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A Model for Promoting Gender Equity in Private Companies and in Government Agencies: The GEM Certification Process in Latin America and the Caribbean (The cases of Mexico, Chile, Argentina, and the Dominican Republic)

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One of the challenges shared by developing countries and more advanced countries alike is gender inequity in the job market. In spite of having laws that prohibit discrimination, in almost all countries women earn less than men in the same positions and they face different obstacles in their ascent to decision-making positions due to gender segregation in the workplace. In Latin America there are companies in which sexist language is still used; in some sectors no females participate in the workforce, and/or some company facilities do not take into account the fact that women work there (for example, they lack separate restrooms for men and women). To address this situation, the World Bank has developed a model that encourages gender equity in private and public firms. The Gender Equity Model (GEM) promotes quality standards in key areas, such as selection and hiring processes, training policies, professional development, family-work balance and the prevention, handling, and follow-up of cases of sexual harassment. It contemplates the creation of public-private partnerships for harmonizing objectives and capabilities and it is based on the voluntary commitment of the companies to adopt an action plan aimed at promoting equity in the areas covered by the model. The model was designed and tested in Mexico in 2003 and it has been replicated in countries such as Chile, Argentina, the Dominican Republic, and Colombia. In Chile and in Mexico, the GEM was converted into public policy and into an annual action plan for government agencies. Affiliated company employees and managers alike have reported improvement in terms of diversity, productivity, work climate, and internal communications; they have also witnessed greater female access to management positions. Adopting the GEM culminates in a certification process conducted by an independent private company, in which the participating firms receive the Gender Equity Seal, which may be used in their product social marketing strategies.

What is the GEM and how is it implemented?

The Gender Equity Model (GEM) was developed by the World Bank. It seeks to apply a number of good practices for guaranteeing the same opportunities of access to and success in the job market to men and women. The model may be adopted by private sector companies as well as government agencies. To adopt it, a public-private partnership is established in which the government supports the participating company/organization by providing training and technical assistance so that it can adopt the GEM, and the company commits to implement specific changes based on the model guidelines. Before submitting the company to the assessment process (conducted by a certification firm), the government conducts a preliminary audit, to ensure that the company is ready for certification. In other words, the Government does everything possible to help the company prepare for certification and, in specific cases, receive the Gender Equity Seal. The World Bank provides technical assistance to the executing government agency aimed at incorporating best practices based on international experience.

According to the World Bank's experience in different countries, the GEM should include actions to promote equity in four key areas: i) personnel selection and hiring, ii) career development including training and promotions, iii) family-work balance (and equity in benefits), and iv) prevention of sexual harassment. A fifth area was recently added, based on the Argentinean experience; it has to do with promoting a non-sexist public image – through company product advertising campaigns, etc. Each country can adapt best practices in these areas according to its priorities and business culture.

The model is adopted in four stages, as described below.

Self-diagnosis. During this first stage, the firm conducts a self-assessment, with the support of specialists in gender and government management. The process starts by creating an internal committee made up of representatives from management, the human resources department, and from among the workers. Such committees are known as GEM Committees or Gender Committees. Their role is to lead the adoption of the GEM in company policies and in human resource management – from the self-diagnosis stage through the certification stage. During this stage, training is provided on the model's adoption itself and on a number of international good practices for gender equity. Once the company is sensitized to the model's benefits, the Committee begins identifying the main areas where there are equity gaps and/or imbalances. During this process, the firms use questionnaires and guides developed by The World Bank, which have been enriched by different international experiences and adapted to country-specific conditions. The support of a specialist helps to identify the most evident biases, those that are not easy to perceive, and those inherent in the company culture that need modifying. See Chart 1 for examples of some reference questions.

Chart 1. Reference Questions for Self-diagnosis

- Does your company have a gender equity policy?
- Is there a commitment against discrimination?
- Is that commitment disseminated in job opportunity ads? Are the ads neutral in terms of gender?
- Are photographs requested in job applicants' CVs?
- Is there a strategy to promote female access to positions traditionally held by men?
- Are maternity rights respected?
- Are the facilities adequate for the different needs of men and women?
- Are the training criteria transparent?
- How does the company handle cases of sexual abuse?
- Does the firm provide support for child care, such as a daycare center?

Action Plan. The second stage consists of designing and carrying out an action plan for addressing the problems identified in the self-diagnosis stage. The plan should include clear goals for each of the priority areas, as well as indicators and means of verification. The GEM also provides some guidelines for the companies during this process. Plan implementation usually requires four types of activities: i) sensitizing, to generate behavioral and attitude changes; ii) reformulating policies, such as, for example, those regarding hiring, promotions,

and benefits; iii) redesigning processes, with an emphasis on transparency and equity; and iv) making structural changes in areas such as working conditions, infrastructure, etc... Through the agency designated to coordinate the GEM (the Coordination Unit (CU)), the Government reviews and approves the Action Plan and supports its execution by contributing training and technical assistance, to meet the plan goals. The internal committee regularly sends a progress report to the CU, in compliance with the logical framework of the action plan.

Preliminary Audit. The third stage comprises a preliminary audit conducted by the government CU, for the purpose of analyzing the progress made and to determine, along with the GEM Committee, whether the company is ready to go through the official audit process carried out by an independent firm. If the company is not ready, the GEM Committee and the Government agree to postpone the audit and a new date is set for that part of the process. The objective is for the company to have already met the necessary conditions for its certification when the official audit takes place, so that it is able to obtain the GEM Seal.

Certification. After the company has satisfactorily undergone the audit, the Government confirms the results and proceeds to grant the GEM certification, valid for two years. Certified companies that receive the GEM Seal may use it as part of a marketing strategy for its products. As of the second year, the companies must be audited again, to ensure that equity standards have been maintained and that the company has continued advancing in consolidating the progress made through the action plan. See Chart 2 for the complete process and Table 1 for timeframes.

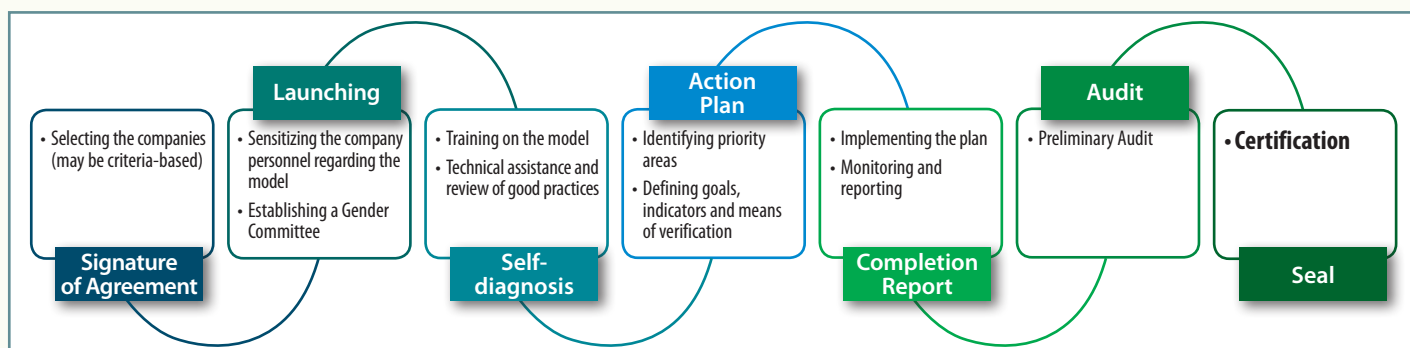
Made in Mexico

The GEM model was originally developed based on a pilot project run in Mexico, with the voluntary participation of 20 private and public sector firms.¹ The model was validated through a broad consultation process. The objectives of the Mexican GEM, called MEG 2003, are to: i) eliminate gender discrimination in hiring processes; ii) eliminate practices that can prevent female participation in training activities, particularly those aimed at facilitating access to management positions; iii) eliminate intangible discrimination practices (the so-called 'glass ceiling') that hinder female promotions; iv) promote affirmative actions and others to improve family-work balance, and v) introduce mechanisms for attention to, handling of and/or solving cases of sexual harassment and promoting a healthy work environment.

The high levels of satisfaction seen in the participating firms were a determining factor in converting the GEM into a regular program of the Mexican Federal Government and in incorporating its principles of work equity into State policy in the General Law of Equity between Men and Women approved in 2007. The preliminary results of an impact evaluation have demonstrated

¹ AVALAR Asesores, Galletas de Calidad, Dupont, Ecco Servicios, Fondo de la Vivienda del Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado, BANAMEX-CITIGROUP, GNP, Kirchoff Mexicana, Kraft Foods, Laboratorios LAPI, Eli Lilly, Mirafe, Motorola, PROFEPA, Hospital de la Mujer, SEDESOL, Vision Solidaria, and Walmart.

Chart 2. The GEM Certification Process



that the GEM has contributed, among others, to: i) eliminating discriminatory hiring processes due to maternity; ii) improving communication in the workplace, iii) improving employee performance and, therefore, their productivity; iv) including job performance evaluations in the criteria for promotions and pay raises; v) reducing the salary gap between men and women employees and increasing female access to high-level positions; and vi) implementing mechanisms such as flexible schedules, to facilitate a greater work-family balance. Many companies have also improved their infrastructure to make it woman-friendly.

Table 1. Estimated GEM Process Duration

Stage	Duration	Responsible Party
Application/Call for interest (and Selection)	1-3 months	Government
Signature of Agreement	2-4 weeks	Government + Firm
Self-Diagnosis	4-6 weeks	Firm
Action Plan (design and implementation)	6-8 months	Firm
Preliminary Audit and Audit	1-3 months	Government + Firm (+ Auditors)
Certification (and Seal)	4-6 weeks	Government

By 2009, a total of 255 firms had been certified in Mexico, benefiting nearly 300,000 employees. 42 percent of the firms are government agencies. It is worth highlighting that 80 percent of the participating firms have remained in the certification process; some others continue with the process on their own, and a small number of companies have abandoned the process, which shows the advantage of the process to stimulate ongoing improvement. *Instituto Nacional de la Mujer – INMUJERES* (Mexican National Institute for Women) is the agency that leads the GEM process in Mexico. It was precisely in that agency that a ten-day paternity leave was granted for the first time to a public sector employee.

The GEM in Chile, Argentina, and the Dominican Republic

The World Bank has supported the adoption of the GEM in these three countries, and other countries have adopted many of its practices and principles even when they have been supported by other international agencies. As did Mexico, Chile adopted the GEM as a public policy. Through *Servicio Nacional de la Mujer – SERNAM* (Chilean National Service for Women), this country

carried out a pilot project among 51 firms (in 2008) and then developed its own certification and seal model called IGUALA. The SERNAM developed some very clear guidelines for interested companies, which include questionnaires, reference indicators, etc. The gender equity model in Chile is being nationally promoted, in five different regions. In each of these regions the SERNAM boasts implementation consultants who accompany the IGUALA Committees (in each company) during action plan start-up. The action areas are the same as those promoted by the GEM, with some additional ones, such as promoting equity in job performance evaluation and negotiation processes.

In Argentina, the GEM principles have been adopted to develop the Argentinean Gender Equity Model called MEGA 2009, tested in a pilot program led by *Instituto Nacional contra la Discriminación – INADI* (Argentinean National Anti-discrimination Institute). The pilot ended successfully with the certification of nine companies, both multinational and domestic; it benefited 21,000 workers, among men and women. Chart 3 shows the main results reported by the pilot firms at May 2010. It is worth highlighting that, besides promoting actions in the four GEM areas, Argentina added a fifth area: eliminating sexist language in the company’s public image, which was well accepted by all of the companies.

In the Dominican Republic, the pilot program was recently launched by the National Competitiveness Council. In this country, the focus has been placed on improving company

Chart 3. Some Results from the Pilot Program in Argentina

- Commitment to gender equity is explicit in the companies’ policies (human resource management)
- Elimination of discriminatory practices in personnel selection and hiring practices
- Training policy aimed at men and women alike
- Adoption of special strategies for promoting female access to management positions and encouraging female leadership in general
- Benefits for work-family balance for men and women – not just for men
- Incorporation of mechanisms for addressing cases of sexual harassment and promoting a respectful working environment

competitiveness by acknowledging the importance of incorporating women into production processes.

The pilot project boasts the main companies in this country, plus an advisory council comprised of the Dominican Republic Ministry of Women, Ministry of Labor, and Ministry of Industry and Commerce – as well as of United Nations agencies.

Lessons Learned

The GEM model developed by the World Bank has proven a good tool for promoting gender equity in companies and in government agencies. It has boasted the support of employees and employers alike and it has redefined the relation between government and the private sector: the State becomes a partner instead of a control agent. The State acknowledges that it must be flexible and that it has a lot to learn from the private sector companies. The companies acknowledge the importance of incorporating equity guidelines as a beneficial mechanism that is convenient for both the business and its workers.

The perception surveys conducted in the companies underline the contributions made by the GEM; they identified improvements in the working environment as well as in internal communications and female access to high-level positions. The salary gaps have been dropping and, in general, there have been equal benefits for men and women. After nearly ten years of implementation, there is a general appreciation for the flexibility that the model has for adapting to company conditions; indeed, it can be customized to each company's needs and adopted as a continuous improvement process rather than used in mere compliance with pre-established external goals.

The following lessons have been learned from experiences in several countries:

- The support of the companies' top management is a key factor, not only because they have the power to change policies and processes, but also because they are capable of influencing behavior, they serve as an example, and they generate trust.
- Change does not occur overnight; precisely because it takes time to change behavior and, in some cases, due to the costs associated with changes in the facilities, etc.
- The process does not end with the certification and the use of the GEM Seal. Consolidating equity implies a continuous improvement process that, to a certain extent, starts after certification.

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- The model generates a new relation between the State and the private sector; both have incentives to handle model adoption flexibly, without any need for sanctions.
- The cost of adopting the model is relatively low. The instruments developed by the World Bank are easy to adopt and replicate.

Challenges

The success of the GEM suggests that many more countries can adopt it and that many more firms in the countries that have adopted it can be reached. In the countries where the model is in the pilot project stage, the government should be motivated to replicate it on a greater scale and even convert it into a public policy, as has been done in Mexico and Chile. New information technologies have a great potential in reducing implementation and/or escalation costs.

The countries that have already adopted the GEM as well as those who may do so in the future can benefit from a more systemic impact evaluation of the model. In Egypt, for example, the World Bank Gender Fund, which promotes result-based initiatives (RBIs), is financing a quasi-experimental evaluation to scientifically measure the impact of the GEM. A total of ten firms adopted the model and are being compared to nine similar firms who have not adopted it (control group). The results of this experiment will be available in the second half of 2010. The impact evaluation of the case of Mexico will also be a key factor for confirming good results and/or identifying areas that require review. Such evaluations enable seeing not only the impact of the GEM on the employees and the firms but also on society at large.

Another area that requires research and analysis is a possible standardization of certifications and seals. For example, international and multinational companies could greatly benefit from just one internationally valid seal. The proponents of this measure use ISO quality standards as a reference. Notwithstanding, any initiative along these lines should take into account the distinct contexts and characteristics that different countries have.

In general, the model must be strengthened to facilitate the changes that come after certification and that, in many senses, are more complex. Some such changes include equal salaries and affirmative actions to promote female access to management positions. Experience has proven that the greater the incentive, the greater the change.

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