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## GENDER EQUITY PROMOTION IN THE PRIVATE SECTOR IN MEXICO: THE DEVELOPMENT OF A SUCCESSFUL MODEL

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Worldwide, most countries recognize equal rights between men and women. Many have produced regulations intended to fight discrimination and programs granting women access to health, education, and economic rights such as land ownership. However, the fact remains that women have fewer opportunities than men to benefit from economic development, with lower participation in the labor force. Even in the most advanced countries, their wages average 73 percent of those of men. International programs such as the Millennium Development Goals point out the benefits of addressing gender inequality and the positive impact this can have on poverty reduction. This and other similar initiatives have been successful in improving the social conditions of women but have been less effective in enhancing women's participation in economic activities. In the private sector in particular, the advantages of giving equal opportunities to men and women have not been fully assessed.

While the principle of gender equity in the workplace is generally accepted, discriminatory practices persist in many organizations despite regulations to the contrary. The Gender Equity Model (GEM) developed and tested in Mexico has proved to be a successful tool for promoting gender equity in the private sector under a participatory approach that has gained support by workers and staff alike. This model was designed, tested, and implemented under a \$3.3 million Gender Equity Learning and Innovation Loan financed by the World Bank. Meanwhile, it was implemented by the National Institute for Women (Inmujeres) between 2001 and 2005.

### The Gender Equity Model: A Best Practice Solution

The Gender Equity Model or "GEM 2003" set up a certification process for the establishment of gender equity actions in private firms, civil society organizations, and public institutions. Following were the results:

- § 57 firms with around 250,000 employees were certified by project closing date on December 2005.
- § 550 persons received GEM implementation training and developed capacity to continue implementation;
- § 60 more firms with a similar number of workers received the GEM Seal in 2006.
- § GEM promoted the incorporation of gender certification as a regular practice of private certification firms.
- § Gender committees established to implement the GEM have become regular gender equity units in participating firms, and some of them have organized networks to exchange experiences.
- § The GEM has become a regular public program that continues to be implemented by Inmujeres, thus ensuring sustainability.

#### The certification process comprises the following steps:

1. Perform an internal diagnostic to see whether or not there are differences in development opportunities for women and men within the organization.
2. Consult with workers and staff on means of improvement, and study and evaluate the experience of other companies or organizations and the options offered under the GEM 2003 Certification process.
3. Prepare an Action Plan based on the findings and recommendations of steps 1 and 2 to address identified gender bias, and consolidate or improve good practices.
4. Develop affirmative actions to decrease inequalities between women and men within the organization.
5. Participate in a process of reviewing and evaluating the organization's level of compliance with the Gender Equality Model.

Inmujeres supports this process by providing each firm with a gender specialist to help it carry out a self-diagnosis, by forming a steering committee to lead the process, and by providing training. It also pays for an independent private certification firm to ensure compliance and make recommendations for certification.

Certification means compliance with the Action Plan set up for the firm itself, building on its own capacity and organizational culture and with the inputs of workers and staff which creates commitment and ownership.

The certification process usually takes a year and includes a pre-certification test to ensure that all agreed-upon mechanisms for improvement are in place. Once the firm is ready, independent certification takes place and the Gender Equity Seal is issued. Supervision visits continue for a second year to corroborate commitment and continue improvements.

### Factors of Success of GEM 2003

GEM 2003 was designed through a pilot test in 20 firms that willingly agreed to participate and was validated by a consultation process with key stakeholders and selected public figures in Mexico. The model aimed to institutionalize gender equity policies and facilitate equal opportunities for men and women in: (a) access to jobs by eliminating bias in recruitment process; (b) equal access to training taking into account women's perspectives; (c) career advancement to promote women to managerial positions; and (d) mechanisms to deal with sexual harassment. The following measures were taken to fulfill these aims:

**Recruitment** processes were reviewed to eliminate job segregation by gender. The human resources staff received training designed to avoid such bias.

**Training practices** were changed to facilitate women participation. For instance, most sessions were carried out on the firm's premises, taking into account women's schedules, and new areas of training were introduced to be more responsive to training needs.

**Affirmative actions** were established to help women advance to higher level positions; the process identified women with greater potential and offered them training as needed to access managerial positions. Mechanisms to denounce and deal with sexual harassment were established, and training and communication campaigns were carried out to create a respectful working environment.

The Mexican experience with GEM 2003 helped to increase the organizations' efficiency and competitiveness by promoting high-quality interpersonal relationships where men and women with different skills, perspectives, and work styles willingly commit to achieve the organization's goals.

Some of the factors that contributed to this success are the following:

**Self-awareness:** The process for adopting the model was carried out under a participatory approach that began with a self-diagnosis on gender equality to identify issues in the organizations and eliminate discriminatory practices. To encourage participation, the gender specialist appointed to each firm decided on the best consultation methods, including a workshop, brief surveys, and in-depth interviews with managers and CEOs.

**Improved productivity:** By ending prejudices and stereotypes, organizations can make better use of human resources incorporating and/or promoting the best trained and most talented persons, thus obtaining an optimal combination of talent and a greater commitment and loyalty among workers that induces higher productivity. The involvement of key staff in the Gender Steering Committee set up to lead up the process and the commitment of high-level managers helped to set up better practices; dissemination campaigns, training, and recognition of good conduct proved to be effective in achieving these goals

**Reduction of gender gaps:** The model introduces compensatory measures intended to diminish the gaps that may exist between men and women in access to jobs, training, and career opportunities. Through affirmative action practices, women received preferred attention to gain access to certain positions, and/or received training in equal opportunities. In many cases, women only needed some encouragement to compete for managerial positions.

**Voluntary participation:** The Gender Equity Certification Program is voluntary and attracts companies, organizations, and entities that wish to demonstrate their commitment to gender equity. They commit to implement an Action Plan to eliminate bias and promote equity. Those that successfully complete the process are awarded the GEM Seal.

In the first years, many of the participating firms were international corporations that have well-structured human resources units and are used to affirmative action programs. However, the participation of medium-size national firms and government institutions has increased because the program is now perceived not only as positive but a step toward modernization.

**Public recognition:** Once the certification process is completed, the firms that received the GEM Seal can use it in their products and promotions as a symbol of their commitment to gender equity and social responsibility and gain public recognition.

Although the certified firms were allowed to receive the Gender Seal in their products, this mechanism has not had the results expected, mainly because there have been not resources in Inmujeres to pay for a communication campaign that makes the effort of each firm worth it. Nevertheless, the firms gain “good points” to access another type of recognition, such as the “good place to work” brand.

**Independent audit:** An impartial, independent certification agency, through a process set up in the model, assesses compliance with the various steps of the model as summarized and agreed on in the firm’s action plan. This independent process has helped to build confidence among the firms’ managers that the certification would be fair and reliable.

**Reduced cost:** Because the model builds on existing capacity and best practices, the initial cost is limited. Moreover, Inmujeres provided free technical assistance to prepare the self-diagnosis and training to implement the model as well as the audit for certification, which overall cost around \$500 per firm.

**Replicability:** This model was designed to fit all types of organizations, regardless of their size, geographic location, or social and cultural conditions, as the Mexican experience proved. Its development and implementation may be carried out in full agreement with any other type of national or international management system established in the organization, such as SA 8000, ISO 9000 and ISO 14000 standards, and gains the firms points to receive these and other quality certification models.

### **GEM 2003: A Mexican Success Story**

The empirical results of GEM 2003 identified in a qualitative survey administered to firms after the conclusion of the project were very encouraging. The firms reported:

- § improved labor environment within the firm (31 percent of the firms)
- § better communication between management and workers (23 percent of the firms)
- § an increased number of women in managerial positions (9 percent of the firms)
- § increased productivity (8 percent of the firms)
- § reduction in salary gap (8 percent of the firms)
- § reduction in maternity-related discrimination (8 percent of the firms)

### **Lessons Learned**

The testing of the model helped to identified some of its positive features and limitations:

- § GEM's involving men and women rather than only women has been effective in creating an open and friendly atmosphere to address gender issues. In other programs focusing only on women, men feel threatened or perceive affirmative actions as unfair competition. It is important to recognize that gender biases are imbedded in the culture and are difficult to eliminate without men’s participation.
- § The voluntary approach has been an incentive for the private sector to participate and build its own capacity.
- § Most firms do not like a close analysis of working practices that might have legal or economical consequences. Therefore, clear processes in which they willingly participate and foresee a positive outcome are better for promoting gender equity practices.

- § The iterative process building on existing capacity facilitates the adoption of the model and ensures ownership. Hence, the firms build their own capacity and can continue to receive training and support until they feel they are ready to engage in the independent certification process. The pre-certification is a no-fail approach that gives the participating firms a chance to obtain the seal once they are ready.
- § The independent evaluation by a private certification firm helps to build trust, both in the private sector and among the general public.
- § The certification program offers an opportunity to improve the work environment and better understand labor trends.
- § To have a greater impact, it is necessary to have a more strategic approach to target particular industries or sectors with significant gender issues, and the sectors that require more attention are different in each country. For instance, half of those hired by the “maquila industries” in Mexico are women, while in Egypt the public sectors have a high number of working women. Therefore, the criteria for the best outcomes have to be defined in each country.
- § Once the pilot phase is completed, future programs might incorporate establishing a fee for some steps in the process.
- § The adoption of the GEM Seal should be linked to a more extensive public communication campaign to attract more firms and gain public recognition.
- § The lessons learned and instruments designed under the Gender Equity can be used for replicating this model in other countries.

### Replication: The Gender Equity Model for Egypt: GEME 2007

The Egyptian government has put in place some programs to face the challenges in the country’s labor markets—among other things the low rate of women’s participation in the labor force, which in 2003 was 22 percent, compared to 75 percent for men.<sup>1</sup> The World Bank’s Results Based Initiative intends to promote gender equality and will support a pilot project to adapt the Mexican GEM 2003 to Egyptian conditions.

This project will adapt the Mexican model to develop a pilot to test the Gender Equity Model for Egypt, “GEME 2007.” It will target mainly international medium-size and large firms that already have a human resources capacity. A stronger public communications campaign to offer the firms another incentive will be incorporated.

A comprehensive monitoring and evaluation system is being designed to measure the project’s impact with a set of quantitative and qualitative indicators. It will also help to have concrete information about the positive outcomes that result from gender equity. However, the cultural differences are also a challenge that will produce important lessons learned for improving the model. The testing of the model in two countries with different cultural backgrounds is a challenge. Based on cultural differences, the model will need to be adapted. Good examples are the best dissemination tool.

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<sup>1</sup> World Development Indicators.