Agents of Change: Scottish Business Leading the Way  
(BIPC in the 20th Year of the Parliament)

Workshop 1 – Equality and Diversity in Business - Men as Agents of Change

Background
Most organisations nowadays are aware of the moral and economic benefits of diversity in business and progress is being made on a number of fronts at a UK level, with increasing women employment rates (72.1% (71.7% in Scotland)), a fall in the gender pay gap (17.9% (14% in Scotland)), an increase in women as a percentage of all self-employed (33.2% (sitting at 105,100 in Scotland to March 2019)) and an increase in women on FTSE 100 Boards (30.2%)\(^1\).

The Scottish Government believes that equality and diversity are key to Scotland’s success. The Scottish Government’s Programme for Government encourages public, private and third sector organisations to sign up to the Partnership for Change and to set a voluntary commitment for gender balance on their boards of 50/50 by 2020.

Yet there is much work still to be done.

With regard to women in Science, Technology, Engineering and Maths (STEM) in Higher Education, women make up only 18% of those studying Computer Studies, 16% of those studying Engineering and Technology and 32% of those studying Architecture Building and Planning. In working life, women are 22% of those working in ICT, 11% in Engineering and 38% of Science Professionals. This imbalance persists despite evidence showing us that a diverse workforce increases profitability, productivity and creativity across multiple industries\(^2\).

In the Scottish SME sector, just 20% of SMEs are majority-owned by women\(^3\). Women owned businesses now contribute £8.8bn GVA into the Scottish economy, an increase of 76% from £5bn GVA in 2012\(^4\), and as a sector, women-owned businesses contribute more GVA than Sustainable Tourism (£3.9bn), Food & Drink (£4.1bn) and Creative Industries (£4.4bn)\(^5\). Additionally, a recent report from the British Business Bank and the British Venture Capital Association\(^6\) shows that female founders are missing out on billions of funding, with less than 1p in every £1 of venture capital going to female-led businesses.

\(^1\) Women’s Business Council Progress Report (2018)  
\(^2\) Equate Scotland  
\(^3\) Office for National Statistics, UK Labour Market (August 2015)  
\(^5\) Growth Sector Statistics Database, Scottish Government (July 2019)  
\(^6\) UK VC and Female Founders British Business Bank. In collaboration with Diversity VC & BVCA (2019)  
At the other end of the company spectrum, only two of Scotland’s 40 listed trading companies have met a UK Government target of 33% board positions being filled by women, and only five of their 103 Executive Directors are women. At a UK level, only 24.9% of FTSE 250 leadership roles go to women.

**Workshop Aims**

For too often and for too long, gender equality has been considered to be the sole business of women. This needs to change. Transforming equality and diversity in business - and in wider society - will be achieved better and faster by men and women working together in partnership, within communities; within workplaces; and within institutions, with strong top-down gender balanced leadership essential to drive sustainable commitment.

The pioneering trio of leading male businessmen who have recently become ambassadors on the Women’s Enterprise Scotland Ambassadors Programme (Mark Logan, Steve Dunlop and David Sole) have come forward as change agents with a strong desire to challenge gender inequality and unconscious bias and champion the policy changes and support mechanisms that are needed to achieve meaningful change in our business ecosystem. In this workshop they will explore how men in all organisations can and should become leading change agents and create a practical set of concise guidelines for organisations to implement.

**Workshop Speakers**

**Mark Logan** (Tech Investor, start-up adviser, and former Chief Operating Officer, Skyscanner) will push us out of our comfort zones with his thought-provoking insights into the gender imbalance in STEM. Why, despite all the well-publicised moral and economic benefits of gender balance, do we still operate a “gender tax” on 50% of our population? A tax that effectively removes much-needed talent from our industries and denies individual opportunity on a literally industrial scale. Mark will propose some practical leadership steps to begin to deliver sustainable change.

**David Sole** (Managing Partner, School for CEOs) will discuss how we can all challenge and change cultures that have to date been stubbornly resistant to evolve and achieve true diversity and inclusion in the workplace. What unconscious - and conscious - biases are holding us back? How can we as leaders become more inclusive to drive transformational culture change across Scotland?

**Steve Dunlop** (Chief Executive, Scottish Enterprise) will discuss women as an economic opportunity, not a policy tick box. Scotland is small enough to galvanise key players across the system and yet we’re not moving quickly enough to maximise the benefits of bringing women fully into our thinking on economic development. What needs to change in Scotland to create effective and sustainable public/private collaborations that drive action and deliver results?

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7 Herald Newspaper Review (January 2018)

Workshop Discussion Questions

- How can we encourage more men at all levels to actively champion gender diversity in their fields?
- Are there models of best practice that we can adapt from elsewhere?
- How can men and women make the STEM industry more accessible and attractive for women?
- What unconscious - and conscious - biases are holding us all back?
- How can men and women encourage, support and invest in more women entrepreneurs?
- How can we make changes to develop better gender balance at board and senior management levels in companies of all sizes?
- How can we as leaders become more inclusive to drive transformational culture change across Scotland?
- What needs to change in Scotland to create effective and sustainable public/private collaborations that drive action and deliver results?

Key Issues and Opportunities

Whilst progress is being made, particularly in the public sector, the pace of change remains slow in the private sector.

There is a significant opportunity for new initiatives - men and women working in partnership - to develop and nurture our students, workforce and future leaders to achieve better gender balance across all sizes and types of organisations.

The benefits of diversity are many and well-known – diversity of thought through different life and business experiences leading to better decision-making, more representative of all stakeholders, increased innovation, less group-think and higher return on equity and increased profitability to name just a few – yet Scotland still lags behind many countries with regard to key diversity indicators. A cohesive, collaborative and consistent long-term approach to improving diversity could be transformational for the Scottish economy.

Appendix

Curated Current Scottish Government Diversity and Inclusion Policy Initiatives

Alongside Investment, Innovation and Internationalisation, tackling Inequalities is one of the four main tenets of Scotland’s Economic Strategy. Listed below are some examples of current Scottish Government initiatives to tackle inequalities.

- Skills Development Scotland’s Equalities Action Plan. SDS is working with gender expert organisations to consider what needs to change to address gender imbalance in the uptake of apprenticeship frameworks. SDS’s Equalities Action Plan for Apprenticeships includes activity to address gender imbalance within some MA occupational frameworks (e.g. females in STEM
related apprenticeships). Modern Apprenticeship Training Providers are required to complete a Quality Action Plan which includes outlining what actions they are taking to address under-representation on apprenticeships.

SDS has funded Equate Scotland to develop an SQA accredited module for employers which provides a better understanding of the gendered perspective of working in STEM and enables them to implement effective support systems for women in their employment. This is being delivered by West Lothian College.

The Scottish Apprenticeship Advisory Board Employer Equalities Group have developed employer guides on inclusive recruitment and retention. https://www.apprenticeships.scot/for-employers/inclusive-recruitment/.

Over the past few years, SDS have diversified the range of images and case studies used throughout their marketing materials. Working with their equality partners to identify positive role models from under-represented groups and to challenge stereotypical perceptions about apprenticeships and career choices.

SDS continue with the provision of tailored CPD and information regarding addressing gender imbalance to Training Providers to promote to employers, and mandatory Equality training to CIAG staff to ensure as wide a conversation can be had with individuals in connection with gender and stereotypical career choices.

SDS are working with the Scottish Funding Council and delivery partners in Further and Higher Education to align activity to address gender imbalance and widen access.

- **A Fairer Scotland for Women: Gender Pay Gap Action Plan** (March 2019). The aim of this Action Plan is to deliver a cross-government approach, tackling the causes of the inequality women face in the labour market. It includes a commitment to refresh the gender and diversity elements of the Scottish Business Pledge to encourage businesses to take actions and measures to address all aspects of diversity and inclusion, including making the requirement to take action to reduce the gender pay gap as a core element, with effect from 10 October 2019. The Gender Pay Gap Action Plan also takes an intersectional approach recognising that some women experience multiple barriers in the workplace based on for example, their ethnicity, age, disability and socio-economic group.

- The **Scottish Labour Market Strategy** sets out the government’s approach to inclusive growth, ensuring that every person, regardless of background, location or circumstance has the opportunity to access quality and inclusive education, training and support into employment.

- The government’s commitment to mainstreaming fair work is demonstrated through the publication in February 2019 of the **Fair Work Action Plan**. The
plan sets out how government will deliver their ambitions on fair work and the approach they will take to help employers embed fairer working practices within their workplaces.

- The Scottish Government’s **Workplace Equality Fund** was set up to address long-standing barriers faced by women, older workers, ethnic minority and disabled people. The Workplace Equality Fund, delivered by Impact Funding Partners, supports delivery of the SG’s Programme for Government; Race Equality Framework; Disability Action Plan; and Scotland’s Labour Market Strategy. An expanded Workplace Equality Fund for 2019/20 will provide support for minority ethnic people, women, disabled people, older workers (those aged over 50) (including menopause support); people who experience domestic abuse; and workers who are experiencing social isolation and loneliness (such as unpaid carers). The projects were launched on 9th October. A total of 22 projects will receive £800,000 of funding to help address labour market inequalities and help overcome long standing and systemic issues with recruitment practices and progression in the workplace.

- The role of the **First Minister’s National Advisory Council on Women and Girls (NACWG)** is to raise awareness of gender inequality; to act as a champion for positive progress and policies; and to provide effective challenge and be a catalyst for change where progress simply isn’t good enough. The NACWG has diverse membership including third sector, government and business, including three members aged 21 or under. In 2019 the NACWG are exploring Policy Coherence – how is policy made and do policies work against each other.

- **Family Friendly and Flexible Working.** SG is providing funding to the Family Friendly Working Scotland (FFWS) Partnership. SG works with Working Families (a leading UK work-life balance organisation), Parenting Across Scotland and Fathers Network Scotland to support and promote the development of family-friendly workplaces across Scotland. SG has also committed to commissioning a feasibility study for a ‘What Works Centre for Flexible Work’ to design, test, scale and embed new approaches to increasing the availability of flexible working.

- Since the **Women in Enterprise Strategic Framework and Action Plan** was first delivered in 2014, the proportion of women who are actively starting a business has risen and the early-stage entrepreneurial activity (TEA) rate is improving. However, the number of businesses majority-owned by women in Scotland still remains low at 20%, compared to rates of circa 40% for both USA and Canada.

Research by organisations including WES and the Federation of Small Businesses (FSB) and academic experts such as Professor Sara Carter continues to show that women face specific challenges when starting and growing a business. These challenges include gaining credibility for the business; childcare/caring commitments; discrimination and access to markets and access to networks.
Research (2017) from the Pensions Policy Institute shows a self-employed gender pay gap of 33%, almost double the employment gender pay gap of 18% in the UK.

**Key UK Women Entrepreneurship Initiatives**

- **The Alison Rose Review of Female Entrepreneurship**, covering the whole of the UK, was published in March 2019. The Review found that only one in three entrepreneurs in the UK are women and that closing the gender gap could add £250 billion GVA to the UK economy. The UK Government announced a new voluntary Code for Investing in Women to increase female entrepreneur numbers by 600,000 (50%) by 2030. This code will also seek for banks and other financial institutions to annually publish the gender split of investments.

**Key UK Men as Change Agents Initiatives**

- Women’s Business Council **Men as Change Agents for Gender Equality** – galvanising men to promote cultural change for fostering equality.
- A number of large corporates have Male Allies Networks.

**Women’s Enterprise Scotland (WES)**  
**October 2019**