



How to Build a Gender-Balanced Enterprise

1. Get it on the agenda

It takes real high-level commitment to make changes to company culture. A gender diversity program will be most effective if a high level executive is its champion and if it is a regular item on senior management or board meetings, not one relegated to the Human Resources (HR) department.

Key questions:

- Which executive or board director is responsible for gender diversity?
- How often is gender diversity discussed at senior management and board levels?

2. Understand your baseline

Implementation begins with understanding the current state of the business. If only men are applying for company job vacancies, that presents a different set of problems than if women are leaving disproportionately after only a few years. HR should collect gender-disaggregated data for job applicants, hires, promotions and departures. Management should review this data along with the company's gender pay gap, taking into consideration bonuses and training opportunities, to see where they might reflect unconscious bias.

Key questions:

- What proportion of women are applying for, getting hired for, getting promoted to, and exiting from positions within the company?
- What is the gender pay gap at each level of the organization and how is it calculated?

3. Define the business case

Having a solid, testable business case for gender balance keeps it from slipping in priority and encourages buy-in from staff. It must make sense, and be aligned with business goals. Examples include improving innovation by bringing in new employees, reducing training costs associated with staff turnover, and better reflecting the diversity of the business's customer base.

Key questions:

- Does the firm have a clearly-articulated business case for gender diversity?
- How is that business case communicated to staff, clients, and suppliers?
- How are influencers within the organization identified and engaged in the process?

4. Implement an action plan

The action plan should address weaknesses identified in the baseline analysis in a way that is aligned with the business plan. It should prioritize actions that are achievable in the short term, to build some momentum for the program. Using measurable indicators and milestones makes it possible to track progress over time. The first and easiest step may be to target any identified unconscious bias by updating hiring, promotion, and remuneration practices.

Key questions:

- Who is accountable for plan implementation?
- What is the implementation timeline?
- How will success be measured?

5. Track and report on your progress

Successes and lessons learned should be communicated through the company and monitored at management level to understand how the company baseline has shifted, and what next phase of actions can



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be implemented to bring the company closer to its goals. Celebrating successes is important, as is being honest about failures. Communicating both the goals and achievements externally can also help to develop a network of aligned businesses, and encourage others to embark on their own program of change.

Key questions:

- How often is progress reviewed?
- How are results communicated internally and externally?

References and Further Reading

2X Challenge: Financing for Women, <https://www.2xchallenge.org/>. In particular, the document, 'How to Measure the Gender Impact of Investments.'

Australian Government Workplace Gender Equality Agency (WGEA), "About workplace gender equality" (2018): <https://www.wgea.gov.au/about/workplace-gender-equality>. See in particular the resources for small business.

Bohnet, I., "What works: Gender equality by design" Belknap Press (2016): <https://www.hup.harvard.edu/catalog.php?isbn=9780674089037>.

Criterion Institute, "Gender lens investing tool: Designing an action plan" (2020): <https://criterioninstitute.org/resources/gender-lens-investing-tool-designing-an-action-plan>.

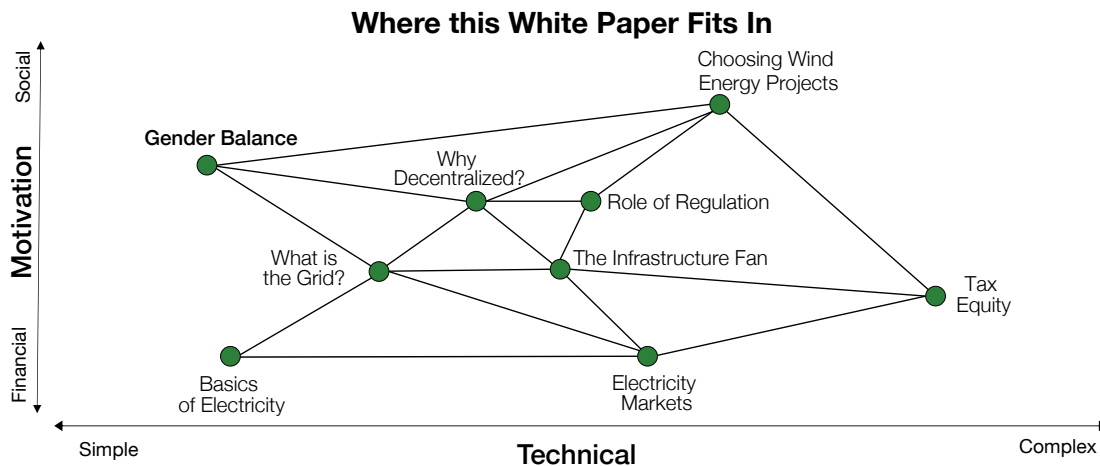
The Global Impact Investor Network (GIIN), "Repository of Gender Lens Investing Resources": <https://thegiin.org/gender-lens-investing-repository>.

International Center for Research on Women (ICRW), "Gender smart investing resource hubs": <https://www.icrw.org/gender-smart-investing-resource-hub/>.

The McKinsey & Company, "A CEO's guide to gender equality" (2015): <https://www.mckinsey.com/featured-insights/leadership/a-ceos-guide-to-gender-equality>.

Sustainalytics and UNICEF, "Investor guidance on integrating child rights into decision making" (2019): <https://www.unicef.org/partnerships/sustainalytics-and-unicef-publish-investor-guidance-integrating-child-rights-decision-making>. Many children's rights issues also affect working parents.

Women's Empowerment Principles (WEP) "Gender Gap Analysis Tool" (2020): <https://www.weeps.org/resource/weeps-gender-gap-analysis-tool>.



About Treehouse Investments: Treehouse Investments is a minority-owned firm dedicated to addressing climate change. We are a family business, founded by a family from Puerto Rico. We target direct investments in both publicly traded and private entities. Our focus areas fall under the broad description of decentralized infrastructure: companies and projects that contribute to building sustainable and resilient energy, water, and waste systems.

