An Annual Status of Gender Diversity and Gender Equality in the Danish Labour Market
**Preface**

How far are we from achieving real gender equality in the labour market in Denmark?

For too long we have listened to overly optimistic conclusions on this question. Conclusions that are rooted in a skewed self-narrative in Denmark that we have – or are close to having – gender equality. But the truth is that in Denmark there are a large number of cultural and structural barriers to equal opportunities in the labour market, and only if we start a solution-oriented and data-driven social conversation will we be able to break down those barriers.

Therefore, we, the Think Tank EQUALIS, in collaboration with Deloitte, have developed a new measuring and monitoring tool that uncovers gender equality and diversity throughout the Danish labour market.

**This tool is called the Diversity Barometer, and it is unique for a number of reasons.**

First, the Diversity Barometer is the only one of its kind that can provide an overview of how far we are from achieving gender equality in the labour market in Denmark. Although we currently have many indicators of gender equality, they are too isolated to provide a comprehensive overview. The stand-alone indicators are designed to only show the status of gender equality in their respective fields by measuring differences in gender pay, representation and elections.

Second, the Barometer does not simply collect existing indicators and data points. To this end, new and methodologically robust metrics have been developed for a number of indicators of gender equality in the labour market. This includes a clarification of how the share of women in management positions is determined and a way of measuring the speed of career growth.

Third, from next year (2024), the Barometer will allow for a breakdown by industry, company size and geographical location. Thus, the Barometer can provide an overall overview of nuances and differences in challenges across the Danish labour market.

The Barometer is published every year, and thus it will, for the first time in Denmark, be possible to continuously follow and compare the development in gender equality across the entire Danish labour market.

Our hope is that you, reading the Barometer right now, will use the Diversity Barometer as the complete and necessary knowledge base that has been missing, to speed up and make sustainable and forward-looking decisions in the area of gender equality and diversity.

Denmark now has the necessary overview of data on an ongoing basis, and as a society we can therefore forget the skewed self-narrative that we have – or are close to having – gender equality. Now it is all about setting the direction, introducing specific target figures, and exploring or initiating studies of what actually works to achieve the goals.

Denmark has to be an equal society where everyone, regardless of gender, has actual equal opportunities in the labour market.

Regards

Gine Maltha Kampmann
Chief Executive Officer,
The Think Tank EQUALIS
About gender as the first dimension of diversity

There are more genders than woman and man. In this publication, we talk about and list gender as binary. This is solely because the publication uses data from central registers, where gender continues to be listed as binary.

The Diversity Barometer is based on the UN’s Sustainable Development Goals ambition for gender equality in Denmark. Therefore, the Barometer focuses first and foremost on gender as a dimension of diversity.

In the future, we want to expand the Barometer’s data to include more dimensions. The design of the Barometer in relation to the choice of diversity dimensions should therefore not be seen as an end product, but as a place to start.

It has been important for EQUALIS and our Advisory Board to begin from a place of reliability and robustness, in order to reach a point, where we do not have to adjust in future publications, but to add. From here, all options are open.

Thank you

We would like to thank the many experts, partners and collaborators who have contributed to the first edition of the Diversity Barometer. Thank you to Deloitte and this year’s case partners NORDEN, Coca-Cola and PensionDanmark.

A special thank you also goes to our Advisory Board, who has contributed by reading along and giving constructive comments on the design of the Barometer and the publication:

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About the Diversity Barometer

In collaboration with Deloitte, the Think Tank EQUALIS has developed a new measuring and monitoring tool that, with reference to the UN’s Sustainable Development Goals (SDGs), uncovers gender equality and diversity throughout the Danish labour market.

Five themes for gender equality and diversity
Based on five themes, each of which addresses gender equality in the labour market from its own perspective, the Diversity Barometer for the first time provides for a comprehensive overview of the figures of the current status.

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The themes of the Barometer have been selected based on the UN SDGs.
As the Barometer focuses on gender equality and diversity in the labour market, metrics are mainly selected from SDG 5, which focuses on promoting equal access for all genders to education, the labour market, resources and decision-making processes. In addition, subgoals from SDG 8: 'Decent work and economic growth' and SDG 10: 'Reduce inequality' are included because they relate to gender equality relevant to the labour market.

It is important to highlight that the Barometer does not focus on women. The Barometer focuses on equal representation and real gender equality. Therefore, for each theme the Barometer shows whether there is close to equal representation between the genders under the respective theme, or in which direction there is gender bias where either women or men are over-represented.

Data sources
The Barometer consists of three main data sources: 1) literature and research, 2) register data, and 3) interviews and case studies of initiatives.

The literature maps selected research and knowledge in the area of gender equality and diversity in relation to the labour market, focusing on two questions: First, which areas are important to understand and elucidate in order to highlight gender equality in the labour market? Second, which data sources and metrics are most accurate to use to elucidate these areas?

In continuation of this, the data and measurement points are structured in the five themes, each of which covers a number of underlying register database indicators for gender equality and diversity.

Together, these indicators form a barometer index, which is described below in the section 'Behind the barometer index'.

Based on interviews and case studies, a number of case descriptions have been developed and used to provide examples of good practice in the business community in promoting gender equality and diversity. Five initiatives from three case partners have been selected. Case partners in the Diversity Barometer 2023 are NORDEN, Coca-Cola, and PensionDanmark. For a background description of these cases, see Appendix 1.

Behind the barometer index
The barometer index is based on average values of 22 selected indicators of gender equality and diversity in the Danish labour market divided into the five themes. The indicators are converted to a scale from -5 to 5. Negative values indicate that women are over-represented within the theme or subtheme that the indicator is intended to describe, while positive values indicate that men are over-represented.

The Barometer provides a comprehensive overview of gender diversity in the labour market in Denmark. Elucidated patterns, correlations and quantities should not be interpreted as causal and should be seen as descriptive statistics. Complex analytical methods are not used, which is why the index score simply shows the direction of the indicators between women and men. In connection with the report, a technical method appendix has been developed, which provides an insight into the calculation method, data basis and limitations.

Defining directions for the index score
θ > 0
Overrepresentation of men

θ < 0
Overrepresentation of women
Diversity Barometer 2023: Main conclusions and recommendations

With reference to the UN SDGs, the Diversity Barometer for the first time provides a comprehensive overview of the figures for gender equality and diversity in the entire Danish labour market.

The Barometer focuses on equal representation and real gender equality within the themes Career and education, Labour market attachment, Working environment, Responsibility and management, and Income and assets.

Gender equality and diversity in 2023 within the five themes
For each theme, an index value in the Barometer indicates how close we are to having equal representation between the genders or whether there is a gender gap where either women or men are over-represented.

01 Career and education
02 Working environment
03 Labour market attachment
04 Responsibility and management
05 Income and assets
Diversity Barometer 2023

01 Career and education
- Career paths: 0.13
- Length and type of education: 0.49
- Speed of advancement: 0.78
- Challenges from physical working environment: -0.14
- Challenges from psychological working environment: -1.72
- Absenteeism caused by children: -2.62
- Workload: 0.38
- Absenteeism caused by own illness: -1.21

02 Work environment
- Pension assets by retirement age: 0.62
- Disposable income: 0.49
- Labour income: 0.80
- Total assets: 1.22
- Gender composition in public and private management: 2.75
- Gender composition in academia: 2.60

03 Labour market attachment
- Gender composition in academia: 2.60
- Overrepresentation of Men: 0.46
- Overrepresentation of Women: 0.46

04 Responsibility and management
- Gender composition in public and private management: 2.75
- Total assets: 1.22
- Disposable income: 0.49
- Labour income: 0.80

05 Income and assets
- Gender composition in academia: 2.60
- Disposable income: 0.49
- Labour income: 0.80
- Total assets: 1.22
Main conclusions and recommendations

01 Career and education

Women and men make gendered educational choices, which are reflected in different career paths. Men advance faster than women

Women and men are trained at different levels. Men are over-represented at primary, vocational and short-cycle tertiary levels as the highest level of educational attainment, whereas women are more likely to study medium and long tertiary education programmes.

Men are heavily over-represented in STEM+ subjects (science, technology, engineering, mathematics, business administration, economics and law) and related industries, despite the fact that 39% women study in STEM+ programmes. Women, on the other hand, are mainly over-represented in healthcare and social services (81%).

In addition, men choose careers with jobs starting at a higher pay level and experience faster career growth after five years. Men’s pay increase by 48% after five years, whereas women’s pay increase by 35%.

02 Work environment

More men are involved in fatal accidents in the workplace, while women are over-represented when it comes to challenges in the psychological working environment

Women and men report roughly the same number of occupational injuries and diseases as a consequence of physical surroundings at work. Behind these numbers, however, we see a gender gap in the nature of the accidents at work. The vast majority of fatal accidents in the workplace occur to men, whereas women are more exposed to work-related violence in public workplaces.

When it comes to challenges in the psychological working environment, women are over-represented. Women report being exposed to work-related stress and sexual harassment to a greater extent than men. The share of women who experience stress at work is 50% greater than the share of men, and more than twice as many women (6.9%) as men (2.2%) report having experienced sexual attention at work.

03 Labour market attachment

The type of work, workload and absence from the labour market are essential factors for pay and career development and are characterised by gender differences

Men are more likely to work full-time than women (84% and 72%, respectively) and work an average of 4.9 hours more per week. Women, on the other hand, have more absence from the labour market to take care of children.

In addition, women have, on average, higher absenteeism from the labour market than men. Over-representation in absenteeism relates to maternity leave, with women taking on average 35 weeks more than men, as well as to children’s illness. 110,927 people have recorded absence due to children’s illness. Women accounted for 64% of these recordings.

More women than men have absences due to their own illness. 64% more women than men recorded absence due to their own illness in 2021.

04 Responsibility and management

Men are heavily over-represented in management positions in both the public and private sectors and as professors at Danish universities

In the public sector, women make up 30% of the top management level.

In private companies with more than 50 employees, women make up 26% of vice president and executive positions that are not the company’s chief executive officer. If we look at companies’ top management level, where people are employed in an executive /CEO position, the share of women is 11%.

05 Income and assets

Men’s net worth are significantly higher than women’s. The gender gap is least prominent in disposable income

Men also have larger pension savings when we map the size of pension wealth for 60-65-year-olds. When we examine the net worth of men and women, we also see a difference between the genders. On average, men have a greater net worth than women. The difference in women’s and men’s net worth is DKK 950,270.

There is a difference in women’s and men’s average annual occupational income of DKK 112,074 in favour of men. The difference in disposable income, which also includes public transfer payments, is half of the difference for occupational income corresponding to DKK 57,676, still in favour of men.
Cross-cutting conclusions and recommendations

There is some way to go before reaching real gender equality in the Danish labour market.

Gender diversity is lacking in both the horizontal and vertical labour markets.

The Barometer also shows that there are differences between the genders in the factors that can result from a lack of gender diversity: Differences in how the working environment is perceived, how much women and men have at their disposal in disposable income, how large their savings are, in the form of pensions, and how great their total wealth is.

At the same time, the Barometer identifies a number of gender differences in factors that have been shown to have an underlying impact on why the education system and the labour market are so segregated by gender, both horizontally and vertically: The Career and education path chosen, career growth, how much work is done, and how much absenteeism there is.

The Barometer thus collects and summarises existing data points and assumptions about correlations from research and knowledge. With the 2023 Barometer, we have therefore created a starting point to delve deeper into some of the dynamics identified and a baseline for ongoing follow-ups.

In the following, we present four conclusions from the results of the Diversity Barometer, which cut across the themes of the Barometer. With these four main conclusions, we also put into perspective what we otherwise know from research and studies, and we present EQUALIS' recommendations on how we in Denmark can move forward on specific challenges for gender equality in the labour market.

Main conclusion 1

The largest gender differences are seen in Responsibilities and management, which is also characterised by industry differences. Across industries, the gender gaps seem to occur early in careers in the private sector.

As concluded above in relation to the Barometer's theme of Responsibilities and management, men are strongly over-represented in management levels across industries. Lack of gender diversity in management levels constitute the largest inequality in the Barometer's calculations.

Part of the lack of gender diversity in management levels is often explained by women and men making gendered educational and career choices. For many companies today, the gender gap in education and industry choices leads to a so-called lack of pipeline to recruit and promote from. The consequences of such a gender-segregated labour market can lead to a number of challenges with resource scarcity in some industries, limitations on opportunities for individuals and lack of diversity in management levels, i.e., lack of vertical gender diversity. The latter even has possible consequences for, among other things, the individual company's performance.

The lack of pipeline consideration should mean that the more women, who, e.g., have an education or experience that suits the industry in question, the more female managers should be in that industry, because there is a larger pool to recruit and promote from. And vice versa, if there were few women in a so-called male-dominated industry. In that case, there would be more men than women to recruit from and therefore also more male managers.
In other words, when we map industry differences in management composition, we should also see that industries with a greater share of men in the workforce have a larger share of men in management levels and vice versa for female-dominated industries.

However, that is not what the data show. The data show three significant nuances in how we should understand gender composition in management across industries.

First, there are industry differences in how gender-biased the management levels are. The differences are related to how much the industries are dominated by women and men, respectively.

Men are over-represented in the management bodies of male-dominated industries, whereas there is roughly equal gender distribution in those of female-dominated industries.

As an example, we can compare the construction industry, where 90% of all employees are men, with the social and healthcare services, where 81% of employees are women. In construction, men make up 98% of CEOs across the industry. In social and healthcare services, men make up 56% of CEOs.

Second, the differences can also be considered in terms of a so-called management gap.

Management gap indicates the percentage difference between the share of women in management in an industry and the share of female employees in the same industry.

Third, overall, data show that career differences between men and women occur relatively early. As early as five years after graduation, men’s careers are growing faster than women’s when we measure pay growth. Where men’s pay increase by 48% over five years, women’s pay increase by 35%. Whether it is promotions, salary increases or something else, we do not know. Nevertheless, men experience a pay growth rate that is 37% higher than women’s five years after graduation.

Here, too, the data indicate industry differences. In industries where women are over-represented, men and women advance at roughly equal speed. However, this picture is not clear cut for industries where men make up the majority of employees.

Thru the picture is not clear for career growth in male-dominated industries, the data indicate that career differences occur early and may act as early precursors to gender bias in the vertical labour market. If nothing else, it is not just a lack of pipeline for recruitment and promotion, especially of women, in certain industries.

There is also evidence of so-called leaking pipelines, where the higher up in job hierarchies you work, the greater the gender gap. And it suggests that the gender gap may occur relatively early in the career when pay growth is considered.

**Recommendation 1**

EQUALIS recommends that lack of diversity in management be examined from a nuanced view of career paths and differences in motivation and barriers - from choice of education to opting out of or opting in on management positions.
Main conclusion 2

Women are more absent from the workplace, not only because of maternity leave or children’s sick days, but also because of their own sick days.

Women face challenges with factors in the psychological working environment more than men do. They report experiencing work-related stress and having been subjected to sexual harassment and/or attention at work more than men do. At the same time, the number of women recording absence from work due to illness is higher than for men.

Absenteeism from work has an impact on income and career development, according to research, which also concludes that women’s absenteeism is on average higher than men’s, both before and after children are born. Absenteeism due to maternity and children’s illness increase for women when they become mothers. However, so does absence due to one’s own illness.

Recent research shows that mothers’ higher absenteeism due to their own illness seems to be driven by an increased focus on the home and not by poorer health. Thus, there may be indications that women’s own sick days can be used by women to change their marginal work performance instead of making more conclusive decisions about reducing working hours permanently to, for example, part-time work.

In addition, data show that the share of women who experience stress at work is 42% greater than the share of men (17% for women and 12% for men, respectively). According to FIU-Ligestilling, a partnership of trade union representatives, the extra amount of stress can be linked to women having double jobs: paid work and domestic work. Among other things, studies show that the amount of stress hormone in the blood decreases when men come home from work, while in women (with children) it increases when they come home from work.

Of course, there may be other explanations for this, such as industry differences, since public employees, especially those interacting with citizens, are more stressed than employees in the private sector.

Since job absenteeism has an impact on a number of other aspects of the labour market, such as pay and career development, systematic gender differences in absenteeism are a gender equality issue that should be explained and addressed.

Recommendation 2

EQUALIS recommends that the correlation between gender differences in job absenteeism due to one’s own illness, psychological working environment and distribution of tasks at home be investigated in order to identify causes and solutions.
Regardless of the considered measure of income and assets, women have fewer means.

Pay differences can sometimes be explained by differences in, for example, education and experience, but this is not the whole explanation. This is shown by research from, among others, VIVE. Unequal pay is a general societal issue and in particular a gender equality challenge. Research shows that pay levels strongly correlate with other gender gaps in the horizontal and vertical labour market. For example, in sectors, industries and jobs with mostly women, pay is generally lower than in sectors, industries and jobs with mostly men. The higher the share of women in a profession, the lower the pay, and this is especially true for the public sector.

But income and assets are more than labour income, which includes income from work. There is a need for a broader look at how much women and men dispose of on average in both cash, savings and total wealth. Where there is a greater difference between women’s and men’s average occupational income (DKK 112,074 in favour of men), differences in disposable income levels are smaller. Here, the difference is DKK 57,676 (still in favour of men), corresponding to a difference of approx. 20%. Since disposable income, in addition to labour income, also consists of, among other things, public transfer payments, private pensions, property income and other personal income, there must be something coming into play that minimises the differences.

Research has previously shown that the family-friendly schemes provided by the welfare state have made it easier to both have a job and children as a woman in Denmark. But research also shows so-called boomerang effects in relation to women’s position in the labour market, when it is mainly mothers who make use of these schemes. In addition, the schemes may contribute to maintaining the cultural norms that today attribute specific roles in the home and in the labour market to women and men.

The role of public transfer payments and other contributions from the welfare state in minimising gender differences in disposable income is nevertheless interesting to elucidate, because, as a society, it gives us insight into the structural framework for gender equality in the labour market.

In addition, we see that the greatest difference in net worth is when we examine differences in income and assets between the genders. On average, men have a greater net worth than women. The difference in women’s and men’s net worth is DKK 950,270. Net worth also include assets from equities etc., but we do not yet know what the particular driver of this relatively large difference is.

Main conclusion 3

Recommendation 3

EQUALIS recommends that the causes of the wealth gap between men and women be investigated, including a special focus on identifying the structures and norms that drive the differences.
Main conclusions and recommendations

Main conclusion 4

Following the theme Responsibilities and management, the gender gap is greatest in relation to men and women’s labour market attachment: Absenteeism due to maternity leave and children is a driver of the gap. On average in 2020, men held 5 weeks of maternity leave, whereas women held 40 weeks. Research shows that mothers’ annual pay plummet (for heterosexual couples) with 30%, while fathers’ incomes continue to be stable. Inequality catches up slightly over time, but during working life, women’s (mothers’) pay remains 20% lower than men’s. It has previously been estimated that approx. 80% of the existing gender pay gap is attributed to the different effect that children have on men’s and women’s career paths, which is a phenomenon known as the Motherhood Penalty. According to research, we need to understand the phenomenon in relation to traditional gender role patterns in family and care work. It relates to gender stereotyped patterns when meeting challenges of balancing work and family life, seeing as women, after becoming mothers, take on the role of primary caregiver in the home to a higher degree than fathers do and at the same time take a step back from working life to a greater extent. The allocation of parental leave is considered to be one of the most powerful legal tools to influence traditional gender roles. When (more) fathers take more part in parental leave, it is expected that fathers will be more active in and take more responsibility for domestic and care work, which means that the duty of care and thereby (indirectly) career opportunities and ambitions are more evenly distributed between the parents.

On 2 August 2022, new legislation came into force ensuring more earmarked paternity leave for men/co-parents. The legislation means that fathers/co-parents in Denmark change from having 2 to 11 weeks of earmarked paternity leave. The legislation has been welcomed and hailed by many as a long-awaited step forward for fathers and children’s rights to each other and as a step forward for equality in the labour market.

Recommendation 4

New legislation ensures 11 weeks of earmarked leave for fathers/co-parents, but if the legislation is to have a positive effect on gender equality in the labour market, it is important that the earmarked weeks are used. Therefore, EQUALIS recommends that the implementation be closely monitored in order for any challenges and barriers to fathers’ and co-parents’ use of the earmarked weeks are detected and addressed as early as possible.

Perspective: Motivation and challenges in business

Danish companies, especially large ones, are increasingly implementing practices and initiatives to promote gender diversity and equality in their organisations. For the three companies that are case partners in this year’s Diversity Barometer, NORDEN, Coca-Cola, and PensionDanmark, the motivation is driven by two main driving forces:

Gender diversity is good business

First, companies are driven by an increased recognition of gender diversity as a strategic business necessity for better decisions that also ensure better products or services, a strengthened working environment and brand. Second, they are aware of how important it is to put responsibility for progress on the agenda.

Diversity may, in fact, be a decisive competitive advantage for companies. Recruiting and retaining talented employees of different genders bring new perspectives and ideas to the table that can help companies with new solutions and drive innovation.

This competitive advantage indicates that companies that do not currently focus on diversity will have to do so in the future. This is shown by experience from abroad and some from Denmark. Torben Möger Pedersen, CEO of PensionDanmark, shares this perspective:

“It’s pretty well documented that companies that know how to think in terms of diversity do better than those that don’t.”

Torben Möger Pedersen, PensionDanmark, CEO
In terms of performance, NORDEN is in a completely different place today than we were 11-12 years ago, and that is also due to our work with diversity.

— Jan Rindbo, NORDEN, CEO

At The Coca-Cola Company, the need to secure various product solutions speaks to the fact that the decision-making power of the company also represents the consumers.

We strongly believe that if you are to make good decisions in a company and represent its consumers, you need to include diversity in decisions at all levels of the organisation.

— Gitte Dalvad Laursen, Coca-Cola, Europe Diversity & Inclusion Manager

Being able to contribute to a necessary societal change is also a motivating factor for the three companies interviewed. For PensionDanmark, this means that they ask questions about the gender composition of the value chain within the construction industry when they act as builders (read more about this under the section Trend) and that, as shareholders in listed companies, they make demands on the gender composition of boards and executive boards.

Back in the days, you had to choose between returns and social contributions. That contradiction does not apply today.

Many of the best investments are found in the companies that work with the SDGs, and gender equality is one of the goals - and a goal that we prioritise together with climate and biodiversity.

Every time we face investments, they are screened to see if we can make a difference for sustainability.

— Torben Möger Pedersen, PensionDanmark, CEO
Coca-Cola also engages in the public debate to highlight societal challenges within gender equality and diversity:

"By engaging in dialogue, we can share learning and ideas in the hope of positively influencing the diversity and inclusion agenda for communities worldwide."

— Annette Spanggaard, Coca-Cola, Director of Public Affairs, Communication and CSR

Other ways to contribute to changes in society can e.g. be to actively participate in solving industry-specific challenges. NORDEN does so by being a contributor through the Board of Directors of Danish Shipping and by its participation as an advisory board member in Women in Shipping, which works to increase the share of women in the industry.

Diversity and equality require prioritisation by top management and take time

The awareness and recognition of how important it is to create diversity in the workplace is crucial for the company’s motivation to increase efforts in this area. The recognition must be especially present in the company’s top management level, and communication to the entire organisation must be clear and transparent. This is the unanimous opinion of all three case partners.

The journey towards increased gender diversity can also be challenging because it is long and heavy - especially for companies that are in a male-dominated industry.

Resistance can arise in the organisation, and here data and open dialogue are crucial if you ask NORDEN.

"We need to be part of the conversation. We should not be reluctant to deal with it and let the fear of doing something wrong hold us back."

— Heidi Nykjaer Persson, NORDEN, Head of People, Communications and Sustainability

According to NORDEN, it is also about accepting that change takes time, but that it is important to hold on.

When I started in the shipping business, diversity was not a prevalent topic. Therefore, the fact that we, in the shipping industry, only in recent years have really begun to address diversity on a more strategic level also means that our industry still has a long way to go. We see working with diversity more purposefully as a significant competitive advantage in the future. NORDEN wants to be ambitious on this agenda, but accepts that it takes time.

— Jan Rindbo, NORDEN, CEO
What is the state of gender equality and gender diversity in the labour market?

In order to answer this question, we will go through the five themes one by one.

For each theme, we highlight selected existing knowledge from surveys and research, and we descriptively map the latest data available in central registers for the indicators we measure. All data are displayed. The same is the case for the barometer score assigned to each indicator.

Overall, an overview of the state of equality and gender diversity under the respective theme is provided, whilst at the same time giving an idea of what drives this status.

01 Career and education

Length and type of education 0.49
Career paths 0.13
Speed of advancement 0.78

02 Work environment

Challenges from physical working environment -0.14
Challenges from psychological working environment -1.72

03 Labour market attachment

Absenteeism caused by children -2.62
Workload 0.38
Absenteeism caused by own illness -1.21

04 Responsibility and management

Gender composition in the public and private sector 2.75
Gender composition in academia 2.60

05 Income and assets

Total assets 1.22
Labour income 0.80
Disposable income 0.49
Pension assets by retirement age 0.62

Diversity Barometer 2023

Index score

Overrepresentation of Men

Women

01 Career paths 0.13
Speed of advancement 0.78

02 Challenges from physical working environment -0.14
Challenges from psychological working environment -1.72

03 Absenteeism caused by own illness -1.21
Workload 0.38
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Pension assets by retirement age 0.62
## 01 Career and education

**Women and men make gendered educational choices, which reflect in different career paths. Men advance faster than women**

Men are heavily over-represented in STEM+ professions and related industries, whereas women are mainly over-represented in healthcare and social services. Men choose careers with starting jobs at higher pay levels and experience faster career growth after five years.

In Denmark, we have a highly gender-segregated labour market. This applies when we talk about both vertical gender diversity, i.e., across job hierarchies (see more about this in the section on Responsibilities and management), and when we talk horizontal diversity across industries. This gender segregation is reflected in men’s and women’s choice of education, career and career development. These are all diversity issues that have a number of consequences for the labour market as a whole, as well as for individual industries and for the individual.

The consequences of such a gender-segregated labour market may lead to scarce resources not being used optimally and an increased risk of labour shortages and unevenly distributed unemployment. In the labour market, companies working in professions that attract one gender more than the other are particularly affected by severe labour shortages. Despite many years of political attention, progress in addressing the gender gap in Danish education and the labour market is still slow. For example, women made up 93% of all admissions to the nursing education in 2020, while the figure was 95% back in 2005. In addition, there is a shortage of skilled workers in certain areas of the labour market, and expectations are that this will continue. Several of these areas, both in the private and public sectors, are thus characterised by a one-sided gender distribution, and the lack of diversity and dynamism provides a challenging starting point for dealing with bottlenecks in the labour market.

In addition, gender segregation in the labour market can contribute to limiting the perceived supply of job and training opportunities for individuals. The individual’s ability to develop their talent in the best possible way is thus restricted if a significant part of the labour market – the part dominated by the other gender – is considered to be excluded from the outset.

### Subtheme: Length and type of education

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### Subtheme: Speed of advancement

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<td>Pay growth from starting pay to 5 years after graduation</td>
<td>0.78</td>
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Career and education

At the same time, studies show that average individual pay at industry level correlate with how gender-segregated an industry is. On average, pay levels are lower in the sectors where women are typically employed.\(^8\) The same trend shows in relation to job hierarchy. The pay is systematically lower, the more the employees in a job function are comprised by women.\(^9\)

One of several explanations for this is that educational choices also follow clear gender patterns.\(^10\)

Among other things, studies show that young people today make gendered educational choices, and this means that some sectors and industries face the problem that they lack one gender in their talent pool. In other words, the talent pool has basically halved.\(^11\) For many companies today, the gender gap in education and industry choices generates a so-called lack of pipeline to hire and promote from.

## Difference in education levels and choice of education

Women and men educate themselves to different levels. Men are over-represented when we examine those who have primary, vocational and short tertiary education as the highest level of educational attainment.

The gender gap is the widest in medium-term higher education. The share of women with the highest level of education completed is 61%.

Following these results, the largest difference among VET graduates is seen as the highest. Here, men make up 57% of the students, which corresponds to 34% more men than women.

These differences in level of education are also present in the educational direction chosen by men and women.\(^12\) In general, women dominate healthcare and welfare education, which is often medium-term education, while men make up the majority in technical, scientific and economic education.

Note: Distribution of highest level of educational attainment for the population that completed education between 2016 and 2021. Source: Statistics Denmark
The difference in the share of men and women studying at a STEM+ education programme is 22 percentage points, or 36%. In STEM+, men are over-represented in all subjects except Law, where women make up 63%.

What subjects does STEM+ education cover?

STEM+ is defined as the STEM education programmes including Economics, Law and Business Administration. STEM+ is referred to in literature as the primary education that is important for management positions and therefore included here. The indicator STEM+ in the Diversity Barometer is inspired by the report from the article Network Connections and Board Seats: are female networks less valuable? (Smith & von Essen, 2023).

Note: STEM+ is defined as STEM educations including economics, law and business administration. The definition is inspired by Network Connections and Board Seats: are female networks less valuable? (Smith & von Essen, 2023). Source: Statistics Denmark
A number of male-dominated industries exist, while women are mainly over-represented in social and healthcare services.

Gendered educational choices translate into career choices in terms of the industry in which they work. Men are largely over-represented in the sectors of construction, energy, agriculture, mining and water supply, whereas women are mainly over-represented in healthcare and social services. The most male-dominated industry is construction.

Differences in career and education choices can also be seen in starting pay. When considering the average pay for each type of education and sorting it by gender, we see that men typically choose careers that as early as at the beginning of a job provide higher pay levels.

Figure 3: Distribution of gender by industry

Note: The share of men and women by selected sectors in the labour force. Source: Statistics Denmark.

Figure 4: Differences in starting pay based on educational choices (DKK), 2021

Note: Calculated as the average starting pay for each educational programme. The score captures differences in men’s and women’s educational choices based on their starting pay. Starting pay is defined as the workforce that graduated in 2020 and measures labour income in 2021. Source: Statistics Denmark.
According to research, the gender-segregated education system and labour market reinforce gender stereotypes in the home, and in a kind of feedback loop helps maintain the gender gap in the labour market. The gender-segregated labour market is a factor that maintains a difference of conditions for women and men in the labour market and in collective agreements. The research has shed light on the fact that there is generally a historically greater acceptance of, for example, working hours that fit with the opening hours of day care centres in the female-dominated sectors, whilst this acceptance has traditionally not been as widespread in the male-dominated sectors, thus reinforcing the gender division of labour in households as well. This means that it will be women who often pick up children, go grocery shopping, etc. This way, the pattern is recreated and maintained in the labour market. Whether this is one of the explanations as to why we can identify a difference in career growth between men and women five years after they have completed their education is unknown. Regardless, data show that men’s careers grow faster than women’s, when we measure pay growth. Whether it is due to promotions, pay increases or something else, we do not know.

In 2022, Coca-Cola developed a pilot project for a reverse mentoring programme focused on diversity and inclusion for its senior managers.

What is the purpose? The aim is to accelerate dialogue and understanding across different diversity dimensions and life experiences (e.g., generation, gender, sexuality and ethnicity). This initiative allows managers to better understand different perspectives, the barriers for different employee groups and their role as managers in creating an inclusive working environment for all. The pilot project is currently running for six months with an ongoing look at learning and adaptation.

What does the initiative involve? Senior managers and employees are matched. Employees included in the programme represent different diversity dimensions and are members of one or more of the inclusion networks. Everyone participates on a voluntary basis. Prior to the mentoring process, the employees who have joined the programme receive a briefing on the process and important prerequisites for creating a safe and good mentoring process.

There has been a clear focus on the fact that it was primarily management that was in a learning process and that it was entirely up to the individual mentors, which topics they wanted to share. The programme is developed and led by Europe DEI and the talent team at Coca-Cola and sponsored by the senior leadership team.

What are Coca-Cola’s experiences with the impact of the initiative? The initiative has created a closer link between management and employees with different backgrounds, which has resulted in increased insight and understanding of relevant perspectives across different backgrounds and employee groups. Coca-Cola emphasizes that participants experience a high degree of commitment, openness and trust. Once the initiative has been running for some time, an evaluation will be carried out to identify further impact.
More men are involved in fatal accidents in the workplace, whereas women are over-represented when it comes to challenges in the psychological working environment.

While women and men report roughly equal numbers of occupational injuries and diseases as a consequence of the physical environment at work, women are over-represented when it comes to challenges in the psychological working environment. Women are more exposed to work-related stress and sexual harassment than men.

Health and safety at work says something about the labour market’s ability to accommodate diversity and create equally good working conditions for men, women and other identities. The environment in a workplace can affect both the physical and mental health of employees.

From a company perspective, a positive and inclusive working environment can attract and retain talent, while a negative or exclusionary working environment can discourage underrepresented groups from applying for jobs or staying in a company. At the same time, research shows that employees’ and managers’ experience of a company’s working environment correlates with, for example, the number of hours worked, pay inequality and gender bias in the composition of employees and management. For example, research shows that in workplaces that are male-dominated and where pay is high, women report more cases of sexism, and in workplaces that are female-dominated and where pay is low, men report more cases of sexism.

Thus, gender differences related to the experience of a good working environment are a gender equality issue, because the differences conceal other inequality-creating conditions in the workplace. In addition, everyone, regardless of gender, has the right to good working conditions at work and the opportunity to realise their full potential as an employee and manager.
Women and men report an equal number of occupational injuries, but their nature varies

It is important that the physical framework at the workplace is well-functioning in order to avoid employees getting worn out or, in the worst case, seriously injured. As an indicator of the state of the physical working environment, we measure the occurrences of occupational injuries.

Occupational injuries are divided into two types: accidents at work and occupational diseases.

An accident at work leads to physical or mental harm following a sudden event, whereas an occupational disease is a disease that has arisen over time due to work or working conditions (Danish Working Environment Authority). The number of reported accidents at work shows that 439 more men than women reported an accident at work in 2021, which corresponds to men accounting for 50.3% of the reported accidents. 1,153 more women have reported an occupational disease. This corresponds to women accounting for 53% of the reported accidents. Behind the figures, however, we see a gender gap in the nature of accidents at work. The vast majority of fatal accidents in the workplace occur to men, whereas women are more exposed to work-related violence in public workplaces. Among other things, figures from the Danish Working Environment Authority as of August 2022 show that a total of 31 work-related fatal accidents have been recorded, of which 30 deaths were men (the Danish Working Environment Authority’s occupational accident register and Statistics Denmark’s Register-Based Labour Force Statistics (RAS)).

The challenges behind this gender gap are mainly due to the gender-segregated labour market, where there may be distinctly male-gendered and female-gendered occupations, and here the nuances lie in the differences in industries and educational choices.

The interaction between psychological and social conditions in the workplace (the psychological working environment) can affect the employee’s physical and mental health both positively and negatively. In order to best map the psychological working environment for women and men, we measure the experience of work-related stress and abusive actions in the workplace.

The gap between men and women experiencing work-related stress is 5.6 percentage points in favour of men. This means that the share of women who experience stress at work is 42% greater than the share of men.

According to FIU-Ligestilling, a partnership of trade union representatives, the extra amount of stress is linked to women doing double work: paid work and domestic work. Among other things, studies show that the amount of stress hormone in the blood decreases when men come home from work, while in women (with children) it increases when they come home from work. Another reason for the extra amount of stress among women is found in the gender-segregated labour market.

While men are primarily employed in the private sector (68%), women are primarily employed in the public sector (66%). Public employees are more stressed than employees in the private sector, which is attributed, among other things, to a greater psychological or emotional workload in the public sector.

Definition of indicators in the psychological working environment

Work-related stress is a reaction to physical or mental stress at work. It is a complex problem that can have different causes in different companies and industries. An example of a cause of work-related stress is a continually large workload and time pressure, characterised by a lack of managerial and collegial support and few opportunities to influence one’s own work.

Abusive actions is a collective term for bullying, sexual harassment and other ways in which violations can occur at work. Abusive actions are when one or more persons grossly or repeatedly expose other persons to conducts perceived by those persons as degrading. Abusive actions can be both active actions and inaction. Abusive actions in relation to work may include, for example, withholding necessary information, slander, or exclusion from the social and professional community.
Women are also over-represented when it comes to experiencing sexual violations. More than twice as many women (6.9%) as men (2.2%) report having experienced unwanted sexual attention at work.

Abusive actions in the workplace play a role in the gender-segregated labour market. In addition to the correlation between workplaces dominated mainly by either men or women and pay levels and the number of cases of sexism, research also shows that highly hierarchical environments - often found in the private labour market - increase the risk of sexism and sexual harassment. These conditions lead to two mechanisms that contribute to inequality. On the one hand, both men and women are reluctant to apply for jobs in workplaces and sectors where they are the gender minority, and on the other hand, gender minorities are increasingly moving away from workplaces with a high risk of sexism, which means that women are more likely than men to switch to jobs or sectors that are less well paid.

Coca-Cola works actively to improve the psychological working environment through inclusion networks

In 2022, Coca-Cola established five European inclusion networks representing five strategic diversity dimensions that form the company’s main focus: 1) LGBTIQ+, 2) Ability and Wellness, 3) Gender Balance, 4) Generations and Life Experience, and 5) Culture and Heritage

What is the purpose?
The idea behind the initiative is to involve employees in highlighting and articulating diversity in order to create a more widespread understanding, community and celebration across and within the networks (Affinity, Allyship, Community, Celebration). The inclusion networks also aim to act as sparring partners for the business in relation to initiatives and decisions. The existence of the networks has a positive impact on the dialogue with potential future employees of Coca-Cola and thus, it is also a tool to strengthen Coca-Cola’s ability to recruit, retain, engage, and develop talents with the diversities required in a global company.

What does the initiative involve?
All networks are managed by employees on a voluntary basis and have a management structure and different project teams. There is also a governance structure with sponsors from the region’s senior management team in each network, representing all areas, e.g. finance, marketing, HR, and IT. All employees can be members, regardless of the country and function in which they are employed. All networks have an annual business plan with three focus areas within their respective diversity dimension (business, talent, and community), contributing to the organisation’s overall diversity and inclusion strategy. Activities and events are structured in an inclusion calendar, marking if there are special anniversaries that the networks address, e.g. Day Against Homophobia, Biphobia and Transphobia. The calendar emphasizes events and important dates, creates learning and understanding of the respective communities, and is widely shared within the concern. The networks organise internal events and meetings, which may include inspirational presentations by external motivators, presentations by internal employees, dialogues and brainstorming, etc. The networks gather input and feedback and serves as sparring partners in connection with business strategic issues and development of the company. The networks can also collaborate with external operators, such as other companies and NGOs, on placing a topic on the agenda.

What are Coca-Cola’s experiences with the impact of the initiative?
According to Coca-Cola, the inclusion networks have generated a number of positive experiences and contributed to increased inclusion in the company. An example is the inclusion calendar, which has left a big impression in the organisation and created awareness of important dates, and an increased understanding of community and cohesion around the dates. At the same time, the inclusion networks have contributed to product development following a business strategic desire to ensure inclusive and accessible products. The result was a packaging prototype for visually impaired consumers.
03
Labour market attachment

The type of work, workload and absenteeism from the labour market are essential factors for pay and career development and are characterised by gender differences.

Men are more likely to be employed in full-time positions and work more hours per week than women, who are more absent in order to look after children.

How much one works and the amount of absence from the labour market are two important factors in relation to the size of one's income and they often correlate with the level of work and the position in the hierarchy a person holds.

The question of whether there are systematic gender differences in how much men and women work on average, what type of work they do, and how much the respective genders are absent from the workplace constitutes an equality issue. E.g. a study by the Danish Center for Social Science Research (VIVE) shows that part of the pay gap between women and men reflects the fact that women are more absent from the labour market than men. This applies to absence due to one's own illness, absence due to maternity leave and absence due to children's illness.

In addition, research shows that mothers' annual earnings plummet by 30% (in heterosexual couples), while fathers' earnings continue to be stable. Inequality is catching up slightly over time, but during working life, women's (mothers') pay remains 20% lower than men's. It has previously been estimated that approx. 80% of the existing gender pay gap is attributed to the different effect that children have on men's and women's career progression. A phenomenon that bears the name The Motherhood Penalty.

In order to map equality and diversity in relation to labour market attachment, we focus on measuring the individual's labour market attachment, the number of hours worked and absence due to their own illness. In addition, we investigate absence due to own reasons, due to children, and due to parental leave.
Women are underrepresented amongst full-time employees, and men work more than women.

Women are less likely than men to be employed full-time, and work fewer hours per week.

Women work 4.9 hours less per week than men during an average working week.

In the mapping of absenteeism from the labour market, we primarily examine the absence of women and men, who are recorded as absent due to their own illness or absent for other reasons. The fact that women are generally more absent from the labour market than men, is supported by several studies. We find that the over-representation in absenteeism, besides reasons due to parental leave, is visible both when it comes to one’s own and children’s illness. 64% more women than men recorded absence due to their own illness in 2021. When it comes to children’s illness, women accounted for 64% of the total number of recordings made due to children’s illness.

Women are more absent due to their own illness, and they by far take the longest parental leave.
Labour market attachment

The absence can be seen as an extension of The Motherhood Penalty concept referred to above. According to research, we need to understand the concept in relation to traditional gender role patterns in family and care work. It is about gender stereotyped patterns related to the challenge of balancing work and family life, where women, after becoming mothers, to a greater extent than fathers take on the role of primary caregiver in the home, including taking children’s sick days and making dental visits, handling communication with the day care centre and school, as well as housework etc. These tasks are also related to the choice of working part-time.

A Norwegian study, in comparison, shows that mothers in gay couples do not experience the same burden of The Motherhood Penalty. The birth mother has her income reduced by 13% right after birth, while the co-mother has her income reduced by 5%. However, the income of both mothers increase again in the following years.

The allocation of parental leave is considered to be one of the most powerful legal tools to influence traditional gender roles. When (more) fathers take part in parental leave, it is expected that fathers will be more active in and take more responsibility for domestic and care work generally, which means that the duty of care and thereby (indirectly) career opportunities and ambitions are more evenly distributed between the parents.

On average, men held five weeks of parental leave in 2020, whereas women held 40 weeks. Thus, women are greatly over-represented when it comes to taking parental leave.

Note: Calculated based on the number of persons who have recorded absence due to children’s illness in 2021. Source: Statistics Denmark

Source: Statistics Denmark, LIGEFLI
Responsibility and management

Today, there are clear systematic differences related to who becomes a manager.

Men are heavily over-represented in management positions in both the public and private sectors and as professors at Danish universities.

In Denmark, we have one of the world’s highest employment rates for women. Women are also over-represented among those with a long tertiary education as the highest educational attainment. However, at the same time, Denmark has a gender-skewed education system and labour market. This gender segregation of the horizontal labour market is also visible, when we consider the labour market vertically, that is, when we examine where women and men are placed in job hierarchies.

All five of the themes we map in the Diversity Barometer have an impact on the share of men and women in management. For example, studies show that certain degree programs increase the chances of becoming a manager. These are the so-called STEM+ education programmes, where men are over-represented.

Labour market attachment, including absence and the number of hours worked, is also important in relation to holding management positions.

As previously shown, women have more absence due to their own and children’s illness and maternity leave, whereas men work more and take a smaller share of parental leave when children are born (five weeks compared to 40 weeks for women).

Another assumption about who rises through the ranks in companies relates to how gender-segregated the horizontal labour market is in relation to industries and sectors. 68% of full-time employees in the private sector are men, when we consider only those companies that have more than 50 employees. In the public sector, the gender distribution is opposite. Here, men make up 34%, and the numbers are the same, whether it is for all companies or only companies with at least 50 employees. The numbers have been compiled by the Confederation of Danish Industry. On this basis, we examine responsibilities and management in academia, the private sector, and the public sector.
There are 128% more male than female managers in the top management levels of the public sector.

Men are over-represented in the top management levels of the public sector. In 2021, 70% men and 30% women were managers in the public sector. This means that there are 128% more male than female managers in the top management levels in the public sector.

Men are strongly over-represented among professors at Danish universities.

Men are also over-represented amongst professors in academia. In 2021, 76% of all professors were men.

The lowest share of women in management is found among private company CEOs.

At both executive and CEO level in the private sector, men are over-represented. In companies with over 50 employees in 2021, 26% of vice president and executive positions that do not represent the company’s Chief Executive Officer were held by women. If we look at the top management level of companies, the share of women engaged as CEOs is 11%.

Note: Inspired by Parotta & Smith (2015) and Smith & Smith (2015), who assess management levels based on DISCO codes and a minimum of 50 employees in companies. Source: Statistics Denmark and the Confederation of Danish Industry.
NORDEN works with strengthened performance leadership processes: An eye for diversity, equity and inclusion in performance and potential assessments

What is the purpose?
The performance leadership initiative aims at calibrating for uniform assessment of performance and potential and minimising bias, when managers biannually assess employees’ current performance and future careers.

What does the initiative involve?
The initiative involves a mapping of the strategic and value-critical factors to be considered in performance and potential assessments, as well as an increase in awareness and recognition of when the individual manager experiences being biased. The employee evaluations take place twice a year and are followed up on, on an ongoing basis. In addition, diversity in team composition is incorporated into the pay models for executives and senior management levels to ensure that there is a focus on progress and that a signal is given that diversity in teams is critical to business.

Currently, NORDEN works with bias management through training and information. In addition, a concept of stakeholder feedback has been implemented, where managers must obtain input about an employee from two to five stakeholders with whom the employee has worked with. To ensure an open dialogue and feedback on choices made by the individual manager, as well as a uniform understanding and application of the methods, a number of calibration meetings are also held. At the calibration meetings, a group of managers meets with an HR representative to discuss how the individual managers can support the employees’ career development continuously in the near future and on the longer term. The discussions are focused on actions and results and are based on a nine-grid model, where the individual employee is assessed according to performance and potential.

Every year, NORDEN also conducts a pay analysis that maps any structural inequalities in the way male and female employees are paid across levels.

What experience does NORDEN have with the impact of the initiative?
The annual structured benchmark analysis has concluded that no structural inequalities have been identified in 2023 and fewer individual adjustments are made each year. Experience has also shown that the initiative has been well received by NORDEN’s managers, who believe that the existence of measures and tools contribute positively to the performance and potential assessments. At the same time, it is the experience that employees appreciate that NORDEN as a company actively puts responsibility on the agenda by integrating the focus on diversity into fixed structures and processes.
Income and assets

Unequal wealth especially come into play when looking at the average net worth of men and women.

Men’s net worth is significantly higher than women’s. The gender gap is smallest for disposable income.

Pay differences can sometimes be explained by differences in, for example, education and experience, but this is not the whole explanation. This is shown by research from, among others, VIVE. Unequal pay is a general societal issue, and particularly a gender equality challenge.

As described in the Diversity Barometer, pay levels correlate to a large extent with other gender gaps in the horizontal and vertical labour market. For example, in sectors, industries and jobs with the most women, pay is generally lower than in sectors, industries and jobs with the most men. The higher the share of women in a profession, the lower the pay, and this is especially true for the public sector.

But income and assets are more than occupational income, which includes income from work. To ensure a valid and broad view of how much women and men dispose of on average in both cash and savings, we map disposable income, pension assets, and overall assets and debt.
Men’s disposable income is 22% higher than women’s

Labour income includes pay, profits from one’s own business and fees for consultancy work and reflects what an individual receives for working, whereas disposable income is to a greater extent a measure of the individual’s consumption opportunities. Disposable income represents the amount available for housing, consumption or savings once taxes and interest have been paid. Thus, it is the sum of labour income, public transfer payments, private pensions, property income and other personal income when taxes, interest and alimony are deducted and any rental value of one’s own home are added.

There difference between women and men is greater when it comes to average labour income (a 38% difference in favour of men), than when it comes to disposable income.

When looking at the labour force, the average difference in disposable income between men and women is DKK 57,677 a year.

Studies show that compared to men, women should pay particular attention to their pension savings, partly because a number of factors related to labour market attachment; reduced hours and a long maternity leave where no pension contributions are paid, can affect a person’s pension savings. Factors in which women are over-represented and which therefore can have a negative impact on their pension assets.

Men also have larger pension savings when we map the size of pension assets for 60-65-year-olds.

The difference before tax is DKK 87,100, which means that men on average have more pension funds available than women.
Men’s net worth is greater than women’s

When we examine the net worth of men and women, we see a major difference between the genders. Net worth consist of positive asset components (housing, car, pension, bank account balances, shares, etc.) with debt subtracted.

On average, men have a greater net worth than women. The difference in women’s and men’s net worth is DKK 950,270.

Figure 21
Net worth, 2021

Source: Statistics Denmark, FORMUE11
Among other things, research has shown that men’s and women’s pay development and career go hand in hand until the arrival of their first child, as has been described in the publication. Based on the link that, according to research, exists between parental leave, pay levels and pension assets, NORDEN has launched an initiative that illustrates how the business community can actively contribute to closing the economic gap between men and women.

What is the purpose?
NORDEN’s purpose with the initiative is to achieve economic inclusion and to contribute to erasing the structural gap in men’s and women’s income and assets in general, but also in relation to parental leave. In addition, gender equality in relation to parental leave contributes to eliminating possible gender discrimination in recruitment and promotion processes. Gender stereotypes can play a role when assessing a person’s competencies and ambitions.

What does the initiative involve?
The initiative primarily consists of a series of services which form part of the so-called Parents Package. For employees in Denmark, both mothers and fathers/co-parents are entitled to 24 weeks of paid leave after the birth of the child. In addition, all new parents are entitled to employer-paid pension contributions throughout the parental leave period, including those parts of the parental leave that may be unpaid. Employees on unpaid parental leave also earn the right to paid holiday. In addition to the financial compensation, new parents also have the opportunity under the auspices of the Parents Package to make use of a mentoring scheme where they are matched with a colleague who is already a parent, they are offered an industry network for employees on parental leave, and a series of dialogues with the immediate manager to support the transition before, during and after parental leave.

NORDEN’s Parents Package is continuously being improved to meet a desire to support employees in becoming parents and in the transition of returning to work after parental leave.

The initiative is positively supported by the additional efforts NORDEN is making to ensure a strengthened and focused performance leadership model that minimises the risk of bias in evaluating performance, determining compensation and promotions. This is the second initiative of NORDEN, as described earlier.

What experience does NORDEN have with the impact of the initiative?
Concurrently with the implementation of the initiative, NORDEN has seen a positive development in, for example, retention and the share of women in the company and in management levels. Among managers, the share of women has increased from 28% to 37% since 2020, and throughout the organisation, there has been an increase from 35% to 39%.

However, the positive development in the gender composition in NORDEN cannot be isolated as a result of specific efforts, such as the improved parental leave conditions, but employees and parents-to-be have shown great enthusiasm about the initiative. At the same time, NORDENs believes that the initiative has been both straightforward to implement and cost-effective.
PensionDanmark is an example of an influential company that pushes for positive societal development by using the UN SDGs as a holistic starting point – and one of three priority focus areas is diversity.

PensionDanmark’s efforts to strengthen diversity point both inwards and outwards. The company’s goal for 2025 is to have 50% women in both the total workforce and in the other management layers. In addition, there is a demand for an ambitious approach to diversity from the companies in which one invests. For example, PensionDanmark has encouraged Sony to set targets for the share of female managers, and has voted against the appointment of male members on Western boards, where women are heavily underrepresented.

One of the industries where diversity is particularly challenged is the construction and real estate industry. Therefore, PensionDanmark has developed a diversity code for the company’s real estate investments, which are intended to contribute to hiring more women and creating a better culture in the construction and real estate industry.

Specifically, PensionDanmark asks future advisers and partners to report information on gender diversity in their own organisation as well as data on retention of female employees. Reporting on gender diversity covers the entire organisation, including the supreme management bodies, in particular the board of directors and the executive board. As one of Denmark’s largest developers, PensionDanmark thus creates a clear incentive for their suppliers and partners to actively address the diversity of their own organisation.

The Diversity Code was developed in 2022 to highlight gender balance in the industry, create transparency and spur development. So far, the industry has welcomed the initiative, which has led a number of partners to develop statements that they have not previously made. At the same time, it has given rise to dialogues that have not previously arisen during the conclusion of cooperation agreements. Although the code is too new for conclusions to be drawn from the collected figures, there are signs that the code has an effect and can help influence the industry to prioritise the work of recruiting and retaining more women in the construction and real estate industry – in management as well as on all other levels.

Our experience is that when investors require companies to report on their results and plans in certain areas — e.g. equality — then it sharpens the management’s attention to areas that have otherwise lived somewhat in the shadows.

— Torben Möger Pedersen, PensionDanmark, CEO

Tendency: Investments and influence are used to lift social responsibility

Sustainability and social responsibility leave a positive impact on the bottom line figures. In the business community, there is a tendency for large companies in particular to assume greater social responsibility and contribute to creating positive changes in the value chain and the outside world.

Our experience is that when investors require companies to report on their results and plans in certain areas — e.g. equality — then it sharpens the management’s attention to areas that have otherwise lived somewhat in the shadows.

— Torben Möger Pedersen, PensionDanmark, CEO
Deep dives across themes

Every year, when the Barometer is published, we add a series of deep dives of interesting findings, angles or nuances in data and analyses. The purpose is to dig deeper with selected elements, than what we are able to do with the barometer index, where data are not crossed with other variables.

Of particular interest to the Diversity Barometer 2023 are two indicators that, firstly, have shown relatively greater over-representation of one gender, compared to the other indicators. Secondly, the methodological starting points of the indicators stand out when compared to what is compiled in central registers from which raw data originate.

The two indicators are career growth and gender composition in management. Both indicators have been examined in the context of industry differences.

Deep Dives

There are industry differences in gender composition in management layers, but they do not follow the lack of pipeline expectation

Data on management gaps show that men are over-represented in management bodies in male-dominated industries, whereas there is roughly equal gender distribution in management bodies in female-dominated industries.

Men are heavily over-represented in management positions, regardless of the sector being looked at. The largest share of female managers is found in the public sector, where women make up 30%. This is followed by the share of women in vice president and executive positions with 26% and finally the share of women in CEO positions with 11%. Both in the private sector.

The figures illustrate the gender composition of management levels across industries in the public and private labour markets, and thus, one can conclude that the vertical labour market in Denmark is gender-skewed in favour of men. As previously concluded (in the section on gender differences in career choices), the horizontal labour market is also gender-segregated.

The horizontal division is visible, among other things, in what we can call male-gendered occupations (e.g., STEM subjects) and female-gendered occupations (e.g., healthcare, social services and care).

Men are mainly over-represented in the sectors of construction, energy, agriculture, mining and water supply sectors, whereas women are mainly over-represented in healthcare and social services. The most male-dominated industry is construction.

One of several explanations as to why this is the case is that educational choices also follow clear gendered patterns. For example, 61% of all STEM+ graduates are men.

For many companies today, the gender gap in educational and industry choices produces a so-called lack of pipeline to hire and promote from. The consequences of such a gender-segregated labour market can lead to a number of challenges of resource scarcity in some industries, limitations in opportunities for individuals and a lack of diversity in management layers. The latter even has additional possible consequences for, for example, the individual company’s performance.
Based on the above points, it is interesting to examine industry differences in management composition. From a lack of pipeline point of view, we should, when mapping industry differences in the composition of management, see that industries where men make up the largest part of the workforce have a higher share of men in management levels and vice versa for female-dominated industries. Indeed, for industries where men are over-represented, such as construction, men are relatively more over-represented, but in those sectors where women are over-represented, women are not over-represented in the management levels. Instead, there is fairly equal representation.

How does the management composition indicator in the Diversity Barometer differ from central registers?

Identification of management composition is inspired by the methodology used by Parotta & Smith (2015) and Smith & Smith (2015), and analyses conducted by the Confederation of Danish Industry. The indicator identifies and determines the gender of persons in the companies’ top day-to-day management bodies via the information in Danish registers. Thus, with this indicator, we identify more levels of management (executives/VPs and CEOs) than just a total number of people in executive positions and boards that are otherwise publicly available via Statistics Denmark.

The indicator looks at the share of CEOs and executives in the private sector with the aim of identifying the distribution of men and women moving up the career ladder. The method is also used to identify the gender balance in senior management in the public sector. See the Technical Appendix of the Diversity Barometer for more information.

For more information on the methodology behind the indicator, see the Technical Appendix of the Diversity Barometer.

Figure 22
Share of female CEOs in the private sector, share of female employees and management gap, 2021

<table>
<thead>
<tr>
<th>Industry</th>
<th>Share of female CEOs</th>
<th>Share of women within the industry</th>
<th>Management gap (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water, supply and renovation</td>
<td>19%</td>
<td>20%</td>
<td>1%</td>
</tr>
<tr>
<td>Construction</td>
<td>10%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Energy supply</td>
<td>8%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Transportation</td>
<td>4%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Information and communications</td>
<td>13%</td>
<td>15%</td>
<td>2%</td>
</tr>
<tr>
<td>Industry</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Public admin., defense and police</td>
<td>27%</td>
<td>25%</td>
<td>2%</td>
</tr>
<tr>
<td>Education</td>
<td>21%</td>
<td>22%</td>
<td>1%</td>
</tr>
<tr>
<td>Other service</td>
<td>25%</td>
<td>25%</td>
<td>0%</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Knowledge</td>
<td>56%</td>
<td>56%</td>
<td>0%</td>
</tr>
<tr>
<td>Trade</td>
<td>44%</td>
<td>44%</td>
<td>0%</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>8%</td>
<td>8%</td>
<td>0%</td>
</tr>
<tr>
<td>Property trading, leasing, and other operational services</td>
<td>8%</td>
<td>8%</td>
<td>0%</td>
</tr>
<tr>
<td>Health and social services</td>
<td>14%</td>
<td>14%</td>
<td>0%</td>
</tr>
<tr>
<td>Culture and sparetime</td>
<td>13%</td>
<td>13%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Note: The figure shows the share of female employees and the share of female CEOs by industry, respectively. The line shows the difference in percentage points between the two shares. The calculation of the share of female CEOs is inspired by Parotta & Smith (2015) and Smith & Smith (2015).

Source: Statistics Denmark
This conclusion can also be found in research, which shows that it is indeed not the case that women in female-dominated industries have easier access to management positions (as they are simply in the majority); On the contrary, the reverse is partly the case, representing a phenomenon that in 1995 was conceptualised as The Escalator Effect, where men entering a female-dominated industry tend to be promoted faster than women in the same industry.\textsuperscript{34} This has also been observed in a Danish context, for example, in relation to men in healthcare and social services.\textsuperscript{35}

Figure 23
Share of female executives in the private sector, share of female employees and management gap, 2021
Difference in percentage points between share of female executives and share of female employees

<table>
<thead>
<tr>
<th>Industry</th>
<th>Share of female CEOs</th>
<th>Share of women within the industry</th>
<th>Management gap (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel agencies, cleaning</td>
<td>0%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>and other operational services</td>
<td>17%</td>
<td>29%</td>
<td></td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>48%</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td>43%</td>
<td>53%</td>
<td></td>
</tr>
<tr>
<td>Culture and sparetime</td>
<td>42%</td>
<td>54%</td>
<td></td>
</tr>
<tr>
<td>Information and communication</td>
<td>54%</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>47%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Other service</td>
<td>56%</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>Knowledge service</td>
<td>33%</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Trade</td>
<td>29%</td>
<td>44%</td>
<td></td>
</tr>
<tr>
<td>Public admin., defense and</td>
<td>24%</td>
<td>24%</td>
<td></td>
</tr>
<tr>
<td>police</td>
<td>24%</td>
<td>24%</td>
<td></td>
</tr>
<tr>
<td>Energy supply</td>
<td>18%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Water supply and renovation</td>
<td>25%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>25%</td>
<td>18%</td>
<td></td>
</tr>
</tbody>
</table>

Note: The figure shows the share of female employees and the share of female executives by industry. The line shows the difference in percentage points between the two shares. The calculation of the share of female executives is inspired by Parotta & Smith (2015) and Smith & Smith (2015).

Source: Statistics Denmark.
Growth gaps do not correlate with male-dominated and female-dominated industries

In industries where women are over-represented, men and women advance at roughly equal speed. However, the picture is not clear for industries where men make up the majority of employees.

As concluded under the career theme, men advance faster in their careers than women when we measure pay growth five years after graduation across industries. Whether it is a promotion, salary increase or something else, we do not know. In itself, however, this result is interesting from a gender equality perspective because it shows early differences between the genders when it comes to career development.

What is also interesting is that when we examine whether there are nuances within industries, we find the same result as we do in connection with the differences in management composition across industries in the private sector. The management gaps identified in the above section show none of the industries have an over-representation of women in management levels, not even in those sectors where the share of female employees is greater than that of male employees. Similar patterns can be identified when we zoom in on men’s and women’s career growth.

How does the career growth indicator in the Diversity Barometer differ from central registers?

The indicator is not readily available in central registers but has been developed in connection with the development of the Diversity Barometer. Literature shows that men receive a larger pay than women. In the context of the career growth indicator, the percentage growth from the starting pay to the pay after five years is used to show the rate of promotion at the beginning of the career.

The indicator makes it possible to compare both average pay differences and the rate of pay increase between men and women. This creates a unique opportunity to articulate whether women catch up with men over time despite differences in starting pay, or whether the differences actually increase over time.
In the two sectors where women are the most over-represented among employees (healthcare and social services (81%) and education (60%)), career growth is roughly the same for men and women. This indicates that men and women advance at roughly the same rate in these industries five years after graduation in terms of pay growth.

However, the picture is not as clear cut as in the context of management composition. In some of the industries where men are over-represented, men also advance faster, but in one other industry (construction), women advance faster than men. In other industries where men are over-represented, such as transportation, career growth is roughly equal for men and women.

Although the picture is not clear cut, the results indicate that it is not only a lack of pipeline for the recruitment and promotion, in particular, of women in certain sectors that is the case. It also indicates so-called leaking pipelines, where the gender gap is greater the higher up in the job hierarchy you come. This suggests that the gender gap may occur relatively early in the career when looking at pay growth.

Figure 24
Pay growth by industry for men and women, index score by industry, 2021

Note: The chart shows the respective pay growth rates for men and women in selected industries. The line represents the index score with the aim of highlighting where the differences in growth are greatest across industries. Pay growth is calculated as the percentage development in occupational income one and five years after graduation for the part of the population that completed education in 2016.

Source: Statistics Denmark.
You can look forward to the next edition of the Diversity Barometer in February of 2024.

The Diversity Barometer 2023 constitutes Denmark’s first barometer for equality and gender diversity in the Danish labour market. The barometer is updated annually, thus enabling monitoring of how equality and diversity develop in Denmark. The first update will be released in February 2024.

Diversity Barometer 2023