



EVN MACEDONIA



BOARDS & SENIOR
MANAGEMENT



EMPLOYEES



ENTREPRENEURS
/ CONTRACTORS



CONSUMERS

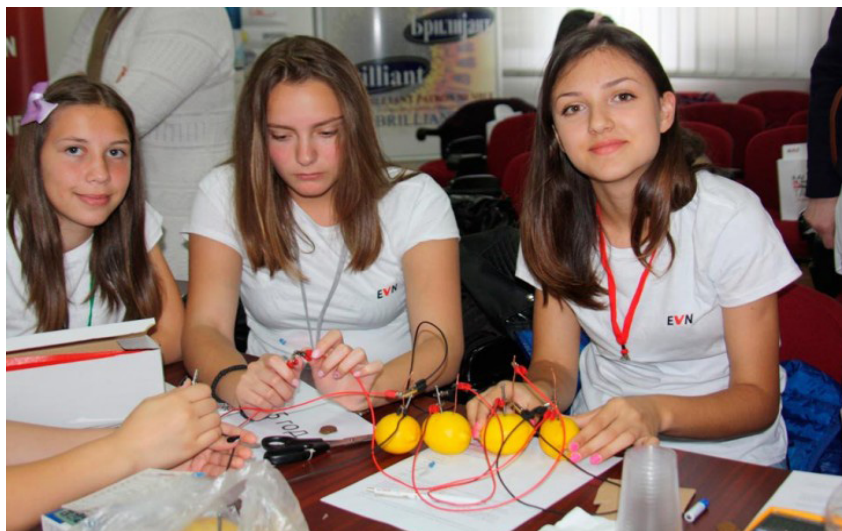


COMMUNITY
MEMBERS

EVN Macedonia provides energy to more than 800,000 customers throughout the Former Yugoslav Republic of Macedonia (FYR Macedonia) and employs more than 1,900 employees. In 2004 and 2005, Macedonia restructured its energy sector market and formed two separate companies ELEM (Generation) and MEPSO (Transmission).

EVN

The Elektrostopanstva na Makedonija (ESM), later named EVN Macedonia was bought out by EVN Group from Austria in 2006. EVN Macedonia is 10% state-owned and 90% privately owned by EVN Group. While the company focuses predominantly on electricity distribution and Supply, it also owns 11 small hydroelectric power plants. The company has 19 Customer Energy Centers throughout the country and one Central Customer Relations Center comprising of call center and complaints management center.¹



Bring your child to work day at EVN Macedonia.
Photo credit: Ellen Dragotto, USAID

COUNTRY CONTEXT

Macedonia is located in Southeastern Europe and has seen a significant decrease in women's engagement in the labor market in recent years, alongside major transformation to the energy sector. Economic and political change in the region led to structural shifts resulting in the decline of women in the workforce, with impacts still felt today. According to the International Labour Organization, only 42.3% of women participate in the labor market, compared with 67.5% of men (2017).² Despite this, Macedonia has strong policies for parental leave, sick leave, and inexpensive kindergarten, which contribute to an enabling environment for gender equity at work.

SUMMARY

YEAR ESTABLISHED: 2006

NUMBER OF EMPLOYEES: 1,904

COUNTRIES OF OPERATION: Macedonia

AREAS OF VALUE CHAIN & GENDER OPPORTUNITIES INTEGRATED:

Senior Management/Employees

- ☐ CEO / leadership commitment to gender equity, which is clearly communicated to managers and staff, and includes targets.
- ☐ Collect sex disaggregate HR data.
- ☐ Remove bias from job descriptions and selection processes.
- ☐ Use behavioral based interviewing for job candidates and emphasize hiring on demonstrated competencies (decisions thus made on assessments, rather than assumptions)
- ☐ Create pipeline opportunities for staff and source from within for positions and promotions.
- ☐ Expand your sourcing networks.
- ☐ Have a paid maternity leave policy (ensure meets minimum requirement of government).
- ☐ Have a paid paternity leave policy (ensure meets minimum requirement of government).
- ☐ Provide sick leave (ensure meets minimum requirements of government).

Community

- ☐ Raise awareness on gender equality in the sector by hosting events and engaging public figures.
- ☐ Support vocational training and technical education for young women and men
- ☐ Provide internship/apprenticeship and scholarship opportunities linked to possible employment opportunities to high-potential young female engineers and technicians

BUSINESS IMPACTS:

- ☐ Women have a lower rate of involuntary departures as compared to men.
- ☐ Since tracking the data in 2014, men consistently have higher rates of absenteeism. Men also tend to be late more often than female staff.
- ☐ There is a “blue-collar workforce gap” so being gender-smart in recruitment processes opens up a wider pool to meet talent demands.
- ☐ Positive impacts on brand and company reputation from gender equity interventions.
- ☐ Positive impacts on employee engagement among staff.

SOCIAL IMPACTS:

- ☐ Expectations and norms around girls' STEM capabilities as well as working in the traditional male industry are slowly shifting.

BACKGROUND ON GENDER STRATEGY

The CEO of EVN Macedonia, Peter Stefan, has expressed a commitment to gender equity within the organization. The Head of Human Resources and Organisation (HR), Aneta Petrovska-Rusomarski, is also committed to gender equity at EVN. Partly due to this commitment, EVN Macedonia joined the Engendering Utilities program of the United States Agency for International Development (USAID), which supports power companies to address internal gender inequity. At the start of the Engendering Utilities program, a study was conducted to examine the roles women occupy and identify any gender disparities within the organization. Findings suggested that women were underrepresented in most jobs within the company and were concentrated in administrative positions, with low participation in technical roles. The study also found that only 22% of top- and

middle-level managers in the company were women and there were no formal programs to attract, develop or promote women. While EVN Macedonia's leadership informally executed some professional development, mentorship, and internship programs, these activities were not designed in an explicitly gender-sensitive manner and attracted fewer women than men.³

Following this study, EVN Macedonia and Engendering Utilities developed a tailored action plan to improve gender balance across the company. Prioritized gender opportunities implemented span outreach, recruitment and hiring to employee support, evaluations and promotions. The employee interventions were applied to all four companies owned by EVN Group in Macedonia, including those in supply, power generation (i.e., hydropower companies) and distribution.⁴

GENDER OPPORTUNITIES IMPLEMENTED & RESULTS

Employees:

Between 2015 and 2018, EVN Macedonia made various efforts to promote gender equity, particularly related to HR compliance and recruiting practices. In 2015, EVN Macedonia began collecting sex-disaggregated data and incorporating it in decision-making. It also revised its recruitment materials, ensuring that all job advertisements use gender neutral language and pictures. Since the majority of new hires were for technical positions, which women haven't historically studied for or pursued, these small shifts were instrumental in encouraging more women to apply.

Related to recruitment and selection processes,

EVN Macedonia instituted a competency-based hiring selection process in 2017, with an aim to reduce gender bias among hiring managers and in internal leadership development. For this, a new "Assessment Center" methodology employs a panel of experts and specialists to assess candidates' reasoning skills and subject area knowledge, comprised of staff who are trained to conduct behavioral and knowledge tests. EVN Macedonia now validates the competencies required by checking them against actual demands of the job. Requirements that are not essential and could exclude women are reviewed and removed from job descriptions. The "gender blind" assessment process is based on merit and does not use names or gender, which can be especially effective in

surmounting unconscious bias in contexts where women and men have the same opportunities to access education.

The Assessment Center is now considered a success. Thus far, women even outperform men on knowledge tests, i.e. verbal and numerical reasoning, which increases their chances of making it to the final list for a job or promotion. Beginning in 2019, the Assessment Center approach will be utilized across all positions. EVN will also be linking this to the new performance management system it will roll out.

EVN Macedonia has also taken great effort to expand promotion opportunities for women. The company launched a dual career promotion path that enables early career engineers to transition from the managerial track to technical track (and vice versa) in order to identify and grow their strengths. After 18 months in an entry-level position, an engineer can undergo an assessment to decide and/or be selected to pursue the expert or managerial track. Individuals (both men and women) can then join the Engineering Future Leaders program, whereby women and men are onboarded and mentored. EVN Macedonia currently lacks qualified women in the pipeline for management positions, and hopes the initiative will increase the number of high potential women as candidates for internal promotions.

Within the Assessment Center program and the Engineering Future Leaders program, EVN faced a similar challenge. It took time for managers to cede power as the sole hiring decision maker and buy into the idea of the Assessment Center and Competency-based hiring. Within the Engi-

neering Future Leaders program, some managers considered mentorship by someone outside the team or their jurisdiction as undermining their authority. The mentorship thus had to be clearly explained to managers and the benefits outlined for individuals and the company. Petrovska-Rusomarovski notes that it's important to "be careful to have men and women accept" any new employee programs or changes in the practices and works actively on this.

While flexible work can be important for female employees globally to maintain home and work responsibilities, it has not been an option in the country of Macedonia. EVN Macedonia has historically maintained a fixed time schedule that has not allowed for flexible work hours. Further, working from home while having an employer and office was not allowed by the state. However, the law changed in July 2018, and now allows for flexible work arrangements. EVN Macedonia is currently planning to allow certain positions (e.g., those that don't require shift workers) to conduct their daily work within a 12-hour window including optional telework.

Additional interventions and relevant institutional policies include:

- **Compensation:** EVN Macedonia updated pay practices between 2015 and 2017, now including periodically conducting salary data analysis to identify and address pay gaps, as well as periodically conducting benefits data analysis to identify and address inequities.
- **Anti-discrimination & harassment:** EVN Macedonia drafted an Equal Employment Opportunity (EEO) policy in 2017 and is currently formalizing it to prevent all forms of

discrimination and harassment at work.

- **Parental leave:** Parental leave in Macedonia is paid by the state for up to 9 months, with three additional months available that are unpaid. Parents are entitled to use the unpaid leave until children are 3 years of age. The mother must take the first 45 days of parental leave. Then either parent can take the remainder. Oftentimes women take all the leave, and paternity leave remains underutilized. At EVN, 0% of men take paternity leave (other than 3 days when the child is born, which is mandated in collective agreements).
- **Breastfeeding:** The state mandates that a paid 30-minute daily break be available for new mothers for up to 12 months. The company pays for this.
- **Sick leave:** EVN Macedonia provides up to 30 days and covers the costs (as mandated by the government). For parents, there is unlimited coverage by the state to take leave to attend to children under age 3 who get sick. Women primarily fulfill these responsibilities in Macedonia. Of employees at EVN Macedonia who take this leave, women comprise 94% and men 6%.
- In 2016, the company instituted a “Bring Your Daughter to Work Day”, which became “Bring Your Child to Work Day” in 2017 and 2018. In a survey conducted by EVN, 88% of employees who participated in the event said, “the event makes me feel proud of working at EVN”. Further, 87% of participants said the event “has a positive impact on our workplace culture”, and

72% agreed, “experiencing my workplace can influence my child’s career choice.”⁵

The company has experienced growth in female employment in two areas since implementing gender-related interventions and opportunities: as supervisors and as engineers. There remain challenges to recruiting women to technical field operations, which include positions such as electro-fitters and line-workers who monitor and read meters, connect customers and maintain the grid. While these positions are above the average salary in the country, the gap is based in lingering stereotypes around what women’s capabilities and a general assumption that women are not interested in these positions.

Young ladies have fear and stereotypes that with maternity they may not make it. Or with family [commitments], there isn’t enough time [for also having a career]. [We] need to work with them on this.

—DANIELA KITANOVA, SENIOR ENGINEER, EVN

Note: These employee interventions were applied in all four companies owned by EVN in Macedonia, including those in power supply (hydropower companies) and distribution. However, the HR data has only been tracked for some of the companies (distribution and regulated supply) given the restructuring that occurred since measuring the baseline in 2014.

Community members:

EVN Macedonia has observed that women have not been pursuing education for positions such as electro-fitters and line-workers in the country, but this has begun to (slowly) change with the Project 20-20-20 – a collaboration between EVN Macedonia, the Ministry for Education and Science and vocational training schools in the country. Project 20-20-20, which runs from 2017 to 2020, seeks to increase the quality of knowledge and skills of electro-fitters through education, as well as awareness and promotion activities such as events and campaigns. The project aims to fight stereotypes in the workplace and has increased interest and participation of women in the profession.⁶

The education component of Project 20-20-20 includes training female students to fill internships alongside electrical fitters. EVN Macedonia is recruiting students through partnerships with technical schools and another Macedonian energy company. The companies are ensuring that young women are intentionally included in the program. Although EVN's summer intern cohorts have not typically included any female students, two young women (out of 36 interns) participated in 2017. The company pays students who are in the program some remuneration has also trained a number of its line-workers to mentor the interns. EVN Macedonia funded and organized a national Women in Energy Conference in partnership with the Engineering Institution of Macedonia in 2017

and 2018. The Central European Initiative also supported the conference in 2018. The conference sought to raise awareness – on the national and regional level – about the importance of gender equality in the power sector. The Prime Minister of Macedonia, as well as the CEO Peter Stefan attended and gave speeches regarding how gender equality is a national and company priority. The event garnered national and international media attention, and Stefan was able to elicit additional buy-in from other power sector CEOs. Petrovska-Rusomarovski hopes to work with other companies as well as international NGOs and partners to host the conference in other countries and expand the conversation.

There are no quick wins. All the correlational studies give us confidence to continue pursuing women [and gender equity] but we don't expect to see returns that quickly. [It is a] longer-term investment.

—ANETA PETROVSKA-RUSOMAROSKI

Signposts of progress

In 2017, 43% of applicants and 38.7% of new hires were women. While 67% of female hires in 2017 were still filling non-technical roles, rates of application and new employment are approaching parity for women, representing early indication of progress in closing gender gaps at EVN

LESSONS LEARNED:

1. Senior management's commitment to gender equity is critical and must be clearly conveyed to all levels of staff. If the CEO buys in, she or he can then build regional momentum with other leaders in the sector and stakeholder working on advancing the gender agenda.
2. Beyond the CEO, there needs to be an internal champion who is a high-level staff member committed to gender equity in the workplace and able to push the commitment to action and be resilient in the face of inevitable obstacles and challenges.
3. Just do it! As Petrovska-Rusomarovski puts it: "It's like planning a tree. The best time [to get started is] 100 years ago. The next best time is now. There is a synergy between the moral imperative and the bottom line."
4. Quick wins like the Women in Energy Conference can help garner attention and reinforce longer-term commitment to action. However, promoting gender equity just for recognition will not change the corporate culture.
5. Pilot projects are key as they demonstrate the potential. One cannot expect the board and CEO to give a wealth of resources all at once. Rather, internal champions should be resourceful and persistent. Impacting gender equity is not a short process, but rather takes long-term approaches, patience and commitment.

IMPACTS:

Business impacts:

- In 2015, EVN reported having 1,900 employees, of whom 397 were women. From 2015-2017 the number of female employees increased to 408, representing an overall change of 2.8%.
- Men have a disproportionately higher rate of involuntary departure from EVN compared to women. While men make up 79% of the workforce, they represent 83% of all terminated contracts.
- Since tracking the data in 2014, men consistently have higher rates of absenteeism. Men also tend to be less punctual than female staff.
- There is a "blue-collar" workforce gap, so being gender-smart in recruitment processes opens up a wider pool to meet talent demands in light of an estimated 30% of the blue collar workforce retiring in the next 10 years.

For distributors like us, we are investing more in diversity for the sake of our brand, reputation, image, which is how we can differentiate. It better reflects the company's customer base because half the customers are women.

—ANETA PETROVSKA-RUSOMAROSKI

- The company has received good press for its gender interventions and gender-smart approach (particularly related to its Women in Energy Conference), impacting the company reputation positively in Macedonia and beyond.

Social impacts:

- EVN Macedonia promotes STEM education for girls and raises awareness around jobs for women in industries that are traditionally masculine. Expectations and norms around what girls' capabilities are gradually shifting.
- There has been a slow, consistent uptick in women pursuing graduate degrees in engineering fields. While this is related to larger cultural and societal shifts, EVN remains an influential actor supporting this trend.

Organizational impacts:

- EVN Macedonia is committed to integrating gender into the company all levels and in technical positions.
- As a subsidiary of the EVN Group, EVN Macedonia is emerging as a role model and demonstrating to the larger corporation the potential gains of gender equity approaches

- EVN is being recognized as a regional leader in promoting gender equity in the workplace. In November 2018, EVN Macedonia was selected as a finalist on the European level in the competition for best practice in the field of vocational and educational training for big projects (for project 20-20-20).⁷

Ideally these initiatives get taken up by the parent company. [EVN Macedonia] can demonstrate the case and send it upwards.

—PETER STEFAN, CEO, EVN MACEDONIA

This case study was conducted through (1) interviews conducted with the CEO, Head of HR, and staff at EVN Macedonia; (2) a review of data provided by EVN Macedonia; and (3) a review of EVN program documentation including a case study from Engendering Utilities

References

¹ EVN (2018). About Us. Retrieved from <https://evn.mk/Za-nas.aspx>.

² International Labour Organization (2017). The former Yugoslav Republic of Macedonia. ILOSTAT database. Data retrieved from <https://www.ilo.org/ilostat>.

³ USAID. (2016). Engendering Utilities: Improving Gender Diversity in Power Sector Utilities.

⁴ The HR data has only been tracked for some of the companies given the restructuring that occurred since tracking the baseline in 2014.

⁵ (2017). Child to work day 2017: Comparison pre and post activity survey results. EVN Macedonia.

⁶ Employment, social affairs & inclusion: Pledges. European Commission. Retrieved from <https://ec.europa.eu/social/main.jsp?catId=1149&langId=en&idDataTable=294>.

⁷ (2018). European vocational skills week spreads its wings. Organization of Employers of Macedonia.