chief executives and managing directors.

(Source: Eurostat)

Graph 12: Comparison of Total GPG and Managerial GPG



Source: Eurostat

The greatest difference was recorded in Estonia, with by far the highest total GPG and the lowest GPG for managerial positions. On the other hand, Lithuania shows the opposite picture as women in managerial positions are paid significantly less than their male counterparts. The same situation was observed in Malta, Poland and Slovenia.

One of the reasons for GPG staying high is the fact that there are considerably fewer to no women in managerial and executive positions, which include significantly higher salaries. According to data from the European Commission Directorate-General for Justice, the share of women in management boards of the largest EU companies saw a 2.3 percentage point increase in April 2013, an almost 5 percentage point increase since October 2010, and reached 16.6% in 2014. The average in the countries in our sample is 14.8% and below the EU average.

Women are best represented in the management boards of Latvian public interest companies (31%), followed by Slovenia (23%) and Germany (22%). However, there are fewer than 10% of women among board members in the Czech Republic, Estonia and Cyprus (all 7%) and in Malta (only 3%).

Table 6: Share of women on the boards of the largest publicly listed companies (April 2014)

Country	Number of companies		President		Members	
	Covered	With data	Women (%)	Men (%)	Women (%)	Men (%)
<i>Cyprus</i>	20	20	5	95	7	93
<i>Czech Republic</i>	9	9	0	100	7	93
<i>Estonia</i>	16	16	0	100	7	93
<i>Germany</i>	30	30	3	97	22	78
<i>Hungary</i>	14	14	0	100	12	88
<i>Latvia</i>	30	30	17	83	31	69
<i>Lithuania</i>	24	24	8	92	15	85
<i>Malta</i>	21	21	0	100	3	97
<i>Poland</i>	19	19	21	79	18	82
<i>Slovakia</i>	10	10	20	80	18	82
<i>Slovenia</i>	20	20	5	95	23	77

Source: Eurostat

“Gender equality is not an option, it is not a luxury, it is an imperative. That is why Europe needs strong rules to tackle the gender imbalance in company boardrooms. Since we put forward a law – a procedural quota – the cracks have started to show in the glass ceiling. More and more companies are competing to attract the best female talent. Since October 2010, the share of women on boards has risen by 7.6 % percentage points.”

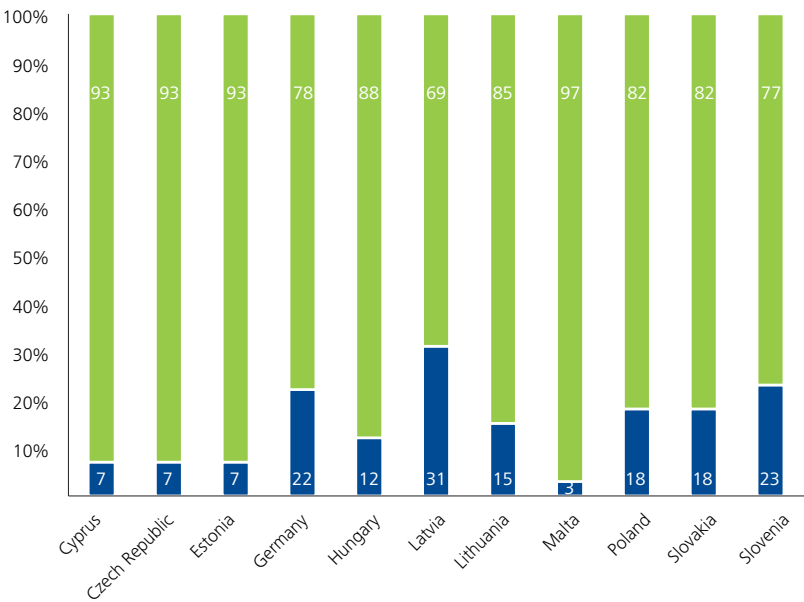
Martine Reichert, former European Commissioner for Justice, Fundamental Rights and Citizenship



“Having been on my current position for only about a year, I have already initiated succession planning and have a program in place to recognise highly talented employees with leadership potential. Both are aimed at improving the quality and stability of our management, an important element of our long term success that most young private companies often overlook. We give an equal opportunity to everyone and don’t show any preference for female or male employees.”

Jitka Dvořáková, General Manager, CZC.cz, Czech Republic

Graph 13: Share of women board members of the largest public interest companies (April 2014)



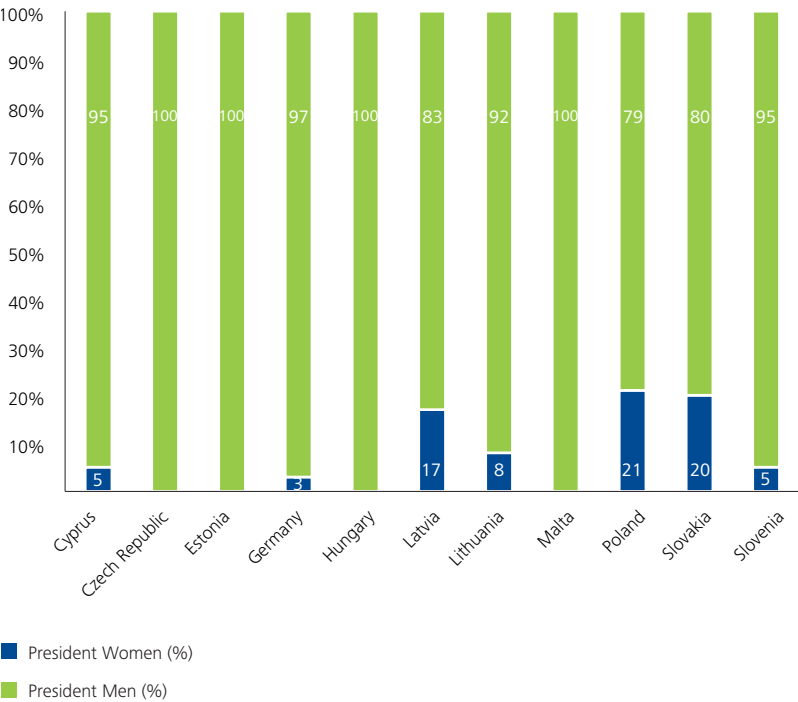
■ Members Women (%)

■ Members Men (%)

Source: Eurostat

Despite the increase in share of women on management boards, the share of female CEOs remains extremely low. Four of the countries in our sample (the Czech Republic, Estonia, Hungary and Malta) do not reach even 1%. The largest share of female CEOs can be found in Poland (21%), Slovakia (20%) and Latvia (17%).

Graph 14: Share of women CEO's of the largest public interest companies (April 2014)



Source: Eurostat

“I believe that women and men are essentially equally competent. However there is a difference in how they are perceived. In the worlds of business and politics, men are assumed to be competent by default and are only deemed incompetent if they make mistakes. Yet the same does not hold true for women, who must prove their worth first and are only recognised as competent if they work without making mistakes.”

Romana Dernovšek, President and CEO, Loterija Slovenije, d. d., Slovenia



It is for this reason that the European Commission at the end of 2012 introduced EU legislation to accelerate progress towards a better gender balance on the corporate boards of European companies. The proposed Directive sets an objective of a 40% presence of the under-represented sex among non-executive directors of companies listed on stock exchanges. The objective of attaining at least 40% membership of the under-represented sex for the non-executive positions should thus be met by 2020 while public undertakings – over which public authorities exercise a dominant influence – will have two years fewer, until 2018. The proposal is expected to apply to around 5,000 listed companies in the European Union.

The question of a gender quota and relative public opinion differs significantly from country to country. In the countries in our sample quotas are currently in place only in the political sphere.

Standing out in terms of quota implementation in the economy among the countries in our sample is Germany, where the strategy for promoting women on the boards of listed companies is close to being adopted. The federal government of Germany is seeking to accelerate its development through statutory measures and to make it irreversible for large companies. A gender quota of at least 30% is to be set for supervisory boards of companies which are listed and subject to co-determination on the basis of parity. Furthermore, binding targets for increasing the percentage of women on supervisory boards, executive boards and the top levels of management for companies which are either listed on the stock exchange or subject to co-determination on the basis of parity are to be made obligatory.

The remaining part of the countries in our sample has not yet implemented or prepared amendments to the legislation regarding gender quotas.

Table 7: Introduction of quotas in selected countries

Country	Type of quota	Provisions	Penalties
<i>Czech Rep.</i>	Voluntary political party quotas	25 percent of those elected by the party must be women (Social Democratic Party only)	Failure to nominate 25 percent women among its top candidates provokes the right of the Social Democratic Women's Organization to nominate extra women
<i>Germany</i>	Voluntary political party quotas	Ranging from 1/3 (CDU) till 50% (Alliance/The Greens)	Non-compliance in CDU list leads to internal elections to be repeated
<i>Hungary</i>	20% women on party list (MSzP)		
<i>Poland</i>	Legislated candidate quotas (quota adopted in January 2011) Voluntary political party quotas	35% of women on lists	The list will not be registered
<i>Slovenia</i>	Legislated quotas (Electoral Law) and voluntary political party quotas	Min. 35% of each gender Soft quota of 40% at SD party	Rejection of the list

Source: The Quota-instrument: different approaches across Europe. Working paper. European Commission's Network to Promote Women in Decision-making in Politics and the Economy (2011)



“My initial position towards women quotas was reserved. I think hard work and accomplishments should underlie the success of every businesswoman. Although gender equality in the Slovene economic environment is improving, our society still hasn’t made the necessary leap to embrace equal opportunities for both genders. With this in mind I see women quotas as an important enabler to accelerating the implementation of gender equality on strategic levels.”

Bernarda Trebušak, Member of the Management Board, Ljubljana Airport d.d., Slovenia

„I oppose the concept of a female quota as a system, and not because of male superiority or female inferiority. On the contrary: this is because I believe we are not talking about a gender issue. There should not be a differentiation by gender, either in a negative or a positive sense. I believe that it is also harmful for a female director if there is always a suspicion whether she is in her position only because of the female quota or because of her merits.”



Dr. Csaba Polacsek, Hungarian Post Ltd., Chairman of the Board of Directors, Hungary

Executive Summary of findings



Cyprus

- country most affected by 2008 economic crisis – 7.4% drop in GDP per capita in 2013 in relation to 2008
- compared with other countries, the Development Index for Cyprus has decreased in the last 10 years, due to which in 2014 the country ranks fifth
- the share of women employment after joining the EU has remained unchanged (59%)
- total gender payment gap (16.2%) is close to the average in the sample (15.8%); this applies also for the managerial GPG
- rate of attained university degree by gender has remained in favor of women and increased additionally in the last 10 years
- country does not apply nor it plans to implement quotas in the political or economic system
- share of women in parliament is significantly below the sample average (14%); the same applies to the share of women ministers in the government (8%)
- share of women on boards of listed companies is significantly lower than in other countries (7%); considering the above, the share of women CEOs is surprisingly high (5%)



Czech Republic

- managed to improve its Development Index over the past 10 years, climbing up three positions among all EU member states and ranking fourth in terms of the countries in our sample
- average growth in the share of women employment after joining the EU is 6%
- country's gender payment gap is among the highest (22.6%) and it differs significantly from the managerial GPG
- rate of attained university degree by gender has remained in favor of women and increased in the last 10 years
- country does not apply statutory gender quotas; voluntary political party quotas
- share of women in parliament and government is close to the sample average
- percentage of women on boards of listed companies is notably lower than in other countries (7%)
- percentage of women in CEO positions is 0%



Estonia

- has seen a slight improvement of its Development Index since joining the EU, moving up one place among all EU members and ranking third among countries in our sample
- increase in the share of women employment for the period after joining the EU is 4%
- gender payment gap is the highest (30%) among the sample; however has the lowest managerial GPG (only 3.8%)
- rate of obtained university degree is considerably in favor of women; however, it has dropped in the last 10 years (from 252 per 100 men in 2004 to 204 in 2012)
- does not apply statutory or voluntary gender quotas
- share of women members of parliament is close to the average in the sampled countries, while the number of female ministers is above the average
- with 7% of women on boards of listed companies the country is considerably below the EU average
- percentage of women in CEO positions is 0%



Germany

- in relation to other countries in the sample, achieved significantly greater GDP per capita in period 2004-2013; although it was not spared in the 2008 economic crisis, it recovered fast and recorded positive growth in GDP per capita in the following year
- compared to other countries in sample, CAGR of GDP is slightly lower (4.3% compared to 5%)
- Development Index is by far the highest among all sampled countries; with further increase in past 10 years, now ranks seventh among all EU member states
- share of women employment in the post EU accession period increased by 9%, which represents major increase in relation to all countries in sample except Malta
- gender payment gap is one of the highest (22.4%) among sample countries, while the managerial GPG is somewhat lower but still higher than the average
- gender difference in terms of obtained university degree is less pronounced (111 women per 100 men in 2004 and 122 in 2012)
- has voluntary political party quotas and is about to adopt legislation on gender quota (30% for supervisory boards of listed companies)
- one of two countries that is led by a woman and also has an above average share of women in parliament and government
- share of women board members in listed companies is substantially above the average of the sample countries (22%)
- percentage of women CEOs is 3%



Hungary

- Development Index decreased in the last 10 years; dropped two places and is currently the last among the countries in the sample
- women employment share in the post accession period has been stagnating (1% growth)
- gender payment gap is high (20.1%) while managerial GPG is among the lowest with 7.6%
- rate of obtained university degree per gender is importantly in favor of women (174 women per 100 men in 2004 and 177 in 2012)
- does not apply gender quotas and does not plan to implement them in the near future; voluntary quota applied by one political party
- share of women in politics and economy is extremely low; share of female ministers and CEOs is 0%



Latvia

- Development Index declined in the last 10 years, dropping Latvia two places on the list
- women employment share has improved during the post accession period (3% growth)
- gender payment gap is below the average (13.8%); managerial GPG is also very low (5.6%)
- percentage of university degree by gender is considerably in favor of women; nevertheless, the rate has decreased over the last 10 years (from 225 women per 100 men in 2004 to 208 in 2012)
- does not implement gender quotas in politics or economy
- share of women politicians is above average (prime minister, 26% of members of parliament and 36% of ministers are women)
- share of women on boards of listed companies is substantially above EU average (31%) and surpasses other countries in the sample by far
- percentage of women CEOs is 3.2%



Lithuania

- Development Index has undergone minimal changes in the last decade; among EU member states, Lithuania climbed one place and ranks sixth among the countries in the sample
- average growth of women employment after joining the EU is 4%
- gender payment gap is below the average (12.6%), while the managerial GPG is by far the highest among countries in the sample (28.7%)
- difference in obtained university degree by gender is in favor of women; the rate has decreased in the last 10 years (from 198 women per 100 men in 2004 to 177 in 2012)
- does not implement gender quotas in politics or economy
- share of women politicians is close to the average of countries in the sample; has a female president
- share of women representatives in the economy is average



Malta

- the only country (besides Poland) in the sample that has managed to achieve constant yearly growth since 2004
- Development Index has been subject to minimal changes in the last decade; climbed one place on both lists and ranks seventh among countries in the sample
- share of women employment increased significantly after joining the EU (by 11%) but has still remained below the average (only 44%)
- gender payment gap is among the lowest in the sample (6.1%); nevertheless, if managerial salaries are taken into account its value is more than double
- more women with university degree than men (135 women per 100 men in 2012)
- does not implement gender quotas in politics or economy
- has female president, but on the other hand follows Hungary with the lowest percentage of women members of parliament among the sampled countries (13%); same applies for women representatives in the government (7%).
- share of women on boards of listed companies is the lowest among the countries in the sample and significantly below the EU average (3%)
- percentage of women CEOs is 0%



Poland

- constant yearly growth since 2004, the only country (besides Malta) to have achieved this
- Development Index has stagnated since the country joined the EU; Poland continues to rank tenth (as in 2004), while it improved among all EU member states ladder by one position
- share of women employment since the country joined the EU has increased by 7%
- gender payment gap is very low (6.4%), while managerial GPG stands at 11.9%
- university degree gender gap is remarkably in favor of women and continues to increase (194 women per 100 men in 2012)
- legislated candidate quotas, voluntary political party quotas
- share of women politicians is slightly below the average of the sample
- share of women on boards of listed companies is above the sample average (18%)
- percentage of female CEOs is by far the highest among the countries in the sample (21%)



Slovakia

- among the countries in the sample, Slovakia was on the bottom rung in 2004 and has improved significantly in the last 10 years, currently ranking eighth; even better is the country's classification in terms of all EU members, as it advanced by a record four places to 22nd
- share of women employment has grown by 2% after joining the EU
- gender payment gap is remarkably high (21.5%), as is managerial GPG (18.4%)
- rate of obtained university degree by gender noticeably increased in favor of women (from 131 per 100 men in 2004 to 178 in 2012)
- does not apply or plan to implement gender quotas in politics and economy
- share of women politicians is below average, whereas the percentage of female ministers is even more striking (only 7%)
- share of women on boards of listed companies is 18%
- share of women CEOs is the second highest among the sample (20%)



Slovenia

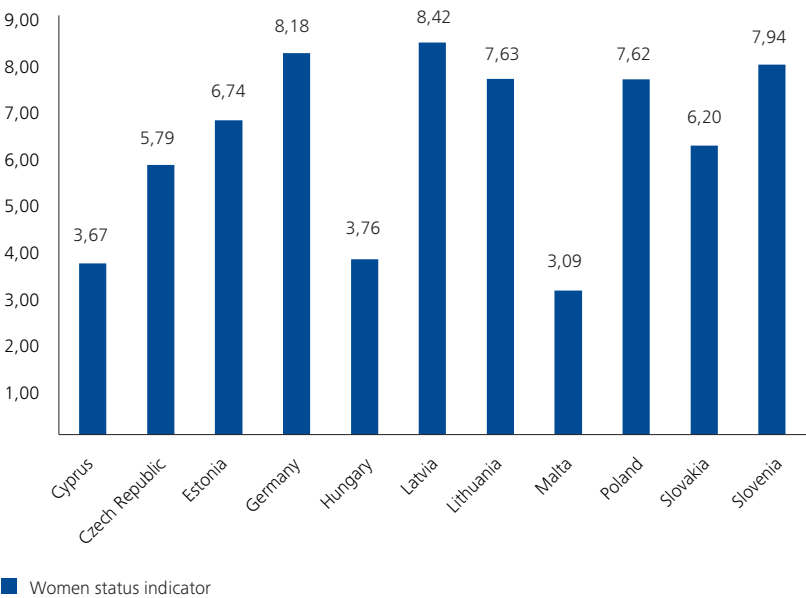
- after Cyprus, Slovenia was hardest hit by the 2008 economic crisis; country's GDP per capita dropped by 2.7% in relation to 2008
- on the other hand, Slovenia had the highest Development Index already in 2004 in relation to the ten countries that joined the EU that year; this difference has increased further over the last decade, although the country's place has not changed among the sample
- share of women employment in the post accession era has been stagnating and its value is the same as in 2004 (61%)
- gender payment gap is considerably low and is among the lowest in relation to the countries in the sample (2.5%); also applies to managerial GPG
- although the rate of obtained university degree is in favor of women, it has been stagnating in the last 10 years (152 women per 100 men graduates in 2012)
- legislated candidate quotas, voluntary political party quotas
- share of female politicians is the highest in comparison with the sample (36% of members of parliament; 43% of ministers)
- share of women board members in listed companies is 23%, ranking second among the sample
- share of women CEOs (5%) is below the average of the countries of the sample, and considering the share of women board members (23%), also surprisingly low

Conclusion: the Status of Women Index

To assess the overall picture of the status of women in the countries of our sample, we developed a Status of Women Index. We used a statistical method called feature scaling to measure the overall development of women using twelve variables.¹² As the aim of our report is to evaluate position of women in business, some of the variables are weighted greater than others (specifically women graduating, GPG managerial, women board members, and women CEO).

As shown above (see Graph 15), the most favorable environments for women to develop their careers are in Latvia, Germany, Slovenia, Lithuania and Poland. On the other hand women in Malta, Cyprus and Hungary face the most challenging circumstances.

Graph 15: Status of Women Index for countries in our sample



¹¹ Feature scaling is a method used to standardize the range of independent variables or features of data. In data processing, it is also known as data normalization. Variables we used were rescaled to common range, weighted, and then summed.

¹² The variables used in analysis: women population working; fertility; women unemployed; women at risk of poverty; women per one man graduating; total gander pay gap; managerial gender pay gap; political quotas; number of women in national parliament; number of women ministers; number of women board members; and number of women CEOs.

Survey results: Inequalities still exist in the business environment

To gauge the perception of businessmen and businesswomen about the issue of the status of women in business, we conducted a survey¹³ in September and October 2014 in the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia and Germany. The survey targeted respondents among the top and middle management of some of the biggest companies in each country. The total sample included 100 respondents per country of which between 25% and 50% were women.

The goal of the survey was to gather information on the influence of EU accession on each country's business and social development and to find out if and to what extent gender inequalities are present in the business environment. We were also interested in comparing the status of gender inequality among those countries which joined the EU in 2004 to Germany as a founding member.

The survey was divided into four sections, each of which highlights the role and view of women in connection to a specific topic:

- impact of EU accession
- gender inequality and diversity in business
- talent and career development
- steps companies can take to increase leadership gender diversity

Key findings of the survey

- Gender inequalities are still present in the business environments of EU countries. The overall perception of gender inequality among top and middle management seems to be the worst in Germany and Hungary, and the best in Estonia.
- Gender inequalities result from biological and overall differences between men and women; difficulties for women finding a balance between work and private life; traditional, patriarchal thinking; and women's caring for the family and household. Respondents also believe that men are more ambitious and focused on their career more than women; have stronger character; are less emotional; and are more stable and active.

¹³ The survey was conducted by Mediana d.o.o., Slovenian market research and consulting company, using CAWI (computer assisted web interviewing) and CATI (computer assisted telephone interviewing) methodology. Malta and Cyprus were not included into the survey since the countries don't have a sufficient number of small and middle sized companies to reach N=100 responses by middle and top management.

Impact of EU accession

- Joining the EU had positive effect on the economic development of the selected countries.
- The perception is that the number of women in leadership positions after 10 years of EU membership has increased in the selected countries. The main reasons for this perceived increase are mainly EU legislation; broader social changes; increase in awareness/media influence; greater interest in careers; greater ambitions; trends observed in other countries; and greater democracy in gender relations.
- Half of the respondents from all countries believe that joining the EU positively influenced the social status of women in their countries, while the other half believes that EU accession had no effect on women or even a negative one. A significantly more positive effect was reported in Germany, Lithuania and Poland, while in the Czech Republic, Latvia and Slovenia no significant change was perceived.

Gender inequality and diversity in business

- A majority of respondents believe that companies with diversified management boards are more successful.
- A majority of respondents believe that women in leadership positions are compensated less in comparison with their male counterparts.
- Top and middle management employees think that women are required to put more effort to achieve the same position as men.
- Additionally, they think it is harder for women to balance their professional and private life than it is for men.
- Respondents would encourage a female relative in her efforts to become CEO (women respondents significantly more than men).
- Majority of respondents would not sacrifice their career to support a partner in a leadership position. Among those respondents willing to do so, men are in the majority.
- Respondents would not sacrifice having a family if it were a condition for having a successful career. There are no significant differences between men and women respondents.

Talent and career development

- Awareness around corporate talent development programs still needs to be raised.
- Majority of companies do not have talent development programs in place and do not systematically identify and develop talented employees, regardless of gender.
- Respondents mostly see talent development programs as gender-balanced or favorable to the opposite gender.
- Respondents reported that gender is among the least important factors when they need to decide about selecting a new board member. The most influential factors are “previous experience”, followed by “broad perspective”, “creation and fulfilment of vision” and “good previous work results”.

Steps companies can take to increase leadership gender diversity

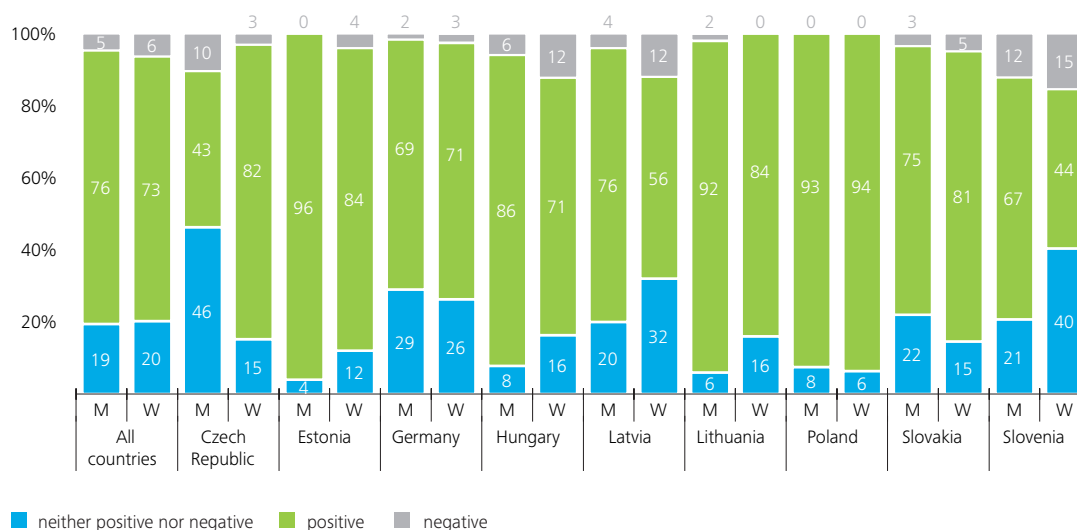
- The question of quotas remains challenging. Almost two thirds of respondents do not support the introduction of quotas that would ensure gender balance in management boards and public interest companies. However in countries where the perception of gender inequality in business is the highest (Germany, Hungary) respondents strongly support quotas (more than two thirds in favor).
- The most influential programs companies can implement to increase of the number of women in leadership positions would be “flexible working conditions, work location”, “programs of smooth transition to and from maternity leave ” and “programs for balancing professional and private life “. The least influential are “gender-adapted recruitment goals and programs” and “request for at least one woman candidate for promotion”.

Impact of EU accession

Nearly three quarters (74,8%) of respondents believe that joining the EU had a positive effect on the economic development of their country (most significantly in Estonia, Lithuania and Poland). A small share of respondents (on average 5%) recognized that accession had a mainly negative effect, an opinion reported mostly in Slovenia (14%), where almost one third of respondents also reported that joining the EU had neither a positive nor negative effect for their country.

A similarly neutral attitude was noticed by a large number of respondents from the Czech Republic as well.

Graph 16: Effect of joining the EU

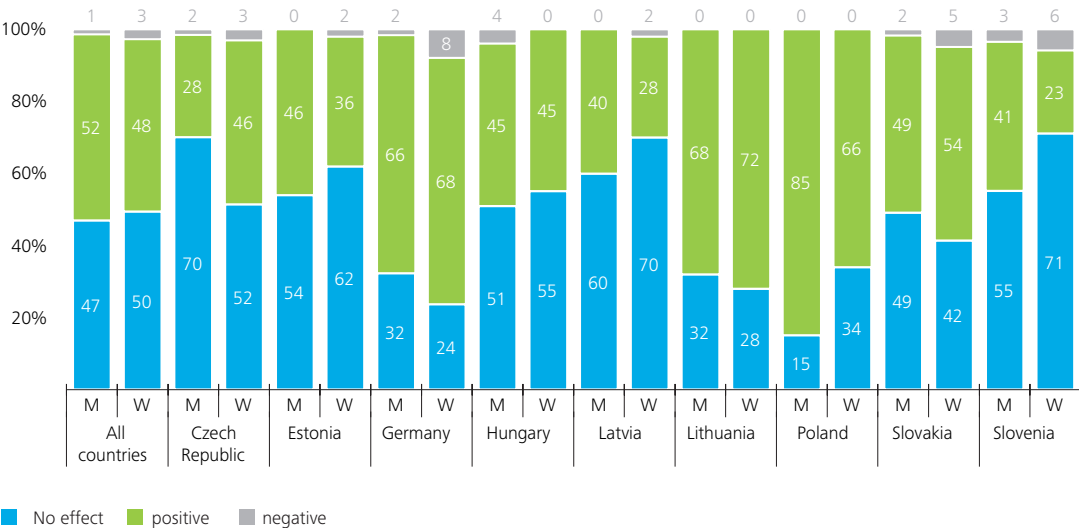


Half of respondents (49,9%) believe that joining the EU positively influenced the social status of women in their countries, while the remainder believe that EU accession had no effect or even a negative one. A significantly more positive effect was reported in Germany, Lithuania and Poland.

In total nearly two thirds (65,7%) of top and middle management believes that the number of women in leadership positions has increased in 10 years of EU membership, while one third (32,6%) of respondents think it hasn't changed. The biggest increase is observed in Lithuania, while the smallest in Slovenia (mainly among Slovenian women).

This is in line with the findings of the Development Index which points to a significant social and environmental development gap between Slovenia and other EU10 countries which completed EU accession in 2004. The main reasons for this perceived increase are EU legislation, broader social changes, increase in awareness (media influence), greater interest in careers, greater ambitions, trends observed in other countries and greater democracy in gender relations. On the other hand respondents cited the following as the main reasons for a perceived stability in the situation of women: no significant changes in mentality, no impact from EU, predominance of masculine (tough, aggressive) oriented leadership styles, traditional thinking- and patriarchal thinking.

Graph17: EU accession and women’s social status



Gender inequality and diversity in business

More than half (54%) of respondents believe that companies with diversified management boards are more successful. This belief is significantly higher in Lithuania and Poland. On the other hand Czech and German respondents believe that there is no connection between board diversity and success in business. This connection is more readily recognized by women than men in this survey, especially in Hungary and Slovenia. Interestingly, exactly the opposite is valid for the Czech Republic and Slovakia, where more men than women made this observation.

A research paper by the European Commission entitled “The gender balance in business leadership” demonstrates that boards are currently dominated by men. In general respondents from all countries believe that gender inequalities result from biological and overall differences between men and women; difficulties for women finding a balance between work and private life; traditional, patriarchal thinking; and women’s caring for the family and household. Respondents also indicated that men are more ambitious and more focused on their career more than women; have stronger character; are less emotional; and are more stable and active.

Graph 18: Success of diversified management boards

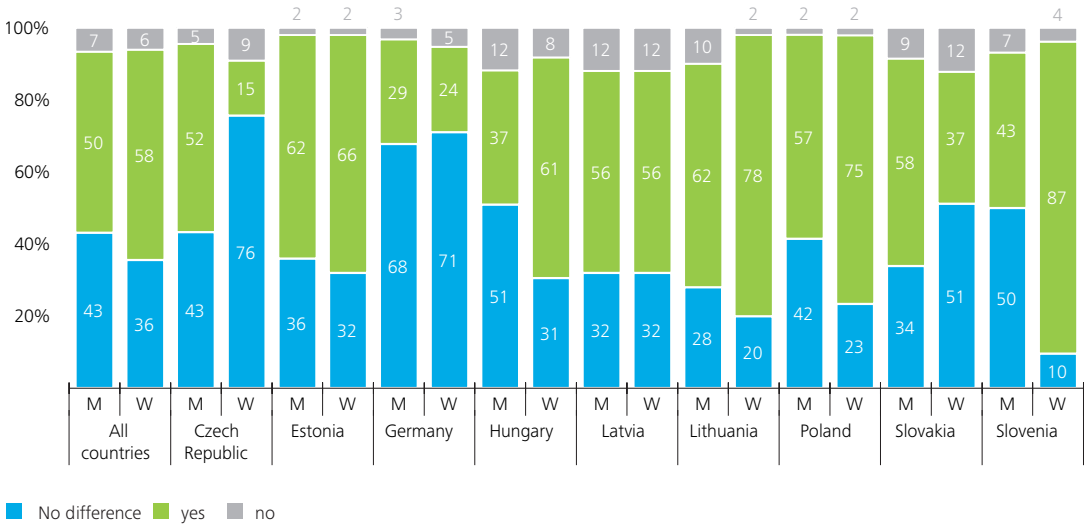


Table 8: Three main reasons for gender inequality in Management Boards per country

Country	Reasons
Czech Republic	Women take care of the family
	Women are traditionally those that stay at home
	Men are more time flexible
Estonia	Men have a stronger character, more influence and are more focused on career
	Women lack interest in career or renounce to it due to family or for maternity leave, parental leave
	Biological and general differences between men and women
Germany	Opposition to the idea of women leading companies; patriarchally led companies
	Women's career in companies is shorter - they are considered risky because of childbearing
	Women are considered as less flexible
Hungary	Legacy, tradition, history, culture
	Women are family and household managers, even when having a job
	Women are more family-centered, prefer family over career
Latvia	Lack of interest in having career, quitting career due to maternity leave, parental leave
	No inequality identified; male dominated companies
	Stereotypes
Lithuania	Lack of interest in having career, quitting career due to maternity leave, parental leave
	Stereotypes
	Men have a stronger character, more influence and are more focused on career
Poland	Stereotypes
	Lack of interest in having career, quitting career due to maternity leave, parental leave
	Men have a stronger character, more influence and are more focused on career
Slovakia	Women take care of the family
	Women are traditionally those that stay at home
	Tradition
Slovenia	Care of family, household
	Traditional, patriarchic mentality
	Less interest in leadership roles

“When identifying someone to take my place I completely eliminate the gender factor and concentrate on identifying the most appropriate individual, focusing on their skills, expertise and experience. The main objective is to seek someone who will be able to make the best of the legacy and take a further step.”

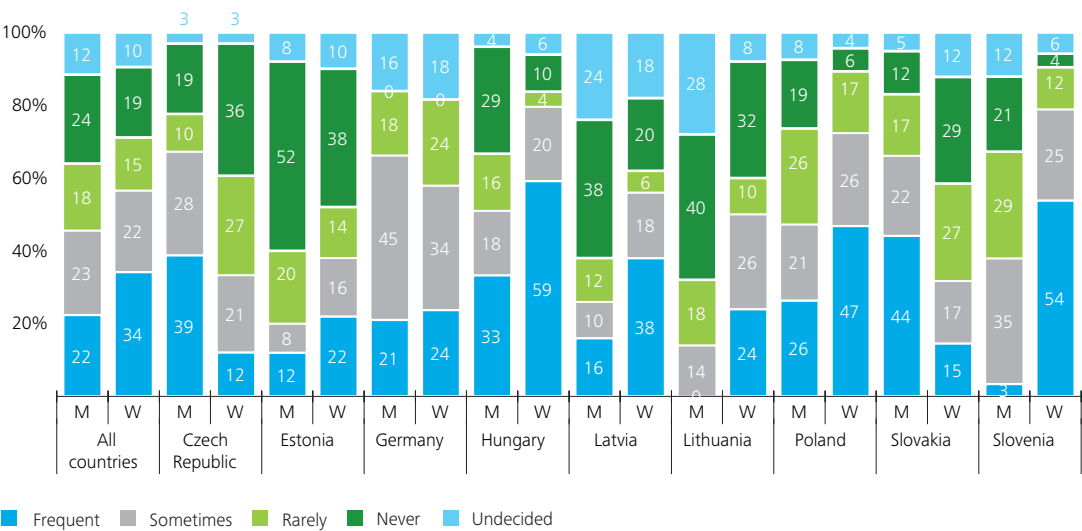
Bernarda Trebušak, Member of the Management Board, Ljubljana Airport d.d., Slovenia



Half of respondents (50,6%) from selected EU countries indicated that women in leadership positions receive lower pay (especially so in Germany and Hungary). This standpoint is significantly more prevalent among women than men from all countries, especially in Hungary, Latvia, Poland and Slovenia. Interestingly this sentiment was also widely reported by men in the Czech Republic and Slovakia. Statistically, the smallest managerial GPG is in Estonia (3.8%) and it is confirmed by the results of the survey, where 45% of Estonian respondents claim that women on leadership positions never receive lower pay.

On the other hand the biggest difference is in Lithuania where women in managerial positions receive almost 30% lower pay than male counterparts. It is interesting that Lithuanian respondents do not perceive this (only 24% of respondents - all women - think that they are paid less than men for the same work).

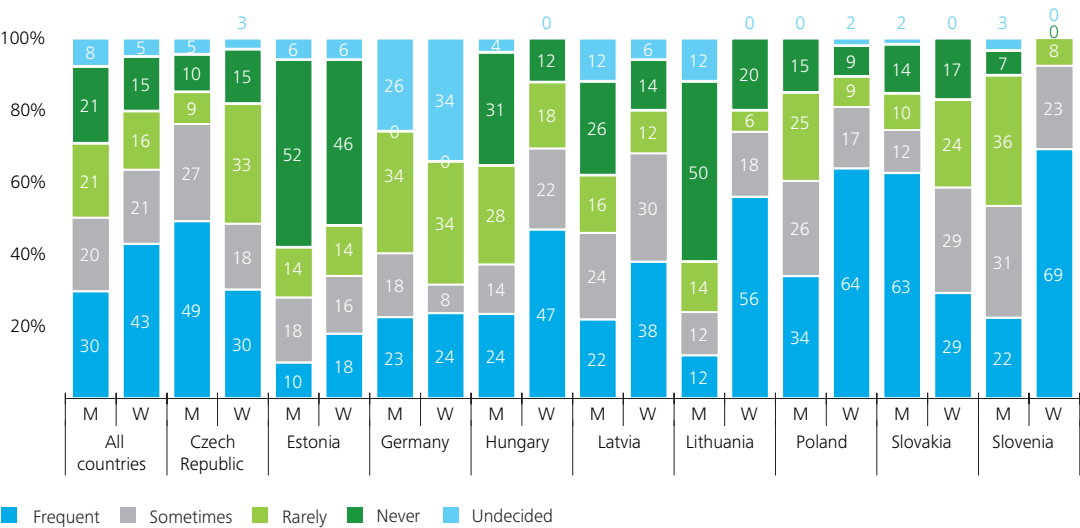
Graph 19: Income perception



A majority of respondents (41,6%) does not believe that in case of redundancies, it is mostly women who are dismissed. The opposite opinion was reported in Germany. Nearly half (48%) of respondents also believe that women encounter greater difficulties with promotion than men. This opinion was especially more prevalent in Hungary and Slovenia.

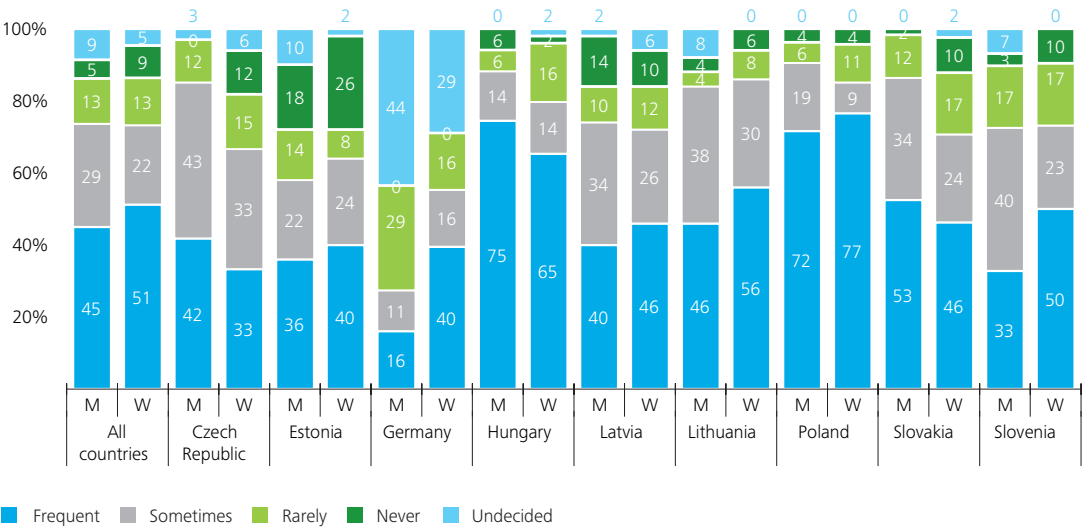
The survey also found that on average women are respected in the business environment. They get the most respect in Estonia, Latvia and Lithuania. Nevertheless a majority of respondents (56,1%) believe that women are required to put more effort into achieving the same position in the workforce as men, especially in the Czech Republic, Poland, Slovakia and Slovenia. This opinion is significantly more prevalent among women, especially in Hungary, Lithuania, Poland and Slovenia.

Graph 20: Effort required to achieve the same position



Almost three quarters (73,4%) of respondents also believe that it is harder for women to balance their professional and private life, with Hungary and Poland seen as the most difficult.

Graph 21: Work/life balance



The most equal rights are held by Estonian women: a majority of respondents (57%) never encounters more difficulties with promotion than men; 45% of Estonian respondents claim that women in leadership position

never receive lower pay; and 81% believe that women in the business environment are respected and that women are not required to put more effort to achieve the same position as men.

Majority of respondents from all countries surveyed (74,1 %) would encourage their female relative in her efforts to become Chairman of the Board, especially in Estonia and Slovakia. Agreement with this statement is significantly higher among women than men on average, especially in Lithuania, Poland and Slovenia.

Respondents on average neither agree nor disagree that people in general believe that men are better Executive Directors/Board members than women or that people prefer men as their superiors. Nevertheless respondents in Germany believe on average that people prefer men as their superiors (agreement with this statement is significantly higher among men than women).

Table 9: Men vs. women superiors (% agree + % completely agree)

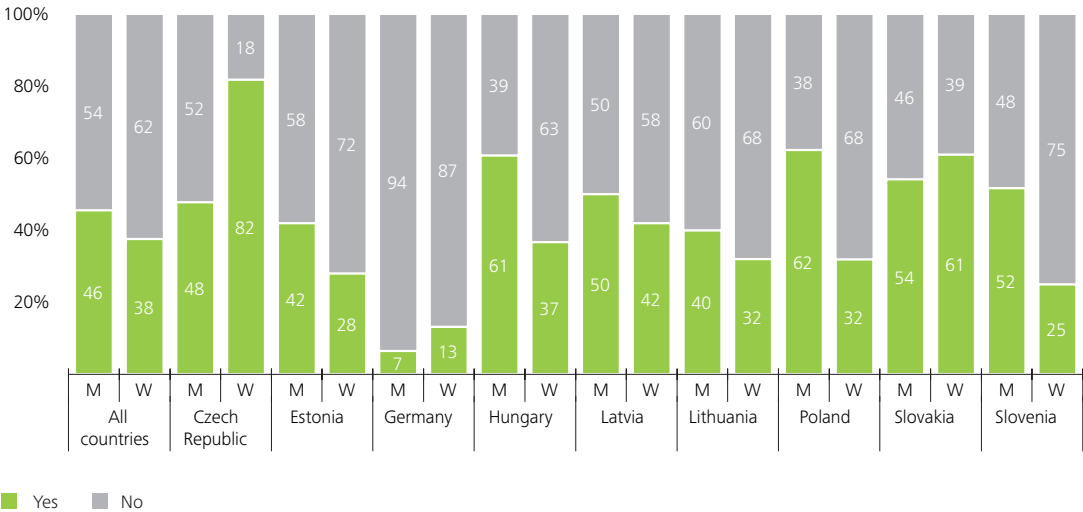
	all countries		
	men	women	total
I would encourage my female relative at her efforts to become the Chairman of the Board.	71,4%	77,5%	74,1%
In general people believe that men are better Executive Directors/Board members than women.	41,4%	53,6%	46,9%
In general people prefer men as their superiors.	48,4%	43,6%	46,3%

On average fewer than a half (42%) of respondents would be prepared to sacrifice their career for their partner if their partner had a leadership position. The latter is statistically more significant for men than women.

A majority of respondents would give up their career only in the Czech Republic (59%) and Slovakia (57%). In the Czech Republic this is more significant for women, while in Poland and Hungary nearly two thirds (60,8% in

Hungary; 62,3% in Poland) of male respondents would be willing to stay at home for the sake of their partner's career. By far the most ambitious respondents are in Germany, where only 9% would be prepared to sacrifice their career and stay at home for their partner (only 6.5% of male and only 13.2% of female respondents).

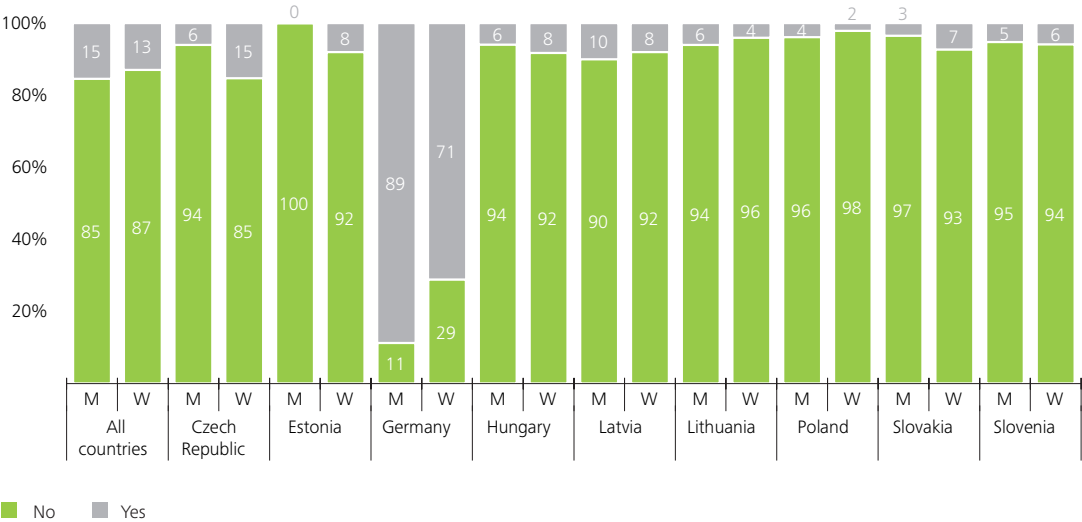
Graph 22: Sacrificing your career to support your partner's/spouse's



Only 14% of total respondents would be prepared to sacrifice having a family if that was a condition for a successful career. There were no significant differences reported between men and women. Once again by far the most ambitious respondents were from Germany, with 82% prepared to sacrifice having a family in exchange for a career (the share is even higher among men).

On the other hand, the most family-oriented are Estonian men, none of whom would sacrifice family for a career.

Graph 23: Sacrificing family for career





“I always strived to support female colleagues and to encourage them to assume managerial positions and to develop their leadership skills. Surprisingly, very often they refused – they were not willing to invest so much time and energy for coping with managerial responsibility and leadership challenges in a predominantly male business culture. They set different priorities, namely the family. Women need time to adapt and to show their best selves in a business environment dominated by men.”

M.Sc. Anja Strojín Štampar, LL.M (McGill), Member of the Management Board, Kapitalska družba, d.d.,
Pension Fund Management, Slovenia

Talent and career development

On average respondents believe that board members should have competences that are at a more advanced level than their own competences. The largest gap between the perceived level of their own competences and those of board members was observed in responses to “financial perspective” and “change leadership”, followed by “creation and fulfilment of vision” and “impact”.

The most important competences of a board member according to respondents are “creation and fulfilment of vision”, “building a value-based organization” and “focus on goodwill growth” (no statistically significant differences observed between men and women). On the other hand respondents believe that their own strongest competences are “flexibility of action” and “focus on goodwill growth”, while their weakest are “financial perspective” “talent nurturing” and “change leadership”.



„I think that a comparison of men’s and women’s ability to succeed at the highest levels of the business world would be unreasonable without taking into account both the actual conditions of and the number of opportunities to work at this level for both men and women. In my opinion, in similar circumstances and conditions women are as competent as men and vice versa.“

Katarina Kaszasova, Director General of State Reporting Section/Ministry of Finance of the Slovak Republic,
Member of the Board of the EIB Directors, Slovak Republic

Table 10: Board member's competences vs. respondents' competences
(% high + % very high)

	all countries	
	board member's competences	respondents' competences
Creation and fulfilment of vision	90,2%	68,3%
Building a value-based organization	88,9%	70,7%
Focus on goodwill growth	88,4%	74,0%
Flexibility of action	88,3%	77,4%
Developing effective relations	86,4%	71,9%
Change leadership	86,1%	62,3%
Financial perspective	85,6%	60,3%
Broad perspective	82,9%	70,7%
Impact	82,9%	63,3%
Talent nurturing	75,2%	60,6%

Respondents' self-assessment of personal competences is significantly higher in Germany compared to the average assessment for all countries, while it is significantly lower in the Czech Republic, Slovakia and Hungary.

When respondents were asked to list the key factors which helped them make a decision about selecting a new board member recently, the first most influential factor reported is "previous experience", followed by "broad perspective", "creation and fulfilment of vision" and "good previous work results". Gender is among the least important factors.

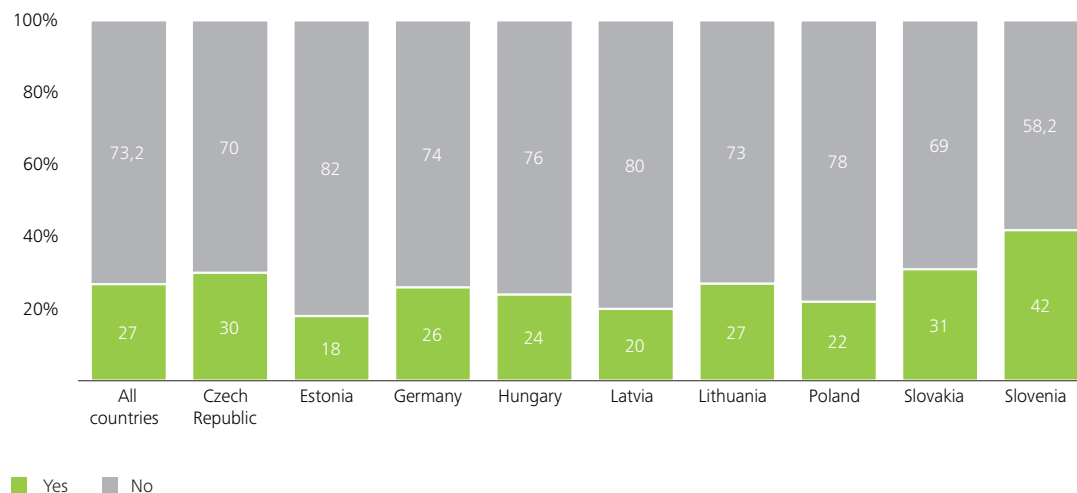
Table 11: Evaluation of personal competencies (percentage of respondents evaluating selected personal competence as very high)

Competences	Czech R.	Estonia	Germany	Hungary	Latvia	Lithuania	Poland	Slovakia	Slovenia
<i>Broad perspective</i>	22,0%	21,0%	55,0%	21,0%	9,0%	38,0%	26,0%	18,0%	31,8%
<i>Focus on goodwill growth</i>	39,0%	17,0%	42,0%	15,0%	28,0%	39,0%	54,0%	41,0%	37,3%
<i>Creation and fulfilment of vision</i>	17,0%	16,0%	61,0%	7,0%	9,0%	36,0%	43,0%	14,0%	28,2%
<i>Flexibility of action</i>	33,0%	20,0%	37,0%	21,0%	17,0%	35,0%	51,0%	31,0%	33,6%
<i>Change leadership</i>	8,0%	12,0%	47,0%	11,0%	10,0%	20,0%	23,0%	10,0%	40,9%
<i>Financial perspective</i>	28,0%	11,0%	50,0%	21,0%	16,0%	22,0%	24,0%	11,0%	20,9%
<i>Developing effective relations</i>	31,0%	13,0%	65,0%	19,0%	15,0%	30,0%	28,0%	35,0%	34,5%
<i>Talent nurturing</i>	25,0%	15,0%	69,0%	6,0%	8,0%	19,0%	29,0%	25,0%	22,7%
<i>Impact</i>	14,0%	10,0%	65,0%	14,0%	12,0%	22,0%	16,0%	11,0%	5,5%
<i>Building a value-based organization</i>	24,0%	13,0%	63,0%	7,0%	18,0%	36,0%	40,0%	28,0%	27,3%
Average	24,1%	14,8%	55,4%	14,2%	14,2%	29,7%	33,4%	22,4%	28,3%

The majority of respondents' companies (73,2%) do not have an established program for talent development. The most progressive appears to be Slovenia where 42% of respondents work in companies with established talent development programs (reported significantly more by men than women). In companies with an established program for talent development, the gender distribution of participants is mainly

balanced (57%), followed by mostly men (23%). Talent programs of mostly men are significantly more present in the Czech Republic, Estonia and Hungary; while programmes mostly consisting of women are reported in Germany and Lithuania. Latvia, Poland and Slovenia have a significantly more balanced structure of participants in talent development programs according to respondents.

Graph 24: Talent development programs





“I appreciate working with male colleagues from whom I learned a great deal. However I miss the female aspect, namely supporting cooperation and modesty in the decision-making process and corporate governance. In our private lives we are very much aware that it’s not all about performance and material success, so why should it be any different in our professional life? These are two sides of the same coin. Working together at the top is a great learning opportunity for both genders to benefit from, and for society as a whole.”

M.Sc. Anja Strojín Štampar, LL.M (McGill), Member of the Management Board, Kapitalska družba, d.d., Pension Fund Management, Slovenia

When it comes to awareness of the importance of talent development programs, the results of the survey make it clear that companies still need to do more. The European Commission and its member countries recognize this as a problem and responded with a project called Equality Pays Off. It is aimed at:

- helping companies gain access to the skills of the female workforce more effectively,

- offering business decision-makers a platform for the exchange of good practices in attracting, retaining and developing top talent and reducing the gender pay gap, and
- targeting business leaders and key decision-makers in large companies in 34 European countries.

Source: European Commission, Directorate-General for Justice.

“The team I work with includes both men and women, the latter being slightly greater in number. When I choose a successor, I will mainly be interested in the candidate’s intelligence, values and social and emotional competencies; I don’t really care about the gender.”

Romana Dernovšek, President and CEO, Loterija Slovenije d.d., Slovenia



Steps companies can take to increase leadership gender diversity

According to respondents the most effective actions companies can take to increase the number of women in leadership positions would be to implement “flexible working conditions, work location”, “programs of smooth transition to and from maternity leave” and “programs for balancing professional and private life”. Conversely the least effective are “gender-adapted recruitment goals and programs” and “request for at least one woman candidate for promotion”.

Respondents from Germany, Lithuania and Slovakia believe that the most influential factors are “evaluating the leadership effectiveness by the success of diversity”, while in Slovenia and in Germany “measuring diversity success ratio” and “quota for women in terms of employment, promotion or development” are considered influential.

Table 12: Actions to increase number of women in management positions

	% total all countries
Flexible working conditions, work location	58,7%
Programmes of smooth transition to and from maternity leave	44,7%
Programmes for balancing professional and private life	44,6%
Evaluation systems that neutralise parental or sick leave, and flexible work conditions	29,6%
Evaluating the leadership effectiveness by the success of diversification	24,1%
Programmes for women to obtain new skills	22,4%
Mentoring programmes for younger female employees	21,5%
Intensive support of the executives or board members to the diversification programmes	21,3%
Programmes for promoting connections among women and with their role models	20,5%
Measuring diversification success ratios	16,7%
Quota for women in terms of employment, promotion or development	12,5%
Request for at least one woman candidate for promotion	11,2%
Gender-adapted recruitment goals and programmes	10,9%

“Competence in key positions is most certainly not defined by gender. Unfortunately, women leaders still too often let theirs stand in the shadow of lack of self-confidence. We should be more aware of the strengths we possess, and where we outperform men; for example, emotional intelligence is one of our assets. Embracing these strengths and raising awareness around them will make us stand out. The path to reaching leadership positions also proves to be more demanding on women, given that they have to balance two tight schedules – business and private life. One could say that women need twice the devotion to successfully steer both sides of their lives.”



Bernarda Trebušak, Member of the Management Board, Ljubljana Airport d.d., Slovenia



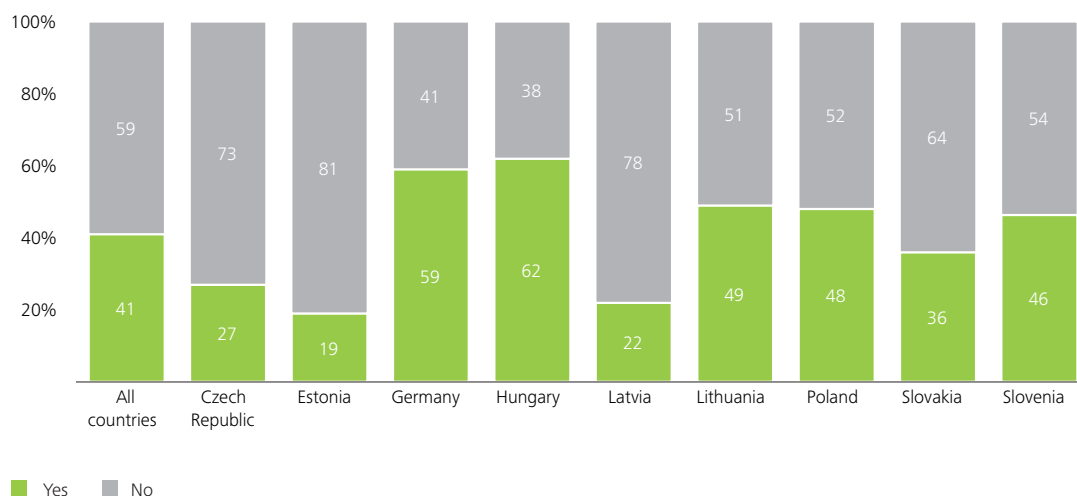
„Working for a public sector, especially for the ministry, is different from a private sector. The selection of my successor is not fully in my hands, even I wish it was. Nevertheless, any of my four directors (two men, two women) could be my successor. They are not only experts in their competency area but I have been involving them regularly also in my agenda and the agenda of their colleagues, and therefore they are ready to replace me, if needed.“

Katarina Kaszasova, Director General of State Reporting Section/Ministry of Finance of the Slovak Republic, Member of the Board of the EIB Directors, Slovak Republic

More than half (59%) of respondents do not support the introduction of quotas that would ensure gender balance in management boards of public interest companies. This view is significantly more present among men than women and especially prevalent in the Czech Republic, Estonia and Latvia.

On the other hand, a majority in Germany (59%) and Hungary (62%) would support the introduction of quotas to ensure gender balance. Additionally such quotas would also be supported by women in Lithuania, Poland and Slovenia.

Graph 25: Introduction of quotas, pro & contra (total per country)

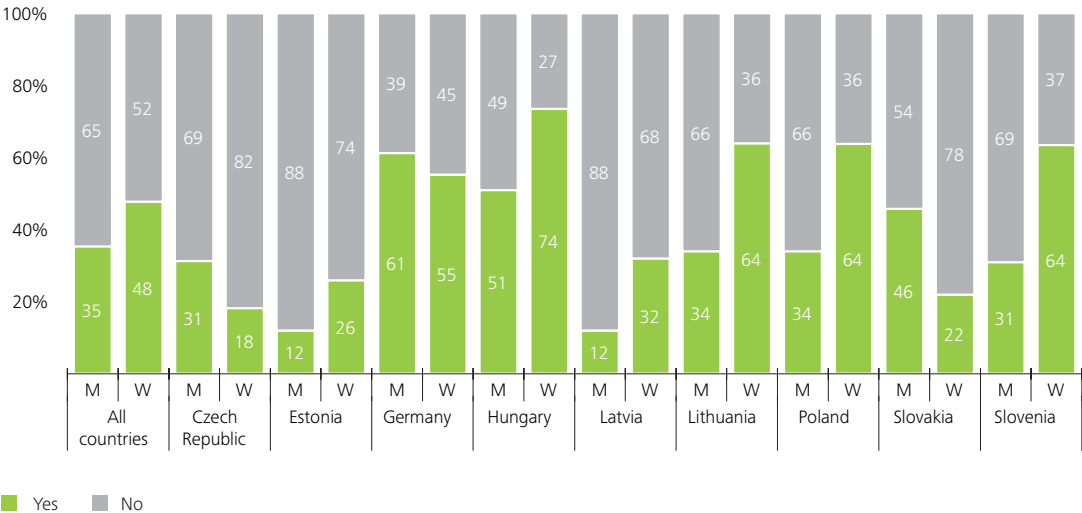


The question of quotas in politics and the business world is usually subject to a fierce public debate and has its advocates and opponents in every country. However, there is a big difference in addressing this question among EU15 and in the countries which completed EU accession in 2004 (the EU10). The first group of countries, including Germany, is close to already implementing gender equality instruments/quotas in

the corporate world, while there is no such initiative present among the EU10. In politics however there are examples of already legally-mandated quotas introduced in Poland and Slovenia, and some countries with voluntary quotas such as Germany, the Czech Republic and Hungary.

Source: European Commission, Directorate-General for Justice.

Graph 26: Introduction of quotas, pro & contra (gender per country)



“I support female quotas. Not because I believe that any sort of quota or preferential treatment of a gender is fairer than letting the best person win, so to speak, but rather because I believe that people are much more critical of women in prominent positions than of men, even if they are equally competent. When there are just as many women of average competence in leadership positions as there are men, gender quotas will no longer be necessary.”

Romana Dernovšek, President and CEO, Loterija Slovenije d.d., Slovenia





“I am not personally in favour of applying quotas everywhere automatically. There are three reasons for this. Firstly, the change in overall culture/ environment towards accepting women’s right to a career is still needed in some countries. Secondly, the existence of other means supporting women in business/work, such as flexible working time, kindergartens, etc., is not yet guaranteed in some countries. Lastly, I personally have bad experience with the reaction to my success in my career: „She got this job because she is a woman and they needed to fulfil the quota.” Believe me, it is very painful and discouraging to hear something like this.”

Katarina Kaszasova, Director General of State Reporting Section/Ministry of Finance of the Slovak Republic, Member of the Board of the EIB Director, Slovak Republic

“I don’t support women quotas. Why should I? They do not guarantee either the quality or the right fit of the candidate.”

Dr. Olga Humlova, CEO, HB Reavis Group, Czech Republic



Inspiring voices from leaders



“Nothing is so hard that it can’t be done, even if it sometimes seems impossible.”



*Maja Makovec Brenčič,
PhD, Vice-Rector,
University of Ljubljana,
Slovenia*

1. Which events or moments were critical for you on your way to becoming Vice-Rector? Why were they so important and how did you experience them?

It is hard to evaluate an academic career just by looking at individual moments since educational and research work usually means having a long-term plan, dedication and a deep-seated belief that your work is to the benefit of knowledge and society. I would instead say that, for me, my curiosity and constant search for new knowledge and development, coupled with a strong sense of responsibility to young people, led me to this position.

2. Which important relationships helped you become Vice-Rector?

I can't say that any specific relationship were especially helpful. The Senate of the FELU (Faculty of Economics, University of Ljubljana) proposed me as a candidate for the position and, among others, I was invited by the Rector of the university, Prof. Ivan Svetlik, to take on the role. I believe that my work and achievements have demonstrated my dedication to students, research and academic life, and my ongoing search for improvements and developments – first at the FELU where I was Vice-Dean for Development and now at the level of the whole university. The university community – students, professors, researchers, management – are constantly being challenged to develop and provide good, relevant knowledge to young people and share our achievements with society with the highest level of responsibility for our future. Most of my relationships with colleagues, businesspeople and others have been built on these grounds and this is how I see my work.

3. Which events, people and activities helped you develop your leadership qualities and skills?

A good education, the constant search for new knowledge, my family and home; also some very interesting and visionary people I have met in Slovenia and abroad, in both academia and business.

4. What are the skills a person needs to have in order to become a Vice-Rector and how did you develop those skills?

I would prefer to start with values: integrity, dedication to both the work and the area in which one is engaged, curiosity, ongoing personal and professional/academic development. I also stress the importance of personal and societal responsibility for our development, academic engagement and respect for cultural diversity and people. My motto is “nothing is so hard that it can’t be done, even if it sometimes seems impossible.”

5. What would you suggest to women striving for leadership positions?

They should trust and believe in themselves, learn, motivate and innovate, be open to challenges and just be themselves, as unique as every human being is.

6. What are the main challenges you currently face as a Vice-Rector?

How to combine limited resources (financial, human) with a clear vision and mission in the area of knowledge transfer and internationalization in higher education in Slovenia.

7. What are your goals as Vice-Rector? What do you want to be remembered for?

My goal is to help co-create a globally recognised University of Ljubljana that enhances the creativity and innovation of students, researchers and all other members of the university, which efficiently transfers knowledge to society and supports the development of Slovenia.

8. As a Vice-Rector how do you feel in a predominantly male environment? What challenges do you encounter in this regard?

Well, I have not had any bad experiences. Plus, academia is not really a male environment; in fact, we have more female than male students. Also, I have always been part of gender-balanced teams – and I believe this is the winning path for management and leadership, no matter the area or who is the leader, a woman or a man, so long as they have achieved their position based on their capabilities, knowledge and leadership personality.

9. Who do you think has better negotiation skills: women or men?

I know good and bad men and women negotiators. But, in general, I find women more prepared for negotiations and more persistent, and they take a broader approach when negotiating. Maybe this is a result of our 'multi-tasking' daily life and the different roles we play in society and the family.

10. Do you think that men in business are more ready to take risks than women?

Again, it depends on one's personality, independent of being a man or a woman. I am a woman and I see myself as a risk-taker.

11. In your opinion do you think women or men are more flexible and adapt better to new circumstances?

I think that the roles have been changed for some time now and certain capabilities have merged due to our daily professional lives. But I sometimes find women to be more adaptive and more adept at creating solutions than men in certain areas, e.g. when social, human and other society-driven challenges appear.

12. What is your secret to balancing your private and professional life?

Lots of sports, my wider family, pleasant gatherings with friends, and lots of laughter.

“Managing relationships throughout one’s career is essential.”



Krisztina Varga, Hewlett Packard Hungary Ltd., Regional Business Operation Director, Hungary

1. Which events or moments were critical for you on your way to becoming director? Why were they so important and how did you experience them?

I have been working as a leader at HP for 10 years. I consider the most important activity for starting a career to be education, both as a finance professional and in terms of languages. I believe that these days communication is one’s most important skill as we use it on a daily basis. I also think that leadership attributes can be developed. It is important to know that we are not born with such skills, but dedication, encouragement and engagement help develop these attributes, though you need experience as well.

2. What are the skills a person needs to have in order to become director and how did you develop those skills?

For a leader, the ability to make decisions is crucial and, in my eyes, that’s the main aspect that differentiates men and women in their work life. Therefore, this type of capability needs to be developed over the years, because a leader cannot exist without being able to make decisions. As for the leadership attributes which have helped me throughout my career, one such attribute is accountability. The second one I would pick is the passion for customers, because over your career you always work with different customers, both internally and externally. Being devoted to your customers and having passion for them are critical, let it be another manager, a colleague, or your actual client. You need to deliver a quality service and you need to perform to the best of your abilities. This is what they do value and not your gender, so I don’t believe there is a gender issue in the first place. I always say that a proper CV should include a mentor.

3. Which events, people and activities helped you to develop your leadership qualities and skills?

We keep meeting great people throughout our lives, which helps us both as human beings and as professionals. I have been very lucky in my professional life to have always had excellent mentors around me. Even a single sentence they say can be a breakthrough point in some cases. All in all, it is important that you keep building a network around you. This, however, does not require you to be careerist, but you need to open up and meet people to discuss your issues and ideas and to share your visions. In return, you can rely on others for help and ideas that you can then integrate into your own life. So, I strongly believe that managing relationships throughout one’s career is essential.

4. What are the main challenges you currently face as director?

The challenges we Leaders currently face are no secret: they arise from the micro- and macroeconomic situation of today. In this respect, however, the challenges are always the same. We need to cope with the changing circumstances, whether they involve legislation or other kinds of company-related decisions – like, for instance, HP announced a separation just a few weeks ago. You constantly need to adjust, so I cannot name any specific event as the challenges are always similar.

5. What are your goals of a director? What do you want to be remembered for?

What I strive for the most is that I want to be remembered for being a human. As a leader, you obviously have to manage a certain number of people. The magnitude may be different though: some of us lead a larger organization, others a smaller one. The bottom line, however, is that you deal with people on a daily basis.

What I like the most is that I can manage people in a positive manner, and in return they ask me for insight, take my advice, and share with me their ideas, their hopes, even their next steps. This has the most value for me in terms of my career; I can lead people at work, but at the same time I can remain their colleague and their human resource, so to say.

6. Who do you think has better negotiation skills: women or men?

You often hear questions whether different skills and skill sets are dominated by men or by women. I tend to think that there is no gender issue. There are, however, issues we need to solve and, obviously, there are rules we need to follow. I am aware that certain skills are mostly used by either men or women, but I try to accept it as a natural way of living. If we focus on the gender, we might be distracted from the problem itself.

7. What would you suggest to women striving for leadership positions?

My advice to other women in business is to stay focused and objective, and not to exploit their gender. It will never lead to a good outcome if we focus on our gender differences. Being different in this sense is just a natural way of life. I also tend to think that the female quota is useful as a concept, but not because we should want to regulate something; instead, I appreciate the idea that it encourages discussions in society around this problem. We see great examples of companies that have introduced the quota, and the concept works. It certainly opens up a discussion, and that's the ultimate point: the fact that we talk about it. If we fail to do so, then it will only lead to a tense atmosphere around us.

“I need to stand behind what I am saying, that’s the main challenge.”



*Dominika Bettman,
CFO, Siemens, Poland*

1. Which events or moments were critical for you on your way to becoming CFO? Why were they so important and how did you experience them?

Permanent goal orientation, hard work, uninterrupted effort, clear focus, good people around me.

2. Which important relationships helped you become CFO?

Relationship with my direct in country manager – at that time CFO of the regional company and relationship to 2-3 key people in the HQ.

3. Which events, people and activities helped you to develop your leadership qualities and skills?

Very difficult management team with myself and 3 men who used to put strong pressure on me and who introduced management culture which I didn't accept. Very strong and tough boss. Supportive peers and direct reports, telling me that my values really count.

4. What are the skills a person needs to have in order to become CFO and how did you develop those skills?

Openness, flexibility, communication skills, vision and charisma, strong drive, integrity. It took me a long time and many failures on my way to develop those skills.

5. What would you suggest to women striving for leadership positions?

Network, don't judge other women, learn from them. Be sure on a leading position everything is your problem – from company's strategy to the way you look like.

6. What are the main challenges you currently face as CFO?

Incredible pace of changes, global competition, lean structures, people burning out.

7. What are your goals of a CFO? What do you want to be remembered for?

To lead people through the change. For being people oriented.

8. As a CFO, how do you feel in a predominantly male environment? What challenges do you encounter in this regard?

I feel good there. More and more men understand need for diversity, which means allowing different ways of thinking. I need to stand for what I am saying, that's the main challenge.

9. Who do you think has better negotiation skills: women or men?

Gender is irrelevant.

10. Do you think that men in business are more ready to take risks than women?

Again gender irrelevant.

11. In your opinion do you think women or men are more flexible and adapt better to new circumstances?

Women and men who think differently.

12. What is your secret to balancing your private and professional life?

I do not distinguish between private and business.

“Do not forget to listen to your inner voice and common sense.”

1. Which events or moments were critical for you on your way to becoming a CEO? Why were they so important and how did you experience them?

The insurance industry is quite specific, but I became a member of the Zavarovalnica Triglav team more than 13 years ago. Gradually evolving with the company and gaining knowledge of different segments of the insurance industry can be a key factor in identifying the challenges that insurance companies face. So career growth within one of the most stable financial-insurance groups in southeast Europe is a circumstance that also comes with an opportunity to participate in the management of such an institution.

2. Which important relationships helped you become CEO?

I'm a proponent of good cooperation between different parties, e.g. the employees, customers, owners, business partners, local communities, and so on. However, it is important to recognize that each group and each individual has their powers and responsibilities within the organization as well as regarding the environment in which the organization operates. When people discuss and exchange opinions, our paths can cross in so many ways. Thinking like that brings us to the most optimal solution at the right moment. After all, if we want to fly in the same direction, we need to discuss our decisions and cooperate.

3. Which events, people and activities helped you to develop your leadership qualities and skills?

People often do not know how to listen to one another, which is often the biggest obstacle, whether we're talking about a professional or private level of cooperation. The next dimension is willing to learn from our own mistakes and success as well as from the practices of others. We are sometimes not aware enough of the latter. With detailed observation, many steps can be skipped, which would otherwise bring us into a situation we would prefer to avoid. Trust is crucial, both in the immediate team as well as within the entire organization.

4. What are the skills a person needs to have in order to become CEO and how did you develop those skills?

It is important to learn to listen to your co-workers and all other parties helping in the creation of a story, to give people the opportunity to participate and be heard, and to work together to find the most optimal solution. When we can also identify with the company's values and learn to live with them, then we are on the right track.

5. What would you suggest to women striving for leadership positions?

Work hard to carry out what you set out to do with the best of your efforts. Also do not lose faith, even though you face a lot of challenges on your path to the top. And do not forget to listen to your inner voice and common sense.



*Andrej Slapar, CEO,
Zavarovalnica Triglav d. d.,
Slovenia*

6. What are the main challenges you currently face as CEO?

The challenging economic conditions in which we operate are an important challenge. It was difficult to come to terms with the fact that these conditions have become the new reality and not just a temporary state. We are working hard to adapt to the situation on the market as best as we can while at the same time staying focused on our strategy.

7. What are your goals as CEO? What do you want to be remembered for?

A successful company is built on satisfied employees. I aspire to keep our company operating in this spirit and thereby enable co-workers across the organization to successfully accept responsibilities and activities within their working environment. This is the only way we can carry out our strategy of focusing on core activities, achieving financial stability and profitability, and actively engaging with the environment we are part of.

8. Who do you think has better negotiation skills: women or men?

This mainly depends on the character and abilities of the individual.

9. Do you think that men in business are more ready to take risks than women?

I believe that women are willing to take risks just as much as men. However, it is true that the view on risk-taking varies from individual to individual, regardless of gender. It also depends on the situation at the time of the decision involving greater risks. If the environment is relatively stable, it will be easier to assess the importance of the risk that the decision entails.

10. In your opinion do you think women or men are more flexible and adapt better to new circumstances?

In particular, I believe that adapting to changes is the strength of the individual, when looking for a balance in a changing environment or a social system.

11. What is your secret to balancing your private and professional life?

If you enjoy doing your job and you feel good in your role both at home and at work, everything is manageable. It is as important to build trust in your workplace as at home.

“A good leader needs to have a vision for the future and inspire the entire organization.”

1. Which events or moments were critical for you to become CFO? Why were they so important and how did you experience them?

Participation in a special project where I was exposed to senior leaders in our company and could learn from them helped me a lot to progress in my career. It was not easy but it was definitely worth it, it moved me to a completely new level of leadership. The project was a great success at the end.

2. Which important relationships helped you to become CFO?

I always felt supported by my direct managers. I try to build good relationships with people from various business units, departments and teams I work with.

3. Which events, people and activities helped you to develop your qualities and leadership skills?

I learned a lot from my bosses and colleagues. I lead various projects and participated in many others. I participated in various leadership development programs within our company which helped me to get exposure with senior leaders and build relationships within the company.

4. What are the skills a person needs to have in order to become CFO and how did you develop those skills?

There are many skills which are important to achieve leading position. A leader needs to be able deliver the expected results, be strong in cooperation and communication with people on various levels and with different backgrounds, needs to have strong focus on internal / external customers. A leader needs to focus on attracting, developing and engaging employees and inspire commitment in others through leading by example. A leader also needs to create a culture of accountability where people take ownership for results. A good leader also needs to have a vision for the future and inspire his / her organization. I developed many of these skills working with senior leaders and observing their behaviours, in various leadership development programs, coaching and learning by doing.

5. What would you suggest to women striving to achieve leading positions?

Work on your personal development, create a plan and go for it.



*Kristina Gaal Drobcova,
CFO, Johnson Controls
International s. r. o.,
Slovak Republic*

6. Which main challenges do you currently face as CFO?

I am changing my role soon, however last year the main challenges were to keep the internal customers satisfied, to increase scope of our services, decrease the cost of service through continuous improvement initiatives and work with a team of engaged and motivated professionals.

7. What are your goals of a CFO? What do you want to be remembered for?

I want to be remembered for creating unique environment within our company where people are very engaged and motivated, where people like to work and where the expectations of our internal customers are exceeded.

8. As a CFO, how do you feel in a typically men environment? Describe challenges you encounter in this regard?

I never felt our company would make any differences whether you are a man or a woman.

9. Who do you think has better negotiation skills, women or men?

I do not think negotiation skills are somehow linked to gender.

10. Do you think that men in business are more ready to take risks than women?

I did not observe any gender based differences in terms of risk acceptance.

11. Who in your opinion is more flexible and adapts easier to new circumstances, women or men?

I do not think this is linked to gender.

12. What is your secret of balancing private and professional life?

I rarely work from home. I do not work when I come home in the evenings and do not work during weekends (do not read or respond to e-mails and do not work on any projects or anything else).

“Do not struggle to behave like a man!”

1. Which events or moments were critical for you on your way to becoming a Chairman of the Board? Why were they so important and how did you experience them?

I am a member of the lucky generation in the region that was finishing university at the time the market was opening in this region. There was a vacuum on the market and we were at the right place at the right time. I was studying in the Netherlands and I had my first interview with the East-European chairman of Deloitte in Brussels. This was an opportunity that people would never have today. I was working for Deloitte in the United States as well and I also completed my CPA there, which further helped my career within Deloitte. After that, when I joined the investment bank Creditanstalt, it was again a case of being at the right place at the right time: the market was booming and I met outstanding people with whom our network is still active and keeps helping me in day-to-day business. At that time in investment banking, especially at Creditanstalt in Hungary, there was a concentration of talented people, booming market, excellent opportunities, good salaries, and we were young, so all the good things came together nicely.

2. Which events, people and activities helped you to develop your leadership qualities and skills?

If I had to name specific people who helped me during my career, one of the first people I would mention is my coach from the time when I was doing sports. He always wanted us to struggle and not to give up, and this has helped me mentally throughout my professional career. Another important person was my first partner at Deloitte, Ben Case. When the office was set up, there was a motto from him hanging on the wall that said: ‘In a small office, everybody has to do everything.’ You do not have to run away from small jobs if they help you to do the large jobs and finish the project. Didier Taupin, who was my second partner at Deloitte, also helped me in my career and I learnt a lot from him. Throughout my career I have been learning from everybody. Some of my bosses were great, others less, but both the good ones and the less good ones have something to teach us. From a poor boss we can learn the mistakes and what we should avoid doing.



*Dr. Csaba Polacsek,
Hungarian Post Ltd.,
Chairman of the Board
of Directors, Hungary*

3. What are the main challenges you currently face as Chairman of the Board?

In my executive position, one of the main challenges that I face is time management, since there is always more to do than what you can fit into the twenty-four hours of the day. Therefore, I had to learn to prioritize things. I cannot say that I am always successful in time management but at least I know its importance. Another critical challenge is getting the right people. In my experience, there is always a shortage of good people, regardless of which industry you are in. There is always a lack of excellent people, and it is hard to pick the right people out of those good ones. The third most significant challenge is to have a good boss as this significantly influences performance. The right boss can motivate and help to enhance our performance, while a poor one drags us down. The most crucial things necessary to become a leader include learning, defining goals and being able to achieve such goals.

4. What are your goals as Chairman of the Board? What do you want to be remembered for?

A professional goal for me, in general, is to be a good leader of the team I am working with. I do believe in teamwork, as, if there is a talented team which is motivated by a suitable boss, then that team can achieve much better results than just a bunch of individuals.

5. What would you suggest to women striving for leadership positions?

My most important advice for women who obtain leading positions would be: 'Do not struggle to behave a man!' Men and women are equal but different, and this is something we have to accept. I have seen many female leaders who were desperately trying to prove to themselves and to the world that they are not inferior to men. I believe that this is wrong, because if they act like this, it is already an inferiority complex. They should be relaxed, knowing they are not inferior. They should be professional leaders but, on the other hand, they should still remain women. Men and women exhibit different traits as bosses, but they show also different traits as schoolmates and in everyday life, too. As I have said, we have to accept this, this is just nature.

6. Who do you think has better negotiation skills: women or men?

In terms of negotiation skills, you cannot really decide who has superior abilities. Who performs better or worse, depends on the circumstances. A good female negotiator can adapt herself to the situation, while a poor negotiator will make mistakes but this is independent of the gender. We are different as people and, as a result, we have different negotiation skills.

In my experience, women are softer, more open to compromise, and sometimes more emotional, not only in business, but in everyday life as well. This has both positive and negative effects: one positive aspect is that, as they are more emotional, they can tune themselves to the other participant more easily (colleagues or business partners); on the other hand, at the most extreme, emotional reactions block productivity. But this comes down to the personality of the individual, since there are emotional men as well. Percentagewise, emotional men are less common than women but I would say that I have not met emotional male leaders.

7. Do you think that men in business are more ready to take risks than women?

Why is it that men are more willing to take risks? This probably stems from our genes. Women used to act as the shelter and they protected the household while the men were out hunting. Men had to take more risks and this has probably become encoded in our genes. This is what I think can be the reason behind. But again, this is neither a positive nor a negative factor as taking risks can be beneficial, while taking excessive risks can prove to be harmful. Being conservative or cautious can be positive, but sometimes being too conservative or cautious is a disadvantage. This is something that really depends on the circumstances.

8. What is your secret to balancing your private and professional life?

I consider the balance of private and professional life to be among the biggest challenges. It requires time management and people management, as well as managing expectations both at the office and at home.

“Let’s do what we are good at and accept the things that men can do better and cooperate!”



*Jitka Dvořáková,
General Manager, CZC.
cz, Czech Republic*

1. Which events or moments were critical on your way to becoming General Manager? Why were they so important and how did you experience them?

The first time was simply good luck: I was just in the right place at the right time with the right attitude and enthusiasm. The second time was a bit of a gamble with a happy ending, and the third time was about my reputation, willingness and the “guts” to take a kind of step back.

2. Which important relationships helped you become General Manager?

I never differentiated between dealing with superiors or those just starting out, and I was never afraid of any atypical work outside of the boundaries of my role when necessary; for example, I did a night shift in a warehouse during peak Christmas season in order to lead by example.

3. Which events, people and activities helped you develop your leadership qualities and skills?

During my first CEO position I was lucky to get the opportunity to build the company from a team of five to 150 employees. In the very early stages I decided to learn how to replace any person/position in my team (sales, marketing, technical support or finance) - that really helped me a lot. Later, becoming convinced that I needed to check and verify every single task, I found myself slowing the company’s progress, an experience that taught me to delegate and trust people. I’ve learned that the most important skill of a team leader is not to be the best at everything but to be able to surround yourself with a team in which every single person is far better in their discipline than you are, and not to take such a situation as a potential threat to your position.

4. What skills does a person need in order to become General Manager and how did you develop those skills?

To trust and to delegate. To find people for your team who are better than you in each discipline, to give recognition for their results, to be proud of the team and promote the team’s success instead of yourself.

5. What would you suggest to women striving for leadership positions?

Unfortunately, they still need to be better than their male competitors in order to achieve this. They should use strategies that men are unable to use because of their ego. For example, when I need to push an idea through, it is not important to me who is recognised as the initiator or who is praised for the result; what counts is the implemented idea itself. They should be aware of men’s usual strengths and the strengths of women, and try not to always fight on their battlefield. For example, it is quite common knowledge that men have more of an aptitude for conceptual thinking, but they are less structured, less patient and less consistent. Women’s strong points are in execution, structure and consistency. So let’s do what we are good at, accept the things that men can do better, and cooperate!

6. What are the main challenges you are currently facing as General Manager?

After a year in the company I executed our first employee engagement survey. Now I need to deal with the painful process of looking for the root causes of four questions being below the average positivity rate. The second challenge is implementing a company culture, values and brand vision in an organization which has never been through anything like this. I am also working on improving horizontal communication and removing silos, and on increasing the self-confidence and pride of employees across the organization.

7. What are your goals as a General Manager? What do you want to be remembered for?

I would like to create a senior management team of experts with the bonus of having a great team fit, to raise and educate the next generation of managers from within and thus increasing employee motivation. I would like to have a sustainable and profitable business. I am working on implementing company values and a culture which make sense and are not just the usual corporate rubbish. Most of all, I am striving to encourage people to make the best of themselves, encouraging them to set measurable goals and targets with understanding and accepting the need for cost discipline rather than seeing it as strict rules.

8. As a General Manager, how do you feel in a predominantly male environment? What challenges do you encounter in this regard?

It very much depends, but generally I feel much better in a predominantly male environment. Men are usually more direct, do not create tension in the atmosphere and are able to clear the air immediately after an argument or conflict. At the same time, men know how to be rude and they are. Some might not exclude their female colleagues from this, and that is tough. Currently, I am not only facing being the only woman and boss of the team, but also a huge age difference: most of the division directors are 15-20 years younger. However, this is not a real challenge – it is fun and a generator of extra energy.

9. Who do you think have better negotiation skills: women or men?

That is difficult to say. Sometimes women need far better professional knowledge to be accepted as a partner in a discussion, but then they have a good chance to persuade others or win an argument. Women can be better at tactics but weaker whenever showing off, power games, or loud arguments are needed.

10. Do you think that men in business are more ready to take risks than women?

I do agree that men are more open to taking risks; however, it is often because they fail to figure out all of the possible consequences, or maybe because they are ready to ignore them, which women often are not. And yes, women are prepared to take risks, but always to a lower extent and never a gamble.

11. In your opinion do you think women or men are more flexible and adapt better to new circumstances?

I don't see a difference. A person's nature and disposition plays the main role in both cases. However, adaptability to change is currently a general problem.

12. What is your secret to balancing your private and professional lives?

Time management and organization, consistent priority setting, always being positive, but, mainly, whatever you do you try to do with full intensity and then you need much less time to spend on it with even better result. Being able to multitask always helps.

“Be a decent human being, have a vision with which people can identify, embrace and follow.”



*Vladimír Šolc,
CEO, Sberbank,
Czech Republic*

1. Which events or moments were critical on your way to becoming CEO? Why were they so important and how did you experience them?

I didn't have a specific ambition to be CEO; I wanted to be an agent of change. I came to execute a major transformation from a regional player with limited ambitions into a market leader.

2. Which important relationships helped you to become CEO?

It was a broader market reputation rather than an actual relationship. After 15 years in the investment banking business people do understand what you stand for.

3. Which events, people and activities helped you develop your leadership qualities and skills?

I have always had the good luck to work for great, inspiring bosses.

4. What skills does a person need in order to become CEO and how did you develop those skills?

I tend not to make a science out of this: you can't expect your people to behave better than yourself. Be honest, even brutally honest if necessary. People are smart and will discover dishonesty. Just be a decent human being and have a vision with which people can identify, embrace and follow.

5. What would you suggest to women striving for leadership positions?

Send in the CV. Don't be afraid. If you want the job, just ask for it. I feel there is a great gap in top management and it is not because we are not seeking to close it.

6. What are the main challenges you are currently facing as CEO?

Keeping people together and focused. Considering

we have changed a third of the team over the past 12 months, we need to define our culture. We have a well communicated goal and we have to agree on what we need to do to get there.

7. What are your goals as a CEO? What do you want to be remembered for?

I am immensely proud of the team we have put together and I believe we can complete the transformation. I want my team to be able to say ten years down the line: wow, it was a ride but it was fun and we did it.

8. Who do you think has better negotiation skills: women or men?

I do not believe that the qualities of these skills are gender specific. To a large degree it is a question of what you consider a better outcome of negotiations to be: finding a consensus every time or getting a bigger piece of the pie.

9. Do you think that men in business are more ready to take risks than women?

Indeed, generally men in the European environment are willing to take the plunge more readily than women. However, I think this has more to do with culture than gender. Women tend to seek a broader consensus and thus are less likely to rush into a risky solution.

10. In your opinion do you think women or men are more flexible and adapt better to new circumstances?

Again, I don't think I see this as a gender related trait.

11. What is your secret to balancing your private and professional life?

What balance are you talking about? I want it all but obviously can't have it. There is a saying: If you can't get what you need to be happy, be happy with what you can have. Perhaps a bit of humility will help.

“Anyone who don’t adapt to changing circumstances won’t survive in business.”

1. Who do you think has better negotiation skills, women or men?

I don’t think this is a gender issue. I have encountered both men and women with good negotiation skills.

2. Do you think that men in business are more ready to take risks than women?

We used to have a stereotype that women take fewer risks and are more conservative. But as more and more women advance to executive positions and to the boardroom, they are adapting to take more risk.

3. Who in your opinion is more flexible and adapts easier to new circumstances, women or men?

I would not assume that flexibility and adaptability are gender issues as anyone who doesn’t adapt to changing circumstances won’t survive in business.

4. What is your secret of balancing private and professional life?

There is no secret. I simply love music so I try to take in a lot of culture as a balance for the stress I experience in my job.



Monika Rühl, Diversity Manager of Deutsche Lufthansa AG, Germany

“Women are willing to take risks if we think it is necessary to do it.”



*Barbara Körner,
Coca-Cola GmbH,
Senior Legal Counsel,
Germany*

1. Who do you think has better negotiation skills, women or men?

It depends. I think it has something to do with the philosophy of how you negotiate. If you negotiate contracts, you always have to take something and you have to give something. That is called a partnership and I think it is something where both women and men can do a great job.

2. Do you think that men in business are more ready to take risks than women?

No, I don't think so. I think we both take risks. It was commonly thought that women didn't take risks, but we do. We are willing to take risks if we think it is necessary to do it and if we have to decide about things we believe in.

3. Who in your opinion is more flexible and adapts easier to new circumstances, women or men?

I believe that women are more flexible and adaptable. Women have to handle so many things between career, family, friends and other things they like to do, that they have learned to organize much more than men. And due to this they have become more flexible.

4. What is your secret of balancing private and professional life?

I am always good at what I do if my family is in a good mood. Therefore if I make my family happy then I am happy. I also always think very positively because I think you can only change things if you look on them in a positive way. My motto is "smile, go through your life and make it happen."

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