

# WOMEN'S EMPOWERMENT PRINCIPLES

NOVEMBER 2020

## WEPs IN ACTION



PRINCIPLE 2

**Treat all women and men fairly at work – respect and support human rights and nondiscrimination**

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## CASE STUDY: GSMA CONFRONTING THE GENDER PAY GAP GLOBALLY

### LESSONS LEARNED

- A firm, continuing commitment to gender equality is demonstrated by equal pay policies that have explicit approval from the top of the company.
- Successful equal pay implementation is achieved by well-trained HR and recruitment teams, who can then educate others on issues around equal pay and unconscious bias.
- Employees need to feel represented and heard. This is achieved by using the skills and expertise of a diverse team to work towards a globally inclusive company.
- A bias decoder is essential to keep recruitment and salary offerings free from bias.
- Regular and public reporting on the gender pay gap helps companies advance their equal pay measures and encourages other companies to follow suit.

### CONTEXT

The GSMA, a global industry association, represents the interests of mobile network operators worldwide. It unites more than 750 operator members and almost 400 companies in the broader mobile communications ecosystem and produces industry-leading events.

The GSMA is committed to the principles of equal pay and fair recruitment practices that ensure equal pay for work of equal value. To avoid pay disparities, its recruitment team now bases pay decisions on market rate comparators rather than an employee's previous salary.

When these measures were introduced in 2017, 52 per cent of the workforce were women. The breakdown at global level then was as follows: leadership positions - 22 per cent women and 78 per cent men; senior leadership - 39 per cent women and 61 per cent men; mid-level - 53 per cent women and 47 per cent men; entry level - 64 per cent women and 36 per cent men.

## ACTIONS

In 2017, the GSMA introduced equal pay measures to both reduce the pay gap between women and men and ensure that women were being paid the market rate. The aim was to apply this policy across all GSMA locations around the world. The Human Resources Recruitment Team was given this task, and progress has been monitored by a review of all staff salaries against benchmarks twice a year.

Lizzie Chilton, HR Director for the GSMA:

*"We are committed to making sure that everyone is paid fairly in comparative roles and they have the same opportunity for performance bonuses. We use external data to benchmark all of our roles globally and we review every individual's position against the benchmark for their role twice a year to ensure there are no disparities."*

*"In March 2016 the gap between women and men's position against benchmark was 5.6 percentage points in favour of men; by October 2018 this was only 0.2 percentage points and has remained statistically insignificant since."*

The GSMA 2018 Annual Gender Pay Gap Report showed how practice of using a candidate's previous pay to set salary offers unwittingly perpetuated the underpayment of women, particularly women of colour, and maintained a gender pay gap.

The new equal pay policy was supported by the GSMA's Leadership Team as a necessary step towards gender equality. The Director of Human Resources was a key supporter and saw the United States as a role model where employers were banned from requesting a candidate's salary history. The initial proposal was to only ban salary history requests for the GSMA's U.S. recruitment, but it was decided to make this standard practice across the whole organization.

In 2019, the GSMA signed the Women's Empowerment Principles, cementing their commitment to gender equality and women's empowerment.

Several new initiatives were introduced. For instance, the OneGSMA initiative aimed to educate staff on the importance of diversity and inclusion in the workplace in all locations around the world. OneGSMA is sponsored by the GSMA Leadership Team and is made up of staff from across the organization, including contractors and temporary workers. The explicit goal of this representative body is to celebrate diversity and foster an inclusive culture. Any worker can approach the team to express concerns or share insights.

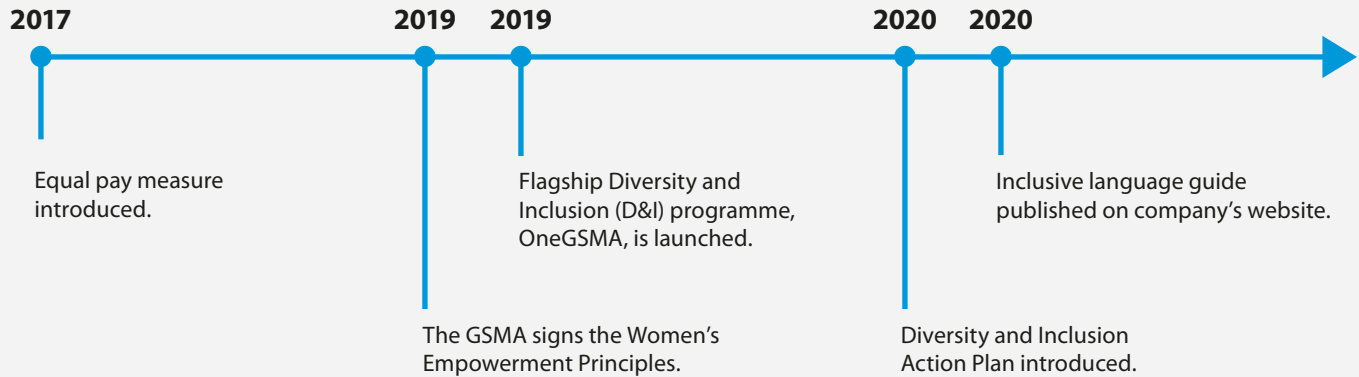
The GSMA recognized that the habit of using previous salary to determine how much pay to offer would have to be broken. Although formal HR processes were altered, it was also realized that managers would need training to help them understand why these changes were needed.

OneGSMA Co-Sponsors John Guisti, GSMA Chief Regulatory Officer, and Louise Easterbrook, GSMA Chief Financial Officer

OneGSMA includes several employee networks such as Women in Tech, Intersectional Feminist Network and Menopause Support. It also organizes events, supports wellness tools and initiatives and offers mental health wellbeing courses for managers and employees.



# TIMELINE



## CHALLENGES

Putting an equal pay policy into practice on a global scale was a particular challenge for middle managers accustomed to basing salary offers on a candidate's salary history.

When the HR recruitment team were given charge of salary conversations with candidates, they instead asked for salary expectations,

and now only share salary expectations with candidates that are in line with industry benchmark and budgets.

However, managers initially challenged the recruitment team's decision to stop requesting salary history and their screening of job adverts for gender-biased language.

CHALLENGE

Managers' habit of requesting candidates' salary history and basing pay offers on this information.

Managers challenge HR Recruitment team's pay decisions and their use of a gender bias decoder for job descriptions.

- The HR Recruitment team took charge of salary conversations and instead asked for candidates' salary expectations.
- New HR-hosted annual meetings set up to discuss equal pay.
- Pay reviews twice a year also offered an opportunity to educate managers.

- HR Recruitment team stressed the importance of equal pay and of having solid, objective justification for any pay differences.
- HR held bilateral talks with hiring managers, with a focus on educating rather than confronting.
- Decisions on pay now sit with HR, not hiring managers.

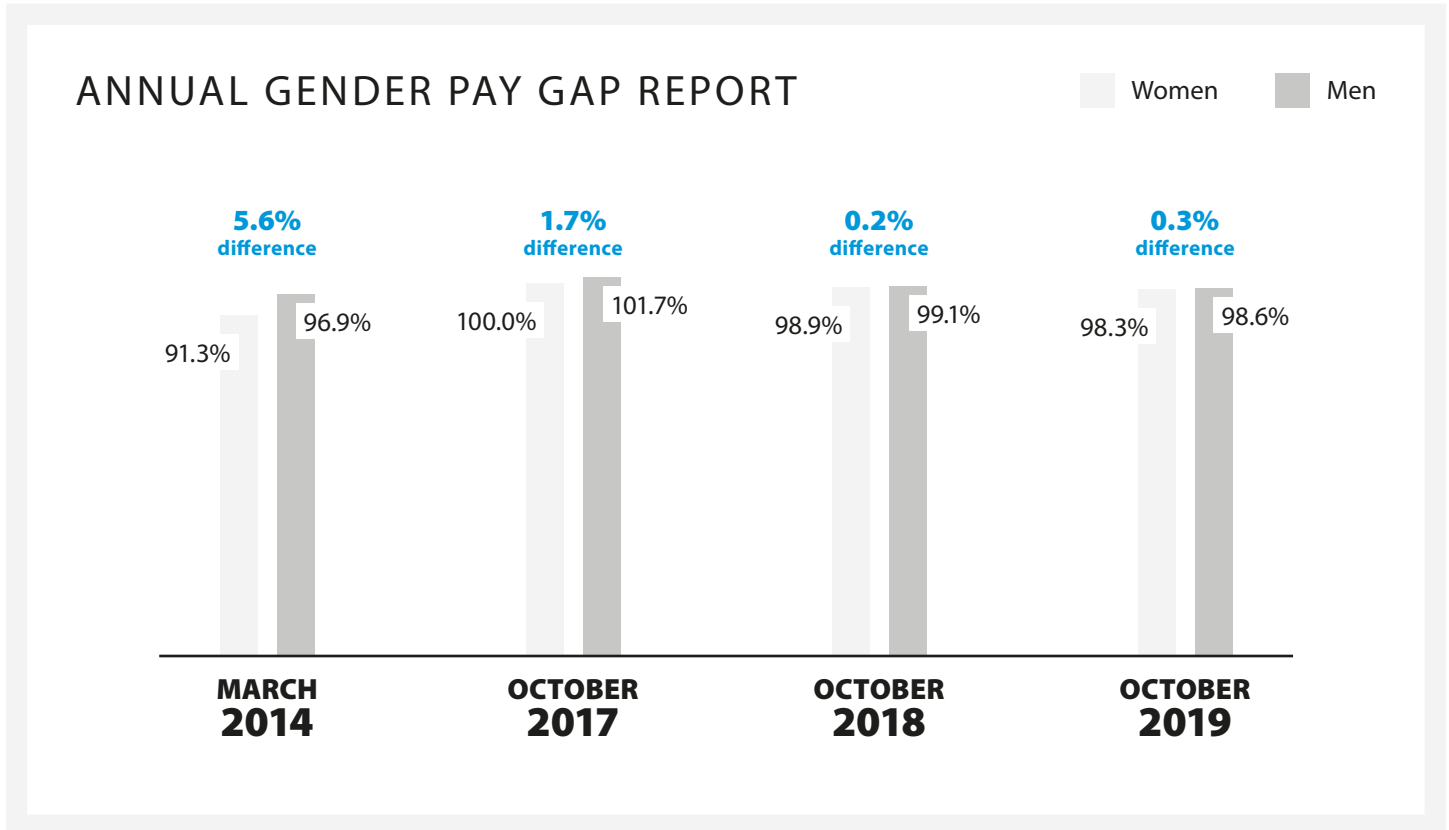
HOW IT WAS ADDRESSED

## RESULTS

The GSMA is committed to making sure that employees are paid fairly, that women and men are paid the same for comparative roles and have the same opportunity to earn performance bonuses. External data is used to benchmark all roles globally and every individual's pay package is assessed against the benchmark for their role twice a year to check for disparities.

Progress is publicized in an annual Gender Pay Gap Report. Results to date are: 5.6 percentage points difference in March 2016; 1.7 percentage points difference in October 2017; 0.2 percentage points difference in October 2018; and 0.3 percentage points difference in October 2019.

All job descriptions are screened with an online gender bias decoder to ensure they are free from hidden bias. The GSMA bases all pay offers on comparators and industry benchmarks to avoid perpetuating pay disparities.



## RECOMMENDATIONS

The WEPs are a key tool for any company planning action on gender equality, say the GSMSA's implementation team. They frequently share good practice with companies considering company-wide equal pay measures.

Experience at the GSMA has also demonstrated the importance of approval and support from the Leadership Team, though it is not the only key factor.

Commitment to the WEPs is both an internal commitment and an external signal of change, putting a company or organization on a clear path towards gender equality and women's empowerment in the workplace, marketplace and community.

*“Lack of resources should not form a major obstacle to either joining or implementing the WEPs. The truth is that it is all about changing the company’s culture and it starts with a commitment at the highest level, which is ultimately what adopting or signing up to the WEPs represents. As long as there is a commitment, the implementation plan will materialize even if it takes a while.”*

GSMA spokesperson

A WEPs signatory becomes part of a diverse WEPs community and able to learn from other signatories’ challenges and experience.

*“For the GSMA this has been the most valuable part of the journey so far and definitely an added value. This, combined with the fact that a WEPs commitment comes with an internationally recognized guidance framework and a concrete action plan, makes for a compelling proposition for any company.”*

GSMA spokesperson

As a WEPs signatory, the GSMA is eager to see other companies follow suit, particularly those among its immediate and associate members in the wider mobile ecosystem.

The GSMA also urges other companies pursuing equal pay to be bold and give more responsibility and accountability to junior HR staff so they feel empowered to make changes. It is also important they know they have the support of the leadership team.

## THE ROLE OF WEPs








The UN Women Empowerment Principles gave the GSMA a clear action plan for implementing equal opportunities and representation for women across the sector. On the WEPs platform the GSMA can share both its commitment to bridging the gender divide and its support for the mobile communications industry’s efforts to accelerate women’s digital and financial inclusion.


Openly advocating WEPs benefits has therefore been a key priority for the GSMA in its general promotion of gender equality in the digital space, not least to its membership. To date, 30 mobile operators have signed up to the WEPs and promised to foster business practices that empower women.

The GSMA’s sustainability assessment framework is an example of how the WEPs have been integrated into its approach. Designed in collaboration with Yale University, the framework


examines social and environmental sustainability efforts across the mobile industry, assessing not only the performance of each mobile network operator but also their interaction with social and global challenges and opportunities. It compiles and evaluates a range of best practice so that companies can learn from each other.

The WEPs have enriched the framework’s assessment of employee diversity with additional indicators such as Principle 1 of the WEPs on high level corporate leadership and Principle 7 on measuring and reporting. Future use of the framework will therefore improve assessment of the socio-economic impact of employee diversity, and this will benefit both the mobile network industry and the WEPs community.

- Principle 1  Establish high-level corporate leadership for gender equality.
- Principle 2  Treat all women and men fairly at work- respect and support human rights and nondiscrimination.
- Principle 3  Ensure the health, safety and well-being of all women and men workers.
- Principle 4  Promote education, training and professional development for women.
- Principle 5  Implement enterprise development, supply chain and marketing practices that empower women.
- Principle 6  Promote equality through community initiatives and advocacy.
- Principle 7  Measure and publicly report on progress to achieve gender equality.

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