

Gender & Diversity In Aviation Survey

2022



About the Survey

We started this survey in 2015, so 2022 is our 7th year where we focus on gender and diversity issues within the aviation industry. My sincere thanks to everyone who participated in the survey this year.

We commenced the survey to draw attention to underrepresentation of women in senior roles. We want to use this attention to facilitate discussion and engagement in the aviation sector, with the aim of fostering and encouraging change.

Our results and observations would not be possible without your engagement. Your responses and comments are very important. They help us monitor trends and highlight the current status of the gender and diversity profile across the industry.

The survey was carried out during the summer of 2022 and we looked at diversity issues such as gender, ethnicity, religion and sexual orientation in the aviation industry.

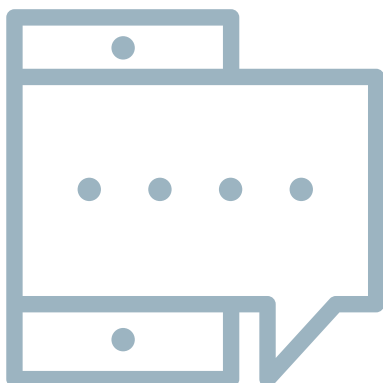


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Introduction

The aviation industry has experienced a stronger than expected return to business. The International Air Transport Association (IATA), in June 2022, announced an upgrade to its outlook for the airline industry's 2022 financial performance, as the pace of recovery from the Covid-19 crisis quickens. Passenger revenues in 2022 are expected to account for \$498 billion of industry revenues which is more than double the \$239 billion generated in 2021. Willie Walsh, IATA's Director General commented that *"it is a time for optimism, even if there are still challenges."*

The aviation sector is rebounding. As we launch the 7th annual report looking at the issues of diversity and inclusion across the aviation industry, we take a hard look at the statistical information and again raise the topic of the real need for investment and support initiatives to drive further integration of women and minority groups at all levels in the aviation industry, especially at senior levels.

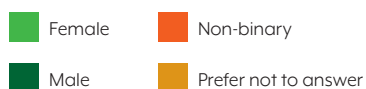
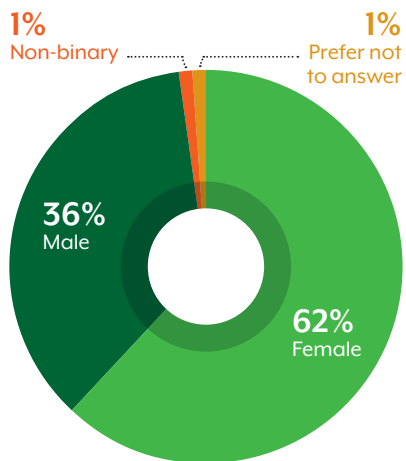


"Continuous budget cut backs is restricting promotion opportunity."

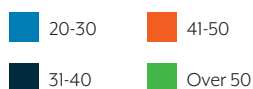
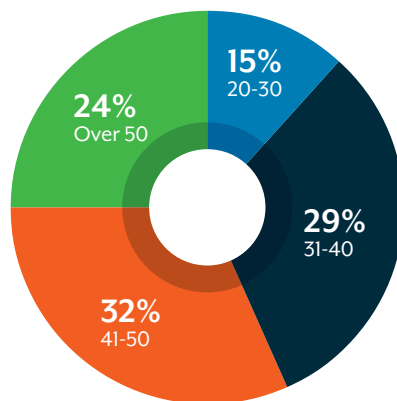


Profile of Participants

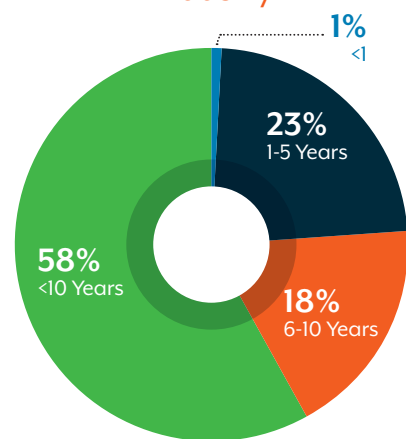
Gender



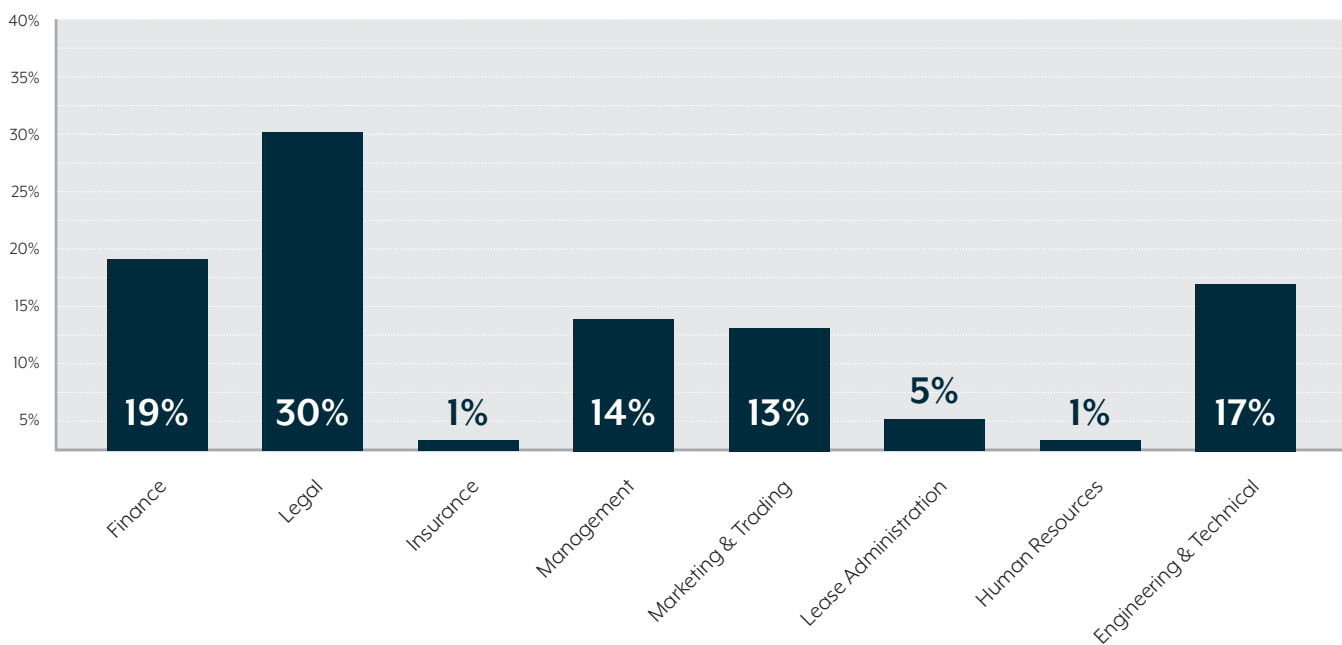
Age



Time in the Aviation Industry



Business Area



"I have seen a major shift over the years as it relates to gender diversity, however age discrimination is something that is prevalent and not talked about enough."



Aviation Industry – On the Road to Diversity?

An increased focus on diversity with enhanced reporting and appointment requirements, should result in a change in gender balance in companies over the coming years. We are already starting to see some shifts in trends over the last 12 months.

In 2022, just over 17% of those surveyed report that the percentage of employees that identify as female or as a member of a minority group at (1) C-suite level, and (2) Board Level, is greater than 30%.

17% compliance industry-wide, with the generally accepted threshold level of 30% gender and diversity at C-suite and Board level, is stubbornly low. The aviation industry has not yet attained the 30% target. Reviewing survey results from previous years show that 2020 was the best year, where survey results reported the highest level of gender and diversity candidates at C-suite and Board level, peaking at 22%. Since 2020, there has been a gradual reduction year-on-year.

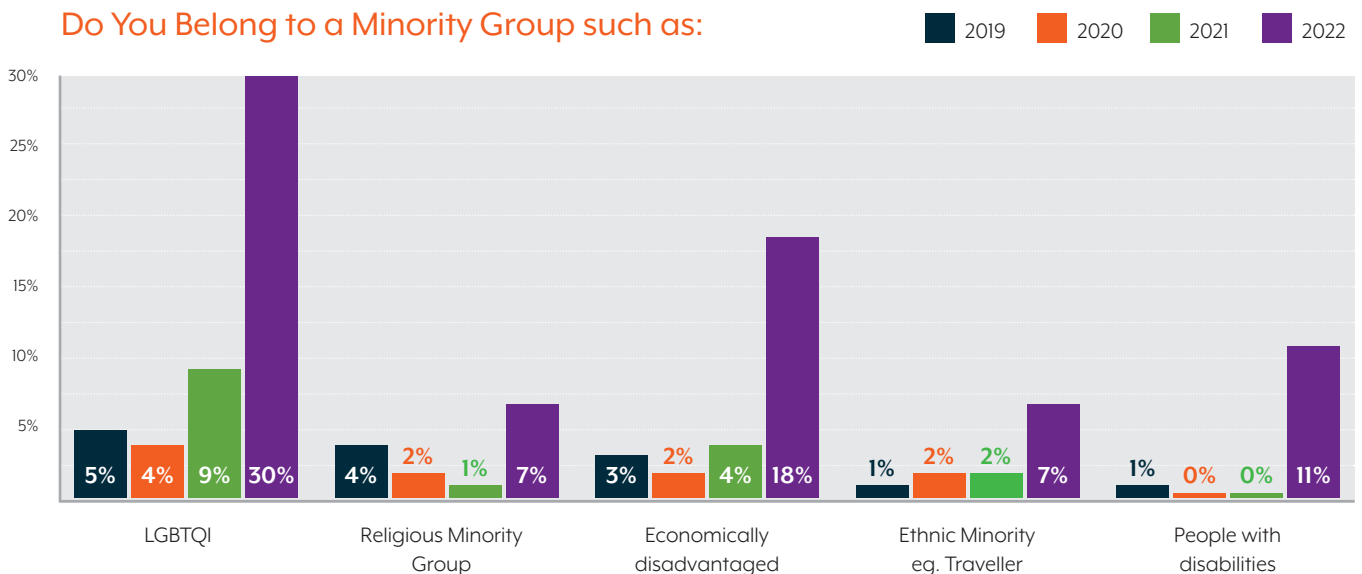
We asked respondents if they have seen any improvements in diversity over the last 12 months at senior levels in their organisations, and 25% reported that there was improvement at a C-suite level. A more concerning data point is that 46% reported no improvement in diversity at C-suite level. At Board level, 14% reported an improvement.

It is important to recognise and factor into this data, the recruitment freeze for many companies during the pandemic years, lack of job security and low appetite of employees to change roles during this period.

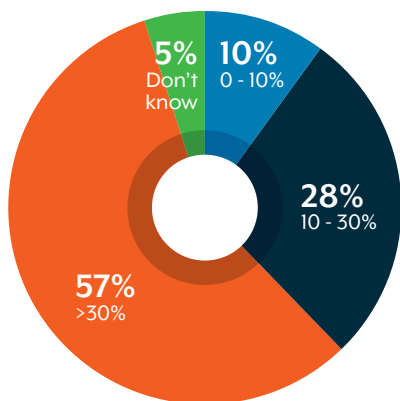
However, the lack of improvement year-on-year in terms of the overall gender balance in the workforce, means that there is still work to be done to ensure the industry remains an attractive career option and facilitates career progression. Women and persons identifying as women make up over 50% of the population and by any measure should have close to this percentage representation in every business and sector. Over the last 12 months, when compared to the immediately preceding years' results, the overall representation of employees who identify as female or from a minority group has increased at both C-Suite and Board level from 20 to 25% and 10 to 14% respectively.

What is also apparent from the results is that while improvements are being observed, there are zero or negligible improvements overall. Therefore, it is not unreasonable to conclude that gender and diversity candidates tend to be outliers and may have succeeded due to exceptional talents and/or circumstances. Their presence alone is not sufficient to achieve permanent gender balance and alignment.

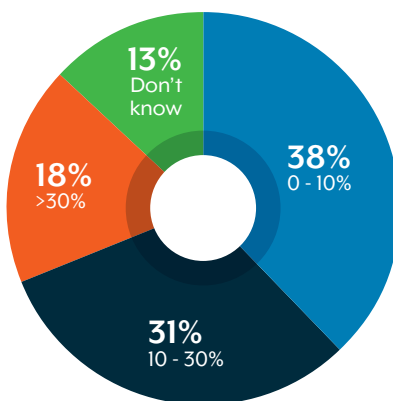
Do You Belong to a Minority Group such as:



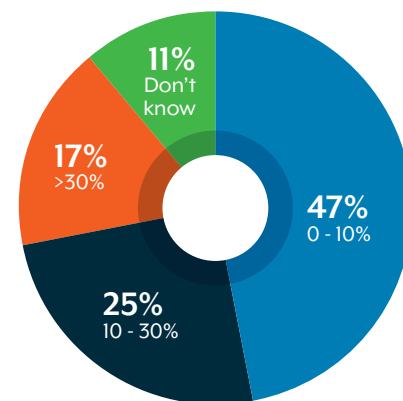
Percentage of Employees Who Identify as Female Working for Your Current Employer



Percentage of Employees Who Identify as Female or as a Member of a Minority Group at C-Suite Level in Your Company



Percentage of Employees Who Identify as Female or as Part of a Minority Group at Board Level in Your Company

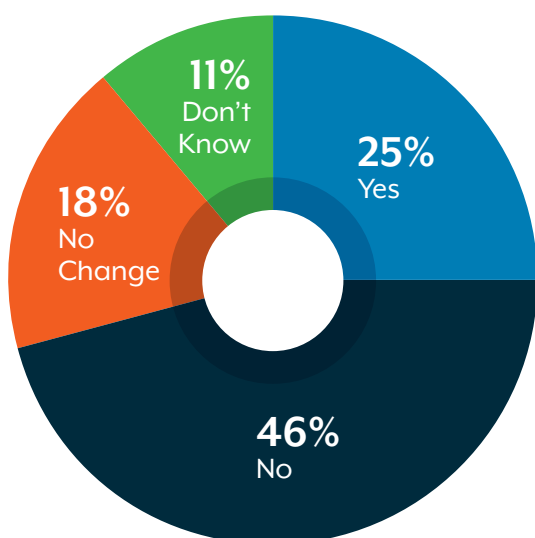


0 - 10% 10 - 30% More than 30% Don't know

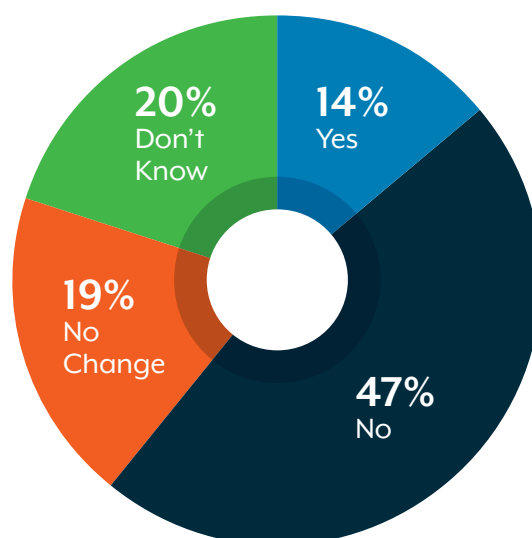
“Aviation, however, is a great example to show how people from all over the world, from all different cultures, from all different ethnicities and sexes can work together to move the world and I find this hugely inspiring and amazing.”



Has the Composition of the C-Suite in Your Organisation Changed in the Last 12 Months, Leading to a Better Balance of Members who are Female or From Minority Groups?



Has the Composition of the Non-Executive Board in Your Organisation Changed in the Last 12 Months, Leading to a Better Balance of Members who are Female or From Minority Groups?



Yes No No Change Don't know

Gender Pay Gap

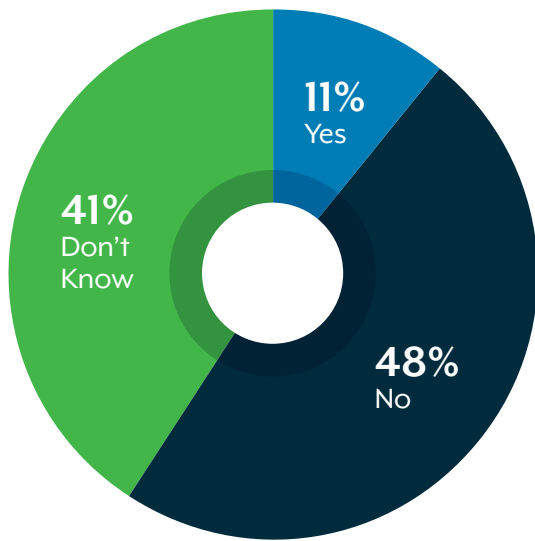
The introduction of mandatory gender pay gap reporting became a reality, with the commencement of the Gender Pay Gap Information Act 2021 on 31 May 2022. In Ireland, the gender pay gap is estimated at an average of 14%. Organisations with over 250 employees will have to report on their gender pay gap for the first time in 2022.

Given the proximity of the reporting requirements, it is surprising to see that most employees are unaware if their company has undertaken a Gender Pay Gap Analysis (41%) or haven't done one at all (48%).

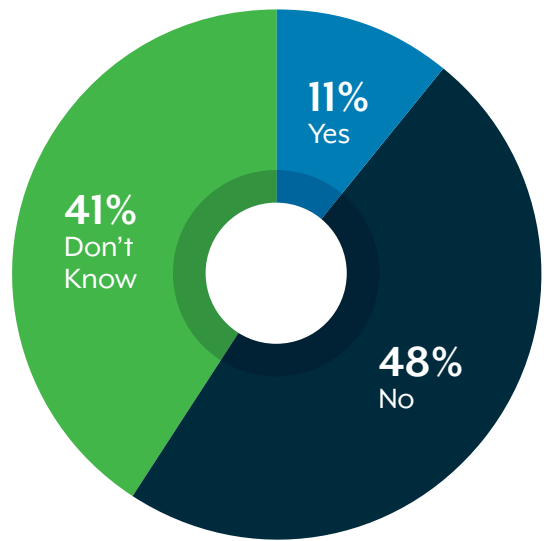
Even where companies do not have headcount of 250 employees, in an era of a challenging recruitment market, the issue of gender pay gap is significant and preparing a report gives a clear signal internally and externally of the culture and attitude of the business to the issue of equal pay.

Gender pay gap reporting is now a reality and large businesses such as airlines and financial institutions will need to prioritise reporting this year, with the snapshot date in June having already passed. The snapshot will give advance warning where it may become necessary to identifying ways and means to irradicate such gaps.

Has Your Company Conducted a Gender Pay Gap Analysis in the Last 12 Months?

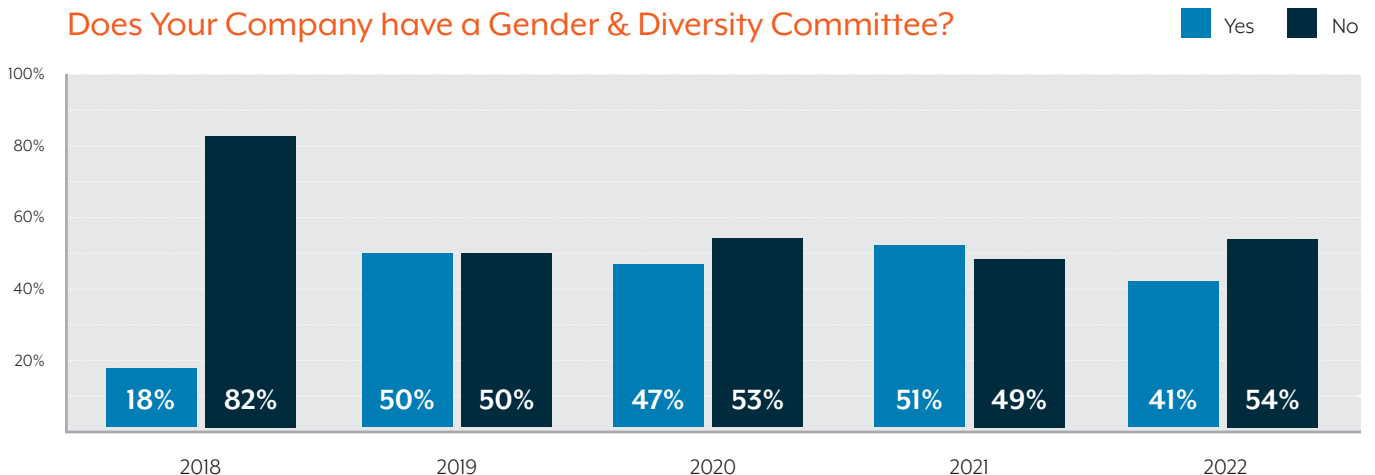


Does 'Working From Home' Shield Employees From Discrimination and Unconscious Bias Due to Lack of Visibility?



■ Yes ■ No ■ Don't know

Does Your Company have a Gender & Diversity Committee?



Diversity & Inclusion Committees

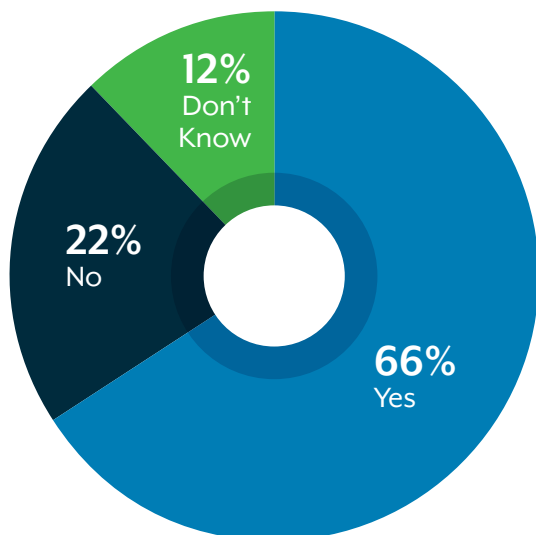
The link between businesses that have embedded diversity at all levels in their organisations and improved financial performance has been well proven. One of the ways that businesses can help encourage diversity is the creation of a diversity & inclusion committee, to help spearhead initiatives.

Unfortunately, this year we have seen a decline in the reporting of a Diversity & Inclusion Committee to 41% - down from 51% in the previous year and the second lowest level we have recorded.

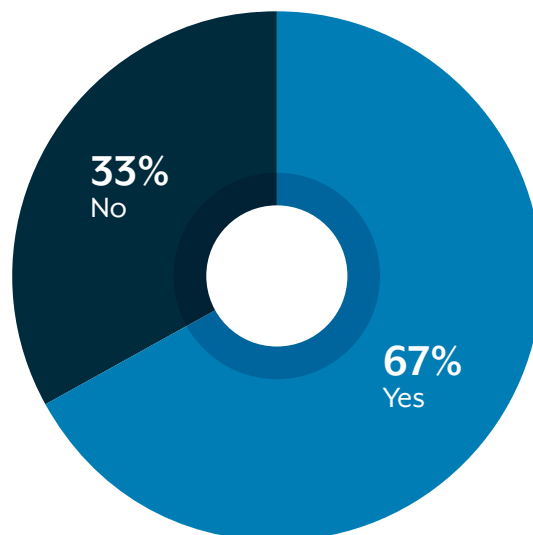
Of those who don't have a Diversity & Inclusion Committee, 66% now state that they believe their organisation would benefit from the setting up of a committee – an increase from 62% last year. The perceived need has grown, so it seems to be an issue of prioritisation.

“Inclusion is great when it is executed, the politicized element and constant talking and no action, is not.”

Do You Think Your Organisation Would Benefit From a Gender & Diversity Committee?



Is the Promotion Track Clear and Transparent in Your Current Organisation?



■ Yes ■ No ■ Don't know

“Whilst our company has a strong commitment to gender and diversity, we have found that there is a much lower percentage of female candidates applying for positions in the last few years.”

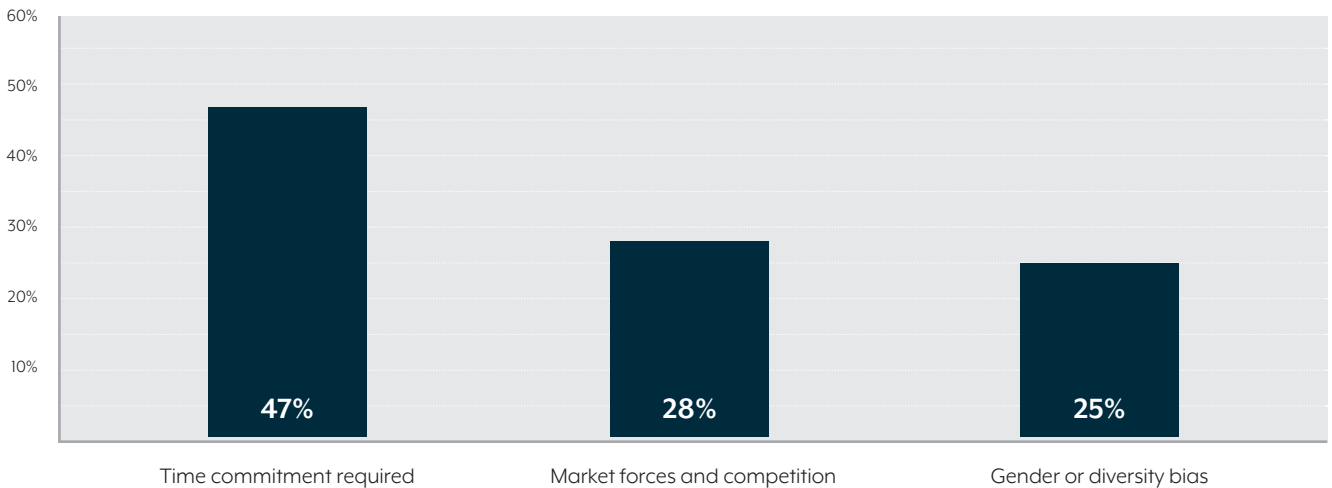
Career Progression

Over the last 12 months, work has started to return to a more stable equilibrium. We asked respondents what their biggest challenge to career progression was and the majority cited time – 46%. Clearly, the culture of ‘always on’ and 24/7 demands and expectations associated with promotion and senior management roles is a price that is too high to pay for many. Other obstacles to career progression are marketing forces and competition (28%) and gender and diversity bias, which was surprisingly high with 1 in 4 reporting it as an issue for progression.

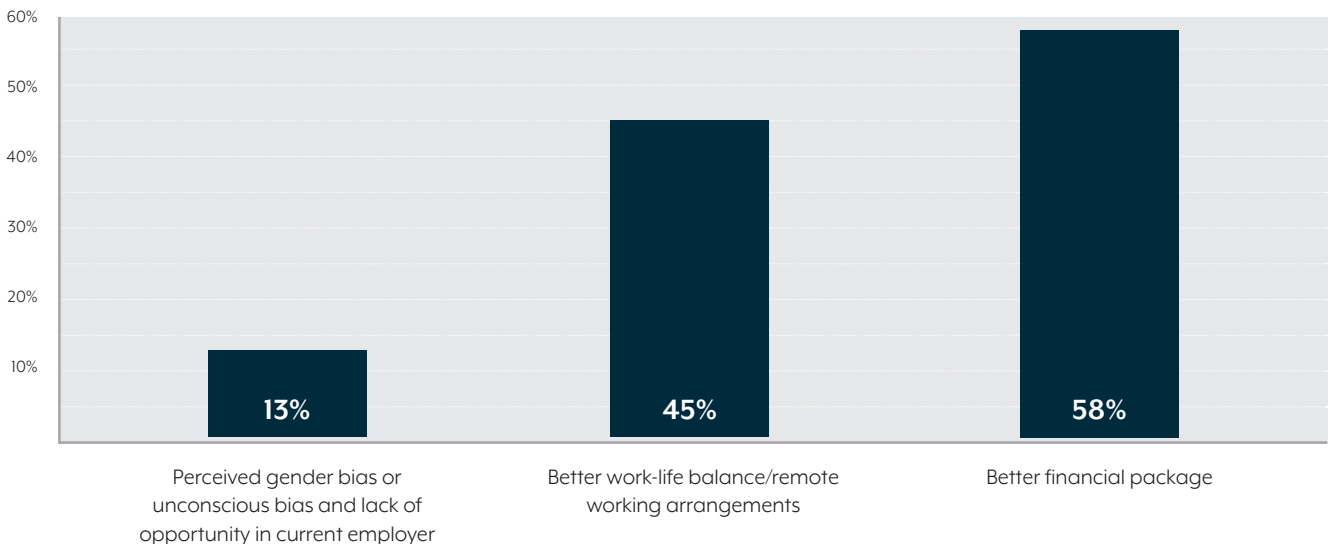
“I still see women being promoted based on results whereas men are promoted based on potential.”

“Too many employers in aviation are keeping female headcount to a bare legal minimum. Lack of equal opportunity for females.”

What is the Single Biggest Challenge to Your Career Progression in 2022?



What Would be the Main Reason for You to Change Employer in 2022/2023?



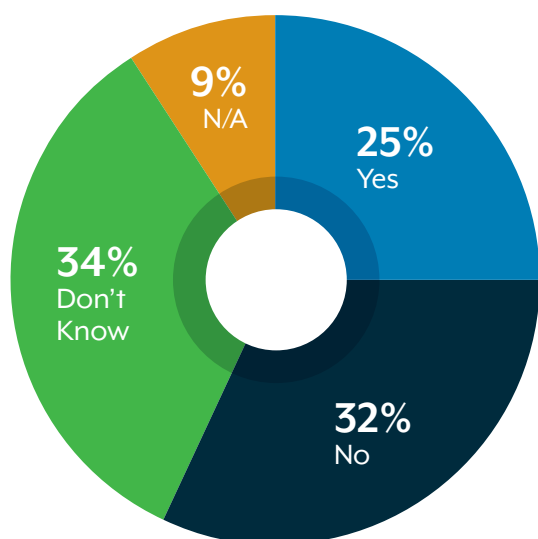
Only 11% felt that working from home provided a shield from discrimination and unconscious bias due to a lack of visibility. However, 41% didn't have an opinion, which highlights the uncertainty around the long term implications of hybrid working.

Another challenge for employees is the path to progression. Over two thirds (67%) said that the promotion path was not clear and transparent in their organisation. In light of the 'great resignation', this is a worrying figure as it may lead employees to look outside for promotion rather than within their own company.

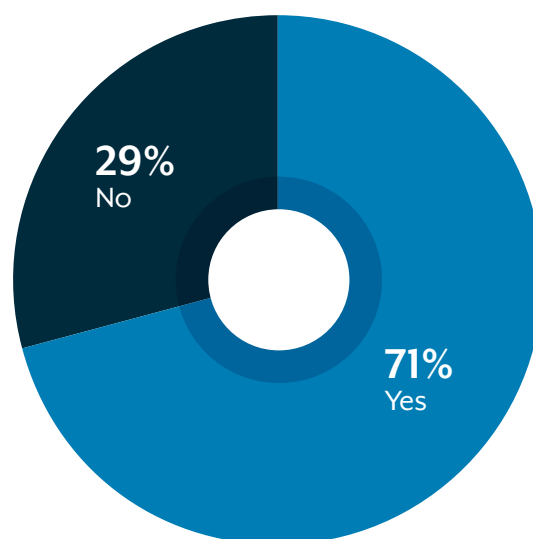
Money, however, remains the key driver for changing employer, with 58% citing it as the main reason to consider new opportunities, followed by better work life balance at 45%

In the last year there was a slightly unequal number of men and women promoted, but the majority weren't sure of the exact ratio in their organisation. With a new EU directive for 'women on boards', there is likely to be a need for greater transparency in organisations. A very positive 71% of respondents agreed with the new EU directive which seeks to have 40% of non-executive posts occupied by an under-represented sex.

Were there an Equal Number of Men and Women Promoted in Your Organisation in 2021/22?



Do You Agree with the EU "Women On Boards" Directive Which Seeks to Ensure that at Least 40% of Non-Executive Director Posts are Occupied by the Under-Represented Sex?



Yes No Don't Know N/A

"emphasis needs to be put on education and breaking the bias at the onset."

"Too many employers in aviation keeping female headcount to a bare legal minimum."

Conclusion

Looking back on the results of the survey over the last seven years, I remain very concerned by the slow pace of change and low percentage improvement of diversity candidates in the aviation industry. Average percentage representation in the upper echelons has stagnated well below the 30% level set for sophisticated international business. Career progression of women and diversity candidates appears to have flatlined and while this is not unique to Aviation sector, why is this happening? Why are representation levels by women and diversity candidates stubbornly low? What can be done to change this?

The survey reflects the current status of the industry at a particular point in time. It provides data and insights based on employee experiences. The aim in conducting the survey is to hold up a mirror to the industry on this subject, raise awareness and provide a reason for companies to take a hard look at their structures and to discover what are the real barriers to progress. Corporate policies and procedures on subjects such as equal opportunity hiring and promotion and non-discrimination are standard and necessary but they should not be allowed to languish and gather dust. The fundamental issue of equality should be recognised and embraced as an inherent part of the fabric and personality of any organisation.

Publicity associated with reporting on board composition and C-suite highlights and celebrates the success of those at the very top. The successful few cannot effect change alone. The cultural tone in most organisations is set from the top. A simple and effective tool to embrace the gender issue is to establish diversity and gender committees with real power and authority to effect change. Participation on a diversity committee, without power, authority and a clear sense of what its objectives are, can be frustrating and unfulfilling. Organisations benefit from selecting and engaging the best people to work on this issue to call out areas for improvement and facilitate and incentivise change.

Organisations should also consider conducting a gender pay gap analysis, and share results with staff and stakeholders and, where needed, promptly effect measures to achieve equality in compensation levels for designated grades.

While I would certainly prefer to report in 2022 that we have seen massive improvement and steady incremental changes to the percentage representation of gender and diversity candidates, that is not the reality or the experience of our respondents. But there is still time and the work continues!

On a personal note, I wish to convey my thanks to all those in the industry who continuously advocate for equality. I encourage everyone with an interest in this subject to engage with your colleagues and get involved in relevant committees and social groups to contribute to the discussion and areas you perceive as needing change. For existing and new committees, it is timely to consider the powers and authority and cross-department representation needed to understand the internal issues and effect real change. Participation and engagement is needed to drive change which has, as a key objective, the need to ensure longevity and equal participation and opportunity for those currently working in the industry and those exploring career opportunities in the aviation sector.

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About Our Team

Our award-winning advice on aviation financing transactions ranges from cross-border legal and tax structuring and regulation to alternative funding and joint ventures.

We also advise on contentious issues such as bankruptcy and insolvency. Along with leading local and international lessors and financiers, we also work closely with credit agencies and government bodies.

What Others Say About Us

Our Aviation & Asset Finance Team



“The legal advice and support we have received from Christine and her team over the years has been invaluable.”

Legal 500, 2022

Our Aviation & Asset Finance Team



The team provides “an excellent service,” according to a client who praises the lawyers’ “attention to detail and efficiency.”

Chambers & Partners, 2021

Our Team



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