



**Irish Medtech**  
Association  
Ibec

The Irish Medtech Sector Association  
recommendations to make Ireland a world  
leader for gender leadership in STEM

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## The gender leadership gap in medtech and manufacturing

The Irish medtech sector is a global leader in manufacturing with 9 of the world's top 10 medtech companies having a base here, and more Shingo Prizes for operational excellence, per capita, than any other country. As the industry continues to grow with new startups set-up, FDI investments announced and 2,070 jobs added in the last two years we must future-proof businesses against stagnation.

Making Ireland a world leader for gender leadership in STEM has been identified as a strategic priority for industry in the 'Irish Medtech Association: Future skills needs analysis to 2020' report' to ensure the sustainable growth of Ireland's global medtech hub. Subsequently, the Irish Medtech Association established a Gender Leadership Development Taskforce led by the board with members coming from top global medtech companies and SMES, along with engineering, polymer technology, and biopharma companies.

In Europe women make-up less than half (39.2%) of the total high-tech manufacturing labour force, according to Eurostat, and over 50% of all high-tech manufacturing employees were women in just five EU countries.

Internationally at executive leadership level, the Advanced Medical Technology Association (AdvaMed), the US trade association for medtech, conducted a survey that showed only 4% of companies had female CEOs, even though as many as 73% healthcare companies had female managers.

In Ireland, while women continue to be under-represented in leadership, great strides have been made with the level of female CEOs rising from 14% in 2015 to 19% in 2017, according to the "Women in Management – the Leadership Pipeline 2017" report developed by Ibec, the 30% Club and DCU.

This progress is welcome, but the report also highlights notable gender gaps with manufacturing lagging behind sectors such as retail and food. Only 6% of manufacturing firms have female CEOs. While this is below the national level, it is closer to the global standard of 6.4% of companies having a female CEO.

The business case for gender leadership is clear with Fortune 500 companies which had more than three women on the board experiencing a 66% higher return on invested capital and 42% higher return on

sales. Irish research shows that small organisations perform well for females in management and CEO roles, and large organisations well for females entering management. Additionally, as industry continues to grow, the competition for mobile talent is rising; notably in STEM industries with high demand for roles such as engineers.

Women in Ireland are more likely to have a third-level qualification than men, with more than half of women aged 25–35 having a third-level qualification compared to just four out of ten men. And women also have better progression rates than men according to the Higher Education Authority. So, we cannot continue to exclude more than half the population.

Occupational and education segregation, work life patterns and unconscious bias continue to be key challenges for improving the leadership pipeline.

Ireland’s manufacturing success is built on collaboration, with FDI multinationals, and homegrown companies big and small working together to achieve shared goals. Businesses can support and add to the ongoing work by government to make Ireland a world leader for gender leadership in STEM.

There has been a lot of work taking place under the Government’s National Strategy for Women and Girls 2017-2020 to address gender balance. Furthermore a new initiative “Better Balance for Better Business”, which is aimed at addressing the imbalance of women on boards, has also been launched with Ibec CEO Danny McCoy offering the business perspective as a member of the Steering Group. These are very positive steps to promote gender equality but more must be done to ensure that the objectives and their implementation are in line with key growth sectors for Ireland to help us achieve our potential.

### **Recommendations for stakeholders and policymakers**

#### **Making gender leadership a priority**

- Ensure whole society approach as the government implements the initiatives and objectives outlined in the Government ‘National Strategy for Women and Girls 2017-2020’ and ‘Better Balance for Better Business’ initiative. The Government needs to build on the work achieved and fully address the challenges that remain which include, occupational and educational segregation, gender stereotypes and attitudes, the lack of quality, affordable childcare, the

division of caring responsibilities between men and women, and the challenges to gender balance in decision-making.

#### Supporting labour market participation

- Ensure that an appropriate model of gender pay gap reporting is introduced which acts as a useful diagnostic tool for all stakeholders to understand and address the causes of the gender pay gap. We support the Ibec proposal that such reporting should be introduced on a phased basis initially to organisations of 250+ employees, with a 12 month period to calculate the pay gap, akin to the successful Australian model for gender pay reporting. In this way, smaller employers can be assisted in the process by first learning best practice from larger organisations.
- Support and retrain women who have left work, to start and raise families, and now want to return to work. These women represent an untapped resource for the economy. They should be helped to pursue careers with training programmes if they've been out of industry for a prolonged time or if absent for shorter periods of time they should be kept up-to-date of in-company opportunities for jobs, promotions and projects.
- Don't disincentivise work with unfair tax treatment of second earners in married couples. While the narrow tax base and low tax rates charged on initial incomes, average Participation Tax Rates's for second earners go from being one of the lowest in the EU to one of the highest once childcare costs are factored in ie employees with no childcare costs will only lose 18% of their income, compared to 92% for someone with children (further details in the [Ibec Labour market participation of women report](#)).
- Make childcare more accessible and improve target expenditure payments through means testing. The Government should develop a new affordable childcare strategy by 2020, achieving an equal split between child benefit payments and childcare services as well as address needs for before and after school needs.
- Bring Ireland's low adult-to-child ratio for childcare in line with other European countries, eg in France the ratio is 1:8 for two year olds compared to 1: 5 in Ireland, while Denmark, Germany and Sweden do not have mandatory ratios for any age group. These tight staffing rules increase costs for parents and reduce earnings for employees thus undermining the attractiveness of the sector.

## Ensuring girls aren't cut-off from careers

- Don't cut girls off from careers in STEM and manufacturing. The medtech industry saves and improves lives, more needs to be done to encourage girls to pursue careers in the sector. Even before adolescence some girls are cut-off from careers because of subject choices in secondary school. According to members of the Irish Medtech Association IR/HR Forum the educational route to medtech careers includes, at Junior Certificate Level: Technical Graphics, Construction Studies, Materials Technology, and Metalwork; and at Leaving Certificate level, Engineering, Technology, Applied Mathematics, Construction Studies, Design and Communication Graphics. These subjects are usually provided at boy's schools and some mixed schools, but are often not provided in girl's schools. Subsequently, at third level this gives boys studying engineering degrees and advantage over girls who are already under-represented in these courses.
- Ensure that there are enough teachers with the qualifications to teach chemistry, physics, biology and maths. Currently there is an imbalance with more qualified teachers in biology which affects quality and uptake of other science subjects.
- Promote Science, technology, engineering and maths (STEM) careers with students to foster the long-term talent pipeline by engaging in initiatives such as SFI Smart Futures and showcasing industry at the BT Young Scientist.
- Work with careers guidance counsellors at second, third and further education levels to ensure that they are equipped with the knowledge and tools to be able to promote the myriad of careers available. This may include school and college visits, work placements and supporting the counsellors directly, as well as fact sheets and collateral like the 'Roadmap to medtech careers' (available online [here](#)).

## Priorities for industry under the Ibec Medtech and Engineering Gender Leadership Taskforce

- Develop programmes for senior/middle managers to increase women in leadership, such as facilitating gender leadership development, engaging men, and unconscious bias training.
- Get commitment at CEO level to make gender leadership an industry priority by driving engagement across manufacturing sectors with support of the Irish Medtech Association Board
- Benchmark diversity in leadership in manufacturing and continue to collaborate with Ibec to ensure manufacturing sectors are represented and build relationships with international partners such as Advamed Women's Executive Network

- Identify best practices for those working manufacturing sectors, where certain roles may require more on-site work and make it harder to provide flexible working arrangements, as well as expand 'Business case for women in leadership' brochure produced by the Irish Medtech Association Gender Leadership Taskforce by adding case studies (which is available online [here](#))

### **The economic contribution of Ireland's medtech sector is of increasing importance.**

Ireland is well positioned to capitalise on global medtech market which is forecast to grow €435 billion by 2022, it's:

- A global medtech hub with 9 of the world's top 10 medtech companies having a base here
- The number one location for medtech foreign direct investment in Europe
- Spans 450 medtech companies, including leading contract manufacturers, designers and service providers
- As many as 60% of businesses are homegrown and 80% are either start-ups or SMEs
- Ireland is the second largest exporter of medtech products in Europe with €12.6 billion in exports
- The highest employer of medtech professionals in Europe, per capita, with many as 38,000 already working in the sector and 4,000 jobs to be added by 2020
- Ireland has the most Shingo Prizes for operational excellence of any country, per capita, in the world
- A staggering 68% of companies do R&D and spend €181 million on R&D annually
- Nearly two out of three medtech companies have commercial capabilities here and a third of FDI multinationals plan to expand or introduce new commercial operations

### **About the Irish Medtech Association**

The Irish Medtech Association is the business association within Ibec representing the medtech sector. The Irish Medtech Association has more than 250 members and represents over 80% of the employment in the sector. The Irish Medtech Association's broad focus is to promote and support an environment that ensures the sustainable development and profitable growth of our multinational and small to medium size medtech companies. Irish Medtech Association is led by a Board of Industry CEOs and Executive Leaders. Strategy implementation is coordinated through working groups and taskforces.

[www.irishmedtechassoc.ie](http://www.irishmedtechassoc.ie)

