



**To:** The Executive Board  
**Via:** P. Praet [approved], S. Keuning [approved]

**From:** [Redacted]

**Cc:** [Redacted]

**Date:** 11 November 2014

**Subject:** Progress report on Gender Diversity (including review of the mentoring programme)

*This note provides an update on the progress made towards achieving the ECB-wide gender targets for end-2019 and the interim targets for 2015 and 2017 for salary bands I and above - as established by the Executive Board on 4 June 2013. It informs about the progress on implementing the Gender Diversity Action Plan throughout the ECB and it also presents a proposal for establishing the ECB Mentoring Programme as a standard offer. The note has been endorsed by the Management Committee in its meeting of 30 October 2014.*

## 1. Gender Targets

### 1.1 Background

In the past, despite strong efforts undertaken within the organisation to address an imbalance in the gender distribution at management levels, the percentage of female staff in the upper range of the salary scale has not changed much. At the end of 2012, females occupied 16.7% of positions at management level (I-L band), compared to 43.2% of females in the ECB’s overall population.

On 4 June 2013, the Executive Board decided to establish targets for the proportion of female staff in management level positions for end-2019, and intermediate targets for end-2015 and end-2017.

Table 1: Overview ECB gender targets

	Status 2012	Target End-2015	Target End-2017	Target End-2019
<b>Females in I-L positions</b>	16.7%	23%	29%	35%
<b>Females in K-L positions</b>	12.5%	19%	24%	28%

Setting such gender targets was inspired by reflections that for benefitting in full from gender diversity in the management population both gender should be represented by at least one third, following a kind of ‘critical-mass-concept’.

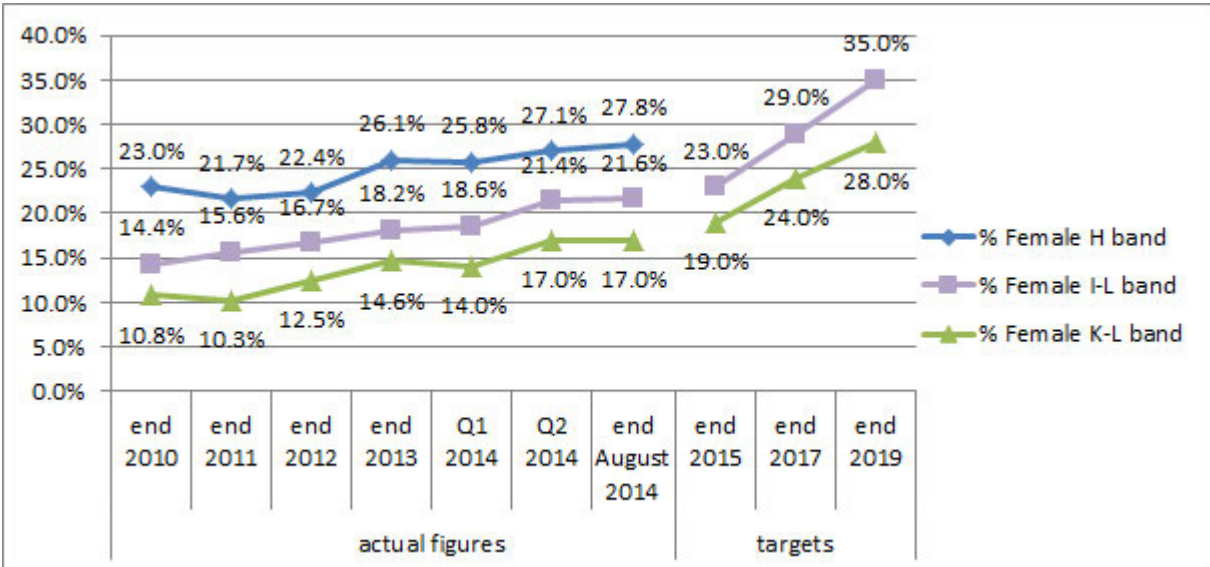
**1.2 Progress made since the EB decision introducing gender targets**

When assessing progress made since the Executive Board decision on introducing gender targets, it seems most adequate to compare the situation at the end of 2012 with the current situation at the end of August 2014, i.e. the situation constituting the information basis at the point of the decision and the latest observation. Naturally, developments in the course of 2013 could only to some part be influenced by the decision and the accompanying action plan.

Looking at the ECB as a whole (including the SSM), a noticeable change over this timeline can be observed, pointing in the intended direction (see also Table 2 below). The percentage of females in the overall I-L-band population has increased from 16.7% by end-2012 and 18.2% by end-2013 to 21.6% by end-August 2014. This implies that an increase of the female representation in management level positions by 4.9 percentage points has been achieved. Most of this increase came about in the second quarter of 2014, thus indicating that SSM recruitment campaigns closed in 2014 have played a major role. Also the female representation at senior management level (K-L-band) has increased noticeably over this timeline, namely by overall 4.5 percentage points with an initial increase already in 2013 and a further increase in the second quarter of 2014.

In parallel, supporting the overall positive trend, the female representation at the H-band level, which is considered an important internal pipeline for future appointments at managerial level, has also increased within the same time horizon, by 5.4 percentage points to currently 27.8%.

Table 2: Female representation at management level and H-band since 2010, compared to gender targets



### 1.3 The impact of staffing decisions on gender diversity at management level

When analysing the underlying figures<sup>1</sup>, it becomes apparent that the SSM-related recruitment so far has had a positive effect on female representation at management levels (see Table 3). More precisely, when looking at the overall I-L population in the SSM, the percentage of females was 28.7% by end-August 2014, while the female representation at the senior management level (K-L-band) was only 16.7%. For staff at H-band-level the percentage of females was at 38.5%. Thus, seen in isolation, the SSM recruitment significantly contributed to the overall developments, while the relatively low percentage of females among the K-L population is noted. At the same time, both the Chair and the Vice-Chair of the Supervisory Board are women.

For the non-SSM business areas, the corresponding figures for end-August 2014 were 18.5% (compared with 16.7% end-2012) for the I-L population, pointing also in the intended direction, while displaying a much lower dynamic. At the K-L level, the percentage of females was 17.1%, up from 12.5%, and thus a rather strong increase. It should be taken into account that overall only 7 positions became vacant within this timeframe, out of which 4 were filled with female candidates (appointment ratio of 57.1%).

While the SSM was expected to create opportunities to encourage female talent in the area of banking supervision and the current figures confirm these expectations, they also show that (i) the traditional areas of the ECB still need to further increase their efforts in order to reach the targets, and that (ii) for both wings of the ECB the more challenging part will be to increase female representation at the K-L banded positions in the mid- and long-term.

Table 3: Comparison of share of female staff per salary band between ECB with or ECB without SSM end-August 2014 (in %)

	H-band	I-L-band	K-L-band
ECB with SSM	27.8	21.6	17.0
ECB w/o SSM	27.1	18.5	17.1
SSM only	38.5	28.7	16.7

It is also noteworthy that in 2013 and 2014 (so far) respectively, while the share of female applicants to H-L banded positions was at 26.9% and 25.9%, the appointment ratio was with 35.5% (2013) and 33.3% (2014) significantly higher. The former compares with a ratio of 18.5% of applications from female staff in 2012 and this is indicating that females do apply more often than in the past for higher level positions; the latter is an outcome that can be observed from many different recruitment panels, thus indicating a growing recognition of the need for more diversity in managerial positions.

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<sup>1</sup> The data includes all permanent and temporary appointments as well as promotions to ECB headcount positions.

Finally, it should be underlined that all of the above figures are averages which obviously do not display the situation in individual business areas. However, when comparing them, there are striking differences. While there are four business areas which have at the current juncture already (over-) achieved the gender targets, there are also several business areas which currently do not have any female staff at management level (see Annex 1).

#### **1.4 Forecast of upcoming opportunities enabling gender diversity at management level**

When considering the group of staff members reaching retirement at salary bands I-L in the course of the next five years, a limited number of job openings are expected in the non-SSM business areas. Based on an analysis of the demographics of this population until end-2019 and assuming that these staff members stay until they reach the normal ECB retirement age of 65 and all positions are maintained, a total of 12 positions could become available for recruitment, mobility or direct appointment<sup>2</sup>. This equals 4.2% of the ECB's current I-L band staff population of 285 (excluding the SSM).

When including the group of staff members reaching normal retirement age who are currently at salary band H (the pipeline for managerial positions), for the same timeline as above, only 2 further openings can be expected from today's perspective. Still, based on the observation that during the last years 90% of staff in I-L band positions has been replaced by internal staff members successfully applying to higher-level positions, a small cascading effect could lead to a few further vacancies.

Taking into account figures of approved unpaid leave at management level since 2010 and assuming that the same trend will continue for the next five years, up to 22 positions may be temporarily vacated until end-2019, equalling 7.7% of the ECB's I-L band population. At the H-band level, there is no clear trend which can be derived from the developments since 2010.

## **2. Gender Diversity Action Plan**

### **2.1 Overview of Progress made**

In parallel with the decision of the EB to establish gender targets, it also decided to introduce a Gender Diversity Action Plan consisting of a series of operational measures and instruments to support business area activities for reaching the gender targets and facilitate the dissemination of best practices. The Action Plan addresses four main dimensions which were identified as being crucial for increasing female representation: attracting female candidates, working on the internal pipeline, facilitating the work-life balance and increasing accountability and commitment.

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<sup>2</sup> Each year as of 2014 one retirement will take place, with the exception of 2019, during which 7 retirements are to be expected. From these retirements one involves a female at band J.

Since the endorsement of the Action Plan in June 2013, most of the measures have been implemented or are currently with the business areas for further implementation (see Annex 2). While some business areas have followed up very thoroughly by taking actions in line with the Action Plan, others may still need further encouragement, hence a strong signal from the Executive Board “to keep up the efforts” would be certainly most welcome.

In this note we would like to explain in more detail the progress made on three selected measures of the Action Plan, thanks to their expected impact: (i) the ECB Mentoring Programme, (ii) the training for women initiative and (iii) the role of the Diversity Ambassadors.

## **2.2 The ECB Mentoring Programme**

In terms of the ECB Mentoring Programme, a pilot scheme of two years was introduced in September 2012 with a view to be converted into a permanent offer should the pilot be successful. This has proven to be the case.

During the two years of the pilot, which ended on 31 August 2014, 71 mentees and 51<sup>3</sup> mentors participated in the programme<sup>4</sup>, with the 54 female mentees accounting for 76% of all mentees. The mentees in salary band H accounted for 28% of all mentees and 75% of them were women; the mentees in salary band F/G accounted for 72% of all mentees and 76% of them were women. 17 of the 45 female mentees (so almost one third) were promoted since their participation in the mentoring programme, out of which 6 were promoted to positions in I band. By contrast, only 2 of the 17 male mentees were promoted in the meantime. Looking at the applications (presented in detail in Annex 3b), 45 female mentees applied 232 times while 10 male mentees applied 21 times.

The evaluation of the pilot was very positive. In particular, the feedback received from the participants of the mentoring programme who responded to the evaluation survey revealed that the programme had encouraged 58 % of female mentees to apply for a higher position; also, 27% of female mentees in salary band F/G and 44% of female mentees in salary band H indicated that they had applied for a managerial position. Moreover, the survey respondents supported the idea of continuing the mentoring programme and of broadening the eligibility criteria.<sup>5</sup>

Taking into consideration the positive feedback and high participation rates, and in line with the implementation of the Gender Diversity Action Plan, DG/H proposes to (i) convert the pilot programme into a permanent offer and (ii) while preparations for launching the permanent offer are being carried out,

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<sup>3</sup> The figure of 51 mentors refers to the mentors who were matched with one or more mentees in one or both of the pilot years (13 mentors matched with mentees in both years were counted twice). It should be noted that the total pool of potential mentors includes 40 managers who attended the mandatory training on mentoring skills.

<sup>4</sup> An overview of the participants of the pilot mentoring scheme (mentors and mentees) is provided in Annex 3a.

<sup>5</sup> In the pilot of the mentoring programme, the eligibility criteria were: for mentees: staff (i) in salary bands F/G, G and H; (ii) holding a permanent contract for at least three years; for mentors: (i) ECB managers and advisers (who act as coordinators or have previous management experience); (ii) attending a mandatory training on mentoring skills.

to continue the next session of the programme under the same eligibility criteria as for the pilot phase. For the permanent offer, DG/H would recommend that both genders continue to be eligible for the programme, while the focus should remain on female mentees until the gender targets are achieved. In addition, in order to allow a wider target group of staff members to become mentees in the programme and support the ECB in achieving its gender targets for managerial positions, DG/H proposes to extend eligibility to staff in salary bands I and J and, as for other eligible salary bands, to give priority to female mentees.

DG/H expects that as a result, the mentoring programme would support and encourage female staff to apply for higher banded positions, thus positively contributing to increasing the number of internal female applicants for higher-banded positions at the ECB. Eventually this could aid reaching both the overall gender target for I-L positions and the gender target for K-L positions: I band jobholders constitute the pipeline for J band positions and will support the overall gender target achievement, while J band jobholders who constitute the pipeline for K band positions will support reaching both gender targets for I-L and K-L positions. The other eligibility criteria would remain unchanged. The main modifications to be introduced to the permanent ECB mentoring offer are presented in Annex 4.

### **2.3 Training for women initiative**

Concerning the development of a specific training for women, and in line with the objectives and targeted population of the Gender Diversity Action Plan, DG/H has designed a comprehensive offer, the Programme for women, which will be open to female staff members at salary bands H, I and J as of autumn 2014.

DG/H conducted a two-step training needs analysis with the target population, an online survey and facilitated brainstorm sessions to determine the structure and themes of the training. The structure of the blended learning moves from the big picture to a personalised focus through three elements: (i) classroom training, (ii) workshops and (iii) one-to-one coaching, while the themes focus on three essential aspects of leadership that underpin the main leadership skill sets: managing yourself, managing relationships and managing networks. These aspects involve a high level of self-awareness, the willingness to risk trying out a new behaviour and the capacity to be flexible and change along with your environment.

The programme addresses the issues of women in business, particularly the challenges that women face when climbing the corporate ladder and enables participants to understand organisational realities women face. Participants will explore best practices and learn about the latest research on leadership, effective communication, leveraging networks and power and influence; they will share insights, develop skills that can be put in practice immediately and build a community of peer exchange. The first training will be offered in November 2014 from a team of trainers from the procured provider, Rotterdam School of Management, Erasmus University.

## **2.4 The role of Diversity Ambassadors**

To further foster commitment and accountability, the role of Diversity Ambassador (Annex 5) was introduced. Each business area was asked to select/nominate up to two Diversity Ambassadors, preferably at senior and mid-management level, leading to the selection of 38 Diversity Ambassadors at the end of 2013.

Their mandate includes (but is not limited to) promoting gender diversity locally and across the institution, defining local targets, raising awareness, monitoring gender-related issues, overseeing and contributing to the local implementation of action measures and reporting on the progress made in their business area. The Diversity Ambassadors have been invited by DG/H to four facilitated meetings since December 2013 to share information and discuss the initiatives undertaken at local level as well as to report on the progress made in their respective business area.

This measure has proven to be effective in terms of raising awareness regarding gender diversity across the institution and bringing about the implementation of the action plan measures at local level. Several Diversity Ambassadors have kicked off local initiatives, e.g. internal meetings to seek feedback and views from staff and in particular from women regarding the handling of gender diversity related issues at business area level, departmental surveys to get feedback and data (e.g. on the perception regarding to equal career opportunities for male and female staff). However, the level of independence and effectiveness of the respective Diversity Ambassadors may be different from area to area. To support Diversity Ambassadors in their role, DG/H is carrying out over the next few months so-called “road-shows” to each business area individually, during which information will be presented containing the respective business area’s data on gender diversity relevant dimensions. At that occasion, the ECB’s business areas will also be invited to share their efforts and initiatives taken so far.

### **The Executive Board is invited to:**

- **take note of the progress made towards achieving the gender targets and the implementation of the measures of the gender diversity action plan;**
- **invite business areas to keep on implementing and advancing the Action plan measures and encourage in particular the Diversity Ambassadors to strengthen their efforts;**
- **take note that DG/H will continue to dedicate resources to keep the on-going activities connected to the Gender diversity action plan and will report back to the EB on progress in one year from now;**
- **approve that**
  - i) **the ECB mentoring programme becomes a permanent offer and that, while preparations necessary for the permanent offer are being carried out, the next**

**session of the programme continues under the same eligibility criteria as for the pilot phase;**

**ii) the focus of the permanent offer remains on female mentees until the gender targets are achieved;**

**iii) a consultation on the proposed widening of the mentoring eligibility criteria is launched with the staff representatives.**



## Annex 1 – Gender proportions per Business Area

Gender proportions I-L band per Business Area (excluding ad personam appointments) as per 31 August 2014

Business Area	Gender proportions per Business Area		
	% Female H band	% Female I-L band	% Female K-L band
C	0.0%	33.3%	33.3%
D/BN	0.0%	0.0%	0.0%
D/IA	0.0%	0.0%	0.0%
D/RM	40.0%	40.0%	0.0%
DG/A	13.3%	11.1%	0.0%
DG/C	0.0%	68.8%	50.0%
DG/E	29.6%	10.5%	0.0%
DG/H	38.9%	46.7%	33.3%
DG/I	38.5%	8.3%	0.0%
DG/IS	11.5%	7.1%	0.0%
DG/L	41.7%	28.6%	100.0%
DG/M	30.8%	12.5%	33.3%
DG/MF	0.0%	15.4%	0.0%
DG/MS1	20.0%	40.5%	33.3%
DG/MS2	0.0%	23.1%	0.0%
DG/MS3	100.0%	25.0%	50.0%
DG/MS4	0.0%	22.7%	0.0%
DG/P	55.6%	15.4%	33.3%
DG/R	16.7%	7.7%	0.0%
DG/S	23.8%	8.7%	0.0%
DG/SE	50.0%	16.7%	0.0%
DSSB	75.0%	0.0%	0.0%
ESRB SEC	100.0%	0.0%	0.0%
T2SP	40.0%	14.3%	0.0%

## Annex 2 – Action plan

Implemented and on-going (including on-going efforts with stakeholders involved)

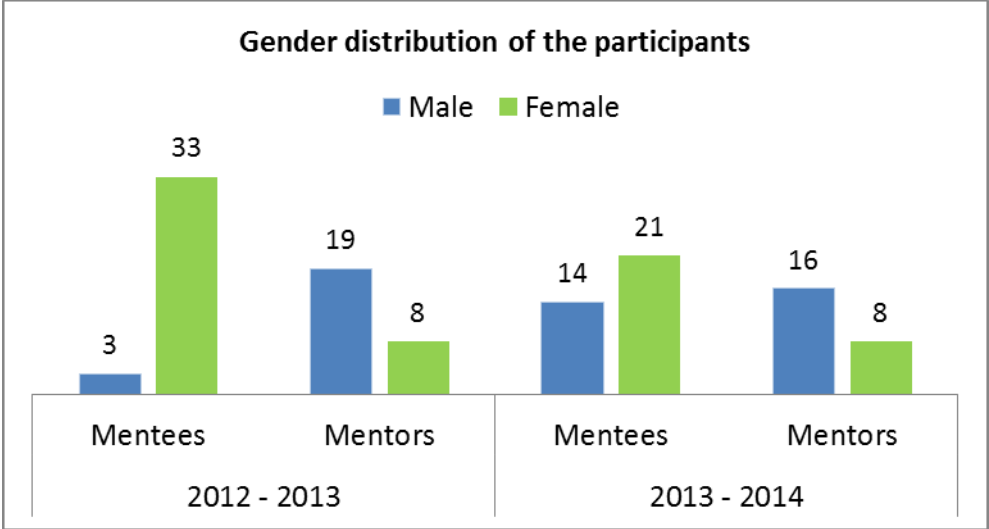
Action	Status of implementation <sup>6</sup>	Involvement/ Responsibility
<i>Direct measures</i>		<i>stakeholder</i>
Publication of gender targets 1. internally 2. externally	1. IMPLEMENTED	DG/H
	2. IMPLEMENTED	DG/C
For all vacancies as of H-band, Business Areas and DG/H representatives systematically make extra efforts to identify potentially suitable women and encourage them to apply.	IMPLEMENTED	Business Areas and DG/H
External advertisement of vacancies: 1. For positions I-band and above - external advertisement as a rule. 2. If the positions are in the core supervisory part of the new SSM function.	1. IMPLEMENTED	EB
	2. IMPLEMENTED	DG/H
Make use of existing women networks and dedicated communication channels when advertising positions externally.	ON-GOING	Business Areas and DG/H
Appoint at least 2 women to selection committees for all campaigns in salary bands H and above.	Operationally Implemented	Business Areas and DG/H
For all campaigns for H-band positions and above, put more emphasis on competencies rather than on expertise only.	ON-GOING	Business Areas and DG/H
<i>Indirect measures</i>		
Select/nominate up to two Diversity Ambassadors, preferably at senior and mid-management level, per Business Area:	IMPLEMENTED	
Introduce accountability of managers towards gender diversity: 1. Enhance the appraisal discussion of managers, by explicitly including the topic of gender diversity, 2. Introduce specific questions in the Multi Source Feedback exercise, evaluating commitment to (and results achieved in)	1. IMPLEMENTED	DG/H
	2. IMPLEMENTED	

<sup>6</sup> Traffic light indicators: green: implemented or on-going; yellow: in progress and within the time frame; red: delayed

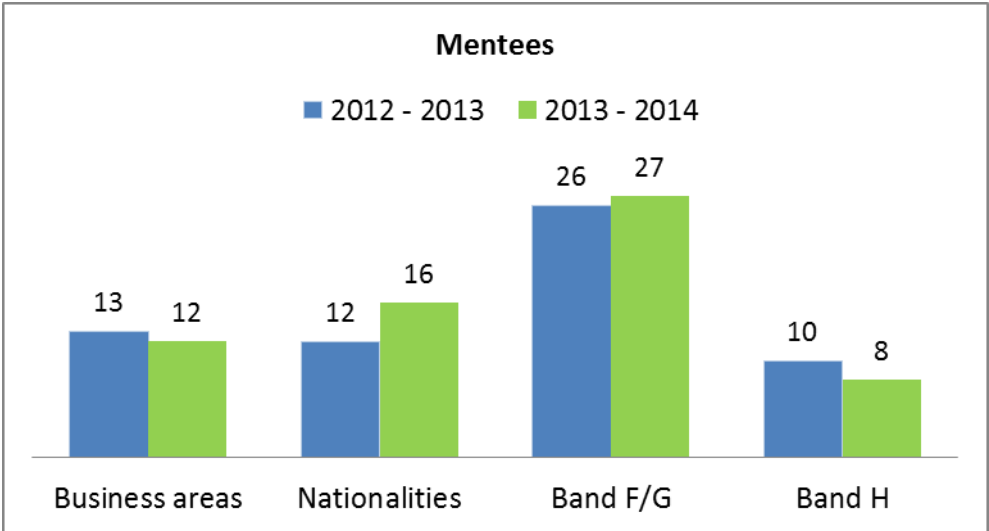
Action	Status of implementation <sup>6</sup>	Involvement/ Responsibility
<p>gender diversity,</p> <p>3. Include “embracing gender diversity” in managerial role profiles, with subsequent incorporation into HR processes (recruitment of managers).</p>	<p>3. Partially IMPLEMENTED - Included in vacancy notices, it is planned to roll out the changes to the managerial role profiles during the next general revision of role profiles.</p>	
<p>Mentoring programme:</p> <ul style="list-style-type: none"> <li>• Turn the pilot programme into a permanent offer,</li> <li>• Relax eligibility criteria for the programme,</li> <li>• Allow a wider target group of staff members (in terms of salary bands) to be part of the programme as mentees.</li> </ul>	<p>October 2014 – Proposed with this memo.</p>	<p>DG/H</p>
<p>Training:</p> <ol style="list-style-type: none"> <li>1. Introduce developmental training on management skills (for women),</li> <li>2. Pay attention to gender diversity issues in future (senior) management training to increase awareness and commitment.</li> </ol>	<p>1. November 2014 – about to be launched, training needs analysis took place end 2013 and procurement process completed in June 2014</p>	<p>DG/H</p>
	<p>2. IMPLEMENTED</p>	
<p>Working time:</p> <ol style="list-style-type: none"> <li>1. Allow for 5 days of teleworking per month,</li> <li>2. More opportunity for flexible working arrangements, part-time arrangements and position-sharing at management level,</li> <li>3. Include a sentence in vacancy notices to indicate whether the advertised position is compatible with a part-time arrangement or not,</li> <li>4. Move away from a culture of working late, by appreciating starting early as much as working late, by focusing on output and not on the hours put into a task. Meetings should be scheduled to take place between 9 a.m. and 6 p.m. at the latest.</li> </ol>	<p>1. IMPLEMENTED</p>	<p>Business Areas and DG/H</p>
	<p>2. To be embedded by business area management</p>	
	<p>3. IMPLEMENTED</p>	
	<p>4. To be embedded by business area management</p>	

**Annex 3a –Participants in the pilot mentoring scheme 2012 - 2014**

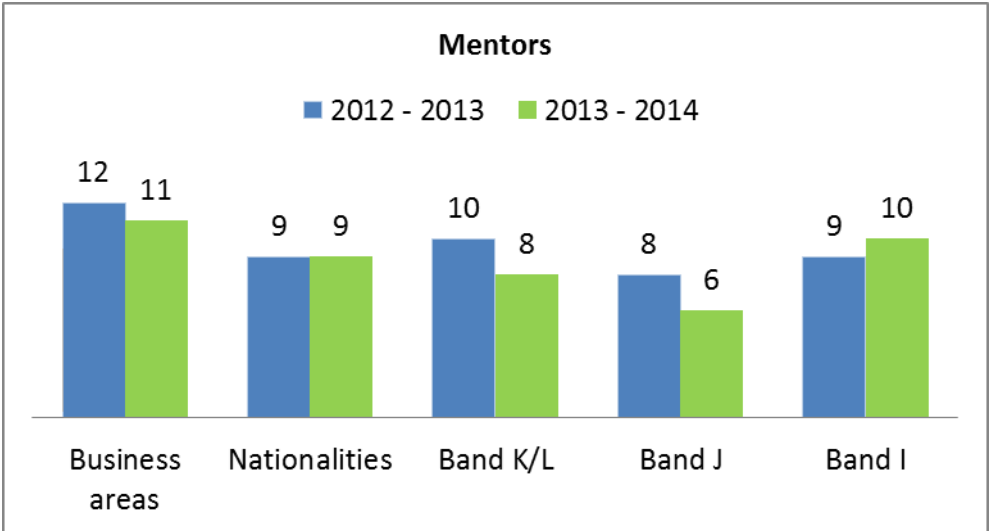
Gender distribution of the participants (mentees and mentors):



Business areas, nationalities and salary bands of the mentees:



Business areas, nationalities and salary bands of the mentors:



**Annex 3b – Overview of applications of mentees and success rate**

From 54 females, 9 (7 F/G and 2 H) did not apply & from 17 males, 7 (6 F/G and 1 H) did not apply

Number of applications of mentees						
	E/F	F/G	H	I	J	Total
Female F/G (34 applicants)*	1	48	105	45	1	200
Female H (11 applicants)		2	5	20	5	32
Male F/G (6 applicants)		1	7	2		10
Male H (4 applicants)			3	8		11
<b>Total</b>	<b>1</b>	<b>51</b>	<b>120</b>	<b>75</b>	<b>6</b>	<b>253</b>

*\*3 applicants account for 89 of the total applications for this group*

Promotions						
	E/F	F/G	H	I	J	Total
Female F/G			10*			10
Female H			1	6**		7
Male F/G			2			2
Male H						
<b>Total</b>			<b>13</b>	<b>6</b>		<b>19</b>

*\* from which 4 temporary promotions for more than a year*

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## Annex 4 - Main modifications from the pilot to the permanent ECB mentoring offer

Proposed changes are marked in italics

	Item	Pilot Offer	Standard Offer
1.	Eligibility criteria for mentees	Staff members <ul style="list-style-type: none"> <li>- in salary bands F/G, G and H</li> <li>- holding a permanent contract for at least three years</li> </ul>	Staff members <ul style="list-style-type: none"> <li>- in salary bands F/G, G, H, <i>I and J</i></li> <li>- holding a permanent contract for at least three years</li> </ul>
2.	Additional selection criteria if mentor pool insufficient	In the selection of mentees, an ASBR progression above average in the last two rounds will be considered an asset.	<i>If after the application stage, mentor capacity is found to be insufficient, priority will be given to eligible female applicants until the gender targets are achieved.</i> In the selection of mentees, an ASBR progression above average in the last two rounds will be considered an asset.
3.	Process (application and matching)	Application: <ul style="list-style-type: none"> <li>- Call for applications for mentors and mentees</li> <li>- Eligibility check</li> <li>- Information sessions (for mentees) and training on mentoring skills (for mentors)</li> </ul> Matching: <ul style="list-style-type: none"> <li>- Mentor and mentee should <ul style="list-style-type: none"> <li>· hold a position in different business areas;</li> <li>· have different nationalities;</li> </ul> </li> <li>- Mentees in the F/G band should be assigned a mentor in bands I and J;</li> <li>- Mentees in the H band should be assigned a mentor in bands J, K and L;</li> <li>- If possible, expressed preferences on the counterpart should be respected.</li> </ul>	Application: <ul style="list-style-type: none"> <li>- <i>Call for expression of interest for mentors and mentees</i></li> <li>- Eligibility check</li> <li>- Information sessions (for mentees) and training on mentoring skills (for mentors)</li> <li>- <i>Call for applications</i></li> </ul> Matching: <ul style="list-style-type: none"> <li>- Mentor and mentee should <ul style="list-style-type: none"> <li>· hold a position in different business areas;</li> <li>· have different nationalities;</li> </ul> </li> <li>- Mentees in the F/G band should be assigned a mentor in bands I and J;</li> <li>- Mentees in the H band should be assigned a mentor in bands J;</li> <li>- <i>Mentees in the I and J band should be assigned a mentor in bands K and L;</i></li> <li>- If possible, expressed preferences on the counterpart should be respected.</li> <li>- <i>Matching mentees' specific learning objectives with mentors' strengths and experience as well as preferred ways of communicating/working.</i></li> </ul>
4.	Programme implementation: monitoring & networking	End-year evaluation	- <i>Mid-year check in sessions for mentees (facilitated by DG/H) to take stock of suggestions for minor improvements to the successive session of mentoring; mid-year e-mails to individual pairs to revive mentoring relationship; end-year evaluation.</i>

## **Annex 5 - Diversity Ambassadors**

### **Mandate**

Diversity Ambassadors act as advocates of gender related issues in their own business area, and help fostering a culture of inclusion and promote equal opportunities.

The initial tenure of a Diversity Ambassador is for a 3-year term which is renewable once and each business area appoints at least one, ideally two representatives acting in this role. A possible overall tenure of 6 years will ensure that progress is monitored throughout the reference period set for achieving the ECB – wide gender diversity targets.

### **Main activities and tasks**

- help defining targets for business areas while paying due regard to local realities;
- raise awareness of and monitor gender-related issues;
- oversee and contribute to the local implementation of action measures (e.g. in recruitment panels, appraisal discussions, etc.);
- report on progress made by business areas in reaching their individual targets, identify areas where progress is (not) achieved, analyse the root causes and make recommendations;
- support the implementation of measures to foster gender diversity and strengthen commitment;
- participate in and/or organise internal events dedicated to gender-related issues;
- partner with the female network in the ECB;
- set-up their network of Diversity Ambassadors in the ECB, develop common activities.

### **Profiles**

- one senior manager and one junior or mid-management-level representative at J or I-band;
- one female and one male (to ensure a balanced composition, if possible at all given business area realities);
- are willing to advocate the case, are accountable and display commitment;
- take a broad perspective in dealing with gender diversity related aspects.