

## Case study for EEB Semi-final competition

### Are gender quotas really enabling gender equality?

Gender equality is one of the United Nations Sustainable Development Goals, which aim to empower all women and girls around the world. Gender equality is a prerequisite for achieving all goals of the 2030 Sustainable Development Agenda. Gender equality has become widely accepted, and many countries and institutions have committed to this goal. Numerous conventions have been signed and policies developed based on gender equality. Progress toward this goal has been monitored by various governmental agencies, financial institutions, rankings, etc. No matter how many efforts have been put into enabling gender equality, there are still substantial gender gaps in many areas worldwide. For example, the gender pay gap in the European Union in 2020 is 13.0%, showing that women earn on average 13.0% less per hour than men. The gender pay gap has changed only slightly over the past decade (European Commission, 2022).

A pressure for gender equality is also high in business, especially big businesses with high stakes on the market. Companies are using many mechanisms to create a stimulating environment that would empower women. However, the role of women in the family is of utmost importance when tackling the issue of gender equality in business and has a great impact on women's career development. Moreover, there are still evident structural barriers to women's equal participation in business, lower salaries for female employees, underdeveloped family policies, and a low share of women in high management positions.

As a result, banks, financial institutions, and other monitoring bodies are establishing corporate monitoring mechanisms to showcase gender equality in companies and organizations. Women quotas are most often used as a mechanism for monitoring gender equality. Women's quotas in business are mostly focused on the percentage of women in corporate governance and board membership. Companies that do not comply and do not achieve the set quotas for women are penalized with lower bank loans, lower rankings, etc. However, setting women quotas in business narrows the definition of the issue of gender equality, as the quantitative representation of women is just one side of gender equality, leaving many other questions untouched.

#### **Please, tackle these dilemmas:**

Is pursuing a numbers-based diversity strategy against the spirit of creating a truly diverse workplace?

Are quotas in some industry sectors that are naturally more dominated by one gender, and therefore find it more difficult to hit targets than others?

#### Sources:

- European Commission (2022). *The gender pay gap situation in the EU*. Retrieved on 20/10/2022 from [The gender pay gap situation in the EU | European Commission \(europa.eu\)](https://ec.europa.eu/equality/gender-pay-gap-situation-in-the-eu)