



# Schneider Electric

A Global Leader in Gender Equality Addresses Challenges in Recruitment, Retention, and Pay Equity

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## Access to Power and Renewable Energy as an Alternative Solution

Renewable energy (RE) is growing rapidly as an alternative solution in Africa. By 2040, RE could account for more than 60 percent of new power generation in Sub-Saharan Africa (SSA), and this expected expansion will create new jobs.<sup>1</sup> In 2020, the International Renewable Energy Agency (IRENA) estimated that the RE sector employed 219,000 people in SSA, and about half of these jobs (110,000) were in the off-grid solar photovoltaic (PV) sector.<sup>2</sup>

## Renewable Energy Sector and the Gender Gap

Women, however, remain largely under-represented in the renewable energy sector. The International Renewable Energy Agency (IRENA) estimated in 2020 that women comprise only a third of the global RE workforce.<sup>3</sup> A forthcoming International Finance Corporation (IFC) study on women in RE in Sub-Saharan Africa echoes this finding (32 percent).<sup>4</sup> IFC's study also found that women were better represented in corporate support functions in RE (administrative, public relations, sales, and finance), than in higher-paying technical roles (13 percent).

Women encounter numerous barriers in recruitment, retention, and promotion in the renewable energy sector. These stem from workplace policies and practices that do not effectively address women's challenges, such as the lack of opportunities, a persistent pay gap, and lack of flexible work options.

Despite the growth in the renewable energy sector, women are being left behind—they are lagging men in both leadership and technical jobs. This trend is concerning because a large body of evidence demonstrates that having women in leadership positions, and a gender-balanced workforce, positively correlate with a company's innovation, resilience, quality of services, reduced financial and reputational risk, and improved environmental standards.<sup>5</sup> A company is considered gender balanced when it has between 40 and 60 percent of either gender at all levels of the organization.<sup>6</sup> In sum, diverse companies are more competitive than their peers.

As the world continues to embrace cleaner sources of energy, it is critical to ensure that women are not excluded from the transition to green energy, and that they benefit from new opportunities as leaders, employees, and entrepreneurs in corporate supply chains.

## IFC's Energy2Equal Initiative

In 2019, the International Finance Corporation (IFC), in partnership with the Government of Canada, launched the five-year [Energy2Equal](#) (E2E) program—the first Sub-Saharan Africa initiative to address gender gaps in the renewable energy sector.<sup>7</sup> A key component of the initiative is a peer-learning platform where 10 companies have exchanged best practices on implementing gender-smart solutions that can help to improve business performance, foster innovation, attract more talent, and better engage with communities. This "E2E Company Insights," profile is part of a series of short studies that highlight successful gender equality approaches taken by companies participating in E2E to enhance their recruitment, retention, and promotion of women.

## About Schneider Electric

[Schneider Electric](#) (Schneider) is a multi-national energy company, providing digital transformation solutions for energy and automation to improve efficiency and sustainability. In 2021, Schneider had a global workforce of over 128,000 employees, of which 33 percent were women. Headquartered in France, and with locations in over 100 countries, Schneider addresses household, infrastructure, and industry needs by combining energy technologies, including renewable energy solutions, real-time automation, software, and services.

As part of Schneider's Sustainability-linked Financing (Bond) Framework, 2021–2025,<sup>8</sup> the company made two key commitments. The first is delivering 800 megatons of saved and avoided carbon dioxide (CO<sub>2</sub>) emissions to its customers by 2025. In 2020, the company had saved or avoided 280 megatons of CO<sub>2</sub>. The second commitment concerns gender equality—Schneider established 50/40/30 gender balance targets in its key performance indicator (KPI) plan. This means that by 2025, women should comprise 50 percent of all new hires, 40 percent of frontline managers, and 30 percent of senior leaders. The company also has a KPI to increase women's participation in field positions, so that occupational segregation does not limit women's career development.

## The Gender Challenge

For more than 10 years, Schneider has implemented gender equality strategies. The company “believes that diversity, equity, and inclusion is a moral as well as a business imperative, as a diversity of people and an environment of inclusion leads to greater engagement, performance, and innovation.” Schneider has already made great strides on gender. In 2021, 42 percent of Board members and 44 percent of Executive Committee members were women, giving the company one of the most gender-balanced C-Suites on the CAC 40, the benchmark French stock market index.

However, at the local level, the company recognized that it still needs to address workforce barriers to gender equality. In Africa, of Schneider’s approximately 700 employees, fewer than 30 percent are women. To overcome this persistent gap in Africa, the company is now working to increase the number of women at the leadership level, and in its sales function.

In 2019, Schneider joined IFC’s [Energy2Equal](#) (E2E) peer-learning-platform to gain insights on how it could increase women’s participation in the company’s workforce, and learn from global best practices. As part of the E2E program, Schneider committed to increase the representation of women in the sales function in Sub-Saharan Africa by 2 percent in 2021. It also committed to have 95 percent of its global workforce covered by its pay equity review process.

## Schneider Electric’s Gender Equality Strategies

In 2019, Schneider studied its gender representation data and found that in Sub-Saharan Africa, women comprised about a quarter of its regional sales workforce. The company viewed this as an opportunity to attract more women, as well as develop new leaders in an aging workforce. Since 2019, the company has improved its recruitment and retention tactics to find women candidates, it has expanded family leave, and it offers mentorships. The company has also formalized its flex-work policies and expanded worldwide coverage under its pay equity policies.

- 1 Finding Women Candidates:** Schneider’s leadership explicitly asks managers to encourage their best female staff to apply for specific positions. Also, the career section of the company’s website<sup>9</sup> features an equal number of images of men and women, an explicit statement on how the company values diversity and inclusiveness, and a prominent heading for a section titled “Women in Tech”.
- 2 Family Leave:** Family-friendly policies result in better employee performance and commitment, which ultimately improves business results.<sup>10</sup> Schneider has expanded its benefits to better support mothers and families. The company increased maternity leave from 12 weeks to 16 weeks, and it provides four weeks of paternity leave. The maternity leave benefit exceeds the standards of International Labour Organization (ILO) Maternity Protection Convention (2000), which establishes a minimum of 14 weeks of maternity leave.<sup>11</sup>

This parental leave is available to all employees working for Schneider, regardless of their location, and this policy equalizes benefits for mothers across the company. Schneider’s global policy often exceeds local maternity leave requirements, which makes the company an attractive employer. In addition, the company has begun offering sabbatical leave, which allows employees to temporarily pause employment and return later.

- 3 Mentorship:** Schneider has implemented a formal mentorship program that pairs women with senior leaders. This program is designed to provide more exposure for women, and equip them with strategies for growing, professionally, in the organization and effectively managing their careers. As of June 2022, 12 percent of women staff, worldwide, had been paired with a mentor.

As a result of these initiatives, between 2019 and 2021, the number of women in Schneider’s frontline sales functions rose from 23 percent to 24 percent.

**Flexible Work:** Across the world, in 2020 and 2021, the COVID-19 pandemic resulted in significant job losses and other economic impacts, and women were more adversely affected than men. The International Labour Organization (ILO) estimates that 5 percent of all employed women lost their jobs, compared to 3.9 percent of men.<sup>12</sup> As lockdowns to stop the spread of COVID-19 began to occur, women’s care and domestic responsibilities increased, along with gender-based violence, which reduced women’s ability to fully participate in economically productive activities.

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“Before designing this [flex-work] policy, we undertook a company-wide survey, and the employees’ voice was loud and clear—85 percent of our employees favored a hybrid approach and we made sure that the policy addressed other options as well.”

**Paula Aitkenhead,**  
Global Well-Being Program  
Management Officer

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To support employees through the COVID-19 pandemic, employers around the globe implemented flexible and virtual work policies that emphasized productivity rather than physical presence. Schneider, too, recognized the urgent need to support its employees who were working from home, and the company implemented policies and strategies to enable both women and men to stay in the workforce, and manage their emerging challenges, including balancing work with greater childcare responsibilities.

In response to the pandemic, Schneider acknowledged that the workplace was changing—perhaps permanently—and to help employees to cope, Schneider deployed its “New Ways of Working” strategy that included a “Global Flexibility at Work Policy”, and a manual to guide all employees on how to work and flourish in the “next normal.”

**1) Global Flexibility at Work Policy:** In developing its global flex-work policy, Schneider consulted with employees to ensure their buy-in. The objective was to define the “Flexibility at Work” pathways to assure consistent and equitable application for all eligible employees, in all business units, in all countries. The policy aims to promote high performance, inclusion, and well-being for Schneider’s largely virtual workplace, and it clearly defines the mandatory and optional flexible work pathways. This hybrid approach covers home and office-based work, flexible working hours, flexible holidays, part-time work, and volunteering.

Since January 2021, all Schneider employees who can perform their jobs, remotely, can work from home for two out of the five-day work week. This policy empowers employees to make choices about where they work so that they can balance their work and family responsibilities. As of mid-2022, the roll out of the new policy was nearly complete, as 99 percent of country offices had implemented the policy.

“Before designing this policy, we undertook a company-wide survey, and the employees’ voice was loud and clear—85 percent of our employees favored a hybrid approach, and we made sure that the policy addressed other options as well,” said Paula Aitkenhead, Global Well-Being Program Management Officer. While it is still too early to quantify the full impact of the new policy, Aitkenhead believes that it has addressed a pressing need for most of the workforce.

**2) New Ways of Working in a Hybrid World Playbook:** To complement the new policy, Schneider developed an implementation manual—the “New Ways of Working in a Hybrid World Playbook,” to guide managers and employees in implementing the new flexible working pathways (Figure 2). In the playbook, managers and staff can find useful strategies for creating a structured work environment, defining boundaries, working smartly, communicating effectively, managing well-being, and staying connected with colleagues. The playbook also provides leaders (senior leaders, managers, team leaders, and project leaders) with useful guidance for managing their teams, remotely.

The policy and playbook are rooted in Schneider’s Diversity and Inclusion and Well-Being global commitments. The hybrid model recognizes the need for more flexibility, while also strongly valuing face-to-face connections to drive innovation. Country offices now follow the global policy, but they can be flexible, and can customize the policy’s implementation to address local needs.

**Figure 1: New Ways of Working in a Hybrid World**



**Closing the Gender Pay Gap:** The ILO estimates that, globally, women are paid, on average, 20 percent less than men.<sup>13</sup> While women across the world are attaining the highest levels of education and experience in many fields, women's low representation in corporate leadership and in Science, Technology, Engineering, and Mathematics (STEM) careers is perpetuating the gender pay gap. This is attributed to stereotypes about suitable jobs/roles for women, women's care responsibilities, low representation in STEM sectors, and un-inclusive corporate cultures.

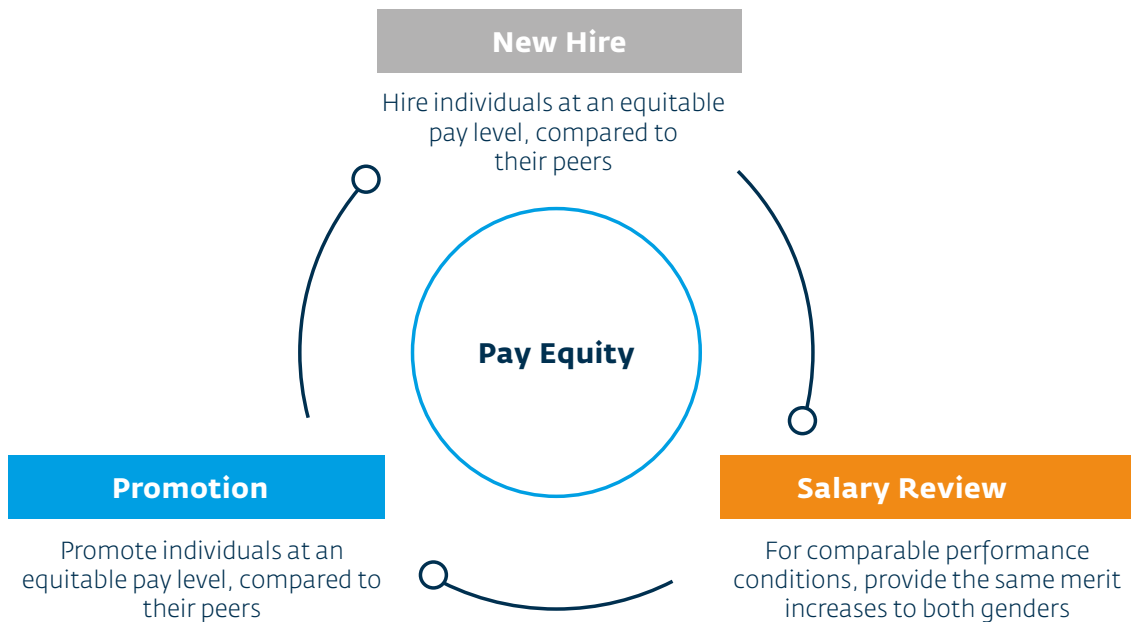
At Schneider, addressing the pay gap is crucial for building a more inclusive culture that recognizes the equal contributions of women and men. Over the last five years, the company has implemented its plan to reduce the gender pay gap through a clearly defined compensation framework and reward policies.

Recognizing that pay equity is in a state of constant change, Schneider reformed its compensation structure by creating fair and equitable human resources processes that ensure that pay equity is discussed at recruitment, promotion, and salary reviews (Figure 1). Hence, 99.6 percent of Schneider's global workforce is now covered by the company's pay equity framework, and the success of this can be attributed to the commitment of Schneider's top leadership.

**Figure 2: Integrating Pay Equity in Human Resources Processes**



Focus on the entire ecosystem with a defined process and governance



Source: Schneider Electric

## Results

Over the last decade, Schneider Electric has made numerous public commitments to gender equality with its key partners, that include UN Women's HeForSHE initiative, and the World Economic Forum New Work Standards. It has also made its ambitious gender equality and carbon dioxide (CO<sub>2</sub>) reduction targets public through its Sustainability-linked Financing (Bond) Framework. As a result, the company's gender and diversity efforts have been recognized by Bloomberg, the Financial Times, and Great Places to Work, among others.

Schneider is committed to ensuring that women are not left behind in the renewable energy sector, and to closing the gender gap in leadership and technical jobs. In December 2021, at the global level, women working for the company held 34 percent of information technology (IT) jobs, 17 percent of engineering jobs, and 21 percent of sales positions. Overall, women comprised 20 percent of Schneider's revenue-producing roles. For all of these roles, the hiring rate is ramping up. Schneider is now a global leader in gender equality, but while significant progress has been achieved in the representation of women at senior levels, and especially on the Board of Directors and in the Executive Committee, the company recognizes that more work is needed, and Schneider is accelerating its gender equality efforts at other levels of the company, and especially in Africa.

## End Notes

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