Igniting change 2: building the pipeline of female leaders in energy
Introduction

So here we are, a year on from our first report, and, looking at the statistics, you might say that nothing much has changed. We’ve always thought of this as a long-term issue. Coal mining’s been around for centuries: oil production, for around 150 years. And for the majority of that time, the industries that produce energy for us have been almost exclusively a male preserve. So changing that is never going to happen overnight.

I can’t say I’m not disappointed to see almost no change in the numbers from our last report. But POWERful Women, and organisations like it, are keeping diversity on the agenda, even in the current rocky economic environment. We need to make sure that it’s not seen as a luxury item: many of our interviewees for the POWERful Women project have made the point that there’s credible evidence that more diverse teams make better decisions, and that this becomes more, rather than less, important when times are tough.

But I’m determined not to be pessimistic. I’d recommend a career in energy to anyone. Just as I’ve always believed that getting more women into the energy industry, and into senior roles, is something that matters immensely. Not just for the women themselves, so they can share some of the great working experiences that I’ve had, but because of the evidence that more diverse organisations perform better and are more robust in tough times. Businesses that don’t actively seek diversity are depriving themselves of so much talent and really missing out on all the benefits that more diversity can bring.

Since becoming the Chair of POWERful Women, I’ve been delighted to find a real appetite for change in so many of the people I’ve been meeting. I’m more convinced than ever of the scale of the challenge, and of the urgent need to tackle it, and I’m glad to find so many others eager to make the same commitment.

I feel that we’re making progress. It’s slower than we might like, and the current economic climate, particularly in the oil and gas sector, doesn’t help. And we still need to find the ways to translate the positive actions and attitudes that we are seeing into real outcomes.

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When I look back over what we’ve achieved this year, I feel proud of this young organisation. The numbers haven’t moved yet – and ultimately, that’s the measure that we’ve set ourselves to determine whether or not we’ve succeeded. But since June 2014, when Baroness Verma and Laura Sandys MP set up the group, we’ve developed relationships with many of the most influential people and organisations in the UK energy industry; we’ve set up a mentoring scheme and we’re steadily adding new mentors and mentees to it; our website has a mass of useful resources, suggestions for best practice and experiences from across the industry; and many companies in the energy sector have made specific, targeted pledges for change.

I would like to thank our many supporters. POWERful Women could not exist without them, and at a time which is difficult for many parts of the energy sector, their help and commitment is more valuable than ever to us. We are always looking to build relationships with organisations who are interested in supporting our work and helping us to achieve more.

I also want to thank the Board members of POWERful Women. All of them are generous with their time, their knowledge and their contacts, and it’s in large part thanks to them, as well as our broader base of ambassadors and supporters, that we still feel confident that we can make progress.
Executive summary

It’s a turbulent time in the UK energy industry. The dramatic fall in oil prices, the reduction in subsidies for renewables and uncertainty surrounding the UK’s nuclear projects have all played a part.

One thing has stayed pretty much the same. Unfortunately, it’s the very low proportion of women in senior positions in UK energy companies. When we looked at the numbers again this year, we were more disappointed than surprised to find that they really haven’t shifted. Part of the challenge for us – and for you, reading this report – is to continue to find these numbers unacceptable. When we reported on them in our first report, the most common reaction, even from people in the energy sector, was surprise that they were so low and agreement that things needed to change.

The original Davies Report (2011) recommended that by 2015, boards of the FTSE 100 should be 25% female. That target has largely been met (the overall figure for last year was 26.1%). So is there something special about companies in the energy sector that makes this more difficult or impracticable – or is it simply that diversity isn’t something that energy companies are serious enough about? Are we missing a trick? Or is the pipeline of talent so male-dominated that the sector needs to seek more innovative solutions?

So this report really is more of an update. There’s no magic bullet: it’s going to be a long haul to change attitudes and assumptions. We still believe strongly that the recommendations we made are the right ones, and that in time, they will make a big difference. And we have a much better understanding now of the situation and the issues.

Some organisations are leading the way. As of this year, the Office of Nuclear Regulation’s board now has four women and five men. The average tenure of a director of a UK company is under five years. That’s to say that every year, on average, just over 20% of board seats fall vacant. So the opportunities to improve things are there, if organisations are determined to prioritise diversity.

Although everyone we’ve spoken to, both for this report and our previous one, acknowledges that the numbers are still dire, there’s a common theme in what they have told us: things can change, and they need to change.

“It would be bad enough if these statistics were just an embarrassment, but all the research shows they are bad business, which is a luxury the industry just cannot afford at the moment.”

Francis Gugen, Chair, IGas plc

62% of the top 89 UK headquartered energy companies have no women on their boards.

Only 9% of board seats in the energy sector are held by women.

Only 8% of companies have at least 25% female board representation.

“Diversity is on our Board’s agenda, and we’re committed to supporting women’s progression in the energy industry in whatever way we can. We’re delighted that POWERful Women can help us learn about what has succeeded elsewhere and draw on best practice and practical lessons from others.”

Hamish Watson, HR Director, Scottish Power
What are the numbers telling us?

We repeated the analysis that we carried out for our first report. In the interests of simplicity and comparability, we took the same list of 100 companies again. 11 of those 100 had ceased trading, which underlines just what volatility there is in the energy sector at the moment.

So the information below comes from our analysis of the top 89 UK-headquartered energy companies listed on the London Stock Exchange (LSE) and Alternative Investment Market (AIM). Our top 89 includes companies from oil, gas, power and renewables. As most nuclear companies are not publicly listed, these did not fall into our sample. As we recognise the importance of this sector in the UK, we have conducted some additional analysis on nuclear.

Our methodology for company selection and analysis is described at the back of the report.

How close are we to POWERful Women’s target?
We found that only 6% of executive board seats and 9% of all board seats in the top 89 energy companies were occupied by women. Clearly, there is a long way to go to reach the PfW target of 30% by 2030.

Of all 89 companies that we looked at, 62% have an entirely male board of directors. Only two companies in the top 89 have boards with at least 30% women, the level at which a minority group is believed to have a critical mass and a voice. Only seven companies have achieved the Davies Report recommendation of at least 25% female representation on their board.

What sort of companies are doing best?
We found last year that larger companies (with higher market capital) have slightly more women on their boards. This finding holds true again this year: 15% of all board seats for the top 20 energy companies, compared to 7% of seats in the next 69 companies.

Subsector breakdown
Our sample of 89 companies included 76 oil and gas companies and 13 power and renewables companies. We found that power and renewable companies had slightly better gender diversity on their boards – 18% of all board seats were held by women compared to 7% in oil and gas.

The pattern holds for executive board seats: for oil and gas companies the figure is 4%; for power and renewables, the figure is 15%.

Spotlight on nuclear
We reviewed the gender diversity of 15 UK nuclear companies from the Nuclear Industry Association (NIA), all of which are private companies.

Of the 117 board positions available in these 15 UK nuclear companies, 8% are held by women. This is in line with the overall energy picture (women hold 9% of all board seats in the top 89 public companies in our study).

Over half (60%) of these 15 companies have no female board members.

“I really fear that Energy is standing still while many other sectors are now making progress, and at a time when Energy needs diversity more than ever. We need leaders to show real leadership: they are the key.”
Ruth Cairnie, Chair, POWERful Women
Reporting on women in senior management

In our top 89, only 18 companies have reported on the percentage of women in senior management positions and only 23 reported the proportion of women employees. A further complication is that companies adopt different definitions for the term senior management and present data in different ways. So whilst our board data analysis gives a full picture of the top 89 listed UK companies and top 15 nuclear companies, our analysis of gender diversity in senior management is limited to those companies that have reported it. Nevertheless, we are able to provide a snapshot of what gender diversity looks like at senior management level and for the full workforce.

As the results show, the number of women in senior management positions falls short of the 40% PfW target, with reports ranging from 1% to 50%, with a median of 21%.

Further, based on the available data, the potential pool of women available to progress into senior management positions is insufficient to reach the 40% target in the near future. Significant efforts are still needed to attract women into the sector.

What’s going on in the energy sector?

The energy industry is going through major change at the moment. An industry that is, wholly or in part, in crisis is not going to prosper without making some dramatic changes. What’s worked in the past won’t work in the future. And so the organisation that flourished in the past is unlikely to be the same organisation that will flourish in the future. Many energy companies are recognising this and diversifying their activities. We see employee diversity, and appealing at all levels to different sorts of employee, as a key part of this strategy.

Certainly, the messages coming from government and regulators are that this still matters. The recent joint article in Utility Week from Ofgem, ONR and OGA1 sets out very clearly both the business case for diversity, and the responsibility for retail energy customers to be just as diverse as their customers.

How does energy compare with other sectors?

The 2015 update to the original Davies Report of 2011 shows a marked contrast between the energy sector and the FTSE 100. The percentage of female executive directors on boards across the FTSE 100 in 2011 was already higher, at 5.5%, than it is now in the energy sector, at 2%. And now, the number of women in executive positions has almost doubled, to 9.6% across all FTSE sectors. Considering that it’s 2016, those numbers are shockingly low. So what is different about the energy sector? And why is it so difficult to change it?

Part of the answer, of course, has to come down to the history of the sector – those parts of it that are male-dominated. But in 2016, how valid a reason is that? Are companies, their leaders and their HR functions, doing enough to counterbalance that? We examine on pages 9-16 what each group can do to make this happen. And over the coming year, POWERful Women will be identifying and targeting areas where we think we can make the most difference.

What about quotas?

We have asked everyone we’ve spoken to from the start about their view on quotas. There’s a strong, significant majority who are opposed to them. This mirrors views in other industries (11% favour quotas in the 2011 Davies Report). Given the failure of the UK energy sector to improve their numbers, we think that this is something which should be kept under review – although if the argument for quotas in this sector were to be won, that would be an admission that a voluntary approach can’t succeed in the energy sector. A voluntary, industry-led approach has had impressive results across the FTSE 350: it remains to be seen whether the energy sector is lagging behind or stagnating.

Gender pay gap reporting is the Government’s next big initiative, and companies will need to start preparing for this soon. By April 2018, all companies with more than 250 employees will have to publish (both online and in annual reports) their gender pay gap. What’s more interesting is that they will also have to publish it by salary band, highlighting the approximate gender balance within those bands. Some companies, such as Good Energy, are already ahead of the curve and publishing the data.

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1 http://utilityweek.co.uk/ErroneousAnonymousSubscribe/blog-women-and-the-energy-industry#v7AP1M-P_twitter
Spotlight on good practice

“I think we’ve made the commercial case for diversity at a senior level but it may still need to percolate down. We need to reflect the communities and customers we serve – it’s good for business and that’s the bottom line. We are there in your street, knocking on doors, digging up the pavements – why shouldn’t that be women? You don’t need to be a big burly bloke these days. Technical advances have changed the physicality of these jobs. We’ve got a programme called “From Headset to Hard Hat” to encourage women in customer advisor roles to look at getting out there into the streets – when you phone up the gas emergency line if you smell gas, you’re likely to speak to a woman, so why shouldn’t a woman come to sort it out. We need to reflect societal change.”

Cordi O’Hara, Director, UK System Operator, National Grid

“168 women work for me at different levels across the world, and I know all of them. I gave a talk three years ago and was given a bronze statue of a woman helping another woman up a staircase. And on the first of every month, it gets sent from one of those 168 women to another, with a testimonial saying how the recipient has been inspiring and motivational. We collect these testimonials together and they provide uplifting reading for us all. It creates a connection, a network, stories. And I go and visit the statue – I go to the desk of the woman who has it, to greet the statue and the inspiring female Explorer.”

Ceri Powell, Executive Vice President Exploration, Shell
What can CEOs and other senior people do?

We’ve chosen to consider what CEOs can and should do to increase diversity as the first of three questions. Why? Well, it’s because one message that came through repeatedly from our interviewees, and which is echoed in research into working environments all over the world, is that the tone from the top is absolutely crucial.

In our first report, we identified the responsibilities of the CEO as follows:

- Lead by example
- Set and communicate targets
- Build a solid pipeline

The conversations we’ve had since then, and what we’ve observed in the industry, simply underline these responsibilities. As Adriènne Kelbie, recently appointed as CEO of the Office for Nuclear Regulation, observes:

“It’s no longer about policies, it’s now about attitudes. Don’t tell me that if a CEO and Chair want something to happen badly enough, it won’t happen, because I believe it will. So we have to ask, why isn’t it happening?”

And Tanuja Randery of Schneider Electric stresses the importance of the tone from the top in her company:

“Our CEO is a genuine advocate of diversity. He sets the standard and his message cascades down. People want to be part of this, his charisma and drive, and they follow. I think it’s hugely important that CEOs actively promote diversity.

We need more leaders in the energy industry to “make it happen”. There’s certainly an argument that it’s easier to do so in the public than the private sector, but the influence of the CEO and his or her team can’t be overstated.

HeforShe

The HeforShe initiative, started in September 2014 by the UN organisation UN Women, is an idea whose time has come. Many of our interviewees have referred to it and its central idea – of male advocacy for female equality. Jean-Pascal Tricoire, CEO of Schneider Electric, is a passionate advocate of HeforShe and is one of the original ‘10x10x10’ organisations and individuals to get the initiative started.

We think that in a male-dominated industry, increasing the number, seniority and overall influence of women is something that can only be achieved by enlisting the active support, sponsorship and promotion of senior men. As Cordi O’Hara, of National Grid, puts it:

“The big strategic thing I want to happen this year is around men as agents for change – like HeforShe.

Yes, we have great women role models and we need to promote them, but our men need to be able to tell the story too, especially in engineering. We have to find a way to include them in the conversation. Here at National Grid, there’s great support for diversity at the most senior levels, but we need to make sure we include people further down the chain of command.”

Stephen Lovegrove,
Permanant Secretary, DECC

1Google Scholar
**HR and recruitment**

In our first report, we identified what HR can do to drive diversity:

- Demand diverse shortlists
- Report on gender diversity
- Align talent management processes

Obviously, this isn’t just a question for HR or recruitment departments. Like all initiatives to increase diversity, they need to be led from the top and adopted by the business as a whole.

Diversity isn’t an “HR thing”. It’s a business thing. All our initiatives need to be owned and actively promoted by the business and its leaders.

Hamish Watson, HR Director, Scottish Power

Of course, one major change which has been announced since we published Igniting Change is the Government’s announcement of the requirement to publish gender pay gap statistics, for any company with over 250 employees.

We welcome this initiative: we believe that reporting and measuring are effective ways to drive behaviour. Although the full detail of the metrics that companies will have to report on is still to be released, we also welcome the fact that segmentation by seniority appears to be part of the reporting requirement. We think that this will help to focus further attention on the attrition rates in early-mid career for women in the energy sector, and encourage companies to think more creatively about how they manage and respond to that issue.

Another subject which has come up repeatedly in our conversations is about the language we use when we talk about job and role descriptions. It may seem like a small point, but it could have a huge impact. Professor Averil MacDonald, the chair of UK Onshore Oil & Gas, points to research that demonstrates that men are more likely to self-describe and identify using verbs, and women using adjectives. “We need to talk about jobs in terms of the sorts of people who will succeed in them, not just in terms of the skills they’ll need,” she says.

The responsibility of employers to challenge their recruitment processes and question what experience is genuinely essential to a particular senior role was also commented on. One experienced board member said:

“My board experience has been a total eye-opener – in recent years, I’ve seen that where there’s a challenge to find female candidates, it means that compiling the shortlist has to be a much more creative activity and it comes up with different, and in my view better, suggestions. A board may choose to say “We already have 70 years’ Board experience of the sector between us: it’s fine to appoint someone without Board experience if they have other things that we’re looking for”. I think that’s great – and it’s changed over the last decade or so – before that, there were more barriers.

Adriènne Kelbie of ONR considers that one of the most important things she did in her first couple of months there was to change the job descriptions for some vacant senior roles:

I think that when you create job descriptions, you have to think carefully about what you actually need. If you really challenge yourself on that, you will get a more diverse applicant pool. So don’t ask for a degree unless you actually need that degree. So, for example a communications role, you might want journalism experience rather than a degree – that opens up the role to people who might not have been able to afford to attend university. I’ve revised the job descriptions for all six of the senior roles we’ve recruited since I arrived, so they reflect what we actually need. I’m always looking for leadership of people, and the ability to work corporately. I don’t care if you’re fantastic at science – if you can’t work corporately or focus on getting the best out of your people, you will not get a senior leadership role under me. I’m looking for emotional intelligence and people skills – and being clear that I’m looking for those alongside great science skills – means I should be able to attract a more diverse candidate pool.

“...So what’s going wrong? As our research has shown, “tone from the top” is absolutely crucial. While we were looking at company reports to produce our update, we noticed that some companies now have encouraging statements about “recognising the benefits of gender diversity”. However, despite this, there is still evidence of organisations with all-male boards and management committees as demonstrated in one Annual Report which stated:

Gender diversity – All of the Executive and Non-Executive Directors are male reflecting the relatively low level of gender diversity at senior levels in the upstream oil and gas industry generally. The Committee recognises the benefit of gender diversity however with due consideration for current circumstances there is no immediate plan to change the composition of the Board. The Board is diverse in respect to skills, experience and cultural background.

Against the backdrop of the Davies Report’s target of 25% female board representation by 2015, this is worrying. We know that increasing gender diversity is not always easy, but we do believe that it’s important. And while we recognise that there may be some underlying factors behind situations such as this, it’s vital that organisations are being seen to actively address this gender agenda across all levels of their organisation - if not, they run the risk of being seen to simply pay lip service to this issue by their stakeholders, customers and future employees.
Working flexibly – case study
Susannah Storey and Jo Shanmugalingam have been job-sharing as Director of Strategy at the Department for Energy & Climate Change (DECC) for three years. We spoke to Susannah about how they make it work:
Jo and I have different career backgrounds. I came into the civil service from investment banking, whereas Jo is a career civil servant. I think for a really successful job-share, it’s crucial that you have two people with equivalent (not necessarily equal) types of experience and skills. More importantly, they need to think the same way about things, have the same appetite for decisions.

In terms of reaction to a job-share, I think our external stakeholders may have been unfamiliar with the arrangement at first, but my sense is that they now welcome the idea of having two relatively senior relationships. The feedback we get is that they “don’t see the gap between us”.

On a practical note, we each work three days a week, with Wednesday as our handover day. We split all our responsibilities equally – we don’t look after separate areas. So we try to make sure important corporate meetings happen on Wednesdays (e.g. Executive Committee), or that they’re on a 10-day cycle so that we alternate attendance at team meetings for example. The same goes for our stakeholder meetings which we try and alternate where we can. But of course this can’t always work neatly.

What have we learned? Well, it’s relatively easy to do a handover to one another on the transactional elements of the job – for example this event happened, this issue is outstanding, this can’t always work neatly.

An advantage of the job-share arrangement for our employer is that each of us hands over and leaves at the end of the three day working week, but of course you carry on mulling things over while the other person works on them; then, when you get back in the office there will be progress, but there’s also been time for reflection, which makes it an efficient system. I’d say DECC gets good value from us as a result.

My sense is that job-sharing is incredibly rare in the private sector and industry. I think there’s a general assumption that it just won’t work, but I strongly disagree with that. I’m always sceptical of the reasons given: everyone’s busy and perhaps it’s hard for people to imagine putting together a rounded, professional offer and making it work. In service industries, the pushback is often that client contact or deal situations can’t be split between people. I don’t necessarily believe that – in part because I don’t believe it’s been tested, so how do you know it won’t work? We have a complex job which we are able to split effectively. I can see that job-sharing in some roles might suffer from a supply problem – there simply might not be anyone else with the right experience who wanted to do a particular role. But I still think we should challenge the notion that certain jobs simply can’t be done as a job-share. In addition, this sort of arrangement doesn’t need to be thought of as permanent – it can be an option to enable you to keep people in their jobs at appropriate levels.

When I think about the sorts of levers that you could pull to change things, here’s an example: could the definition of a director in the Companies Act be changed so that it’s possible for a director to be two separate people job-sharing, not just one person? When I was a non-executive director of a company, I often wondered if I could have done it as a job-share.

The other thing this working model gives you is enormous resilience. Jo is interested, engaged, knows precisely what’s going on in our job – and the particular issues, both short and longer term, matter enormously to her too. We are on a joint career journey. That is not something I had considered before I started, but which makes it hugely resilient as a model.

Working flexibly
National Grid’s Cordi O’Hara has a practical suggestion for spreading the word about flexible working:

We’re publishing a Yearbook that will showcase fantastic female role models in National Grid. We’re a big organisation and they aren’t always as visible as we need them to be. We’ll use it as a “mythbusting” – showing you can work flexibly, have a family, have outside interests, and still succeed.

So are we too quick to assume that most roles can’t be made flexible? Advances in communications and technology mean that the real barriers are far lower. We believe it’s crucial for businesses to challenge themselves in this area – as we said in the previous report, to change the default answer to Yes, and then find a way to make it work.

And another of our interviewees recalled an instance where a relatively straightforward system and process change lifted a barrier to flexible working:

Interestingly, some very basic factors affect assumptions about limitations. For example, in our retail business, customers have a named customer support contact. Our IT system made it impossible to have more than one named contact per customer, which meant that we might have ruled out job-sharing on the basis that our systems didn’t support it, which isn’t a valid reason. And the senior managers with the authority to solve the problem don’t necessarily see or find out about the problem, because in this case the junior managers responsible for hiring assume that it has to be that way.

It seems easy to find great examples like DECC’s in the public sector, where flexible working is perhaps more embedded than in the private sector. But it’s happening in the private sector too, and at senior levels – for example, Maggie Van’T Hoff, Shell Retail UK’s CIO says that her flexible working arrangements have benefits for her team as well as her personal life:

I feel more connected with my family and my home and everything that’s going on there. I have three kids in three schools, which can get hectic, but I feel that I’ve got that space on a Friday to deal with it.

I also think that my team step up more as a result of me working flexibly. I’m giving them more support in their career to shine – it gives them the chance to step up and be leaders, rather than me just micromanaging the whole time.

Like others we spoke to, Maggie makes the point that it’s not just about women:

What’s interesting is that at Shell we have brilliant flexible working policies, and I’m trying to make people aware that you can have a career and work flexibly. Some of the old paradigms that people hold around the idea that you can’t move up the ladder and work 4 days a week – I disagree with that. I think that as long you deliver on your commitments and that you’re clear on any expectation-setting, then you can. I’m trying to break that perception.

I also want to see more men working flexibly. Millennials will demand this, and we need to get ready for it as an energy sector.
What can women do?

In our first report, the things that our interviewees and polling suggested would help women most were:

- Seek out opportunities
- Build your network and sponsorship
- Be aware of, and learn, the rules

It’s very easy to say “Women should do this… Women are too (this) and not enough (that).” To blame them, in fact, for their relative absence from the top layers of the energy sector. We think that’s both wrong and unproductive. If companies are serious about diversity – whether because it’s the right thing to do, because of the business benefits it can bring, or even just because it’s 2016 – then they, and in particular their leaders, need to really examine what barriers and assumptions may be standing in the way of their goal.

For example, it’s a well-documented phenomenon that women are less likely to put themselves forward for promotion, and more likely to rule themselves out for roles for which they’re qualified, than their male counterparts. There’s been a fair-sized industry for many years in producing books and other material designed to teach women to behave more like men in these matters. And yet clearly, if that approach worked, we’d be a lot further along the road to equality and diversity than we are.

Professor Michelle Ryan of Exeter University’s research has shown that although women and men start off with the same level of ambition and aspiration, “while men’s ambition increases over time, women’s decreases. My research suggests that this drop is not associated with wanting to have kids, or to stay home and look after them.”

We don’t believe that it’s special pleading – indeed, there’s plenty of research to say that it’s simply a matter of fact – to say that the average woman in a working environment may behave differently from the average man in some situations. Certainly, women have some responsibility to try to adapt their behaviours, but it’s not as simple as just “fixing the women”.

When the Davies report was published, I went to a couple of events, and was very struck by someone saying that corporate structures are designed by men, for men.

Senior industry executive

We do believe that it’s unreasonable to expect all of the adjustment to come from women themselves. Businesses change all the time: the 1874 Factory Act limited the working hours of nine-year-olds to 56 hours a week, and no doubt there were much the same protests as there have been over the introduction of the minimum and the living wage. So suggesting that businesses may need to change the way they do some things if they are serious about wanting to increase numbers of women at senior levels isn’t a demand to privilege women over men. For example, they may need to learn to explicitly value different characteristics:

Here’s a difference between men and women. Knowing when you’re ready. Men may be over confident, but it works. If you’re 60% there, you can learn the rest on the job. If you’re 100% ready you’ve missed the boat. I’ve had to ask women to apply for jobs and to be prepared to learn on the job. I don’t think that compensating for that difference is baked into our processes. I think it’s my responsibility to spot talent, make approaches, push.

Cordi O’Hara, National Grid

But the one thing that our interviewees do, pretty much universally, encourage and say is necessary, is that women who want to progress become more confident – or at least more daring about – risk-taking:

I’d like women to take a “bold pill” and ask for opportunities to help them develop – what’s the worst that can happen? Maybe you’re thinking “I’ll get fired!” but people don’t generally get fired for asking for help to get better.

Adrienne Kelbie, Office for Nuclear Regulation

I strongly believe it’s better to take the plunge and build your plane on the way down.

Tanuja Randery, Schneider Electric

1 Source: The Guardian

In 1999, I was asked to head up Shell’s Competitive Intelligence team, which was very new in the oil industry. I remember going to a pharma conference to find out about the subject. I had a very young team, and we were tasked with informing Shell’s executive team that other companies’ strategies were beating ours. I had to encourage my team to be brave, to tell the truth. One day we were having a team meeting and we asked, “What would we say to the CEO if he was here?” So I went up and talked to his PA, and said “Could we have 20 minutes with him?” and she said yes, and he came down to talk to us and ended up staying for 2.5 hours. So the point is to take that risk, to open that door. As a result, I became business advisor to the Upstream CEO and had the chance to become a senior leader through taking that one moment of risk.

Ceri Powell, Shell
POWERful Women: activities and projects

POWERful Connections mentoring programme

POWERful Women aimed to create a highly targeted programme for women who were intending their next career move to be to a board level position, and whose experience and skills reflected that.

Since beginning he programme in summer 2015, POWERful Connections has identified suitable mentors for almost 20 women. They have also received a number of applications from women who are not yet at the level in their career which was reflected that.

So what’s in the pipeline? A new working group has recently been set up to develop the programme and establish what women who are currently working at middle to lower senior management need, in order to help them reach senior management.

Case study: Keely King

Keely is Head of Customer for Triin, a joint venture between Morrison Utility Services and Skanska. We talked to her about her mentoring relationship with Darren Abraham, CPO of First Utility.

It has been really eye-opening to have someone that’s not “in the bubble” with you (in your role, in your organisation) – it’s really opened my eyes to the wider sector, rather than just my silo. There have been loads of benefits to the scheme though. Darren is really down to earth – when I first met him, I didn’t feel straight away that I was with a high-flying executive. I felt very relaxed, and we had a good connection straight away!

It’s been really nice to talk through scenarios, where you can just be open and honest about areas where you need to be stronger and to develop, and it’s been really useful for him to have imparted some of the experiences he had with some of the same problems early on in his development.

How, if at all, have you been measuring your success with the scheme?

For our second meeting I’d written a development plan with actions, timescales, different supporters I would need both within my organisation and externally – so that all documented and that’s how I’m measuring my success, from where I currently am in my career to the future state of where I want to be.

If I’m honest, if I hadn’t gone out to find a mentor, I don’t think I probably would have had this development plan so clear in my head. Having Darren as a sounding board, someone that was literally there just to advise on my development has just let it click into place – it just fell into place, and I knew exactly where I wanted to get to.

There’s been a few lightbulb moments – I’ve never had a mentor before, so I wasn’t sure what to expect from doing it. I don’t think I realised how prepared I was to say my soul bare in front of a stranger: to really show what my strengths were, and all my weaknesses and the things that I struggle with. But I think that if you’re going to be mentored you have to do that to get the best out of it. I had to be completely open and honest with Darren so I could get as much as I could from him.

Keely and Darren: When I first said I’d do it (be a mentor), I didn’t really know what it would involve. I’d been involved in mentoring schemes before – but internal ones. There are differences: I feel we have much freer rein to have really wide-ranging conversations, because we’re not constrained by the framework of a company mentoring scheme – I’m not responsible for any employer point of view. It’s not as structured – I feel I can really focus on Keely’s, rather than the business’s, needs. I don’t know how much longer our mentoring relationship will last, but of course, even when that comes to an end, there’s still a good business relationship there.

Company pledges

One of POWERful Women’s activities since it was set up has been to encourage both organisations and individuals to make pledges relating to our goal of increasing the number of women at senior levels in the energy sector. The pledges made by organisations are published on the POWERful Women website and here in this report.

We believe that pledges are a powerful way for a company and its leaders to commit to action.

POWERful Women always welcome more pledges, so if you’re interested in getting your organisation to make one, or want to make a more personal one, visit www.powerfulwomen.org.uk. Schneider Electric’s Tanja Randery comments about the benefits of publicly setting a goal:

“We’ve pledged that by 2020, 40% of all senior roles and 30% of executive roles at First Utility will be female. Today, 36% of our senior roles are held by women and we are committed to meeting our target by tackling the barriers to women achieving their all within our business, boardroom and the energy sector in its entirety.”

Ian McGaig, CEO of First Utility

Cuadrilla

Cuadrilla pledges that at least 40% of our middle management will be female by 2025 and that we will support, through our community donations programme, initiatives which encourage more young women to pursue STEM subjects

Alstom

Alstom will continue to grow and develop its Women’s Network. Alstom’s UK President will personally support the POWERful Connections mentoring scheme

Centre for Leadership Performance

Centre for Leadership Performance will commit to raising the engagement of girls in the Dream Placement programme to 50% by 2016

DONG Energy

DONG Energy will commit to reaching over 30% of women in management roles by 2020

E.ON

E.ON will commit to increasing the number of women at senior levels, building on the growth in recent years, with targeted development, internal support networks and mentoring

Good Energy

Building on the company’s existing 50:50 board, Good Energy is now aspirating to create a 50:50 Senior Executive team and Head of Department roles over the next five years

PETROLIUM GEO-SERVICES

PETROLIUM GEO-SERVICES (PQS) pledges to exceed the POWERful Women’s goal of 30% of board members being female

Scottish Renewables

All Scottish Renewables offshore conferences will include at least 30% female speakers, panellists and chairs

Igas Energy PLC

Igas Energy PLC commits to the development of our female workers through initiatives such as internships, apprenticeships, mentoring, career planning, internal development and leadership masterclasses and aspirations to women representing 40% of Senior Management by 2025

British Gas

British Gas pledges to increase the number of female engineers including through supporting at least 50 female engineers and apprentices on career development and launching a new mentoring programme

Department of Energy and Climate Change

Department of Energy and Climate Change will commit to women representing 44% of Senior Civil Servants by 2017 and 50% by 2025

EDF Energy

EDF Energy will continue to support these women and increase female representation in all talent streams

First Utility

First Utility will commit to increasing the proportion of female executives to 30% and the proportion of women in senior roles to 40% by 2020 (within 5 years)

Linklater

Linklater have an aspiration to have 30% female board membership by 2018. We also aspire to have no less than 30% of new Women Partner promotions from now on.

Petroleum Geo-Services

Petroleum Geo-Services (PQS) pledges to exceed the POWERful Women’s goal of 30% of board members being female

RES

RES will commit to develop its existing mentoring programme to include more women, in order to increase diversity in leadership and senior management

Scottish Renewables

All Scottish Renewables offshore conferences will include at least 30% female speakers, panellists and chairs

Trillion Fund

The Trillion Fund will pledge to always have 50% female representation at all levels

Power of 100

100 organisations have signed up to the POWERful Women 100 pledge so far – the goal is to achieve 100 organisations as signatories by the end of 2015.

Power of 100 is owned by the UK Energy Foundation and was launched at the All Scottish Renewable offshore conference in July 2015.

John Proctor, CEO of the UK Energy Foundation comments that it was “great to see so much enthusiasm at the conference from businesses and organisations keen to promote gender diversity at senior levels”.

“While the commitment is to 100 organisations by the end of 2015, the intention is to create a lasting movement of support for gender diversity in the energy sector.”

The POWERful Women 100 pledge states that an organisation will make a public commitment to having 30% of women at board level within five years of the pledge being signed.

As of August 2015, there have been 100 organisations that have signed up to the pledge, which has been signed for by the Chair or CEO of each organisation.

The list of organisations committed to the POWERful Women 100 pledge is available at www.powerfulwomen.org.uk/100pledge.
Appendix 1:
Methodology for data analysis

To make our results replicable, we analysed the same companies we used in last year’s report. Of the top 100 publicly listed Energy Companies, 11 have since been delisted, so we have performed our data analysis on the remaining 89. All of the 15 key private nuclear companies in the UK identified last year remain active, so we used all 15 again.

Our aim is to understand gender diversity on the board of directors, based on publicly available information.

Sector definition
Our definition of ‘Energy’ included:
- Oil and gas companies – including upstream, oilfield services, downstream, storage and transportation;
- Power companies – including electricity, nuclear and renewables.

Excluded from the scope of our 115 (now 103) companies were the water industry, mining and construction companies.

Top list creation
Last year, we identified the top 100 energy companies listed on the London Stock Exchange (LSE) and the Alternative Investment Market (AIM), all headquartered in the UK, in order of market capitalisation. We came up with a list of 84 oil and gas companies, and 16 power and renewables companies. Taking into account delisted companies, this year we have looked at 76 oil and gas companies, and 13 power and renewables companies. The top 89 public companies had an aggregate market capitalisation of approximately £160.88 billion as at 15 March 2016.

In constructing our database of board number and composition, we have excluded directors who were mentioned as retired or resigned in the annual reports. Company secretaries were not included as company or board directors.

Analysis approach
Each company was evaluated on:
- Gender diversity of the board
- Composition of the board (i.e. executive and non-executive roles)
- Gender diversity variation by subsector, company size and board size

Terminology
For consistency throughout the report, we use the term ‘directors’ to refer to those on the board of directors, including executive and non-executive directors.

One company (Max Petroleum PLC) had no new data to report so we have used the most recent figures available (i.e. the same again).

Exclusions
We focused our analyses on these 104 companies to establish a meaningful dataset for which there is publicly available information, and focused on companies which have the most potential to bring about influence and change within the energy sector in the UK. As a consequence of this approach, small and mid-cap companies, and those who base their headquarters outside of the UK (including the Channel Islands) have not been considered in this analysis.

We believe that the information from our qualitative interviews is reflective of these organisations.

Data and information sources
For public energy companies, we extracted board membership, senior management and employee data and information from the latest company annual reports, correct as at 20 April 2015. Our market capitalisation data for publicly listed companies were taken directly from the exchange where they are listed – London Stock Exchange and Oslo Børs, corrected as at 15 March 2016. For private nuclear companies, we used board of directors and financial information from the latest available company annual reports.

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We would like to express our thanks to the many contributors to this project, and most notably all those that gave up their time to be interviewed. In addition to all the people we spoke to for our first report, we are very grateful to the following individuals:

Adrienne Kelbie
Office for Nuclear Regulation

Professor Averil MacDonald
UK Onshore Oil & Gas

Ceri Powell
Shell

Cordi O’Hara
National Grid

Darren Braham
First Utility

Dorothy Thompson
Drax

Francis Gugen
Chair, Ransol plc

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HR Director, Scottish Power

Ian MacCaig
CEO first Utility

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CEO Good Energy

Keely King
Trio

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Shell

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Susannah Storey and Jo Shannugalingam
DECC

Tanuja Randery
President, UK & Ireland, Schneider Electric

Island Group
Office for Nuclear Regulation

The Nuclear Institute

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