Women at the wheel
Recruitment, retention, and advancement of women in the European automotive industry

A collaboration with Automotive News Europe
Celebrating the 25 leading women in the European automotive industry

_Automotive News Group_ and Deloitte have been celebrating and honoring the leading women in the automotive industry for more than a decade. Through the Leading Women program in North America and now in Europe, we have been able to explore why women love working in the automotive industry and examine the challenges and opportunities they see in recruiting, retaining, and advancing women in automotive.

Deloitte is proud to serve as the presenting sponsor supporting this wonderful program and, with _Automotive News Group_, thank the hundreds of women who have taken their time to share their perspectives.

The following pages represent our latest research with _Automotive News Europe_ and reflect the views about the recruitment, retention, and advancement of women working in the European automotive industry.

To learn more about the program and learn what women working in the North American industry feel about this important topic, visit www.deloitte.com/womeninauto.
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Introduction

There is a talent crisis underway in the global automotive industry. Vehicle connectivity, self-driving cars, shifting consumer preferences, and increasing regulatory pressures are just a few of the megatrends that are creating a complex environment ripe with opportunities for innovation, transformation, and disruption. Taking a competitive advantage in this increasingly complex environment requires talented professionals with deep skills and experience. Women represent a critical, yet underrepresented, resource capable of helping automotive companies take that competitive advantage. But are we doing all we can to recruit, retain, and advance this remarkable group of automotive executives?

To explore this question, Automotive News Group and Deloitte have been working together for more than a decade to honor the most influential women in the automotive industry. Through the program, we have surveyed and interviewed hundreds of women to explore their views on the recruitment, retention, and advancement of women working in automotive, as well as understand where opportunities for improvement exist.

The findings of our 2015 study with Automotive News of women working in the North American industry were published in November in conjunction with the 100 Leading Women in the North American Automotive Industry Gala. In this follow-up study, developed in collaboration with Automotive News Europe, we reveal the findings of our survey of women working across the European industry. The insights represent the voices of some of the most influential women in the industry and serve to inform the dialogue on how, together, we can enhance women’s representation across the leadership ranks of automotive companies – worldwide.
They hold a variety of strategic positions

What’s your current role?

Approximately 200 women participated in the study. Respondents represent OEMs, suppliers, dealers, and finance companies, providing a broad point of view on how companies can effectively recruit, retain, and advance talented women.

They are experienced

What’s your current work experience?

Average experience among respondents: 16.6 years

Average tenure at current company: 10.2 years

What do you do?

37% Represent C-level executives, vice presidents, directors, or managers

55% Work in finance, marketing and sales, operations, or production


About the European study

This European study was commissioned by Automotive News Europe and Deloitte to highlight the significant achievements women have made in the automotive industry, as well as determine how the industry can increase its ability to recruit, retain, and advance its fair share of women.
They are well educated

**Which best describes your education?**

67% Percent who hold degrees or have some college education

<table>
<thead>
<tr>
<th>Degree Type</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Doctorate (PhD)</td>
<td>3%</td>
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<tr>
<td>Master’s degree</td>
<td>16%</td>
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<tr>
<td>Bachelor’s degree</td>
<td>19%</td>
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<tr>
<td>Associate’s degree</td>
<td>8%</td>
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<tr>
<td>Some college</td>
<td>21%</td>
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</tbody>
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**What did you study?**

<table>
<thead>
<tr>
<th>Field</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>General business</td>
<td>27%</td>
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<tr>
<td>Marketing and sales</td>
<td>18%</td>
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<tr>
<td>Accounting</td>
<td>18%</td>
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<tr>
<td>Engineering</td>
<td>13%</td>
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<tr>
<td>Finance</td>
<td>11%</td>
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<tr>
<td>Operations management</td>
<td>10%</td>
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<tr>
<td>Arts and humanities</td>
<td>9%</td>
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<tr>
<td>Information technology</td>
<td>9%</td>
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<tr>
<td>Vocational training</td>
<td>8%</td>
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<tr>
<td>Logistics</td>
<td>8%</td>
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<tr>
<td>Mathematics</td>
<td>5%</td>
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<tr>
<td>Supply chain</td>
<td>3%</td>
</tr>
<tr>
<td>Human resources</td>
<td>2%</td>
</tr>
<tr>
<td>Others</td>
<td>5%</td>
</tr>
</tbody>
</table>

* Other education disciplines include health services, human biology, etc.

The business case for women in automotive

From addressing the talent shortage to improved financial performance, the business case for increasing the share of women in the automotive workforce is persuasive.

**Women represent a vast talent pool**

Women are manufacturing's largest pool of untapped talent. While women represent nearly half (46 percent) of the total European Union (EU)'s labor force in 2015, they comprise less than a third (29 percent) of the manufacturing workforce.¹

**Closing the skills gap includes closing the gender gap**

Across the EU, there are approximately 325,000 job vacancies in manufacturing, with the highest number (107,942) of vacancies in Germany, followed by the UK (47,000 vacancies). With women representing less than a third of Europe's manufacturing workforce, it’s clear manufacturers are missing out on a critical talent pool, which could aid remarkably in closing the skills gap.²
Diversity contributes to competitiveness and innovation

CEOs and manufacturing executives around the world identify talent-driven innovation as the number one determinant of competitiveness, and research shows leadership diversity can be a contributor to innovation. With that in mind, recruiting and retaining women in manufacturing is just smart business and can contribute significantly to a company’s competitiveness.

Diversity contributes to profitability

Research indicates organizations with diverse leadership are more profitable. A study by Catalyst, a leading nonprofit organization dedicated to expanding opportunities for women in business, found that Fortune 500 companies with high percentages of women officers had a 35 percent higher return on equity and a 34 percent higher total return than companies with fewer women executives.
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How would you rate your company’s efforts to recruit women?

- Very good or excellent: 33%
- Poor or very poor: 17%

How would you rate your company’s efforts to develop women?

- Very good or excellent: 33%
- Poor or very poor: 29%

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Other industries are better at recruiting women

Which industry does the **best at attracting and retaining women?**

*Other include education, teaching etc.  
Source: Automotive News Europe-Deloitte Women in the European Automotive Industry Survey, September 2016*
Top reasons European survey respondents avoid careers in automotive

Issues related to *work environment and work life balance* rank among the top reasons that would cause women to avoid careers in the European automotive industry.

- **33%** Lack of flexible schedule
- **31%** Unattractive work environment for women
- **32%** Unattractive income/pay
- **28%** Lack of opportunities for advancement
- **27%** Lack of work life balance

*Source: Automotive News Europe-Deloitte Women in the European Automotive Industry Survey, September 2016*
What motivates women to stay or go?

Most women (62 percent) responding to the European survey indicated they would remain in the automotive industry if they were to start their career today.

**Top reasons they stay**
- Attractive income/pay
- Opportunities for challenging and interesting assignments
- Work life balance

**Top reasons they would consider leaving**
- Low income/pay
- Work life balance
- Poor working relationships
- Lack of promotion opportunities

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Where would they rather go?

If you would move to a different industry, where would you go?

Respondents were asked to pick their top three preferred industries.

**Most preferred**

- 64% Consumer products
- 62% Energy and resources
- 59% Technology, media, and telecommunication

**Least preferred**

- 43% Industrial products
- 29% Process (i.e., chemicals)
- 20% Professional services*

*Professional services include consulting, legal, hospitality, not for profit, social, investment, and insurance, among others services.

What makes an impact?

*Top three most impactful programs respondents’ organizations offer that help in recruiting and retaining women*

When asked to rank the most impactful programs their organization offers that help in recruiting and retaining women, flexible work practices, improving the visibility of key leaders who serve as role models, and customized learning and development programs topped the list.

1. Flexible work practices
2. Identifying and increasing the visibility of key leaders who serve as role models for employees
3. Customized learning and development programs
Pathways to prosperity

What is your ultimate career goal?

- C-suite: 14%
- Senior management: 20%
- Middle management: 27%

Do you see a career path to get there?

74%

Percent of women who said they would choose to stay in the automotive industry who see a path to their career goals

What do European survey respondents say about organizational diversity?

64%
Feel women are underrepresented in their organization's leadership teams

57%
Industry bias toward men for leadership positions

36%
Lack of flexible work environment

30%
Perception of automotive/manufacturing overall

Reasons why they feel women are underrepresented in the leadership ranks of the automotive industry

Standards and pay are not equal

**Standards of performance**

65% Who believe standards differ for men and women in the automotive industry

55% Who think the standards are higher for women

**Level of pay**

68% Who believe there is a pay gap between men and women in the automotive industry

97% Who think men’s pay is higher

Few respondents feel their organizations have effective women's network groups

Are there women’s network groups within your company?

- 62% No
- 16% Yes, formal and informal
- 16% Yes, informal only
- 6% Yes, formal only

To what extent do you engage in women’s network groups?

- 39% Significant or high involvement
- 43% Limited involvement
- 19% Low to no involvement

Have women’s network groups been effective in advancing your career?

- 60% No
- 40% Yes

Nearly 2/3rds of respondents say women's networking groups have not been effective in advancing their careers.

It’s getting better, but more work is needed

Have you seen positive changes in the automotive industry’s attitude toward women over the last five years?

- 45% Marked or some positive change
- 33% Stayed about the same
- 22% Little change or gotten worse

Do you believe European schools encourage girls to pursue automotive careers?

- 79% Schools do not encourage or discourage
- 21% Schools actively encourage girls to consider automotive

Would you encourage your daughter or female family member to pursue a career in automotive?

- 17% Fully endorse
- 27% Endorse with caveats
- 37% Neutral
- 19% Would discourage

The path forward

Based on Deloitte’s ongoing research into the recruitment, retention, and advancement of women in manufacturing industries, we recommend the following to pave a path forward:

1. **Start at the top**
   A cultural change begins in the C-suite. For diversity and inclusion (D&I) initiatives and programs to gain traction throughout an organization, senior leaders must be aligned on D&I as a business priority and must visibly lead by example. What’s more is that these types of initiatives and vision can be driven by women or men. Starting at the top really means creating a joint vision shared across the executive team demonstrating a shared vision to the larger enterprise.

2. **Address gender bias head-on**
   There are positive benefits of gender diverse leadership teams and organizations. European women in the study cite balanced organizational management (60 percent), diverse perspectives in decision making (45 percent), and improved financial performance (28 percent) as the top positive benefits.

3. **Foster growth programs and sponsorships**
   Women indicated “identifying and increasing the visibility of key leaders who serve as role models for employees” as the most impactful program a company can have to pave the way for attracting and retaining women. In fact, sponsorship can be an important factor in creating a culture that promotes a pay-it-forward mindset, which is instrumental to identifying and developing current and future leaders. A sponsor advocates for an individual and undertakes responsibility for that person’s development and professional progression. In addition, a sponsor’s role should extend beyond mentoring and coaching to being a vocal advocate, thereby enhancing their sponsoree’s presence in the organization.
Create a more flexible work environment
Flexible work practice is one of the top-ranked impactful programs by women in the study. Work-life balance, or the perceived lack thereof in automotive, may be another factor deterring women from the industry. It is essential for automotive companies to focus on longer-term issues of workforce capability, as well as the shorter-term imperatives of staying in business.

Develop Europe’s automotive workforce early
Recruitment into the automotive industry should begin early, which is underscored by only 21 percent of respondents believing the school system actively encourages female students to pursue careers in the European automotive industry and 36 percent believing they do not at all encourage females to pursue careers in automotive.

Promote personal development
With women ranking opportunities for challenging and interesting assignments as a top motivator for staying in the automotive industry – along with identifying and increasing the visibility of key leaders who serve as role models for employees as one of the most impactful retention strategies – it stands to reason investment in personal development can continue to build retention and advancement of women.

Create a legacy
Women are having such an important mark on the automotive industry today that there is now an opportunity to shape a legacy that can long impact the industry and create a strong foundation for tomorrow’s leaders. Progress often requires improvements across all of the recommendations listed above, as well as the creation of programs, such as the Automotive News Leading Women Network, which can help ensure mentoring and encouragement of young women, as well as ensure the stories of success and contribution women make to the global automotive industry continue to be told.
End Notes

1 Eurostat, European Commission, Employment by sex, age and economic activity (from 2008 onwards, NACE Rev. 2) - 1 000 [lfsa_egan2], http://ec.europa.eu/eurostat/data/database, accessed on August 31, 2016; population in the age group of 20-64 years is considered.


6 Working with a number of organizations, including the Automotive News Group, the National Association of Manufacturers, the Manufacturing Institute, and the U.S. Council on Competitiveness, as well as through Deloitte's diversity, inclusion, and talent initiatives, we have developed recommendations that help inform the dialogue and can help pave a path forward on this critically important topic.
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