Digital Industry

Fact Sheet 7

Gender equality-oriented working cultures and methods

The digital industry plays a key role in digitalisation as it produces the technologies needed to enable digital transformation and drive it forward – also in other sectors as well as in society as a whole. Companies in the digital industry develop countless products and services that have become indispensable in the modern world of life and work, such as

» software like mobile apps, tools for video conferencing or for staff management,
» devices such as personal computers or mobile phones (hardware),
» IT infrastructure (networks), e.g. within companies, but also in the public sphere (for example the development of a 5G infrastructure), or
» basic services, such as consulting and training on digital technologies, as well as marketing and selling these digital goods and services.

Women in the digital industry – still an exception

Already when accessing the relevant courses of study and training, girls and women are at a disadvantage due to gender stereotypes and institutional framework conditions (see Fact Sheet on education). Because of this and as a result of the framework conditions prevailing within the industry itself – e.g. the high demands regarding time availability – the sector is **characterised by gender inequalities**.

» The proportion of female employees in ICT occupations is very low: **although the number of employees in such occupations is growing overall, the proportion of women is still at a mere 17 per cent**. Women are thus, of all occupational fields, hardly represented in one field in which the gender pay gap is lower than elsewhere: in the digital industry, it stands at 7 per cent. Nevertheless, there is need for action in this regard as well because the gender pay gap increases as the size of companies decreases – and small and medium-sized companies are extremely common in the digital industry. For them, legal regulations such as the German Pay Transparency Act (Entgelttransparenzgesetz) are not effective either (see the Fact Sheet "Digitalised economy" for corresponding policy recommendations).

IN THIS FACT SHEET

» Women in the digital industry

» Work cultures

» Agile methods

The growing digital industry is a driver of digitalisation. Therefore, it has a special responsibility for shaping digitalisation in a gender-equitable way.

» Women are underrepresented in management positions in relation to their share of all employees within the industry. This is true for the second management level but is particularly pronounced at the first/top management level. **Women in top management in the digital industry are a rarity**.

» A Europe-wide study shows that women are also more likely to leave the IT industry than their male colleagues. This is especially true in the important career phase between the ages of 30 and 44, which often coincides with starting a family and with childcare obligations. In 2015, 1.4 per cent of male employees left the sector for such reasons, compared to 8.7 per cent of women. **Overall, employment stability in this industry is lower for women than for men.**

Labour turnover rate

Employment stability can be described using the labour turnover rate as an indicator. The turnover rate measures the sum of all hirings and departures in relation to the total number of company employees: the higher this rate, the more unstable the employment situation at this company. In a special evaluation for the Expert Commission, Hohendanner calculated a turnover rate of 0.469 for women in the IT sector – and only 0.386 for men.

The imbalances in staff composition also have an impact on the products of the industry and on the design of digital technologies. Digital products that are developed and tested by homogeneous groups ("I-methodology", see Fact Sheet "Technology Design") are developed "bypassing" diverse other needs – and are thus presumably also less successful. Companies should therefore pay attention to more diversity, also in their own economic interest.

Fix the company – not the women

How can such a change be achieved? It has often been advocated and demanded that women "adapt" to the existing organisational and cultural conditions within the IT industry ("fix the women"). However, this has not proven to be effective, as the current findings show very clearly. Therefore: Companies must start with their own framework conditions and change these in order to attract and retain women ("fix the company").

Important starting points for this are work cultures and methods, especially regarding the very agile methods that are popular in the industry: these must be reviewed and adapted with regard to gender equity and equality.

Work cultures in the digital industry

To achieve higher representation and participation of women in the industry and to make work cultures more gender-equitable, companies should take action in the following areas, among others:

» It is widespread in the industry to expect workers to accept longer working hours to finish or "save" projects. This kind of work culture implicitly assumes that workers are available around the clock. Such demands are hardly compatible with care obligations, which continue to fall more frequently on women. This situation is reflected, among other things, in the low proportion of part-time work offered in the sector. The average weekly working hours of women in the digital industry are higher than in other professions. **In this regard, it is thus important to identify, reject and reduce (often unarticulated) demands for over-performance, as well as to facilitate reconciliation-friendly working time arrangements.**

» According to studies from the US, gender-related discrimination such as sexual harassment or bullying is more frequent in the digital industry than in other sectors; and women are more often affected by sexual harassment than men. Such experiences lead to resignations – on the part of

the affected employees as well as those who witness it. Given the low overall percentage and high turnover rate of women in the digital industry in Germany, it can be assumed that the situation is similar to that in the US. **Companies need to develop measures against such discrimination and create a discrimination-free working environment for women and other affected groups in order to keep them in the industry.**

» There is a lack of female executives serving as positive role models for more gender diversity at all levels within the digital industry. If there is a group of women in top management, this also leads to a change in work culture and signals that a company is open to women and mixed-gender performance teams. Possible steps to increase the number of female managers include **active recruitment, i.e. targeting women who are eligible for management positions, or highlighting additional vocational training or application opportunities. Furthermore, time and space for networking should be made available and promoted**. One example of a network bringing together diverse stakeholders is the initiative *SheTransformsIT*.

SheTransformsIT

Stakeholders from various fields have been coming together since the end of 2020 in the SheTransformsIT initiative, aiming to attract more women to the IT sector and to keep them there. The initiative focuses on networking between business, politics, science, culture, and civil society. The demands and positions of the campaign make it clear that this must be done at all levels of education: girls and boys must be encouraged to develop and expand their digitalisation-related skills without gender stereotyping, starting already in early childhood education. To successfully win women for the shaping of digitalisation, this educational goal must not be abandoned throughout the entire course of learning and studying – be it in schools, universities, in (training) companies, or in advanced/further education and vocational training. Moreover, the framework conditions must be right beyond the educational system: gender stereotypes in the media, for example, should be overcome and more emphasis should be put on digital-savvy female role models. Meanwhile, the support for female entrepreneurs can receive a boost through equal representation on grant- and funding-awarding bodies. Politics can also contribute to more diversity, for instance by aligning public procurement practices for AI systems and other digital products with the respective appropriate criteria.

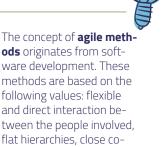You can find the campaign SheTransformsIT at this link: www.shetransformsit.de

In order to stimulate gender-equitable changes with regard to work cultures in the digital industry, the Expert Commission recommends:

» State-owned companies as well as state and federal authorities should take on a pioneering role. In their ICT sector, gender-equitable work cultures and organisational practices should be developed and implemented.

Agile methods in the digital industry

Agile work processes are part of modern management in the digital industry. Examples are Scrum, eXtreme Programming (XP), Crystal or Feature Driven Development. These methods offer opportunities in terms of equity-oriented work organisation, but also come with risks:

» Flat instead of classic hierarchies: The shared responsibility of all participants for a project leads to flatter hierarchies. This can result in better capability realisation, in particular for female professionals. At the same time, however, subconscious gender stereotypes are not automatically eliminated. In addition, colleagues can be unconsciously attributed or denied supposedly typical characteristics because of their gender: Men, for example, are often thought to be more tech-savvy and more likely to be entrusted with tricky programming problems. Women, in turn, tend to be ascribed more diligence, which supposedly makes them better qualified for documentation tasks. A superficial "sameness" of all people involved could prevent such issues from being addressed. It

The concept of **agile methods** originates from software development. These methods are based on the following values: flexible and direct interaction between the people involved, flat hierarchies, close cooperation with customers, fast functionality with high-quality standards for products and services.

can also add to the fact that still existing and factual hierarchies and power relations in the company – and thus also the related gender inequalities – are not adequately reflected and addressed.

» **Clear assignment of roles and tasks:** Identifying and marking out activities to be performed creates transparency and thus makes women's work achievements, which are often "under the radar", more visible. However, there is a danger of stereotypical task allocation and performance evaluation in this regard as well: good communication skills, for example, are often attributed to women; and corresponding activities are thus assigned to them. This can lead to the effect that a lack of communication skills is evaluated more negatively in female than in male employees/applicants.

» **Quick as well as time-dependent decision-making formats and product development cycles:** For employees who reconcile paid work and (unpaid) care work and are dependent on clear time limits for their employment, quick and time-bound formats offer advantages. On the other hand, narrow timeframes leave little time for reflection. Decisions made under time pressure are often based on internalised ways of thinking (and thus also on gender stereotypes). This can have a negative impact on the work processes and the work culture.

With regard to agile work methods, the Expert Commission recommends:

> » Agile methods should be interlinked with participatory technology design approaches such as GERD (see Fact Sheet "Technology Design"). Private providers as well as the Chamber of Industry and Commerce should include a module on gender and diversity competences in their certification courses on agile methods.

Further reading

» Chapter B.I.2 in the Expert Opinion part of the Third Gender Equality Report of the German Federal Government, available (in German) at: https://www.bmfsfj.de/gleichstellungsbericht

» Agency for the Third Gender Equality Report of the German Federal Government (2021): Shaping digitalisation in a gender-equitable way. Summary of the Expert Opinion of the Third Gender Equality Report of the Federal Government. Berlin: Agency for the Third Gender Equality Report. Download at: https://www.dritter-gleichstellungsbericht.de/de/topic/50.english.html

» Jeanrenaud, Yves: MINT. Warum nicht? Zur Unterrepräsentation von Frauen in MINT, speziell IKT, deren Ursachen, Wirksamkeit bestehender Maßnahmen und Handlungsempfehlungen. Expert opinion for the Third Gender Equality Report of the German Federal Government.

» Mauß, Bärbel/Schrader, Gertrud: Computerisierung und Frauen∗arbeitsplätze - Feministische Perspektiven auf Informations- und Kommunikationstechnologien. Sicherung feministischer Wissensbestände der 1980er und 1990er Jahre. Expert opinion for the Third Gender Equality Report of the German Federal Government. Both expert opinions are available (in German) at: www.dritter-gleichstellungsbericht.de/de/topic/62.expertisen.html

» Hohendanner, Christian: Geschlechtsspezifische Arbeitskräftefluktuation, available (in German) at: https://www.dritter-gleichstellungsbericht.de/de/topic/67.doku.html