

Promoting gender equality in the off-grid energy sector through gender inclusive business practices: A case study of PEG Africa

Introduction

PEG Africa, a Power Africa Beyond the Grid partner, delivers Pay-As-You-Go asset-based financing to consumers who lack access to both reliable electricity and formal banking services. PEG is a fast-growing, 400+ person company operating in three West African countries (Ghana, Côte d'Ivoire and Senegal). PEG shares Power Africa's commitment to meeting the energy needs of the underserved and creating opportunities for women throughout the energy value chain.

These common objectives, combined with PEG's expressed commitment to gender equality and women's economic empowerment, opened an opportunity for Power Africa and PEG to work together on the implementation of strategic and targeted measures designed to increase gender equality in the company and strengthen women's economic opportunities. This case study outlines some of the measures and related results of the Power Africa/PEG collaboration, and aims to provide further evidence that gender equality is good for business and economic development.

Background

To realize its stated commitment to gender equality and women's economic empowerment, PEG took some initial steps to increase opportunities for measurable results.

Gender Projects Officer

To ensure gender inclusion measures would be sufficiently prioritized, PEG hired a Gender Project Officer (GPO), an Engineers Without Borders Canada Fellow. For a growing company that may not find it prudent to allocate a salaried position to focus on gender inclusion, recruiting a fellow, whose salary may be subsidized by an NGO or other organization, is an excellent strategy. One of the first tasks undertaken by the GPO was to conduct a gender audit to determine a baseline with respect to gender inclusiveness at PEG.

Gender Audit

Through an internal document review, a self-assessment survey of PEG Headquarters (HQ) staff, semi-structured interviews with PEG employees, and shadowing of female sales agents, the GPO determined that:

1. At PEG HQ, there was equal representation of male and female employees. However, there was an imbalance of women in decision-making positions. The majority of women were represented in lower employment band levels; only 30% of positions in band levels 6 and above (those said to have 'decision-making power') were held by

women. Band 5 appeared to be something of a 'glass ceiling' that women could not break.

2. PEG's Employee Handbook and internal policy framework was gender neutral, but not gender responsive.
3. While women were strongly represented in the HQ Support Officer positions, they were very sparsely represented in all other field positions.

A **gender-neutral** policy has no differential positive or negative impact in terms of gender relations or equality between women and men. **Gender responsive** policies acknowledge gender gaps and identify measures to address the discrepancies.

Gender Action Plan

The gender audit informed the development of a Gender Action Plan that was drafted with technical expertise from Power Africa. The Gender Action Plan included the following objectives:

1. Increase the number of females in decision making-positions to 45%
2. Strengthen internal policy frameworks and other key internal documents for gender responsiveness
3. Gain more female customers
4. Increase employment of females in field staff positions

For each objective, corresponding activities were identified, along with targets to be achieved in a one-year period (January 2018 – December 2018).

Women in decision-making

There is an established **business case for gender diversity** in companies, supported by a [wealth of literature and data](#). The evidence demonstrates that gender diversity in the workplace, especially a gender-balanced leadership team has numerous business benefits. These include:

- Reduced costs (e.g., absenteeism and turnover)
- Attracting top talent as an employer of choice
- Increased productivity, profitability, and engagement
- Tapping new markets and building customer loyalty
- Improved innovation, reduced group-think, and enhanced decision-making
- Better reputation
- Reduced fraud

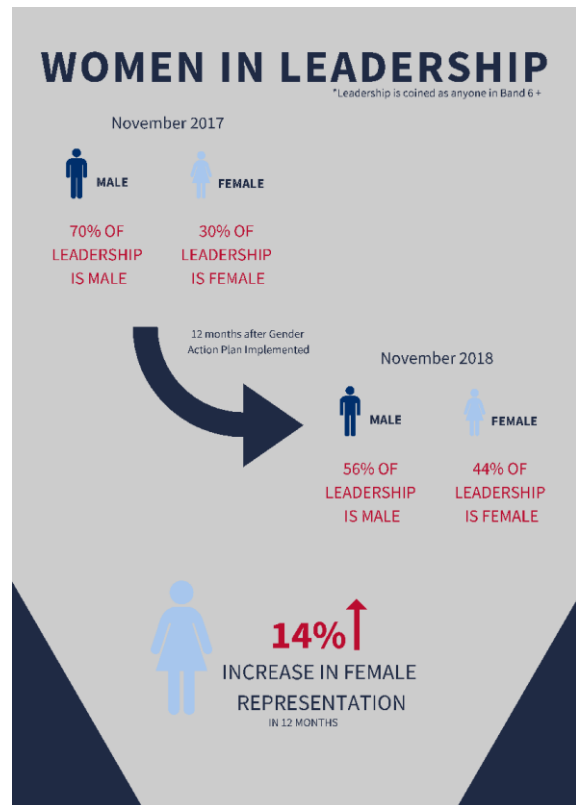
As a rapidly growing company, PEG was motivated by the business case for gender diversity. As a social impact company, gender equality was already aligned with its values as an

organization, and the business case only added increased impetus to undertake measures to increase gender balance in the company, especially at the senior leadership level.

PEG set a target of a 15% increase in the number of women in decision-making positions in PEG during the one-year implementation period of the Gender Action Plan.

In 12 months, PEG realized a 14% increase in female leadership, achieved through changes in recruitment and staff development. For example, in all job vacancies advertised following the adoption of the Gender Action Plan, PEG included the following **equal employment statement**: “PEG is an equal opportunity employer committed to diversity. All qualified candidates regardless of age, sex, ethnicity, race and religion are encouraged to apply.” While the impact of this is not determined, it sends an important message to potential applicants about PEG’s values and that diversity is welcome.

PEG also committed to ensuring that more CVs from female candidates were considered, and intentionally searched for skilled female candidates. When working with recruiters, PEG indicated an interest in receiving CVs from female candidates, and did not proceed with a shortlist until qualified female candidates were in the pool for consideration.



One measure implemented to develop female talent was a **mentorship program**. Evidence demonstrates that employees thrive when they have a professional mentor to help them set measurable goals, connect to a strong network, offer advice and experience along with sectoral knowledge. To develop female leaders within the company, PEG implemented a three-month pilot mentorship program. This project paired high-performing, mid-level managers with Director-Level Employees at PEG, including the CEO, and provided a framework of leadership metrics to follow in mentorship. The program was evaluated by mentors and mentees as a success, and has now been embedded into the Learning & Development Team. Mentorship is now available to all high-performing, mid-level managers on a six-month basis.

Mentee success story: Bervelyn Mantey (Supply Chain Manager)

Bervelyn Mantey began working at PEG Ghana in January 2015 as a Customer Care Representative. As a high performer, she was promoted to Warehouse Junior Manager and held that position for close to one year. When the mentorship program was offered, she applied and was a strong candidate, having just been promoted to Supply Chain Manager. Her hope was to gain support in the new position and continue to grow in the challenging role she had earned.

Bervelyn stated that the Mentorship Program was very positive for her. She was paired with one of PEG's co-founders, Nate Heller, and found him to be very supportive. He recommended online courses and provided books on leadership, which gave her practical skills to improve her work at PEG. *I now have the confidence to be a manager in my new role," said Bervelyn. "I am even able to discuss my fears and insecurities with my mentor."*



Bervelyn Mantey, Mentorship Program participant and Supply Chain Manager at PEG
Photo Credit: Nick Adatsi

What difference does 14% more female leaders make in PEG?



Members of PEG's Senior Management Team in HQ, Accra, Ghana
Photo Credit: Nick Adatsi

“Gender equality begins to drive itself,” said Hugh Whalan, PEG’s Co-founder and CEO. “The more women are represented in leadership, the less one has to push for gender equality because it is visible. This is what is beginning to happen at PEG.” Affirming the CEO’s reflection, some PEG managers referred to a cultural shift taking place within PEG whereby a commitment to gender equality has become institutionalized rather than simply having one or a few individuals ‘preaching’ it. Male managers are more willing to engage women in roles in which they would not previously have been considered. Interestingly, one senior leader even shared that his own management style has changed towards more empathetic and meaningful engagement with his direct reports. He attributes this change to modelling the behaviour he sees from female leaders in the company.

In focus group discussions, female employees conveyed that they felt emboldened to share their ideas in meetings where a greater number of female leadership is visible. They feel, in turn, that this provides greater opportunity to be noticed. Female leaders are also seen as role models and evidence of genuine equal opportunity for advancement in the company. This may in part explain the ***decrease in employee turnover by 30%*** compared with the year prior to implementation of the Gender Action Plan.

PEG's Gender Pay Gap

PEG conducted a pay gap analysis at PEG Ghana HQ to understand the difference, if any, in the average pay between men and women in the company. *An identified gender pay gap in PEG was reduced by 24 percent in a six-month period.*

The pay gap at PEG was not a result of an equal pay for equal work discrepancy, but rather a lack of equality at senior level positions. As female leadership increased at PEG between June and November, 2018, the pay gap decreased significantly.

Profitability

The increase in female leadership at PEG coincided with a successful year for PEG Ghana. *Between 2017 and 2018, PEG Ghana's revenue grew 60%, and EBIT improved 26%.* While there are a number of contributing factors to this, a correlation between gender diversity in executive teams and profitability has been well established. For example, a 2018 McKinsey report entitled *Delivering through Diversity* found that companies in the top quartile for gender diversity on their executive teams were 21% more likely to experience above-average profitability than companies in the fourth quartile. PEG's data is in line with the existing evidence.

Internal policies

Policies and procedures guide a company's operations and are a key entry point for gender inclusiveness. They are also important indicators of a company's workplace culture and values. During the development of the Gender Action Plan, PEG was cognizant of the importance of improving its policy framework to develop and add policies that entrenched gender equality as a core value and that would make the workplace attractive for current and potential female employees. As PEG is a rapidly growing company, this was also seen as a logical component of growth.

During the one-year period of implementation of the Gender Action Plan, *PEG developed and adopted four new gender-inclusive policies:*

1. **Gender Equality Policy:** PEG created a Gender Equality Policy to clearly articulate its commitment to gender equality in recruitment and hiring, job assignments, bonuses and promotions, pay and benefits, and training. The policy also prohibits any form of gender-based harassment, and clearly states that *"PEG seeks to actively deconstruct negative stereotypes and the delegation of specific gender roles."*
2. **Paternity Leave Policy:** The paternity leave policy provides 10 days of paid leave for new fathers and is good practice to change traditional perceptions about men's and women's roles as parents. Male employees at PEG realized that the Gender Action Plan was not only about women's interests in PEG.
3. **Flexible Working Hours Policy:** Allowing flexibility for employees benefits male and female employees alike. Three-quarters of the employees who are taking advantage

of the policy are women. In a context where women are the primary caregivers of children and family members, and are responsible for the majority of household management tasks, a flexible working hours policy supports a balance of work and other responsibilities. This policy may also support the retention of female employees.

- 4. Standardized Promotions Policy:** A standardized promotions policy removes conscious or unconscious bias from the process of determining promotions and ensures equal opportunity for male and female staff to advance within PEG. This policy measure was motivated, and informed, by a **gender analysis** of employee data. The policy guidelines were followed for the first time during the most the most recent quarter (Q3 2018 August – October 2018). Ten employees received promotions, of which 50% were women.

PEG's gender analysis of employee data on promotions

Data on promotions in PEG revealed that on average, women work **79 days** (nearly a full quarter) more than men before getting promoted the first time, and **80 days** more than men before getting promoted a second time. The data shows that even though PEG employees should work 180 days before being promoted, it is far more likely for a man to be promoted before this minimum than for a woman.

Based on the findings of the analysis, PEG recognized that in order to allow equal opportunities for growth, it needed to standardize the promotions process. The Standardized Promotions Policy ensures that there are hard qualifications for receiving a promotion that include the past two performance review ratings, tenure in the position, and manager feedback.

Female customers and female field staff positions

Two separate objectives in the Gender Action Plan were to:

1. Gain more female customers
2. Increase employment of females in field staff positions

To help meet both objectives, PEG designed and implemented an innovative one-year pilot project: **a selling scheme to Village Savings and Loan Associations (VSLAs)** in Northern Ghana, an untapped market for PEG prior to this project. PEG determined that it could have an impact on women in the northern regions of Ghana where there is less on-grid electricity, and fewer job opportunities, especially for women. This was in line with PEG's goal of making solar accessible to everyone in Ghana.



Brand A Mabel Akanyinte demonstrates PEG's Solar Home Kit for a VSLA Group in Karaga, Upper Volta Region Ghana.

Photo Credit: Dominica Kafari

PEG hired a VSLA Program Coordinator who, in line with the Gender Action Plan objective to increase the number of female field staff, recruited six female Brand Ambassadors to act as direct sales representatives for this project. PEG's field staff, comprised mostly of direct sales agents, is overwhelmingly male. Retention of female sales agents is an ongoing challenge as these positions involve travelling long distances at one's own cost, long working days, and the possibility of sleeping in unfamiliar villages. Typically, in the rural Ghanaian context, women have family responsibilities that make these conditions extremely undesirable.

Targeting VSLAs is conducive to female sales agents as it removes the burden of travel door-to-door pitching sales to individual customers. The VSLA selling scheme focuses on targeting women's savings groups, allowing Brand Ambassadors to work with groups and communities to sell the solar product. Most VSLAs have at maximum 30 women in a group, and occasionally include men. PEG has also created three new VSLA groups to save specifically for the PEG solar home system (SHS), with significant interest to create additional VSLA groups in 2019.

VSLA Coordinator - Dominica Kafari

Dominica Kafari, from Navrango in the Upper East Region of Ghana, is PEG's VSLA Coordinator, focusing on sales to women in the Northern Regions of Ghana. Dominica cultivated a field staff team that challenges the norms of field work in rural Ghana. Women are typically underrepresented in field staff roles at PEG, with only 19% of these roles held by women. While Dominica's team started out with all women, some men have been added and the team is 82% female, which is the highest representation of women on a PEG team in the field.

Dominica leads her team with determination and innovation, working within pre-existing VSLAs, as well as creating new groups. This allows a number of the typical grievances women have with field work to be mitigated (long hours, distant travelling, safety concerns, etc.). Dominica acts as a strong role model for her employees by encouraging them to build the skills they need to succeed, including how to install the solar devices.



VSLA Coordinator, Dominica Kafari
Photo credit: Dominica Kafari

Although in many instances, women in these groups do not have decision-making power over purchases for the home, the PEG Brand Ambassadors for this project have noted that after pitching to women they have been able to influence their husbands to buy the products through a joint decision-making process. This does not strictly lend to the objective of gaining new female customers, women are beneficiaries of the sale as it is a household product and women in that context are the household managers.

Aside from expanding energy access to more female beneficiaries and providing economic opportunities for women, the pilot project is **addressing gender norms and stereotypes** about women's roles and capabilities. In the early weeks of the pilot project, the Brand Ambassadors were hesitant, at best, and unwilling, at worst, to install the SHS. The installation process involves a small amount of hammering, and, depending on the specific house, the Brand Ambassador has to climb onto the roof to place the solar panel. The Brand Ambassadors were convinced this was a job for a man and they would outsource, at their own expense, the installation to a male relative or friend. This was despite the fact that all sales agents receive an extra payment for each installation, on top of the commission from the sale.

As PEG is committed to support the Brand Ambassadors to maximize their income earning opportunities, they encouraged the Brand Ambassadors to do the installations themselves through role modelling and training. The VSLA Coordinator installed the product herself and worked closely with the Brand Ambassadors until they gained confidence. One lesson learned for PEG in this instance, is to ensure that initial training for Brand Ambassadors includes training on installations tailored to the needs of the recruits, including addressing stereotypes and social norms.

The addition of six dedicated female Brand Ambassadors in the Northern Region as a result of this pilot is a small number, but this additional impact is extremely important for creating space for more women in the off-grid energy sector. In other words, PEG is paving the way.



VSLA Coordinator, Dominica Kafari assists Brand Ambassador Ann Antengdenm with an installation of the X850 TV in at a house near Tamale, Northern Region Ghana.

Photo Credit: Laura Allan

The pilot project is still underway. However, six months into the project, significant gains have already been made in providing income-generating opportunities for women in Northern Ghana, a region where finding work is challenging. In addition, PEG is providing energy access to a previously untapped market of female beneficiaries.

Conclusion

To promote gender equality in its operations and create economic opportunities for women, PEG applied the following good practices:

- Recruit a dedicated Gender Project Officer
- Conduct a gender audit
- Develop a Gender Action Plan
- Create a mentorship program
- Conduct a pay gap analysis and promotion data analysis
- Adopt a flexible working hours policy, a paternity leave policy, a standardized promotions policy, and a gender equality policy
- Add an equal employer statement to all job vacancies
- Ensure female candidates were included on shortlists for vacancies, in particular senior leadership positions; and informed recruiters of this commitment
- Target existing VSLA groups for sales and creating new groups to save for PEG SHS and recruited female Brand Ambassadors for this market

Looking forward, and based on the positive results from implementing these practices at Headquarters in Ghana, PEG plans to replicate the measures taken towards gender inclusiveness in its other country offices starting with Cote d'Ivoire.

Small, off-grid energy companies are encouraged to replicate some or all of these practices to help create economic opportunities for women, while leveraging opportunities for improved business results through gender diversity. Power Africa can help with this and welcomes such companies to reach out and discuss opportunities to support.