



Strauss Group and the Israel Women's Network
are proud to present:
The 2014 Fifth Israeli Census Report
Women's Representation in TA-100 Companies

THE ISRAELI CATALYST CENSUS

WOMEN LEADING BUSINESS

June 2015

5

Five Year Comparative Report

Including

A Practical Guide to Achieving
Organizational Gender
Balance

DIVERSITY IS AN OPPORTUNITY



שדולת הנשים בישראל
الجمعية النسائية في إسرائيل
The Israel Women's Network

CATALYST 





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The 2014 Israeli Catalyst Census Report was written and edited in accordance with the research methods and professional advice of Catalyst Inc.©

The quantitative study was performed in accordance with the above research methods with the professional assistance of the research institute, Panels Ltd., of Israel.

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Foreword

Strauss Group is proud to present the 2014 Catalyst Census Report, hoping that it will be yet another step on the road to increasing the number of women in executive management and board positions in Israel.

Five years have passed since we first launched the international Catalyst initiative in Israel together with the Israel Women's Network, partner to our vision and way. Five years are too short a time for a change in deeply rooted perceptions and for profound organizational change, but they are enough to allow for retrospective observation and comparison. For this reason we have devoted part of the report to a review of the progress made over time in the various dimensions of women's participation in corporate leadership.

I consider this report, the fifth of its kind in Israel, a special achievement: the perseverance and determination we are applying to the project – although it has not yet displayed dramatic changes in gender balance – symbolize our commitment to the subject and the understanding that women's equality, or at least advancement, is a profound, protracted process. I would like to emphasize that the slow progress is not unique to Israel. The Catalyst Censuses simultaneously performed in other countries across the globe demonstrate that all over the world, progress is slower than we had hoped for.

However, it is clear that the census, which measures women's representation and presents reality via unambiguous, validated data that make it accessible to the captains of the business sector, continues to be one of the most practical and driving means for advancing the issue.

To enhance its impact, particularly in light of the data we have accumulated on its slow progress, we decided, in the present report, to apply a more practical approach than was formerly done and to present readers, in addition to an up-to-date report and an analysis of the data, with a "toolbox" that is based on the experience of the leading companies in terms of gender balance.

To this end, we conducted a series of in-depth interviews among large public companies in the TA-100 Index, in which women's representation in senior echelons and boards of directors is among the highest in Israel. We turned the insights we gleaned into a series of practical recommendations and advice aimed at advancing women in organizations.

I would like to thank all those who shared their experience and insights with us for the benefit of everyone who aspires to bring about a change and to further gender parity. There is no doubt that we still have a long way to go, but with time more and more elements in Israel are coming on board and joining our efforts in their recognition of the importance and benefits of this mission, and in the shared belief that the change in women's place in Israeli society, in the economy, in business and in leadership, even if not rapid, will most certainly occur.

Ofra Strauss,
Chairperson, Strauss Group



Five years ago, the Catalyst Report was published in Israel for the first time in collaboration by Strauss Group and the Israel Women's Network. In the introduction to the first report, we expressed the hope that the report would serve as a tool for raising awareness and for bringing about a change in the Israeli labor market, and that women's advancement to key positions would pave the way for the promotion of more women and help achieve women's equality in the workforce.

Women's inequality in the job world, the gender pay gap and the understaffing of senior executive positions with women have been the subjects of much discussion in the media and have gained far more awareness in the five years in which the census has been performed. We view the census and the reports as the impetus that sparked the extensive public debate on the subject. However, the five-year comparison shows that as yet, there has been no change in public companies in the percentages of women in executive management positions, and their presence at decision-making junctures remains lacking.

We expected that the study would serve as a catalyst not only for public debate, but for a change in the status quo, but throughout the five years of the census the situation has remained virtually unchanged and the question is, why? What are the hidden forces that prevent change? Is it because there are no stakeholders who want to change it? Is it because there is no ability to change it? Or is it because the actions that are being taken are ineffective?

While preparing the report we met many men and women who are determined partners in the endeavor, partners who believe that the advancement of gender balance, besides being an important social cause, will deliver a significant strategic advantage to the organizations of the 21st century, which require the range of resources at their disposal to keep on renewing in the face of ever-changing reality.

In this report, we chose to address the question of "how" – how can change that will promote gender balance be implemented. Through in-depth interviews with senior executives in companies where the change is taking place, we tried to refine the "secret ingredient" of success.

The vision of the Israel Women's Network is to create a gender-equal society. We believe that a gender-equal society is not only better for women, but is also more diverse, multicultural and productive.

The Israel Women's Network

Executive Summary

The fifth Catalyst Report presented here displays a summary of the census data on the percentages of women in executive management positions in the companies in the TA-100 Index from a comparative perspective. Although five years are too short a time for such a profound change, it is possible to take a look at the experience that has been accumulated and to draw conclusions for the future. This report, which summarizes five years, shows that the percentages of women in executive management and board positions have remained virtually unchanged in all TA-100 companies. It is evident that in those companies where processes designed to achieve gender balance are assimilated women's participation in top executive positions has risen, but in most of the companies no change is evident, and they are far more numerous.

The first part of the report is a summary designed to present the status of women in executive management positions in the companies in the TA-100 Index in a five-year comparison, and in the second part of report we chose to focus on the means for achieving change – assimilation of organizational processes designed to procure gender balance. We have presented insights gleaned from the experience of organizations that have been addressing the issue for many years in order to provide tools for organizations that seek to promote gender parity.

Our in-depth interviews revealed that there are four principles that help to achieve gender balance in senior executive positions in organizations.

Purpose: The advancement of women arises from an understanding of their contribution to the diversification of organizational perspectives on all management levels. The organization's reference to women's promotion was presented as an assimilated attitude to promotion on a professional basis as part of the organizational DNA. Although organizations have a diversity policy in place for the integration of underrepresented populations, these organizations do not view women as an underrepresented population and they are not included in the organizational diversity policy. Organizations that have not yet achieved the desired balance and seek to create a change need to act deliberately and comprehensively to build processes that support women's advancement.

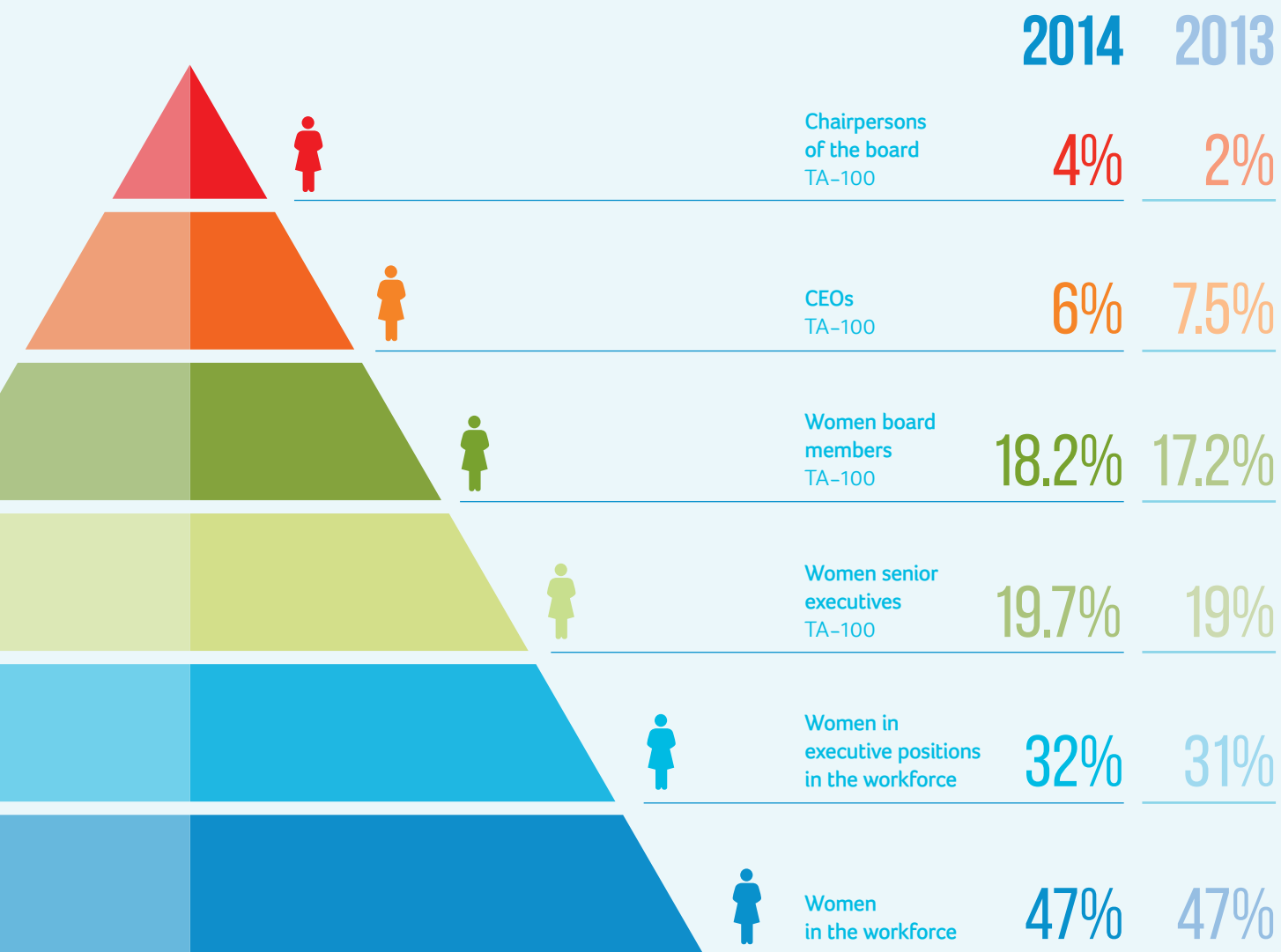
Work-life balance: Policy is in place for the benefit of work-life balance also in recognition of the need for leisure time. The goal is to create a balance in order to facilitate a high level of functioning on the job as well as to listen to employees' personal needs. As a rule, the debate is not gender oriented.

Encouragement of in-house promotion: Internal promotion assists in promoting women based on early acquaintance with their skills, which is why women in companies which promote internally, are generally promoted more than in companies which recruit externally. A rise in the number of women who are senior executives is perceived as a tool to encourage women to advance to management positions.

Dealing with barriers: Here, emphasis is on the need for actions aiming to remove barriers that impede women's progress to senior executive positions. The main conclusions that arise from the interviews and from the experience of organizations across the globe are that to create gender balance and to establish processes for the promotion of women an orderly action plan must be devised by management, and measurable challenges and goals set. Without them, change will be partial and eclectic, and not always effective.

Part A:

The Fifth Israeli Catalyst Census 2014



The census pyramid¹ – women's status in the workforce in Israel in 2014 compared to 2013 (figures in brackets)

1. The data on the percentage of women in the workforce are from the Central Statistics Bureau 2014 Statistical Annual – Table 12.20 – Employees by Status at Work and Gender.

The data on the percentage of women in senior executive positions are from the Central Statistics Bureau 2014 Statistical Annual – Table 12.18 – Employees by Profession, Population Group and Gender.

Main findings – the 2014 Catalyst Census on women's representation in TA-100 companies

The census pyramid presents the summary of 2014 data. According to the data accumulated in the five years in which the census has been performed in Israel, the picture of women's status in senior executive positions in Israel is far from equal or fair. The participation of women in the Israeli workforce has remained stable at 47% of all employees in the country. The percentage of women decreases as one climbs the organizational ranks – yet another figure that shows no significant trend of change. Generally speaking, the figures representing the status and presence of women in senior management in TA-100 companies in 2014 indicate that the percentage of women in top executive positions has not risen over the past five years.

A careful review of the figures throughout the five years of the census shows that this stability is the result of what have merely been minor changes in the number of women senior executives, the absence of a significant increase in the number of women in executive management in TA-100 companies, and a decrease in the overall number of senior management and board members, expressed in

a drop in the number of men without a significant increase in the number of women.

The 2014 Catalyst Census data indicate a slight rise in the presence of women in executive management positions, following a decrease observed in 2013. The rate of women in management jobs in the Israeli economy has risen by 1% (according to CBS figures), which remains low in relation to the figures for 2012 (34%). There has been no significant change in the percentage of women senior executives between 2013 (19%) and 2014 (19.7%).

The percentage of women CEOs is 6.0%, reflecting a drop since 2012 (when the percentage of women COEs was 7.9%, in 2013 – 7.5%). The number of women holding board seats is on a rising trend since 2012 and is presently 18.2%, compared to 17.2% in 2013 and 16.6% in 2012.

The number of women chairing the board of directors has risen slightly and this year is 4%. In 2013 this figure was 2% and in 2012 – 3%.

Summary of 2014 Catalyst Census data

Women on the boards of TA-100 companies

The percentage of women chairing the board is 4%, a 2% increase over time (from 3% in 2012 and 2% in 2013).

The percentage of women holding board seats is 18.2% and on a rising trend (up from 16.6% in 2012 and 17.2% in 2013). However, there was a drop this year in the percentage of women among new directors. In 2014 only 17.6% of new directors appointed were women², but the percentage of women on the board rose because in the six companies that left the TA-100 Index, the rate of women directors (13%) was lower than their percentage in the companies that joined the Index in 2014 (16.5%).

The percentage of companies with at least one woman on the board is 92%, slightly higher than in 2013 (89%) and similar to the findings for 2012 (91%).

The rising trend in the percentage of women serving on the boards of directors of more than one company has continued and is 18% this year, compared to 16% in 2013 and 11% in 2012. Among male directors, 14% serve on the board of more than one company.

In 39% of the companies there is more than one woman on the board of directors, identical to 2013.

In 2014 the number of companies in which the percentage of women directors is 25% and more rose to 26, compared to 22 companies in 2013.

Women in executive management in TA-100 companies

The percentage of women serving as CEO is 6.0%, down by 1.5% compared to 2013 when it was 7.5%.

The percentage of women in senior executive positions this year is 19.4%, up by 0.4% compared to last year.

In 80.6% of the companies there is at least one woman in executive management. This figure represents a decreasing trend in the percentage of companies with women in executive management since 2012 (in 2012 – 85% and in 2013 – 83%).

There has been a drop in the percentage of companies with one woman in executive management (down from 43% in 2013 to 37% in 2014), coupled with a rise in the rate of companies with two women in executive management (up from 17% in 2013 to 22% in 2014).

A small decrease was observed in the number of companies in which the percentage of women senior executives is 25% and more, from 38 companies in 2013 to 36 companies this year.

2. In 2012, 24.3% – 24 of the 99 new directors were women, and in 2013, 24.2% – 18 of the 74 new directors were women.

The fifth Israeli Catalyst Census (TA-100 Index figures, 2014)

Ranking of companies with 25% and more of women on the board of directors

Name	Percentage of women board members		
	2014	2013	2012
Azrieli Group Ltd.	44%	44%	33%
Strauss Group Ltd.	42%	42%	36%
Nitsba	40% ▲	20%	20%
Formula Systems (1985) Ltd.	40%	40%	20%
Kerur	40%	40%	40%
Menora Mivtachim Holdings Ltd.	38% ▲	33%	29%
Frutarom Industries Ltd.	38% ▲	29%	29%
ADO	33%	Not on TA-100	
Alony Hetz Properties & Investments Ltd.	33%	33%	33%
Nova	33% ▲	17%	14%
Bank Hapoalim BM	33%	33%	33%
Evogene	29% ▼	33%	33%
I.D.I.	29% ▲	11%	Not on TA-100
Mivne Ta'asiya	29%	Not on TA-100	
Norstar Holdings Ltd.	29%	29%	25%
FIBI	29%	29%	29%
Perrigo Israel	27%	27%	20%
Perion Network	27%	Not on TA-100	
Alrov Israel	25%	25%	20%
Alrov Real Estate	25%	25%	25%
Ashtrom Group	25%	Not on TA-100	
Big Shopping Centers (2004) Ltd.	25% ▼	29%	14%
Villar International Ltd.	25%	25%	Not on TA-100
Pluristem	25%	25%	25%
Plasson Industries	25% ▼	33%	33%
Ratio Oil Exploration	25%	25%	14%
Melisron	22% ▼	25%	38%
Property & Building Corp.	20% ▼	25%	22%
Hadera Paper	Left the TA-100	38%	22%

▲ In 2014 the number of companies in which the percentage of women sitting on the board of directors is 25% and more is 26, an increase compared to 2013 (22 companies) and 2012 (20 companies) and identical to the figures for 2011. This is compatible with an increase of 3% in the number of companies in which women hold board seats. The reason for the increase is that four of the six companies that entered the TA-100 Index in 2014 have more than 25% of women on the board, three companies dropped from 25% and in three other companies in the TA-100 Index the number of women board members increased.

► The number of companies in which the percentage of women in executive management is 25% and more is 36, indicating a drop in relation to 2013 (38 companies) and similar to 2012 (35 companies).

A slight increase was found in the number of companies with at least 40% of women top executives, from only 9 companies in 2013 to 10 companies this year. However, this figure remains low compared to 14 companies in 2012. The data indicate that there is no substantial difference in the number of women in executive management positions.

2014 ranking of companies in which the percentage of women in executive management is 25% and more

Name	Percentage of women in executive management		
	2014	2013	2012
Compugen	80%	83%	80%
Union Bank of Israel	50% ▲	45%	45%
ADO	50%	Not on TA-100	
Ratio Oil Exploration	50%	50%	67%
Mizrahi Tefahot Bank	46% ▲	33%	29%
Shikun & Binui	44% ▼	50%	56%
I.D.I.	40%	42%	Not on TA-100
Osem Investments Ltd.	40% ▲	29%	8%
Mivtach Shamir	40%	40%	40%
Fox	40% ▲	36%	Not on TA-100
Matrix I.T. Ltd.	37%	36%	38%
Ormat	33% ▲	23%	15%
Discount	33% ▲	27%	15%
Bank Leumi Le-Israel BM	33% ▲	29%	26%
Property & Building Corp.	33% ▲	17%	29%
LivePerson	33% ▲	25%	20%
FIBI	33% ▼	40%	50%
Kerur	33%	33%	33%
REIT 1	33% ▲	25%	33%
Rami Levy Hashikma Marketing 2006 Ltd.	33% ▲	25%	29%
Mivne Ta'asiya	31%	Not on TA-100	
Villar International Ltd.	29%	29%	Not on TA-100
Blue Square Real Estate	29%	29%	33%
Clal Insurance Enterprises	28%	28%	22%
Migdal Insurance and Financial Holdings Ltd.	27% ▼	30%	27%
International	25% ▲	15%	15%
Brack N.V.	25%	25%	25%
Gazit Globe	25% ▲	10%	17%
Delek Group Ltd.	25%	25%	23%
Delta	25% ▲	9%	18%
Harel Investments	25% ▲	0%	0%
I.O.C. Israel Oil Company	25%	25%	Not on TA-100
Tower Semiconductor Ltd.	25%	25%	18%
Norstar Holdings Ltd.	25%	25%	50%
Plasson Industries	25%	25%	50%
Perion Network	25%	Not on TA-100	
Kamada	Not on TA-100	55%	55%
Africa Israel	14% ▼	40%	40%
Koor	Not on TA-100	33%	Not on TA-100
Electra Consumer Products	Not on TA-100	33%	18%
Cellcom	23% ▼	25%	38%
ORL Oil Refineries Lt.	23% ▼	25%	18%

Introduction

This is the fifth year that the Catalyst Census Report is published in Israel. The report describes the situation in terms of gender balance in the 100 leading companies on the Tel Aviv Stock Exchange. In previous reports, we described the situation and explained the reasons for the paucity of women in executive managements and on boards of directors, and the importance of including women in these decision-making hubs both as an asset that is important to organizations and to promote gender equality. In the past decade a comprehensive body of knowledge has been acquired through research in Israel and worldwide, which has shown that women's presence in senior management and on the boards of directors of public companies grants the companies a competitive edge over other firms. This advantage is expressed in decision-making processes in executive management, in creativity, in stability in times of crisis, and in the examination of data from diverse perspectives^{3,4}, and has led to better performance. Studies further show that the presence of women is insufficient, and a significant group of three and more women is needed for the advantages delivered by diversity to be tangibly expressed⁵. At the same time, the slow change and its results are visible from a broad perspective – but not always from the point of view of the organizations that are working for change.

To create a real change in the gender balance in executive managements and on boards of directors and to help organizations seeking to assimilate gender balance processes, we approached organizations that have for years worked to achieve gender balance to learn from them about the process, and about the difficulties they have been contending with and their accomplishments in this field. We also created a working framework for the assimilation of gender diversity in organizations by collecting information from companies all over the world as well as reports compiled by academic institutions and research institutes. These will be presented in the accompanying study, in the last part of this report.

3. McKinsey (2010), Women Matter, 2010 Report, Women at the Top of Corporations: Making It Happen.

4. Credit Suisse report on gender diversity and corporate performance; https://www.credit-suisse.com/newsletter/doc/gender_diversity.pdf Catalyst USA Report 2004

Harel, G., Tzafrir, S., & Baruch, Y. (2003). Achieving organizational effectiveness through promotion of women into managerial positions: HRM practice focus. International Journal of Human Resource Management, 14(2), 247–263.

5. Torchia, M., Calabro, A., & Huse, M. (2011). Women directors on corporate boards: From tokenism to critical mass. Journal of Business Ethics, 102(2), 299–317.

Konrad, A.M, Kramer, V.W. (2006) How Many Women Do Boards Need? Harvard Business Review <https://hbr.org/2006/12/how-many-women-do-boards-need>.

Background, goals and methodology

This is the third year that the Israel Women's Network and Strauss Group, at the initiative of Chairperson Ofra Strauss, have joined forces to conduct research in collaboration with the American Catalyst organization, with the aim of examining the level of women's representation on the boards of directors and executive managements of public companies in Israel.

The measure used in this census was developed by Catalyst and applied for the first time in the USA in 1995. **This measure provides an accurate and up-to-date picture of women's standing in leading positions in the business world.** Use of a uniform methodology enables us to compare the situation in Israel to that in other countries. This year, the study in Israel was performed with the professional assistance of the Panels Institute.

The methodology is based on a count of the number of women in leading positions on the boards of directors and managements of public companies.

To this end, companies in the TA-100 Index on the Tel Aviv Stock Exchange (TASE) were chosen. The TA-100 is an index that represents the aggregate change in the prices of the 100 shares with the highest market value traded on the Tel Aviv Stock Exchange, subject to the Index's threshold conditions. The Index reflects the state of the Israeli economy as a whole, because it is composed of the shares of the largest, most highly-traded companies in the economy.

The Panels Institute built a database containing the names of the one hundred companies by industry, which includes the names of the board and management members of these companies, taken from TASE's website. This year, six companies joined the TA-100 Index and six left it, compared to 2013. In the second stage, the Panels Institute verified the data. The verification process included an inquiry with official-legal sources (the MAGNA electronic fair disclosure system) on December 26, 2014, and confirmation of the data by the companies themselves. The verification rate is 91%.

The report includes a comparison of the indices to previous years (2010–2013). The comparison was made on the basis of Catalyst Census data collected throughout the five years in which the census has been performed. In 2010–2011 the data were collected and the research performed by the Geocartography Knowledge Group, and in 2012–2014, by the Panels Institute. As changes were made in the data collected as part of the census during the transition between the research institutes, some of the data are presented on a three-year comparative basis.

The report also includes a comparison to other countries where the Catalyst Census is performed according to the indices published and measured in other countries, on the basis of the methodology developed by Catalyst.

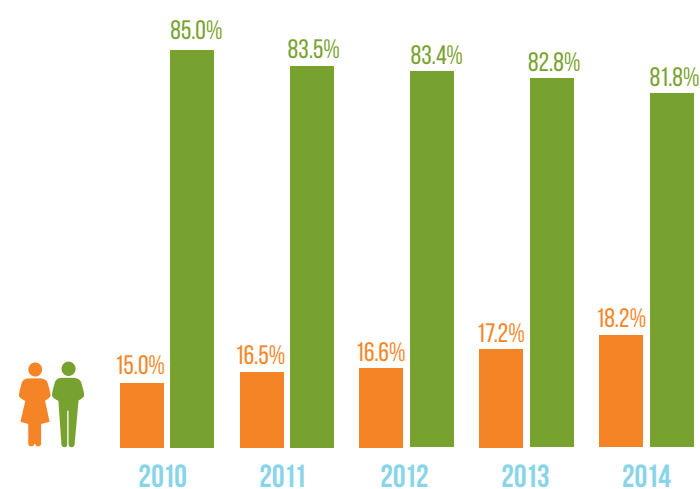
We would like to point out that in 2014 the Catalyst organization changed the methodology applied in the census, according to which data are only collected on women's representation on the boards of directors of publicly traded companies, across 20 countries. Consequently, data on women's representation as senior executives are not available this year.

Census size

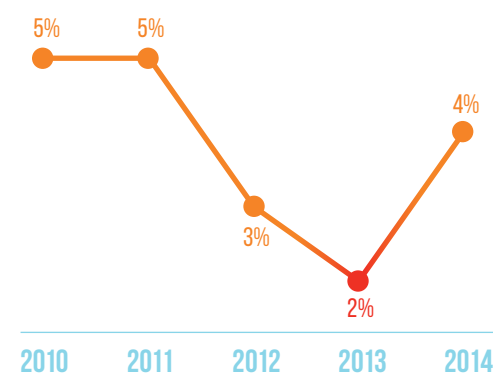
	2012	2013	2014
Number of companies on TA-100	100	100	100
Chairperson of the board of directors	95	98	101
Members of the board of directors	836	824	808
CEOs	101	106 ⁶	100

	2012	2013	2014
Top executives	974	914	888
Of whom serve both on management and the board	35	40	38
Women sitting on the board of directors	139	142	147
Women top executives	194	173	175

Detailed findings – Women on boards of directors



Directors in TA-100 companies by gender



Chairperson of the board of directors in TA-100 companies by gender

Women holding board seats

18.2% of the board seats in the one hundred companies in the TA-100 Index are held by women [147 seats out of 808] compared to last year, when 17.2% of directors were women [142 seats out of 824].

In the past three years the total number of board seats (filled by both men and women) in TA-100 companies has been on a decreasing trend, but the proportionate share of women in this position has been on a rising trend from 2012 to 2014. In total, this year the number of board seats dropped by 16, while the number of seats held by women increased by 5.

A high percentage of women serving as outside directors was found compared to the corresponding figure for men – 47% of women holding the office of director are outside directors, compared to 31% of men. These figures indicate a significant increase in the percentage of outside directors in companies. Furthermore, the gap between men and women serving as outside directors has grown in relation to 2013, when 35% of women directors were outside directors, compared to 21% of male directors.

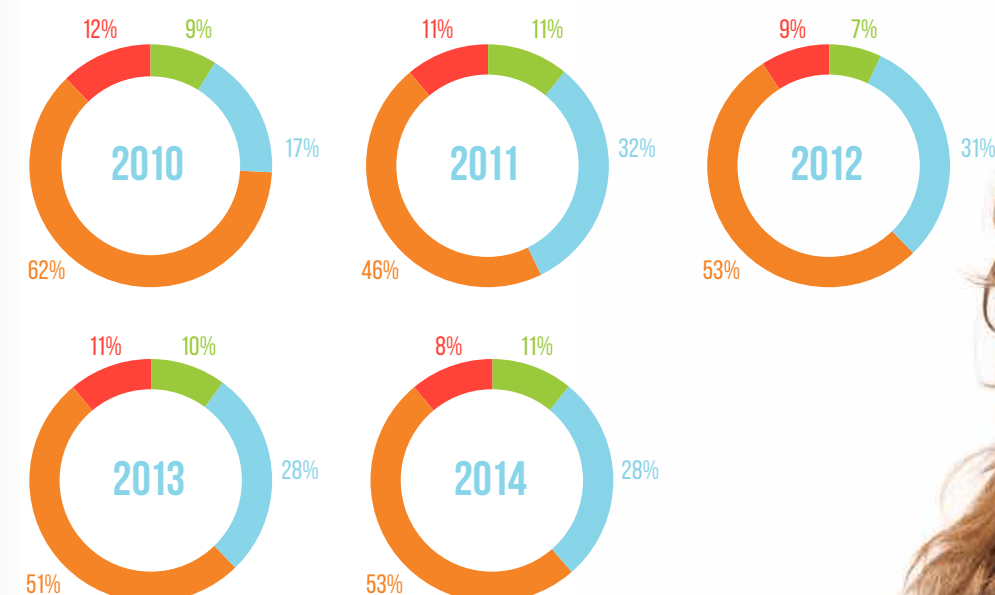
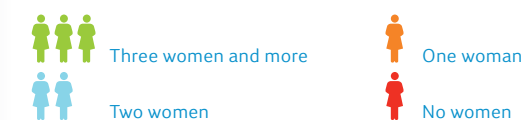
Chairperson of the board positions filled by women

In 4% of companies women serve as chairperson of the board of directors, i.e. in 94 companies out of 98⁷ the chairman of the board is male.

This is the first year since 2011 in which the percentage of women serving in this position has risen slightly. The shift is minute and is not indicative of a change in trend.

6. The large number of CEOs is the result of management by co-CEOs or of the replacement of a CEO during the year.

7. Out of the 100 companies in the TA-100 Index only 98 were taken into account in calculations, as there is no chairman of the board in office in Avner Oil Exploration and Formula Systems, and therefore, these companies were not taken into account in calculating the percentage of women chairing the board. In regard to the companies Shufersal, I.D.B. Development Corporation and Discount Investment Corporation in which two chairpersons hold office as co-chairmen, the percentages were calculated as one company (both chairmen serving in each of these companies are men).



Percentage of companies according to the number of women on the board

Companies according to the number of women on the board of directors

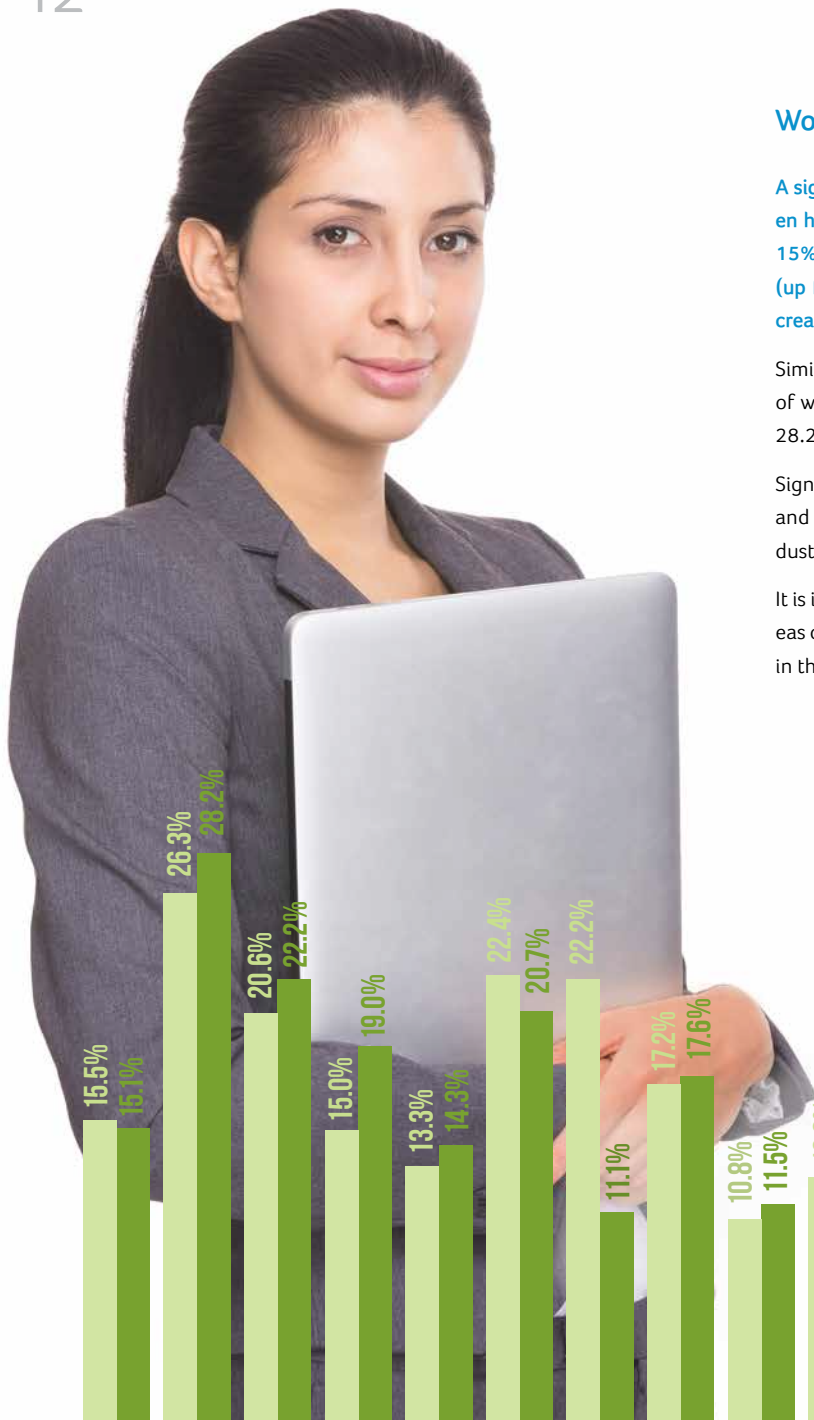
In 92% of TA-100 companies there is at least one woman holding a board seat, an increase compared to 2013 when the rate of companies with at least one woman serving on the board was 89%.

- An increase of 3% since 2013 in the percentage of companies in which there is at least one woman on the board.
- This year, the rate of companies with 3 or more women on the board rose by 1%, and the rate of companies with one woman on the board rose by 2%, compared to 2013.
- In 30 out of the 53 companies with only one woman on the board, the sole woman director is an outside director.
- On average, there are 8.1 members on each board of directors, of who 1.5 are women (without significant change compared to 2013).

Although a gradual, moderate rise is evident in the number of boards of directors with women members, we would like to note that in 56.6% of the boards on which there is only one woman, she is an outside director – in alignment with the minimum required by law⁸.

8. Section 239(d) of the Companies Law, 1999 (Amendment #16 of May 2011) determines that in a company in which, on the date of appointment of an outside director, all members of the board of directors of the company are male, the outside director appointed will be a woman.





Women on the board of directors by industry

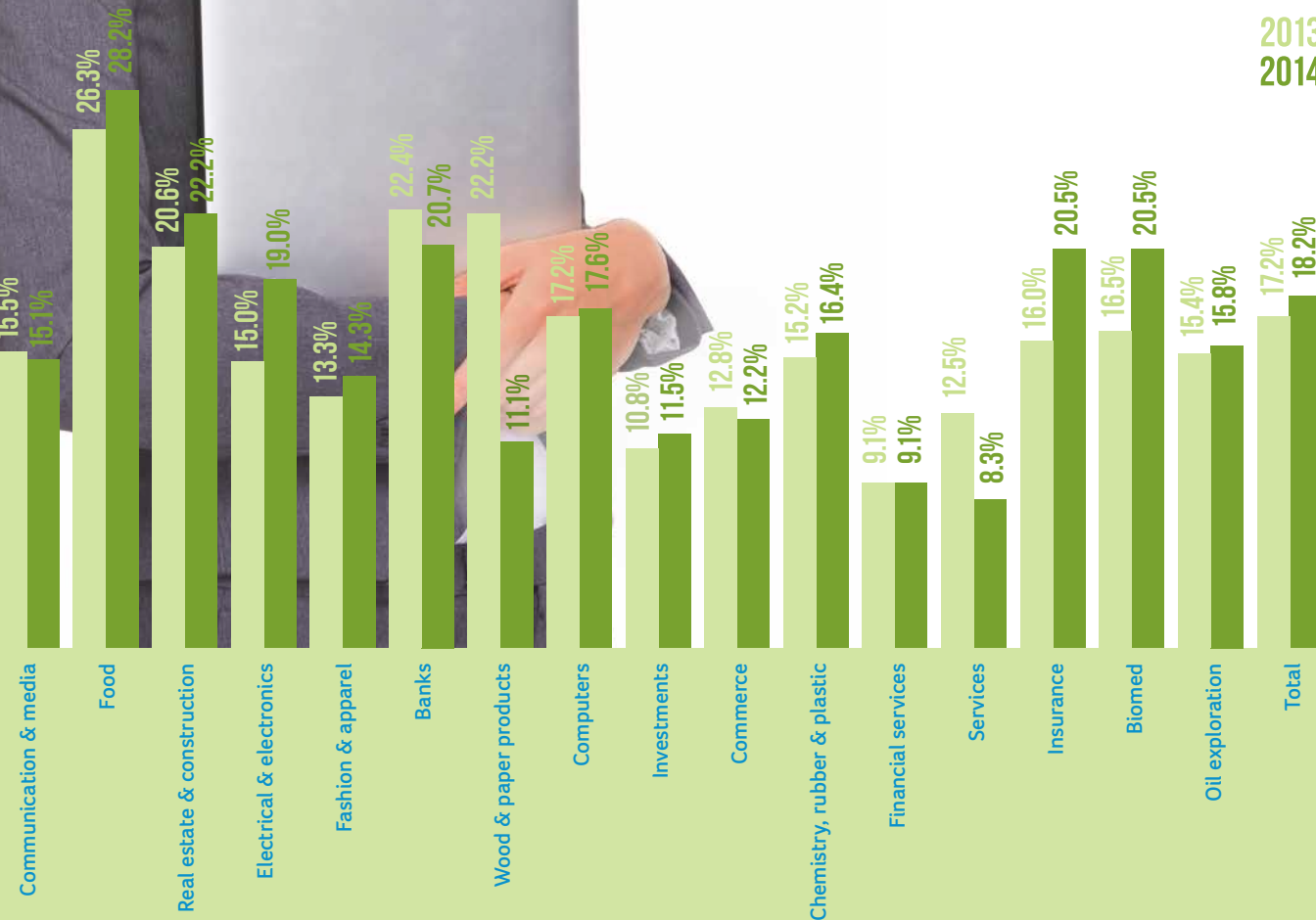
A significant rising trend is evident since 2013 in the percentage of women holding board seats in the electrical and electronics industry (up from 15% to 19%), the insurance industry (up from 16% to 20.5% and biomed (up from 16.5% to 20.5%). In the insurance and biomed sectors the increase reflects the perpetuation of a trend that began in 2013.

Similarly, the food industry demonstrates a rising trend in the percentage of women over time (in 2012 – 24.3%, in 2013 – 26.3%, and this year – 28.2%).

Significant decreases in the percentages of women were noted in wood and paper products (down from 22.2% to 11.1%) and in the services industry (down from 12.5% to 8.3%).

It is important to point out that these figures are based on the business areas of the TA-100 companies, and the fluctuations may be due to changes in the composition of the companies participating in the index each year.

2013
2014



Percentage of women on the board of directors by industry

International comparison – women on boards of directors

The percentage of board seats held by women in Israel is 18.2%.

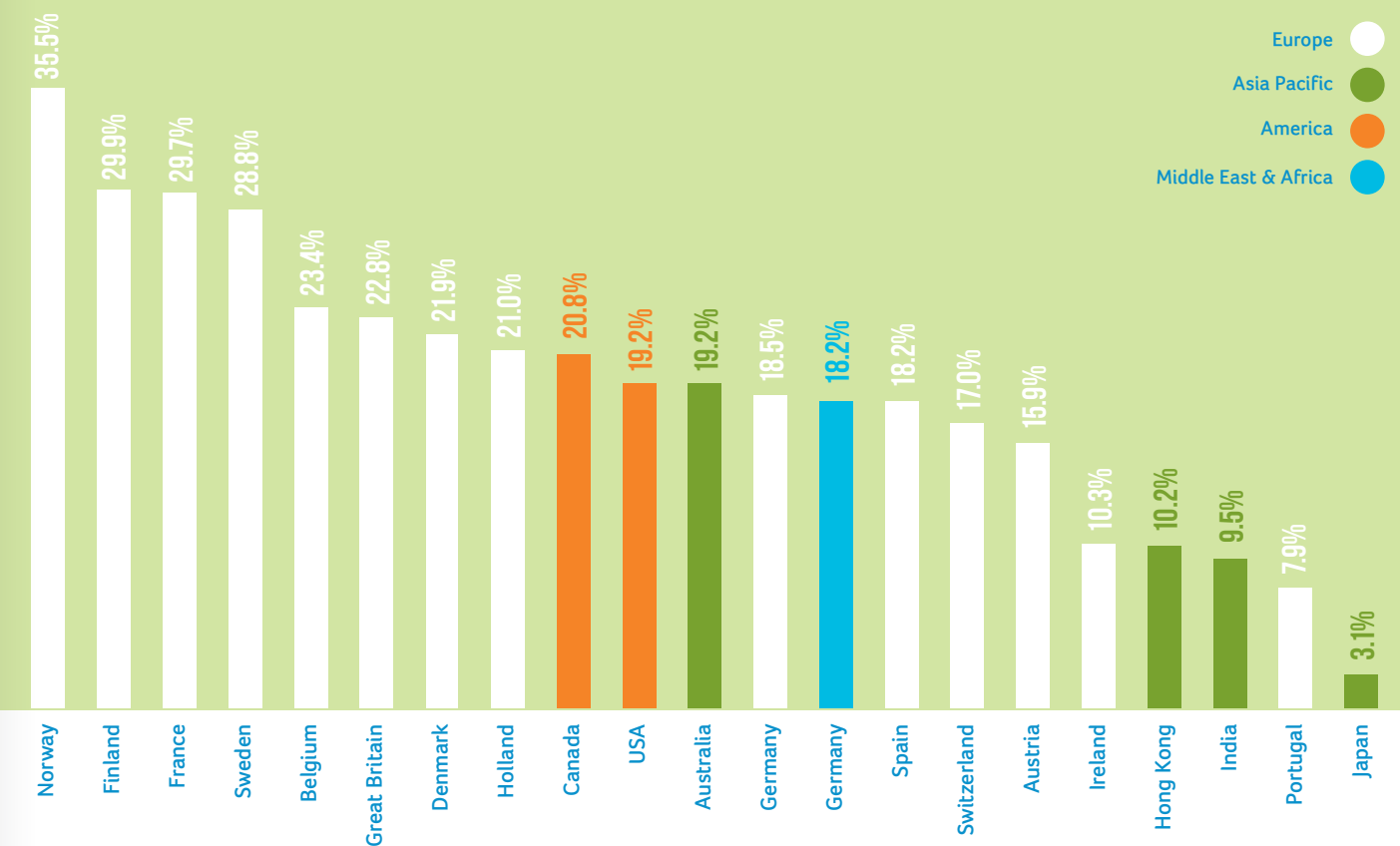
The countries with the highest percentages of women board members are Norway, Finland, France and Sweden⁹. Israel holds thirteenth place, between Germany and Spain.

In 92% of the TA-100 companies there is at least one woman director. For the purpose of comparison, in the USA 96% of the Fortune 500 companies have at least one woman in executive management.

* The above figures for Israel and the USA are updated to 2014; no figures for other countries are presented as these data were not examined in the last Catalyst Census for FTSE 100 in the UK, JSE/ OSE in South Africa, AXS 200 in Australia, FP 500 in Canada, and NZAX 100 in New Zealand.

Summary – women on boards of directors

A review of the percentage of women board members over the past five years shows that there has been a slight change for the better in the percentage of women holding board seats. However, the rate of new appointments is lower than the present rate and is indicative of a decreasing trend in coming years. The body of the data shows that there has been no significant change. It appears that organizations are making an effort to comply with the law mandating the appointment of women to the board of directors and appointing women as outside directors, but there is concern that the appointment of a single woman director to a board otherwise populated by men will serve mainly as a fig leaf, will impose on her a role of gender representative (and as such, biased), and that she is liable to be judged as accepting considerations that are not purely professional. Moreover, an appointment such as this is not expected to bring about a significant change in the organization's conduct.



Percentage of women on the board of directors – international comparison

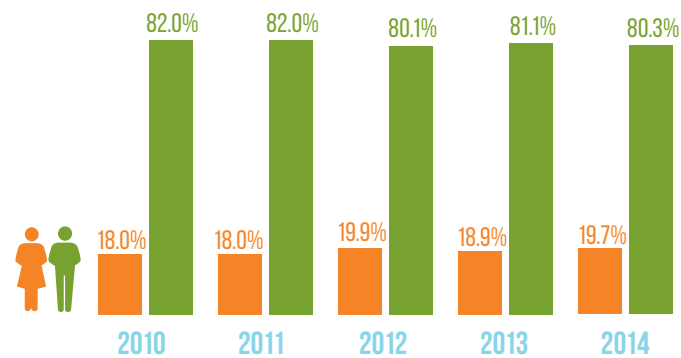
9. Norway is the only country where legislation mandates a 40% quota for women's representation on the boards of directors of public companies, effective since 2008. Failure to comply with the condition of law grants legal power to file for dissolution of the company, or in special circumstances, to impose a fine until the required quota is complied with. In Sweden, regulations in the Corporate Governance Code of 2010 determine that when deciding on the size and composition of the board, the company must aspire to equality in the gender division between directors. Recommendations in the Corporate Governance Code of 2007 include the requirement that public companies will present the gender representation on company management's executive committee. In Finland legislation refers only to government companies and mandates a 40% quota for women. Recommendations in the 2010 Corporate Governance Code state that both genders must be represented on the board of directors and companies are required to publish the composition of the executive committee, including biographical information on board members. In France, legislation of 2011 mandates a 40% quota for women in listed public companies and in companies that are not listed that have 500 employees or over €50 million in turnover. Companies were required to comply with the rule of 20% women on board committees by January 2014. In 2012 boards comprising one gender only were required to appoint at least one director of the opposite gender. In companies failing to comply with the requirement, board members will not receive compensation (if the board of directors comprises less than eight members, the difference between men and women will be no more than two). Recommendations in the 2010 Corporate Governance Code: up to 40% women on boards of directors within 6 years; if the board comprises less than nine seats, the difference between men and women must be smaller than two. If, by mid-2010, there is not a single woman on the board, a woman will be appointed in lieu of an existing director or as an additional director. In the UK, the recommendations in the Corporate Governance Code of 2012 include the requirement that the annual report will contain the board of directors' policy with respect to diversity, goals and targets set on the subject, and progress made. The annual report will include reference to gender representation on the board of directors. Recommendations in the 2010 Corporate Governance Code: when choosing candidates for the board of directors, appointments will be made on the basis of suitability and talent and objective criteria, while taking the principles of diversity into account. This year, the change in Israel's position in relation to other countries cannot be examined over time, as in previous censuses in Israel the findings were compared to those of Fortune 500 and Financial Post 500 companies, while in this census the international Catalyst data are based on different stock exchange indices such as S&P 500 and S&P/TSX 60, which represent a different group of companies that cannot be compared to the historical F500 and FP500 findings. These changes have led to a situation in which the data are up-to-date only in part of the countries, and those countries are displayed on the graph. Catalyst Census: Women Board Directors (2014).

Detailed findings – women in executive management

Women in executive management

19.7% of the members of executive management in the companies measured are women, an increase of 2 women compared to 2013.

In 2014 there were 888 executives in the top managements of the TA-100 companies, of whom 175 were women. In 2013 there were 914 members in the executive managements of these companies, and of them, 173 were women. There has been a change over the years in terms of the decreasing size of executive managements. An increase of two women top executives alongside a drop of 28 executives signifies an increase of almost 1% in the rate of women serving in executive management.

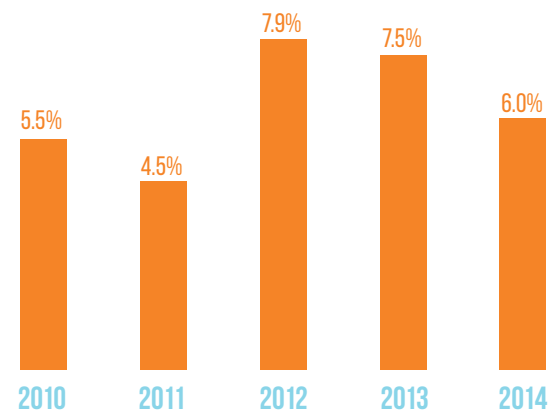


TA-100 managements by gender

Chief Executive Officer positions held by women

6.0% of those serving in the office of CEO are women, signifying a decrease of 1.5% compared to 2013.

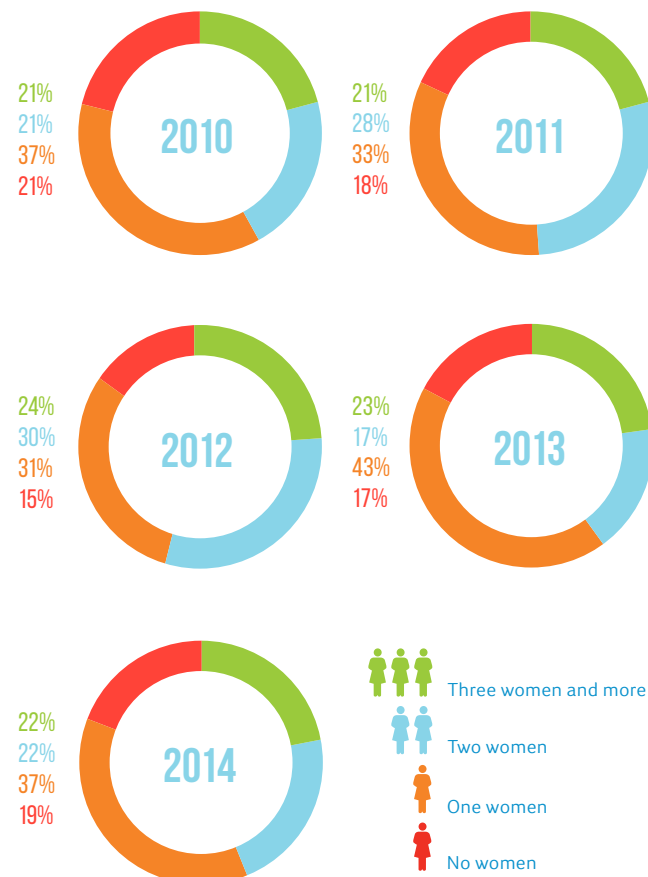
In 2014 there were six women CEOs in the 100 companies on the index – a decrease of two women compared to 2013 when eight women held the job of CEO. The changes during the past five years are very minor and do not indicate a trend of change.



Percentage of CEO positions by gender

Companies according to the number of women in executive management

- The number of companies in which there are two women in executive management has risen by 5% compared to 2013 (up from 17% in 2013 to 22% in 2014). These figures remain low compared to the findings in 2012 (30%) and 2011 (28%).
- In parallel, there has been a drop in the number of companies in which there is one woman in executive management. In 2014 there was one woman senior executive in 37% of the companies, as opposed to 43% in 2013. At the same time, however, these figures are high compared to 2012 (30%).
- On average there are 8.8 members of management in each company, of who 1.8 are women.
- In 2013 the number of executive management members in each company was 9.1, of who 1.7 were women.
- In one-fifth (19%) of the TA-100 companies there are no women in senior management at all.
- Of the 36 companies in which 25% and more of women are members of top management, 15 companies rose in the percentage of women top executives and 5 companies dropped in this parameter.



Percentage of companies according to the number of women in executive management

A look at the graph shows that in most measures the number of women in executive management has dropped. Most prominent is a 2% increase in the number of companies with no women in top executive positions at all, and a significant decrease of 6% in the number of companies with only one woman senior executive. At the same time, a 5% increase in the number of companies with two women in executive management may be indicative of the reasons for this decrease. In general, no significant trend of change is observed. It appears that in companies in which women serve in executive management there is a more significant increase in the number of these women (15 out of 36 companies in which 25% and more of management members are women have risen in the percentage of women holding office, as opposed to 5 that decreased). This figure is compatible with research, which shows that a minimum number of women in top management is required (three or four) for the balance to be expressed in the organization's results.

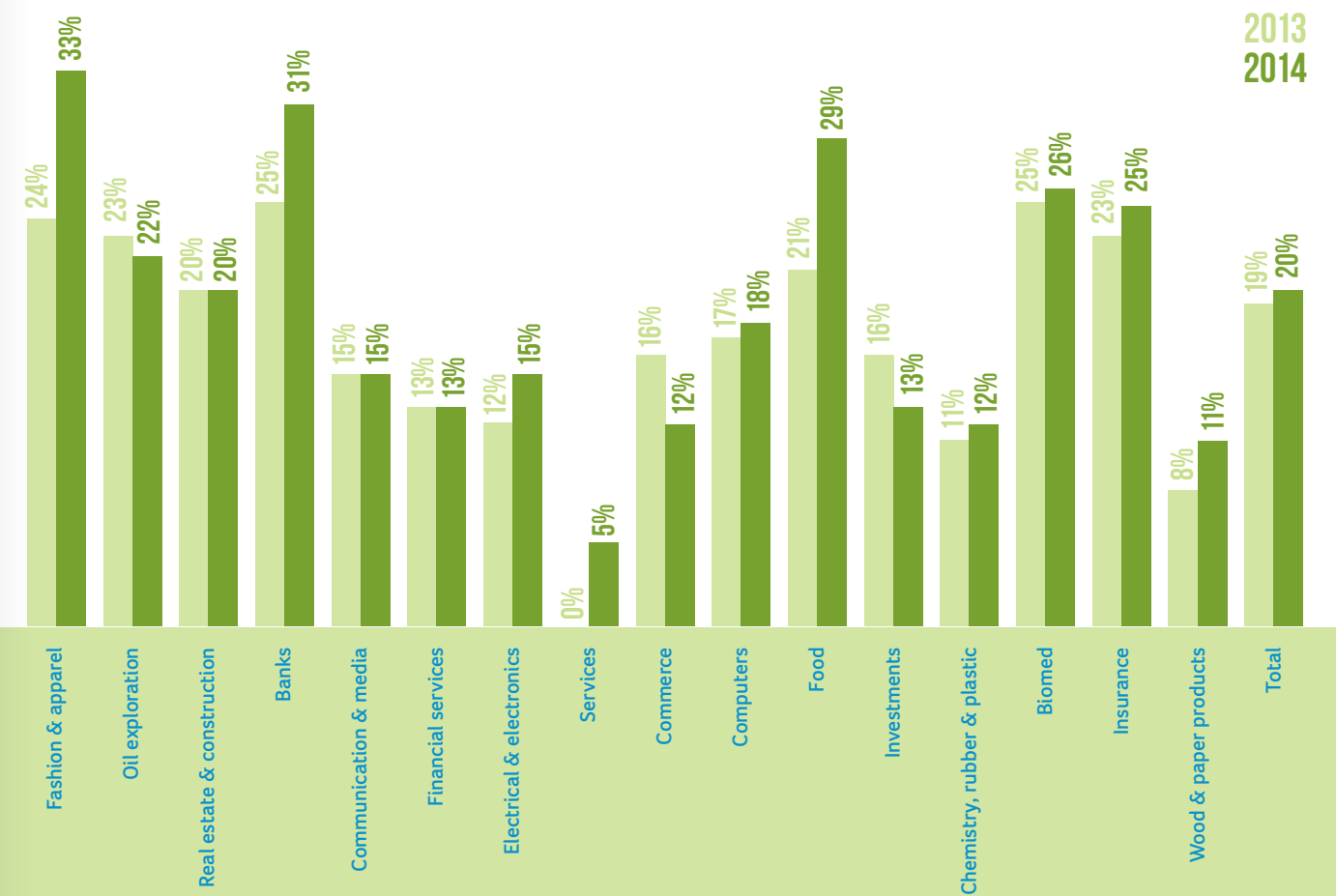
Women in executive management by industry

Compared to last year, there has been a significant increase in the percentage of women in top management positions in fashion and apparel (up from 24% to 33%), the food industry (21% to 29%) and banking (25% to 31%). In the food industry there has been a trend of continuous increase since 2011.

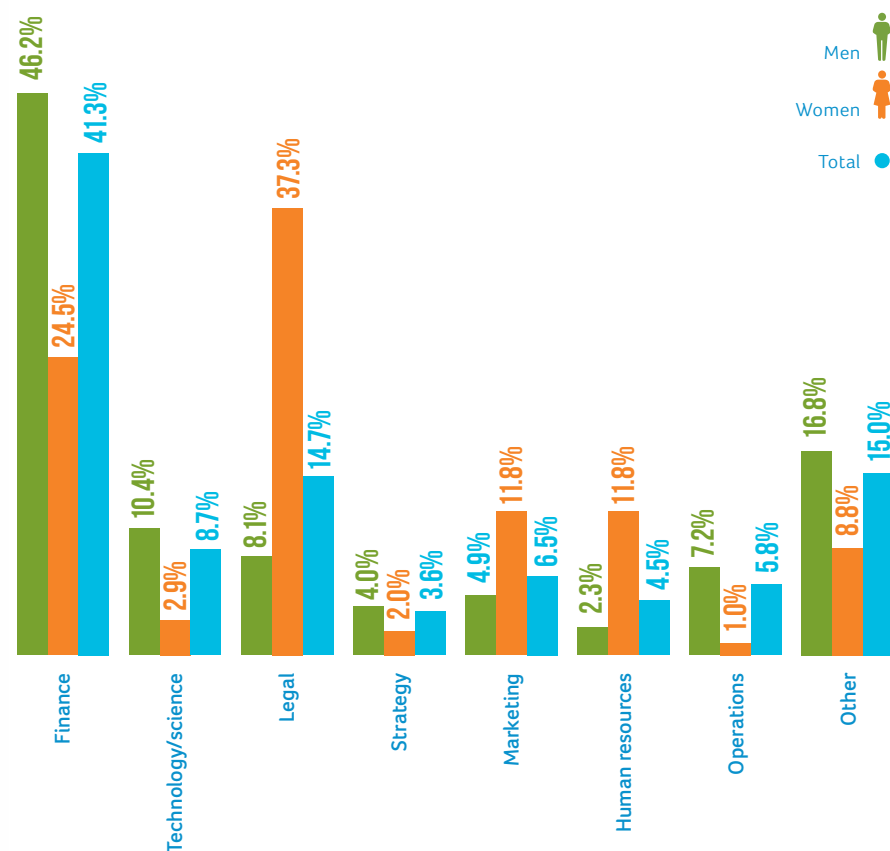
In the insurance sector the rising trend in the percentage of women in top executive positions measured in 2013 has been maintained, and the figure is now 25%.

In the services industry, following 2012 and 2013 in which there were no women in executive management, the figure is now 5%.

It is important to point out that these figures are based on the business areas of the TA-100 companies, and the fluctuations may be due to changes in the composition of the companies participating in the index each year.



Percentage of companies according to the number of women in executive management by industry



Area of occupation in top executive positions – gender comparison

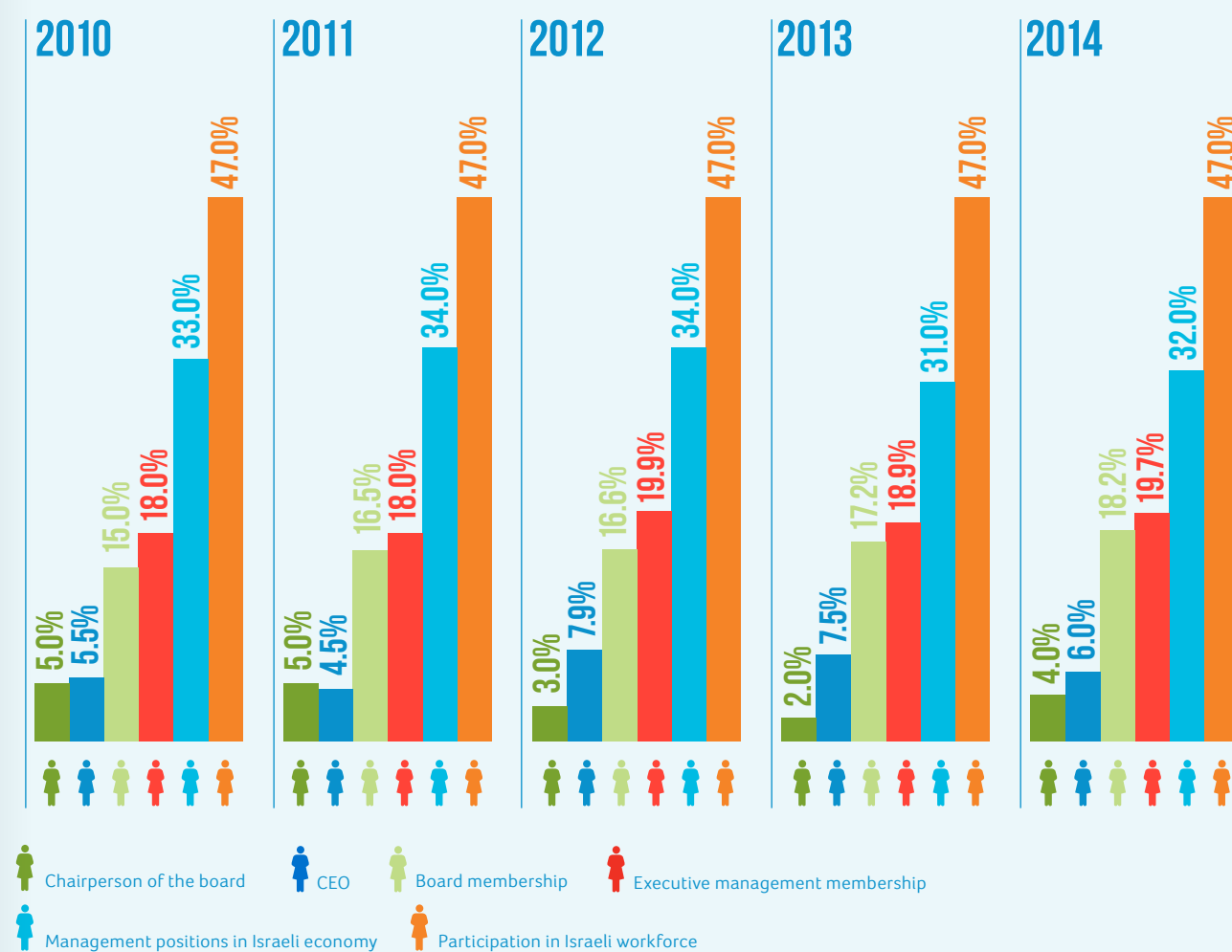
Area of occupation in top executive positions – gender comparison¹⁰

The main area of occupation of executive management members in TA-100 companies is financials. Most women in senior management positions in these companies have a legal or financial background.

The percentage of women engaging in law has risen from 31.7% in 2013 to 37.3% in 2014. Conversely, the percentage of women top executives with financial professions has dropped (from 32% to 24%). The prominence of women in senior management with a background in human resources demonstrated in 2013 has dropped slightly (from 13% to 11.8%); however, the percentage of women in this professional field is higher than the percentage of men in top executive positions.

10. Data are based on 448 executive management members in whose respect data relating to area of occupation were collected. They account for 50.5% of all top executives reported in the questionnaire.

Summary of findings – five-year comparison



The Census pyramid – women's status in the workforce in Israel in the long term

The Census pyramid – women's representation in TA-100 companies from a long-term perspective

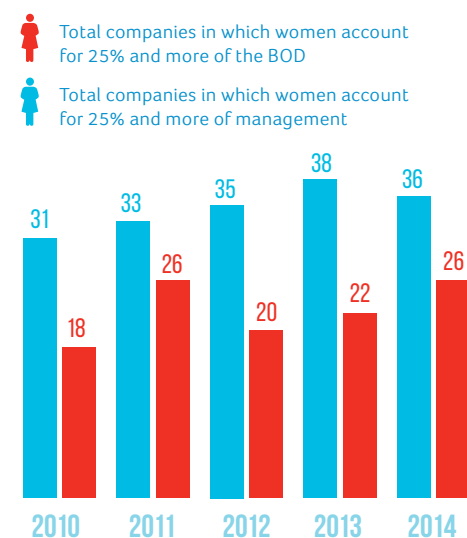
- A review of the number of women serving as CEO reveals fluctuations over the years, but despite this at the end of 2014 the percentage of women CEOs was 6%, similar to 5.5% at the end of 2010.
- The percentage of women serving as chairperson of the board of directors has dropped over the years, from 2010 (5%) to 2013 (2%). However, in 2014 this figure rose to 4%. These fluctuations do not enable us to determine whether the increase measured in 2014 is random, or whether it is indicative of an improvement in women's placement in these key roles.
- The pyramid shows that over time, relative stability in the percentage of women in the various positions in the Israeli workforce has been maintained.
- Generally speaking, over the past five years the percentage of women in the workforce has remained stable and unchanged at 47%. Similarly, neither were there any substantial changes in women's status in management positions in the Israeli economy (CBS long-term data).
- Nevertheless, a slight rising trend was observed from a long-term perspective in the percentage of women who are members of executive management and boards of directors. The trend is slow, but it is stable (up from 18.0% to 19.4% and from 15.0% to 18.2%, respectively).

Changes in the percentage of companies with at least 25% of women in executive management and/or board positions

The rising trend in the percentage of women in management and on the board of TA-100 companies described above is reinforced when one looks at the number of companies in which there are at least 25% of women in management and on the board.

The number of companies in which 25% or more of executive management members are women has risen consistently from 31 in 2010 to 36 in 2014.

The number of companies in which 25% or more of members of the board of directors are women was on a rising trend from 2012 to 2014, after a significant increase in the number of companies in 2011 – from 18 in 2010 to 26 in 2011.

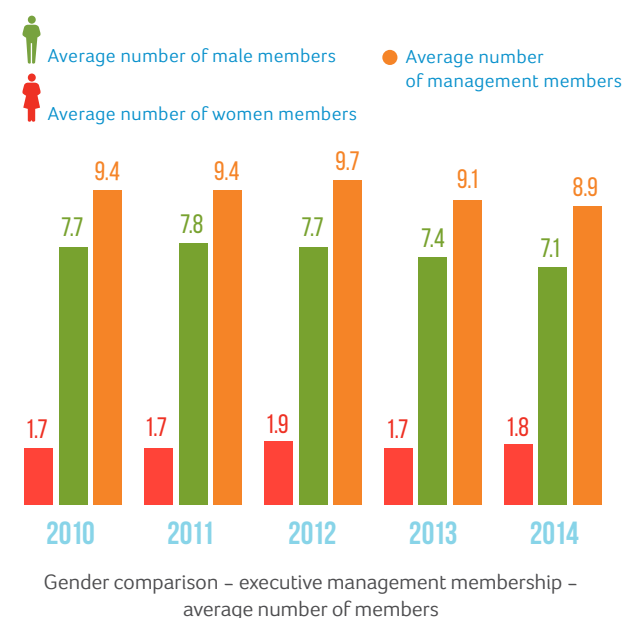
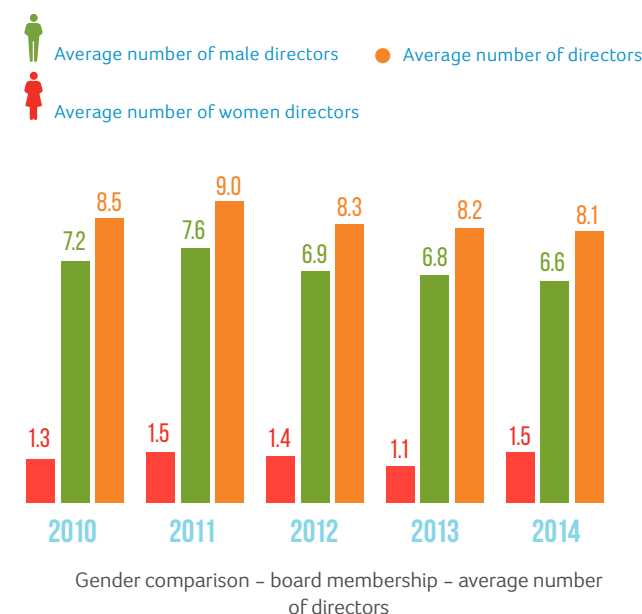


TA-100 companies in which women account for 25% of members of management and the board

Gender comparison – executive management and board membership

A review of the average number of executive management and board members in TA-100 companies from a long-term perspective shows a moderate rising trend in women's status.

However, this statement must be qualified, as the increase is not due to a real increase in the number of women in these roles, but rather to the fact that there has been a long-term decrease in the total number of seats on both the board of directors and in top management. This reduction is characterized by the elimination mainly of seats held by men, while the number of women in office has remained similar over time.



Companies according to the number of women in executive management and board positions

From a long-term perspective it is clear that the composition of women's representation in executive management and on the board is different. In regard to management, the percentage of companies in which women hold top executive positions (81% in 2014) is significantly lower compared to the number of companies in which women hold board seats (92% in 2014). However, in companies where women hold top executive positions the number of women in these positions is higher compared to the number of women on the board.

It was observed that in 2010 (the year in which the census was performed for the first time) the number of companies with at least one woman in management and on the board was extremely low (in 79% of the companies there was at least one woman in management, and in 88% – at least one woman on the board). These figures subsequently rose in 2011 and 2012 (in 2012, in 85% of companies there was at least one woman in management, and in 91% – at least one woman on the board of directors). In 2013 and 2014 women's situation in top management reversed and reverted to figures similar to those for 2010. However, it was observed that as far as women on the board of directors are concerned, the picture has remained stable and the figure for 2014 is 92%.

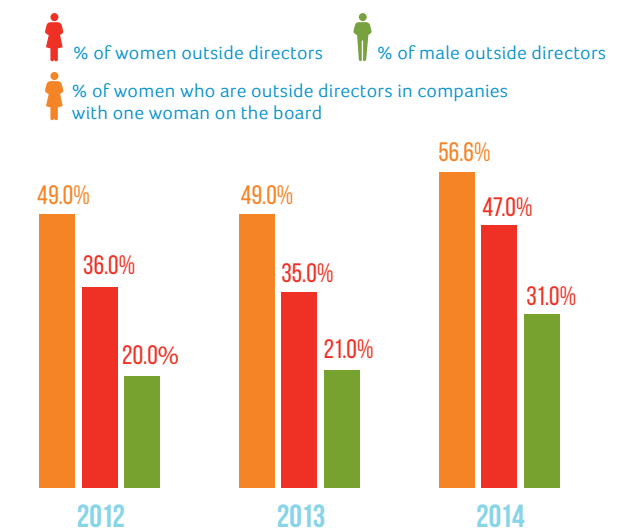
Generally speaking, over time a trend of improvement in women's status in top executive positions is evident, although the number of companies in which women are executive management members dropped between 2013 and 2014. The improvement is expressed in a moderate rise over time in the percentage of companies in which there are three and more women members of executive management.

A review of women's inclusion in the board of directors shows that after 2010, women's status in these positions has remained stable from 2011 to 2014, with no significant changes.

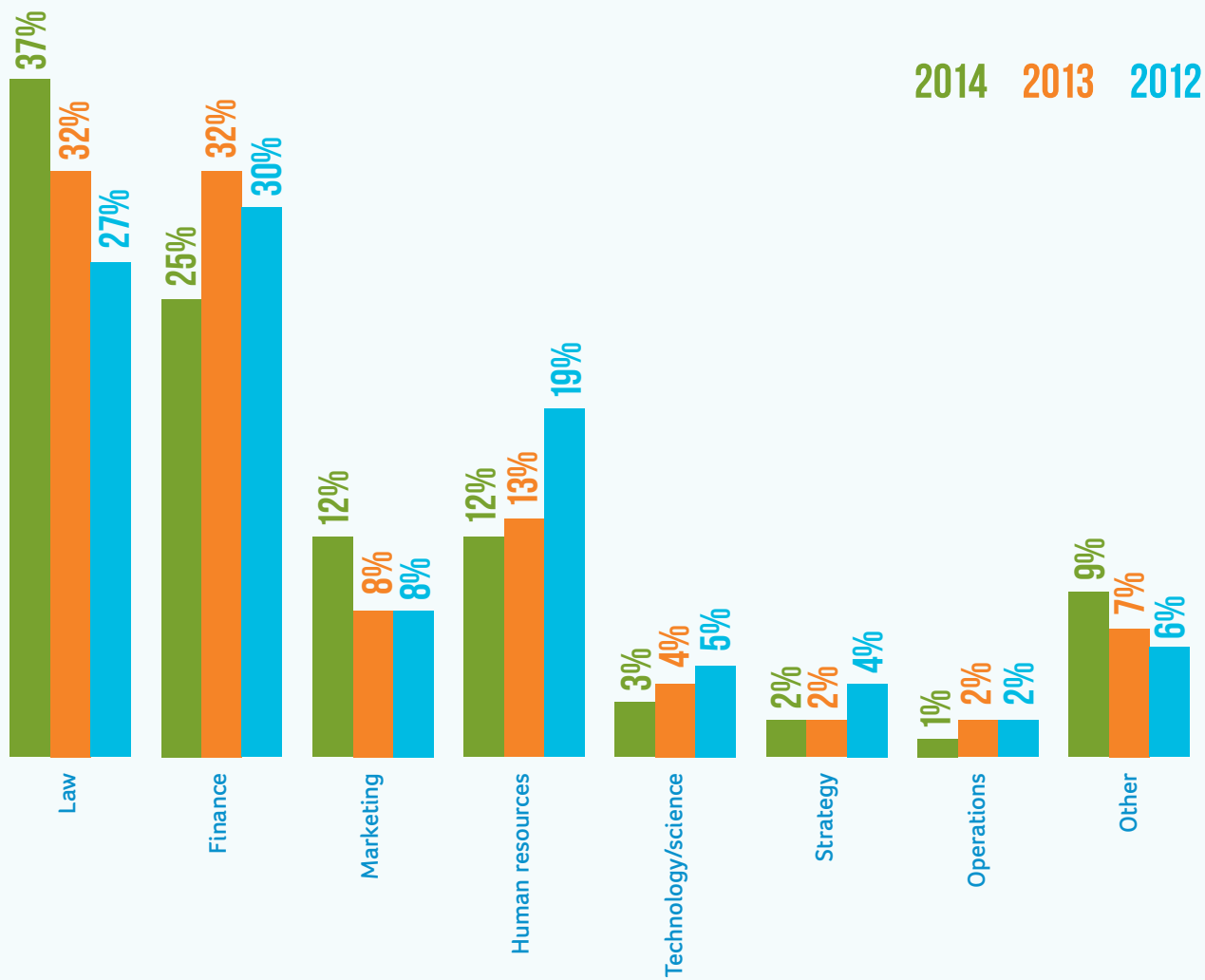
Percentage of outside directors

To gain a deeper understanding of women's place in the duties of the board of directors, since 2012 as part of the census the composition of the board of directors and the appointment of outside directors were examined.

Findings reveal that in general, between 2013 and 2014 there has been an increase in the rate of outside directors, men and women alike. This trend has remained constant and the existing difference, in which the percentage of women outside directors is significantly higher than the rate of their male counterparts, has been maintained (in 2014, 31% of men on the board are outside directors, compared to 43% of women). Of particular prominence is the finding that the increase in the percentage of women outside directors between 2013 and 2014 is expressed in the rate of companies where there is one woman on the board, and she is an outside director.



Women in executive management according to area of occupation



Women in executive management according to area of occupation

Women in top executive positions according to area of expertise from a long-term perspective

A long-term review of the percentage of women in executive management positions in TA-100 companies according to their area of occupation is indicative of a decrease in women’s representation in most professional areas except for the legal sphere, where there has been an increase of 10%, up from 27% in 2012 to 37% in 2014, and marketing.

It is important to bear in mind that these data are based on companies from which information on the subject was received (about half of the companies in each reporting year).

The data indicate that we are still a long way away from achieving the goal of gender balance in senior management positions in organizations, and no substantive change has been observed over the past five years. The increase in the number of organizations in which there are three women and more in top management is somewhat encouraging, because research has shown that this representation is beginning to show results in the organization’s conduct and its business results. Various arguments have been posited as to the reasons why the process is yielding results at a slower pace than desired, and we therefore elected, in the fifth year of the census, to examine, together with those organizations

PART B

Analysis of the operating method of companies with high percentages of women in executive management and board positions



Goal: Identify enabling factors for the achievement of gender balance

The findings of the 2014 survey demonstrate that the situation as regards gender balance in executive management and on the board of directors in TA-100 companies has remained relatively stable over the past five years, and therefore the goal of this chapter is to identify factors that help to advance women and support organizations in achieving gender balance.

Method: Interviews with leading organizations in gender equality

With the help of Maala¹¹, we identified TA-100 companies that have displayed high indices of women's representation in management, on the board of directors or as CEO over the years. These companies were sent a letter on behalf of Ofra Strauss and the Israel Women's Network, which contained an explanation about the Catalyst Census and the purpose of the interview, as well as a request to participate in the study. Seven companies (including Strauss Group) acceded, and their HR or talent managers answered the questions in the interview. One of the organizations replied in writing. The interviews were conducted by the Panels Institute and/or the Israel Women's Network.

The organizations that participated in the interviews are Osem, Bezeq, I.D.I. Direct Insurance, Bank Hapoalim, Delta, Teva and Strauss.

A number of practices that are common to the various companies and can serve as guidelines for other organizations were extracted from the interviews:

11. Maala is a professional umbrella organization of business companies in Israel that generate change in corporate social and environmental responsibility: <http://www.maala.org.il>.

Interview findings

Insight

The organizational DNA is the key factor in the advancement of women

Most of the organizations that were interviewed have a diversity policy in place for the entire Israeli population. The diversity programs talk about the inclusion of Arabs, ultra-Orthodox Jews, Ethiopians and other underrepresented populations in the various echelons of the organization. Despite this, however, in all these organizations **women are not treated as an underrepresented population**, and they are not included in the organization's diversity policy. The interviewees described companies in which the attitude to women's promotion is not part of a formal corporate policy because it is **"in the organization's DNA"** and as a rule, it was bestowed by the founders or by extremely meaningful managers and is an integral part of the organizational culture. They claim that DNA of this kind leads to decisions being made about the organization's conduct, promotion and recruitment that have created a company in which conditions are favorable for women to get ahead.

International organizations have a clear policy in place with defined targets for women's equality in executive management, but because these targets are accomplished they do not take deliberate action to this end.

Insight

Gender equality that is based on professional and business considerations

The interviewees mentioned a number of factors that they believe have helped bring their organizations closer to gender balance in senior management echelons. All said that the **goal of gender balance** does not arise from social objectives but from **professional considerations**. Decision-makers in the organization consider women's presence in top executive positions of great importance and a contribution to the organization thanks to the diversity of perspectives and management styles. They believe that women are becoming a dominant economic force as part of global processes, and they are also the main consumers in most markets. The interviewees emphasized that their actions are not guided by an affirmative action policy, and that **promotion is based on skills and qualifications**. At the same time, however, they said that there is a great deal of **openness and willingness to accept and include** different points of view in the organization, an attitude that allows a woman candidate to be viewed as a potential candidate who is just as suitable as a male counterpart. Most argued against attitudes that distinguish between distinctly female management and

distinctly male management, and said that what is of major significance to them is the **diversity of points of view**, and that the **distinctions between "female" and "male" conduct are no longer so clear today**.

Insight

Work-life balance, being attentive to needs and a flexible work environment help create gender balance

In most of the organizations that participated in the interviews there is a deliberate policy in place to facilitate **work-life balance** in an understanding of the importance of leisure time and family life to employees. Most said that flexible working hours, preclusion of long working hours (e.g. meetings are not scheduled after 4:00 p.m. or before 8:00 a.m.), transportation times that take school hours into consideration, summer camps, extension of leave, support and understanding in regard to extended maternity leave, reference to pregnancy and childbirth as a natural part of life (e.g. promoting a woman in the eighth month to a senior executive position) all are factors that provide mainly female employees, but also males, with a **work environment that enables promotion, self-actualization and balance**. Different organizational mechanisms were described that are designed to **hear employees and their special needs** in order to facilitate their integration in the organization. These mechanisms also help to create a work environment that is more tailored to women as well.

Insight

Encouragement of internal promotion, support and accompaniment, success builds success characterize the organizations that lead in gender balance

In reference to the promotion process they said that **most promotions in the organization are internal**. The organizations we interviewed employ 48% to 65% of women overall. As the company is enabling and encouraging, many women apply to tenders for executive positions, and consequently these companies do not encounter a problem of a lack of women candidates. There were also organizations that described the **encouragement of suitable women to apply to internal tenders** for executive positions in the recognition and knowledge that women tend less than men to compete for positions when they do not fulfill all of the job requirements in the tender. In parallel, they **accompany new women managers and support them** through training in order to help them succeed in the job. Most said that the process of **women's promotion in the organization "builds itself"** – when there are women executives in

office they serve as an example and role model. In some organizations their stories are told as organizational success stories, and they help other women get ahead simply by their presence and occasionally, also with the intention of advancing gender equality in management echelons.

Insight

Dealing with barriers such as fear of being labeled and deeply rooted stereotypes and attitudes

In two organizations that demonstrate relatively high measures compared to all TA-100 companies, but which have still not achieved the gender parity they consider desirable, interviewees described **barriers** in the form of **fears of the woman executive being labeled** as someone who is engaged in promoting women, the difficulty in changing **deeply rooted attitudes and stereotypes**, organizational spheres or departments that are still very **male**, in which it is harder to assimilate gender parity processes. They said that organizations that want to create a deliberate change of trend in order to increase the number of women in executive positions are required to act consciously and according to a plan in various organizational spheres and in all stages of recruitment and promotion to increase the supply of women who are suitable candidates for executive jobs.





PART C

The guide to achieving gender balance

The guide to achieving gender balance

In the theoretical background we discussed why organizations aspire to achieve gender balance and what they gain from it. In the findings of the interviews we presented the successes, the difficulties and the barriers encountered by organizations taking action for – and achieving – gender balance.

In the final chapter we formalized the insights accumulated by Catalyst, which were gained by organizations that have succeeded in generating an internal change in the gender balance and by consultancies and research companies that study the subject, and with their help we created an initial “guide” to building an efficient process for creating gender balance.

It is important to point out that there are big differences between different organizations and different areas of occupation, and consequently the recommendations and tools presented below are merely a general framework of reference to significant aspects and chart basic principles, but they do not purport to replace a tailored organizational process.

So if you have reached this point in our report, this is a sign that you are a manager or manageress who is committed to a process of change in your organization and that you are now facing the first and critical phase for the success of the entire venture. Setting in motion a process of creating gender balance in all management echelons in the organization is a tough challenge, and one that gives rise to plenty of opposition and uneasiness in all levels of the company. It is a move that requires a great deal of patience and restraint, and one that draws on diverse organizational resources. It therefore requires strong commitment. We hope that these insights and the following tools will help you to accomplish the important task that lies ahead.

Learning from the Leaders – Rules of Thumb for Creating Gender Balance in the Organization

Research has proven that women’s presence in executive management and on the board of directors of public companies has granted these companies a competitive advantage over other companies. This advantage is expressed in decision-making processes in management, in creativity, in stability during times of crisis and in looking at data from diverse perspectives, and has led to better performance. Research has also shown that the presence of one woman is not enough, but a significant group of three women and more is necessary to express the advantages of diversity.

1



Lead the change through committed managers!

Remember! Executive management is the primary generator of change in the organization

Changing the gender balance in the organization challenges social norms and perceptions that are so firmly established in society that they appear to be gospel truth: perceptions of the character of managers and leaders, women’s place in society, the balance of power in the organization, the division of roles within the family, etc. It is easier to make a deep change by setting a personal example, inner conviction and commitment by the firm’s senior executives.

Take action! Create commitment to change among senior executives!

Give it tangible expression and endorsement:

- In the organization’s strategic plans as an overall systemic perception
- In ongoing support and control
- In incentivizing senior managers according to the accomplishment of gender balance targets in the units they manage

Express your own willingness to develop – a meticulous review confronts employees and managers on all levels with their own biases against women and men and raises feelings of guilt, anger, concern for one’s position and a change in it. Experience in organizations and in society shows that this is probably one of the most emotionally charged issues and one that raises the most opposition. Leaders of change need to be open to also identifying the processes that they themselves must undergo in order to lead the change.

Check the organization’s readiness for change and choose the suitable time – change in organizations is not a simple process. Embarking on a process of change to achieve gender balance at a time when the organization is dealing with other stormy issues is liable to impair the ability to assimilate a basic change such as gender parity.

Before you make any changes, you need to assess whether the organization’s managers and employees are ready for change.

Factors that have been found to be connected to readiness for change are identification by employees with the goal of the change, identification by employees with the organization’s vision, executives behaving with transparency and sharing in regard to the processes of change, the understanding that the organization is formulating organizational processes and structures designed to support gender balance.

Show patience and restraint – in most organizations, the process for achieving gender balance is a slow change that gives rise to a great deal of opposition, and one whose results are evident in the long term. Therefore, much patience is required, as well as determination to continue to further the process even in stages when no satisfactory results are evident.

2



Have the courage to look in the mirror!

Remember! A change that is information-based will meet with greater success!

The organization needs to profoundly study its own gender balance information and the various processes that form internal barriers to women's advancement. It is only on the basis of a courageous, fact supported picture of reality that it will be possible to define the necessary change and set measures for each of the stages: the recruitment, promotion and departure of male and female employees. Of course, the efficiency of these measures will need to be revisited occasionally and revised as necessary.

Take action! Devote time to learning, understanding and mapping the situation in the organization

First, you will need to profoundly study the status of gender balance in your organization: at which management levels does women's representation fall to below half and why. The reasons are many and complex, and accordingly, the issue will require treatment in a number of areas.

Examining the situation requires real, open and brave listening to what is being raised by women and men in the various management echelons in regard to the attitude in the organization, working conditions, gender biases in promotion, managerial accompaniment and being chosen for executive positions. The goal is to create change, not to impose guilt.

Base the change processes on solid data – the importance of relying on your organization's verified data arises from three main reasons:

1. The need to tailor the change to your organization's specific conditions.
2. There is immense added value in presenting the real problem: It makes it easier to deal with explaining the need and mitigates some of the objections that arise from misconceptions.
3. Reporting data to management and to the organization throughout the length of the process makes the process and related decision-making transparent to all members of the organization and increases the belief in it. Furthermore, periodic reporting keeps the subject of gender balance alive in the minds of decision-makers.

Ask yourselves:

What is the percentage of women/men in each management echelon in the organization? In fact, in most organizations overall women's representation is around 50%, but the higher one climbs the ranks, women's representation drops to about 20%.

At what point in the "feed pipe" to management levels is there a leak and women drop out? Ask the women why.

What is the turnover rate in executive positions for women and for men? What are the departure rates of management candidates in the organization? Ask them, and yourselves, why.

In assessments of your employees, is there a difference between the assessments women receive and those received by men? How are the differences expressed? Other organizations have found that women get better performance evaluations, but are less often defined as having management potential. It has been found that managers and employees give women and men different assessments for the same behavior. Thus, for example, a management style that will be defined assertive among male managers will often be considered "aggressive" among their female counterparts.

In promotions to executive positions – do you promote from within the organization or bring in managers from outside the organization? Studies show that organizations tend more to promote women from within the organization on the basis of acquaintance and proven experience, whereas men rise up in the ranks mainly by moving between organizations.

Do you make sure that there are enough women on the final list of candidates for executive positions? Do you make sure talented women candidates are on the list? Where do you recruit them from?

What are the supporting processes that your organization makes available to beginner managers, who serves as a mentor and who has a mentor? From which areas of occupation in the organization are women promoted to management, and from which are men promoted? Are women and male talents offered the same variety of specializations in the organization? A study performed by Catalyst shows that men who are defined "talents" will usually be given lateral positions and will accumulate more diverse managerial experience than women who are defined talents.

Who gets promoted to "hot" jobs in the organization with more possibilities for promotion later on? These are just a few basic questions as an example. To explore the issue thoroughly, you can (and we recommend that you do) use the detailed questionnaires offered by Catalyst.

Explore the data thoroughly and try to understand them. Listen to employees – listen to what the employees have to say about the significance of the data, and not only to your own interpretation. One of the gains mentioned by organizations was that the communication culture in the organization developed greatly following the process and that they are today also able to deal with other sensitive dilemmas and with issues of minority diversity in the company, which, before the process was initiated, they were unable to open up for discussion.

Deal with conscious and unconscious biases – the process of examination must include processes for identifying and acknowledging biases in organizational processes in the promotion and choice of candidates for decision-making hubs, and personal biases of the managers of the organization and its employees and processes for dealing with them.

Turn the insights into an action plan! Summarizing the results of the inquiry on the basis of the data and their analysis should give you an answer to the question how recruitment and promotion processes and employee turnover in your organization do not support gender balance, and what changes are needed to create a balance in the promotion path in the organization.

3



Set clear goals and chart the path to their achievement

Remember! First you need to understand where you are heading

Take action! Set significant system-wide, realistic and measurable goals

Plan a suite of complementary objectives – on the basis of the data you have collected, you will be able to choose the major areas in which you can create a change so that it will have a significant impact on the organization. Set your objectives in these areas. The objectives must reflect your goals, must be system-wide and must be aligned with the organization's goals.

It is important to plan the set of changes so that they will supplement and support each other and will not create contradictions in the goals, the path or the resources required for their implementation. The change cannot be significant if it occurs in only one area.

The objectives must be challenging and inspiring for the organization, its managers and manageresses. At the same time, they must be realistic in scope and in the schedules planned for their accomplishment. Of course, the objectives must be measurable.

Set objectives that will make a difference – the change objectives must be such that their impact will be felt in the organization.

Look for research on the extent of the effectiveness of the planned change. For example, studies show that results become meaningful to the organization only from a participation level of at least three women in management. If a target for representation has been set, which is more of a fig leaf rather than a gender balancing objective, the process will not deliver the desired results and is liable to lead to the (mistaken) conclusion that the entire project was superfluous.

Define investigation metrics – metrics must be defined according to the objectives and their timelines and according to the desired levels of change: from the general metrics of the long-term strategic objective that was set, through metrics applying to the processes of change, to metrics for short-term objectives.

To each objective, tailor the metrics that enable you to measure progress. Define the frequency at which each measure will be tested. The process is circular, and in each period you will need to again check the measurement results and the effectiveness of the metrics themselves. The processes must be readjusted and the metrics corrected in line with the results.

4



Create a system-wide change

Remember! An effective change is a comprehensive change that is aligned with the organization's goals

To deliver results the change must occur on the structural levels from the aspect of work processes, decision-making and as part of the entire organizational culture.

Take action! Plan processes, tools and structures that support gender balance

Correct work procedures that are damaging to gender balance – your organization's examination process will identify processes that support gender balance and those that are damaging to it. Strengthen the processes that are supportive and change those that are detrimental. Sometimes it takes more than a single perspective to understand that a particular practice is a barrier against gender balance. Thus, for example, the practice of holding management meetings at 7:00 p.m. would seem to be irrelevant to the gender issue, but it can in fact be ostracizing for mothers.

Don't "fix" women – make sure not to make common mistakes such as an attempt to change women – organizations that have been involved in the process for years have described the change in perception they have undergone: if, once, they would take action to "fix" women so that they would succeed in fitting into management positions, today these organizations are acting to advance a comprehensive concept of gender diversity and balance in the organization.

Sometimes, practices that are meant to add more women in top executive positions are liable to lead to the opposite result. Thus, for example, assertiveness workshops for women in the organization are liable, paradoxically, to work in the opposite direction: they may establish the opinion that gender balance is a goal only for the women in the organization and is their responsibility and that it is an issue that does not concern men, and in this manner perpetuate the existing situation instead of changing it. And in the worst case, they are liable to aggravate the situation, either because women are criticized for assertive behavior or because they will teach women to manage like men, and thus, will eliminate one of the major gains of gender balance – creating diversity in management styles in order to enrich the management tool.

Build tools that support gender balance in all levels in the organization and in all its activities:

Verify the involvement of and control by the senior echelon – the visible involvement and control of progress by the CEO and management is vital to the success of the process.

Be ready to make structural changes – there may be room for change in employee development systems, in managerial accompaniment processes, in decision-making processes, in recruitment and promotion. There may be a need for a change in the perception of the work space and working time, such as enabling more work from home or flexibility in working hours.

Tailor the organizational culture – open communications, listening to employees' needs, workshops to examine your own gender biases and awareness of them – will support the promotion of gender balance and diversity processes in the organization.

Define work and decision-making processes – make sure that work teams which make decisions that affect work processes in the organization are gender balanced. Also, make sure that they are obliged to make reference to the question whether their decision impacts women and men in the organization differently, or parents as opposed to employees who do not have children. Although it is true that an organization is not obliged to be the sole party that must adapt and that it has legitimate expectations that its employees will be flexible as well, there are many cases in which dealing with the right questions at the right time can deliver balancing solutions.

Create successes – one of the strongest motives for the continuation of the change process is success in the early stages. These successes justify the effort and encourage its perpetuation. In the gender balance sphere, where results are evident only after some time, managers can help by supporting projects, paving the way for them and facilitating their success. At the same time, however, don't be quick to give up. There will most likely be projects that do not succeed. People who oppose the change will view them as proof of the failure of the move as a whole – don't let them discourage you.

5



Take advantage of the experience of others and of existing knowledge

Remember! You don't have to reinvent the wheel. All you have to do is tailor it to your organization

The process of creating gender balance requires a great deal of resources and there is no need to go through the entire process alone. There are organizations that have already been through the process, and one can learn from them. Learning from the experience of others can help you avoid common mistakes and the price at which they come, be it failing to accomplish the desired outcome or losing motivation and belief in the goal.

Take action! Take advantage of Catalyst and the Israel Women's Network

There are organizations in Israel and in other countries that have been dealing with the subject for some time and have accumulated much knowledge and information about processes in numerous organizations, and have even developed efficient tools for all phases in the process. The international Catalyst organization and the Israel Women's Network, Catalyst's representative in this country, will be happy to help.

Wishing us all
great success!





Cut out and keep – a toolbox to help you achieve gender balance (keep it handy...)

Diversity Is an Opportunity

Five Rules of Thumb for Creating Gender Diversity:



1

Lead the change through committed managers!

Create commitment in senior management levels and give it tangible expression and endorsement:

- In the organization's strategic plans as an overall systemic perception
- In ongoing support and control
- In awarding bonuses for accomplishing gender balance targets

Express your own willingness to develop

Check the organization's readiness for change and choose the suitable time

Show patience and restraint

3

Set clear goals and chart the path to their achievement

Set objectives that are:

- System-wide
- Meaningful
- Realistic
- Measurable

Define investigation metrics and revise them from time to time

2

Have the courage to look in the mirror!

Devote time to learning, understanding and mapping the situation in the organization

Collect data, distribute questionnaires, ask lots of questions and base the change processes on solid data

Explore the data thoroughly and try to understand them. Listen to employees

Deal with conscious and unconscious biases

Turn the insights into an action plan!

4

Create a system-wide change

Plan processes, tools and structures that support gender balance

- Get rid of practices that are damaging to gender balance
- Don't "fix" women

Build tools that support gender balance in all levels in the organization and in all its activities

- Verify the involvement of and control by the senior echelon
- Be ready to make structural changes
- Tailor the organizational culture
- Define work and decision-making processes
- Create successes

5

Take advantage of the experience of others and of existing knowledge

Assisted by  **Panels**

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