

# A research study of how equal employment opportunities are practiced in Azerbaijan: A comparison look at local and international companies.

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## Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

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## Abstract

Workforce diversity is an important source for the competitive advantage of a company. Numerous studies confirm that diversity in the organizational context produces more innovative, creative, profitable and flexible teams, who are able to satisfy rapidly changing global customer demands. This thesis focuses on the equal employment opportunities of women in Azerbaijan. More precisely this paper aims to find out the present status of women in modern Azerbaijani companies, measure their opportunities to professionally grow to higher management posts and evaluate the extent of diversity management implications in the workplace. Azerbaijan offers a unique research setting for studying workforce diversity due to the interaction of religious, cultural, sociopolitical and historical elements, which are partly contradictive from each other. The aim of this thesis is thus to study how different elements affect the status of women in the modern Azerbaijani organizations. Namely this thesis has the goal to find out whether local and international companies based in Azerbaijan are ensuring gender inclusion on all hierarchical levels, including executive managerial positions. In order to get insights into the current gender diversity situation in Azerbaijani companies and within to close the existing research gap, the thesis undertakes a qualitative method of analysis. In total 12 expert interviews with HRM professionals, managers and employees of local and international companies were conducted. Analysis of the qualitative date will provide many insights into the contemporary situation of Azerbaijani female managers, pursuing their careers in the patriarchic cultural setting, which is yet strongly influenced by the past Soviet and modern Western policies. Results and findings are presented after a throughout examination of the qualitative data.





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# List of Abbreviations

AZ	Azerbaijan
CEO	Chief Executive Officer
CIS	Commonwealth of Independent States
EEC	Eastern European Countries
HRM	Human Resource Management
USSR	Union of Soviet Socialist Republics



### 1 Introduction

As markets become ever more globalized and consequently more diversified, organizations are forced to match the increased requirements of the global customers. Diversity management concepts propose that diversified workforce makes the organization more productive, creative, profitable and flexible to rapid changes in the environment than a homogenous workforce (Villum, 2007). Concept of diversity in the organizations may be viewed as differences between individuals on attributes of demographics, informational and functional characteristics, personality aspects, personal values and beliefs, sexual orientation, religious beliefs, mental and physical health or abilities (Van Dick et al., 2008). Both academic literature and business practices discuss much the benefits of diversity for organizational performance, whereas gender diversity is probably among the most frequently studied topic in this field (about 3.4 mil. results on Google Scholar as per April 2021). Numerous studies have been conducted to show that female participation in the higher managerial positions is positively correlated to the firm's performance (cf. Kakabadse et al., 2015; Terjesen, 2015; Amorelli & Garcia-Sanchez, 2020).

Moreover, diverse governments around the world encourage gender diversity in the workplace and improve the quotas of female appointments to boards of directors and other executive positions. According to a study of 47 countries, Terjesen et al. (2015) suggest that national corporate governance codes have helped to increase the share of female directors in boards from 5.6% to 17% on average during 1990 to 2014. Terjesen et al. (2015) also show that inclusion of female directors in the board had a positive link to higher creativity and innovation in problem solving, as well as to a broader nonprofessional expertise and networking.



Legislations also help to improve the equality of opportunities in those countries, which have historically minimal participation of women in the workforce. So, for instance, a study by Campbell & Minguez-Vera (2008) suggested that new legislation in Spain has significantly contributed to the female board membership and higher economic results as well.

#### 1.1 Problem statement

Diversity and its management have hence been an important topic since the last 30 years both in academic and business worlds. Nonetheless, most research on gender diversity refers to American and European, in particular Spanish, academics (Amorelli & Garcia-Sanchez, 2020). Yet little research exists about diversity issues and its management in the former Socialist economies, although the latter are particularly interesting for the research both due to high multiculturalism and the impact of planned economy on the status of women.

The Socialism economies have indeed made significant efforts to include women into the economic development of Central Asia and Eastern Europe. Female participation was needed for numerous reasons, such as lack of male labor after two devasting wars or to serve the governments' aspiration of building industrial "empire" within minimal time. Communist societies guaranteed equal pay for equal work. Moreover, provision of public day care centers and kindergartens gave better opportunities for women to work. These and other measures resulted in extremely high levels (up to 80%) of female participation in labor market. As inspiring the results may seem, in reality the USSR women were extremely overloaded both with professional and house work as they remained solely responsible for family and household matters (Sabi, 1999).



However, the USSR Communism era is long gone, and central planning is not in force anymore. EEC and CIS countries have become independent with own policies, strategies and legislatives. Among CIS countries, Azerbaijan presents a highly interesting country for research in the field of diversity. Azerbaijan has experienced numerous historic, cultural and religious events including the Islamic tradition, the Russian culture, the Muslim religion and the Soviet politics, which all have notably contributed to the today's Azerbaijan status quo in general, and to the status of women in particular.

By the end of the Soviet era, Azerbaijani workforce consisted of 43% of women (Sabi, 1999). In 2019, the percentage slightly grew to 49% (The World Bank, 2021), which is visibly more than in neighboring and culturally close Turkey (33%). However, the cultural patterns and values attributed to Azerbaijani women are still rather comparable to traditional Muslim countries. Women are expected to refrain from work whenever possible and take care of family and home matters (Sabi, 1999). As for women's participation in politics and other leadership positions, men remain dominant and still popularly believe that "women should leave politics to men" (UNFPA, 2018, p. 21). Hence, it may be assumed that the problem of glass ceilings is present in Azerbaijan.

#### 1.2 Purpose of the study

This paper concentrates on the equal employment opportunities of Azerbaijani women. Particularly, the purpose of this study is to evaluate whether modern Azerbaijani companies apply principles of gender equality and diversity management. Moreover, the research aims to explore the gender wage gap and the effect of glass ceilings in the Azerbaijani enterprises. Although, as it was mentioned above, women contribute to a half of labor force in Azerbaijan, numerous reports show that 82% of



employed women are active in the low-paid sectors, namely agriculture, trade, education, health care and food processing. Women are largely underrepresented in governmental and executive positions, and only onefifth of all businesses are registered to a female owner (ADB, 2019). While most female employees in Azerbaijan experience an effect of glass ceilings during their career development, gender stereotypes are deeply rooted in their life also beyond professional scene. Gender bias in the whole society imply that women do not seek stereotypically male careers and hence pursue career paths, which do not require leadership skills (Galvankova, 2017). Therefore, this thesis also aims to analyze, which careers Azerbaijani pursue and what are their common development paths in the modern companies.

In addition, this research aims to fill the academic research gap in the field of female career advancement opportunities and diversity management in Azerbaijan. Although, there is a substantial amount of gender diversity reports on Azerbaijan (including recent studies by United Nations Development Program), contemporary academic literature lacks research on understanding the reasons of gender inequality in organizational content, measuring gender wage gaps and evaluating the extent of diversity management in modern enterprises, also due to the fact that available country reports are mostly of quantitative nature.

Finally, this thesis also focuses on evaluating the tools for promoting women's economic empowerment and aims to provide managerial suggestions in scope of diversity management requirements to international companies wishing to enter or already active on Azerbaijani market.

#### **1.3** Research question

The aim of this research is to evaluate equal employment opportunities for female labor force in Azerbaijani companies. As claimed above, Azerbaijan



presents a very interesting case study in scope of gender diversity as this is significantly influenced by patriarchism patterns of Islam religion and Muslim tradition, yet at the same time was significantly modernized by the genderneutral Soviet regimes, turbulent transition economy times and modern Western management practices. Hence, the main research question of this thesis is formulated as follows:

RQ: To what extent do local and international companies pay attention to equal employment opportunities?

Furthermore, this paper aims to analyze whether gender diversity principles are equally known and applied in international companies active in Azerbaijan and local enterprises. As nowadays, it is hard to find a purely big local company, the author of this thesis will refer to companies established in Azerbaijan, which however may have international scope of operations (e.g., SOCAR). The vast majority of modern international companies actively implement diversity principles in their HRM principles and strictly follow the concept of inclusion and equal employment opportunities. Hence, it will be particularly interesting to evaluate, whether equal employment opportunities and diversity management is also actively practiced in 1) Azerbaijani subsidiaries and 2) Azerbaijan based companies. Thus, the additional research question is as follows:

# What is the role of gender inequality playing within the appointment of women in local and international companies in management positions?

In order to answer the research question, a qualitative method will be applied. In total 12 structured interviews will be conducted with managers and employees from different local and international companies. Interviews will provide a better understanding of female employment state of play in Azerbaijan and provide insights into the application of gender diversity tools.



Moreover, a comparison of qualitative data will provide an answer, whether modern local and international companies pursue different gender diversity promotion, if any at all.

#### 1.4 Structure of the paper

This thesis is structured as follows: Chapter 2 examines existing literature sources in order to define and explain the concept of diversity and its management. After the definitions of terms, both positive and negative effects of diversity in the organizational context in general and of gender diversity in particular are explored. Among other effects, contribution of women to the board of directors are going to be studied in detail. It then gathers and summarizes different approaches of diversity management, including some cases from other countries, which have advanced in gender policies (e.g., Spain, Sweden). Moreover, literature review includes a brief comparison of the status of women in the organizations between Azerbaijan and Scandinavia – countries with highest ranking of female inclusion in higher managerial and executive positions.

Chapter 3 continues with a brief overview of current female employment situation in Azerbaijan. It provides some market data, to which fraction does female labor constitute, where women work and what are their average pay, as well as introduces other statistical data.

Chapter 4 presents a methodology of the paper, as well as develops questions for structured interviews and analyses data in order to answer the research questions of this thesis. Chapter 4 discusses the results of the qualitative study and proposes some managerial implications. Chapter 5 concludes the thesis and sets some further research recommendations.



## 2 Literature review

The overview of literature of the current paper describes the concept of gender diversity in the workplace. It foremost defines the term of the term of diversity, then discusses the advantages and drawbacks of organizational gender policies and female inclusion in the workplace, as well as introduces diverse approaches to management of workforce. The findings are based on the academic research journals in the field of diversity, social inclusion and organizational and human resource management.

#### 2.1 The concept of diversity

The attention to diversity is vastly explored in the contemporary literature and business practices (Cox T. H., 1991; Cox & Blake, 1991; Ely & Thomas, 2001;). One of the main reasons for the diversity interest is highlited by the intense globalization processes. Progress of globalization and its effect on our daily and business life isn't a theoretical or forecast but our reality. Increasing integration of the markets, liberalization of country boundaries, elimination of tariffs and tax levies are only pawing the road to already progressive globalization phenomenon. Already in the 1990 was noted that "global competition is the single most powerful economic fact of life in the 1990s... there is no going back" (Hays-Thomas, 2004 p. 15).

The outcomes of diversity have soared to the business practices where diversity management has progressed toward the strategic agenda of the enterprises. It has become necessary to promote and manage diversity within workplace due to the ever more diversified workforce, customer base and general society. In United States, on the onset of late 1950<sup>th</sup> the research and various scholars have begun to focus on advocating on equal employment opportunity. But it wasn't until late 1980<sup>th</sup> that diversity was weighted as a



potential opportunity and an asset for the organization. In the works of Cox, (1990) he has famously called it a double edge sword. For the period of 40 years, he has investigated effects of diversity on group performance. Various scientists from psychologist, economics, anthropologists and sociologist conducted researchers but arrived at mixed results. Some researchers from the laboratory and field experiments commented on value in diversity, increase of creativity and quality of problem solving on the other hand it has presented in group conflicts. The change in the literature research signaled a change in the perception of diversity from the corporations; in lieu of necessity endorsed by the government or other equal opportunity rights advocates, management envision the potential of the diversity as an advantage in the company workforce. The diversity may be turned from disadvantage to strength. In the report of SHRM of 1998, three companies out of four in the Fortune 500 were claiming to have diversity policy and 8% more where planning to introduce them next year (Hays-Thomas, 2004). Furthermore, multiple researchers (Cox T. J., 1994; Jackson et al. 1995; 2000; Van Dick et al. 2008) have corroborated the positive benefits of diversity and idicated the positive impact diversity has on team performance, generating unique knowledge and increasing the level of innovation in the team. As a result company obtains a unique competitive advantage impossible to replicate by other competitors.

In spite of contemporary interest and growing importance of diversity, scholars have not developed and agreed on a unified definition yet. Scholars develop specific definition according to the scope and operationalization of the academic project. Therefore, following chapter introduces the overview of existing definitions and its development. Moreover, the chapter will introduce positive and negative effects of the diversity in the organizations.

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The review of various definitions has pointed out that there is not one accepted definition. There are distinctive concepts accepted or proposed by the researcher's contingent to the direction and scope of their research. One of the initial definitions has focused on a racio-ethnicity, gender and nationality to be the basis for differences. The emphasis is given by Cox's definition of (1994, p.6): "cultural diversity means that representation, in one social system, of people with distinctly different groups affiliations of cultural significance". In a contemporary research and more widely accepted definition, diversity has received a more intangible conceptualization (Jackson, et.al. 1995) "the presence of differences among members of a social unit." In this focus shift from a social group, race, or specific attribute, diversity defines an amount of differences between individuals regardless of specific element. There are different employment treatment acts, laws and prohibitions, however, they aren't covering all possible differences between individuals and attributes of discrimination. Moreover, multiracial individuals have ceased to identify themselves with a particular social group or cultural group.

Another approach to define diversity is proposed to distinguish between the diversity of the easily visible attributes – a surface level such as age, gender, and ethnicity and sex; and underlying attributes – a deep-level related to education, functional background, personality traits, values and attitudes (Harrison, 1998). Vast number of researches and projects has focused their research and investigation on demographic diversity. Predominantly due to ease of observation and measurement. Other attributes as religion or sexual preferences have not received such research attention mostly due to highly sensitive information and possible accusation of privacy invasion.

Following the development of diversity research Jackson, (2014) has categorized the types of team diversity into relationship oriented and task-



oriented attributes. The underlining reason was to highlight the impact of diversity attributes on the team performance and divide effects according to two most prominent theories supporting the outcomes. Categorization theory postulates a process of categorizing people based on their visible attributes. It is a social construct that helps brain to categorize person and assign individual to a group based on the traits or characteristics. Corresponding to categorization process, similarity attraction theory suggests a similar effect of in-group and out of group selection. Individuals are drawn to similar other and exhibit preferential treatment to in-group members. Therefore, visible attributes of diversity could potentially create tension in the team and diminish the relationships between members. On the other hand, resource information theory views diversity as the source of unique information. The heterogeneity of the team members including different skills, unique network, and professional background all contributing toward elaboration of the ideas and innovative approaches.

	Diversity on relationship- oriented attributes	Diversity on task-oriented attributes
Diversity on readily detected attributes	Gender Age Ethnicity Nationality Religion	Department/unit membership Organizational tenure Formal credentials and titles Education level Memberships in professional associations
Diversity on underlying attributes	Personality Attitudes Values Racial/ethnic identity Sexual identity Other social identities	Task knowledge Organizational knowledge Experience Cognitive abilities Communication skills Mental models

Source: Jackson, 2014



One of the widely accepted definition of diversity was given by Van Knippenberg and Schippers (2007, p.517): "it is differences between individuals based on any attribute that one is different from another". The definition embodies the inclusivity and universality of the concept necessary to unify the direction of the research. Harrison and Klein (2007) defined diversity as distribution of differences among members of one unit regarding common attribute of tenure, age, or ethnicity (Kearney, 2012). In general, the diversity refers to differences between the individuals and their perception of the self and the other on any attribute, such as demographic characteristics, informational/functional characteristics, personality attributes, personal value and beliefs, sexual orientation, religious beliefs, mental and physical health and abilities. (Van Dick et al., 2008; Williams & O'Reill, 1998)

The aftermath of the second world war have brought numerous social discrepancies in education, age, social standings. The mangers were the first to encounter challenges in supervision and management of the workforce. Even though the teams were culturally homogenous they have differed on professional and age attributes. The 21<sup>st</sup> century managers are tasked to accommodate larger differences in group composition in terms of sex, race, experience, education, values, etc. The managers of a new era have greater challenge in front of them. (Williams and O'Reilly, 1994).

In regards to the gender diversity, the research has received initial advance with the 1980<sup>th</sup> economic projection. It was clear to present a changing composition of workforce a growing diversity. The expectation was that by the beginning of 21<sup>st</sup> century woman and men will have equivalent numbers in the workforce. In addition, over 10 percent of Afro-Americans and Latin population will enter a workforce. The growth of 58 percent has seen a in Hispanic population to 25.3 million, non-Hispanic Blacks have increased on 20



percent to 35.4 million. Asian population has grown with highest percentage of 70 percent to 11.6 million. The new generation will not only have diverse attributes described above but in addition will have less experience and education accomplishment. (Williams and O'Reilly, 1994)

#### 2.2 Effects of diversity

#### 2.2.1 Gender diversity and company performance

In the modern world the gender inequality at the workplaces still persists both horizontally (across various industries) and vertically (corporate hierarchy).

Some gender diversity initiatives have negative perceptions propagating a not merit based system or basis for negative treatment of a dominant groups. These ideas are justified to be the natural diversity instilled by the types of occupational roles between women and men (Fine, 2019).

In the literature one may find different justification promoting gender diversity in the workplace. There is a fundamental difference between men and women in cognitive and emotional processes, meaning in how they behave, feel, or think. Eagly, (2016) elaborates on the second most quoted benefit of gender diversity constructed on the premise of business benefits in including women in decision making process of the company.

The current review of the literature will focus on aspects of gender dimensions at workplaces. Specifically, the review will emphasize on gender diversity in the leadership positions and board of directors.

#### 2.2.2 Gender diversity in the leadership positions

It is important to note that over the past years the proportion of female in the in the workforce has increased the overall representation in the

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leadership and supervisory positions is still minimal. In the report presented by the European Commission the female account to 45% of European workforce where the decision making and other high-level positions present only between 3%-15% women in various industries and countries (Lucifora, 2016).

Gender diversity in board of directors has produced vast interest among stakeholders from various field of academia, business, and governmental policy makers. The claim of the proponents supporting increase of women representation in the boards posit that gender diversity improves the performance of the boards. Nadeem, (2017) summarizes the argument twofold:

- a) the fairness and equity principle are highly valued by the society and stakeholders of the company. Procedural justice accordingly is valued higher than the outcomes from the decision. Since gender diversity is a basic human right, failure of female representation in the boards leads to the procedural injustice and possible unfairness in the decision-making process.
- b) Female representation in the boards of directors improves general corporate oversight and overall performance. Studies has confirmed that gender diverse boards produce competitive advantage from higher quality of decision making, innovation and creativity, and superior access to knowledge. Female represent half of human population inadequate representation of this group impedes company from the access to the half of human capital and skills available on the marker.

To address the benefit of higher gender diversity in leadership positions and company boards group of scholars have examined the differences of



behavioral characteristics between genders. Although, this approach remains controversial and has limited empirical evidence, studies support that women exhibit higher cooperative behaviors and demonstrate social perspective in decision making process (Lucifora, 2016). Although the gender characteristics are highlighted in the selection process, there are different factors influencing the gender diversity in the boardroom. In the sample of European banks, De Cabo and Gimeno (2012) has identified riskiness of the bank and growth orientation to be among criteria for female representation in the boardrooms. Higher representation of women was found in banks with low risk strategy, long term growth goals, and larger boards. Such result is attributed to natural characteristic of women to be risk averse. The size of the firm is shown to influence the gender diversity too. In the cross-industry study of US firm, the probability of female representation in boards tented to be in larger firm (Reddy, 2019).

In top management positions, directors and board members have explicit responsibility to act in the best interests of the organizational stakeholders, exercising company strategy and improving organizational social responsibility (Zahid et al., 2020). To be more specific the board of directors are responsible to hire executive personal, advise to management although without setting the policies of the company and its operational focus (Matsa and Miller, 2013). CEO and other top management are responsible for it including diversity management and other hiring policies. Therefore, the impact on gender diversity by the board can be exerted through hiring the CEO's sharing gender equality vision. This notion is reinforced by the study of Matsa and Miller (2011) analyzing 1500 S&P companies in United States. The result of the study suggested that greater representation of female in board of directors has increased the proclivity of women's representation in the top



executive team of the company. In other words, gender diversity has direct influence on the percentage of women in the top management teams.

Although majority of the scholars examine the relationship between gender diverse boards and organizational performance, some studies has focused and produced results showing female representation advances the nonfinancial outcomes too – quality of corporate social responsibility and company governance (Nadeem, 2017). Current business environment and nowadays society places higher responsibility on corporate engagement societal goals, requires larger support for charitable natures, and other positive contributions and philanthropy. Different studies have shown women in the board of directors display greater inclination toward social aspects of the companies and higher interest in philanthropical activities comparing to their male counterparts. The link between gender diverse boards and corporate sustainability was established in the study of publicly listed companies from Australia. Galbreath, (2011) has identified female representation in the boards has decreased misappropriation of company funds, better corporate governance, and economic growth. From the three investigated dimensions of economic, social, and environmental gender diversity has shown strong influence on economic and social activities of the company. Major benefits were identified in the organizational accountability and transparency. It is suggested due to women's display of higher moral orientation and standards. Women were more inclined to provide quality oversight and conduct board supervisory activities. These is congruent with previously obtained results by Brown & Brown (2001) concluded that in comparison with all male boards, majority of gender diverse boards paid greater attention on conflict of interests, enforces the guidelines, and supports ethical conduct in the company. Social inclination and strict corporate governance produce as well an economic benefit for the company.



In line with transactional theory suggesting that organizational target is to reduce costs of the transactions increasing the female representation would minimize the controls over management and increase the quality of oversight. Thus, diverting the company funds from control over misappropriations and frauds to corporate net profit (Galbreath, 2011).

Contrary to the economic and social dimensions female representation produce limited impact on environmental activities of the company. The reasons suggested could lay in the still negative resistance to the proposed environmental ideas by female directors. Male counterparts exhibited stereotyping or sex-based biases during the decision-making process and other board room procedures (Galbreath, 2011). It is a frequently faced challenge in diverse groups. The female representation in previously all-male boards could lead to conflicts over new proposals and strategies, hence exacerbate the decision-making process. Negative outcomes of diversity are expected and could be managed. One of the variables to successfully manage the diversity is time. Study suggest over time other factors being constant the negative outcomes of diverse boards would be eliminated. The members will accept it due to potential positive outcomes. Thus, in a long run female representation would produce positive impact on company environmental activities. In contrast to the abovementioned study Liu, (2018) applying socialization theory has empirically supported the relationship between board of diversity and environmental violations. Socialization theory suggests female tendency for community focused activities and exhibiting caring activities toward others. Expanding on socialization theory, the author has compared the number of environmental violations with the percentage of gender diversity across different industries and concluded a positive correlation. The number of environment violations and litigations were directly correlated with gender diversity. Additionally, this study elaborates



on the decision-making interaction between CEO's and board directors. Companies with female CEO's had negative interaction with female directors and higher number of violations. On the contrary male CEO's with at least 3 female directors could reduce the environmental exposure of the company and reduce number of lawsuits.

In the sample of 150 Australian publicly listed companies, study has empirically confirmed a direct relationship between female directors and corporate sustainability. The study shown a direct correlation in proportionate increase of one percent in female representation would directly translate in 7% increase over social, economic and environmental rating of the company. Thus, especially in light of promotion of corporate social responsibility and corporate sustainability placement of women in the boardrooms are paramount for ethical business practices (Nadeem, 2017). The claim for female representation is additionally reinforced and explained by the resource dependency theory. It postulates that diverse representation in the boardroom offers diverse resource to the boardroom and by its extension the women's participation presents unique networks, knowledge, and expertise necessary to improve decision making and overall corporate sustainability in the company. More specifically there are four benefits (Reddy, 2019).:

- 1. Advisory
- 2. Unique network attained over the career
- 3. Access to resources
- 4. Legitimacy in form of influence on specific groups and community.

The last section of the overview explores the indirect impact of female representation in the board of directors. In order to investigate whether



female representation has a direct impact on reducing gender diversity, Kunze and Miller (2017) have conducted a study of 4000 private workplaces in Norway. Throughout the study were identified seven hierarchical ranks across different companies. Researchers have monitored employee promotions across different companies in the span of eleven years. The results have corroborated the initial premise companies with female leadership produced positive spillovers from higher leadership ranks toward a lower rank. Female leaders empower women in the lower ranks as a role models to be promoted and hence, reduce the overall gender gap in the company. The study suggests the implementation of policies increasing female representation in the corporate leadership.

The positive spillover effects of female leadership were verified in the overview of 30 European countries for the period of 1995-2010, however, with some negative effects toward men (Lucifora & Vigani, 2016). Female employees perceived low gender discrimination with a female boss. Women felt greater flexibility, support and balance between work and life. The results produce higher validity in high-skilled positions and environments with imbalance of wage or career prospects. On the other hand, the review also underlines the negative perceptions among men toward discrimination. The workplaces with predominantly female dominated occupations men report a negative stereotyping and low job evaluations. Moreover, according the controversial national Study of 2008 of the Changing workforce, the scholars have found that women are less satisfied with their female bosses. On a contrary, female leaders did not exert any negative outcomes on male staff (Clark, 2021).

Overall review presents the gender diversity benefits in boards of directors and its theoretical framework. Increased representation of female in boardrooms produces multiple positive outcomes including social domain -



greater social responsibility and accountability, economic domain – reduced costs for the oversight and controlling activities unique resources; and environmental – greater support toward communities and environmental causes. Although gender diversity produces tremendous benefits across all domains, there is still limited representation of women in the boardrooms. The following chapter would elaborate on the strategies to promote gender diversity in boardrooms.

#### 2.2.3 The reasons behind glass ceilings

Although women have entered a workforce and currently constitute almost a half of the employee there are still multiple obstacle and discrimination based on the gender. The discriminatory behavior and other deliberate obstacles preventing women from achieving their career potential is called "glass ceiling". It is an invisible barrier set between the women and top management positions. This is one of the reasons for low female representation in boards and top-level positions.

In the current review, the author will analyze three main domains in which all obstacles could be categorized into: social, organizational and person (Cavero-Rubio, 2019).

#### a. Social barriers

Social barriers are based on long perpetuated gender bias stereotypes. The process of stereotyping is cause by the simplification of the information by the receiver and relying on previously acquired information from environmental factors of established social roles, group conflict, and power structure between sexes (Tabassum, 2021). There are certain perspectives that have been developed over time to represent male and female roles in societies. These social structures are highly influential on female and male



behaviors. Men are represented by masculine characteristics and usually it entails certain working positions to fulfills. Similarly, it is attributed to a female role in a society and thus it is difficult to prevent bias of traditional gender roles that are accepted. In multiple studies the link between stereotyping and discrimination has been proven, the inevitable discrimination is a mismatch between the traits attributed to women and requirement necessary to fulfil the position. In such example female traits of kindness and sensitivity would contradict (Neschen & Hugelschafer 2021) the top executive positions characterized with a masculine trait of firmness and decisiveness. Therefore, person embodying masculine characteristics would have higher probability for advancement. On the other hand, female leadership has received a negative connotation to it. Women are considered to be working less than average men, usually administrative positions with low income (Patel, 2019).

Although women have advanced to management positions and one can see equality in the workplaces, there is still persisting gender stereotyping. In the research conducted in India, women are introduced to business and entrepreneurship only within their family business. However, there aren't considered to be a natural successor and aren't allowed to be employed by an outside company. In such cultures the working environment demands masculine characteristics from women (Singh and Sebastian, 2018).

In the in-depth overview of the forty years of gender stereotyping literature Tabassum (2021) has identified multiple antecedents for persisting gender stereotyping in spite of introduction of different equality policies.

#### Table 2: Antecedents of Gender Stereotyping

Factors	Definition	



Family	Family	From the birth sexes will be subject to different
factors	upbringing	treatment by the parents who could implicitly
		attribute gender social constructions. Parents'
		behavior is influenced by social, ethnic, and religious
		believes.
	Socialization	Out of group members are considered to be less
	based on past	fitting and favorable than in-group. The majority
	experience	group (men) would exert on minority group (women)
		generalization of disparities and overestimate the
		differences between the groups - attributing one
		item to all the group.
Social	Cultural status	Gender stereotypes shifts the blame from own
Culture	quo	failures and creates the illusion of fairness to
		maintain existing male dominated position.
	Society's	Initial societal expectations assign women to
	expectation	household activities. With skills development and
		time society accepts this as normative and integrates
		the perception to part of gender roles.
	Education	The perception of occupational identification varies
		based on the gender. Teachers retaining biases are
		perpetuating the social gender construct.
Cognitive	Categorization	The process of external information is filtered
	of Information	through personal beliefs. Individuals assign greater
		consideration to information reinforcing or
		confirming already hold beliefs.



GeneralizationIndividuals would self-perpetuate certain established<br/>conclusions and beliefs when the information for<br/>unknown other is missing.

Source: Tabassum, 2021

#### b. Organizational barrier

Among organizational barriers one may see the biased selection process or lack of training opportunities. This highly cited issue for limited advancement of women to leadership positions is their low qualifications. More specific, during the selection process for promotion lack management skills and limited experience among the reasons for not granting advancement. Elmuti, (2009) attributes this to similarity attraction theory where male leadership is attracted and willing to choose candidates with similar leadership styles and attitudes toward career.

The research has shown that mentorship could advance women's representation in top management. In financial sectors people tend to prefer working with similar others or based on some shared ideas. Since there is little representation of women in boards it would be impossible to create a meaningful relationship based on mutual understanding. Same gender mentorships consider to increase supportiveness and empathy. The needs of the women at the workplace couldn't be fulfilled by the male mentor. In environment full of obstacles mentors are ought to provide a lot of encouragement and support and possibly understand from their personal experience. Moreover, male mentors are more often to reject female mentee due to gender stereotypes of low performance, inadequate expectations or fear of possible accusation of sexual harassment (Haile, 2012).



The workplace design and corporate positions were created by the men and initially for the men. Thus, when trying to solve the equality, senior management enrolls the solutions generated with the same framework in mind without acknowledging how inequality works. Leaders are the one setting the behavior in the organizations and standards everyone should adhere. Leaders decide under what conditions women will work and quantity in the team (King, 2020).

#### c. Personal Problems

Family responsibilities are among the barriers preventing women to lead a successful top management career. The role of women in most of the societies entails family duties. For example, due to a child birth, women would be required to take a break and interrupt their work experience. As a result, in total they would have less experience from their male counterparts (Cavero-Rubio, 2019). In addition, primary responsibility for children care would reduce the working hours or necessity to work part-time. Thus, such family duties present unbearable choice to make - career or family.

Globalization has established an additional barrier for women to obtain the leadership promotion. The leadership positions in our fast pacing world requires higher flexibility and non-stop focus on the business. In addition, top leaders are ought to travel and accept possible relocation to other countries. These would present a major barrier for women with families and children. Relocation to a new country present a potential issue connected to perception of women in countries with less liberal view like in Asian or Middle-East countries. Under such consideration, board members or selection committees would be reluctant to appoint female leader. (Cavero-Rubio, 2019). Moreover, Networking in organizations is considered to be an important part of the job and crucial factor to extend influence for possible



career promotion. Women, however, require balancing their work and personal responsibilities.

#### 2.3 Diversity management approaches

Gender diversity is an important issue in our present-day world. In order to balance still uneven gender distribution at the workplace companies are investing great financial resources and time to support workplace diversity programs. Failure to address gender diversity virtue could damage company reputation, expose to unnecessary lawsuits and most important deprive of increasing company performance through heterogeneous workforce (Scarborough, 2019).

The history of United States diversity management commences with an affirmative action first introduced in 1960s was one of the first policies focused to equalize imbalances based on the racial or gender attribute. Since then society had different attituded with outcomes of the policy. From the political perspective liberals show the support and conservatives incline to opposite it. Gender might affect the different perspective on these issues too. White men express the greater opposition toward the policy where non-white women exhibit the highest tendency to support it. The reason might result from being the direct beneficiary of the policy (Scarborough, 2019).

European policymakers have adopted numerous strategies to promote women's growth in the business too. The policy of gender quotas or affirmative action for corporate boards were among the first strategies to be implemented. France and Spain are among the early adopters of the policy; however, it is in Norway already in the year 2003, the government has passed the first mandatory European quotas. All publicly listed companies in Norway were required to increase female representation in the board of directors by



40% with only 9% existing at that moment. As a result, within two years female representation has increase by 20% (Matsa and Miller, 2013).

Dittmar and Ahern (2012) were among the first to analyze the impact of mandatory quotas on company value in Norway. Although, the final outcome has shown negative effect of mandatory quotas on company value the representation of in the boardrooms has changes. The first reason identified in the study that has contributed to negative outcomes was lack of experience in female directors. Prior to mandatory law, women represented only 5% of CEO's in Norway. The pool of eligible female candidates with for CEO experience was very limited. As a result, only 33% of the new female directors had any CEO experience comparing to 68% of remaining male directors and 63% male existing directors. The age of female directors on average was 7 years lower than of male counterparts. Although, state legislation has helped to equalize the female representation in boardrooms, the majority of the candidates didn't fulfill requirements and hence indirectly effected the value of the company.

The legislators aim to enact social justice for women and promote them to the leadership positions. Despite good intentions, many didn't accept mandatory quota. The statistics data points out that starting from year 2003 year the number of ASA companies has changed incorporation status to avoid the mandatory quotas reducing the number of ASA companies from 554 to 238 companies.

Spain has chosen a different path enacting a Spanish Gender Equality Act a soft quota policy. This approach accentuates an incentive-based motivation for companies adhering to the soft quota. Contrary to mandatory quota, government doesn't penalize the company nor delists from the public stock exchange. Company non-compliance under soft quota would receive a



warning and negative report only. The governing party has chosen the soft quota approach to protect business from low supply of quality candidates and possible questioning the merit-based system (Cabo, el al. 2019).

Multiple studies reported need to reconsider the soft quota approach because of its inefficiency and minimal progress for the past 10 years (Gonzalez Menendez and Gonzalez, 2012). Considering current speed of change, it would be impossible to achieve 40% female representation even by the years 2022. In the one of the largest studies conducted by Cabo (2019), 767 companies were evaluated on its gender equality progress from 2005 until 2014. Companies that directly depend on the governmental contracts has shown a 4% annual increase and current boardroom proportion of 60%. These were companies to directly benefit the incentives of the soft policy. On the other hand, the annual growth rate for the overall sample was 0.4% (Cabo, at al. 2019). The only incentive for complying with quota is preferential treatment by the government in awarding the contract. Such limited growth presents a need for the policy change.

There are three main recommendations:

- Government preferential programs require expansion and introduction of higher financial benefits. Currently, the incentives are given only to the government partners but it should cover all companies regardless (Cabo, at al. 2019).
- To achieve progress with gender equality it is necessary to establish platform and involve multiple parties to advocate for equality (Cabo, at al. 2019).
- 3. Introduce penalties or sanctions for non-compliance. Comparing the Spanish progress results with other countries which applying hard



quota statistics ported on almost achieving a 40% goal (Izquierdo, 2016)

In 2018, the state of California has signed the first mandated quota in the USA. The policy required at least one woman in the board of directors. To compline with new directive the industry needed at last 1000 female board members. In this setting, smaller firms where at disadvantage to attract quality female candidates. The study acknowledged negative effect of mandated quota. Within a year the average returns diminished by 1,2% with higher value reduction noticed in companies introducing female for the first time. Similar negative effects were seen in companies with significant gap in female representation before the law. It shouldn't be construed as direct correlation but a consequence of mandated rule and costs related to it. Companies with larger boards able to alter boardroom composition has suffered minimal negative effect in company value (Greene, et al. 2020).

Contrary to multiple studies establishing the link between the company positive financial outcomes and quotas in the boardrooms, the latest experimental study of Neschen & Hugelschafer (2021) alludes to limited impact of quotas on gender stereotyping. The aim of the study was to verify whether quotas have direct impact on evaluation and possibly indirect effect propagating stereotypes. The study confirmed that in the process of evaluation men exhibited stereotyping and giving lower evaluation to women for the activities normally performed by men. However, it was only confirmed in instances when women were evaluated separate from male. Whenever evaluating male and female group together, researchers didn't confirm gender bias in evaluations. At the second stage of the study authors of the study introduced the quotas but it shown no change in bias perception against women. In other words, quotas are an effective strategy to promote

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equality but it doesn't change or lower the female gender stigmatization (Neschen & Hugelschafer 2021)

## Organizational level policies

Diversity management in the company encompasses a strategy how to manage diverse workforce. Strategic plan and thought policy would generate multiple benefits to the company from broadening workforce skills to increasing language awareness and culture perspective.

## Recruitment policies for increasing diversity

Flexibility policy should be considered as another key factor in successful widening of the diversity pool and attracting female workers. In the business literatures flexibility rarely connected to increasing diversity. Corroborating with multiple obstacles discussed in abovementioned chapter one of them is lack of flexibility. Family duties and possible international assignment would discourage women from applying. HR managers need to consider this during recruitment process and implement changes designing the position for the women (Evans, 2012).

The masculine language and specific male related traits in job ads will alienate women. HR manager should practice writing job description using inclusive and sensitive language. To attract women for male dominated industries, one should describe the requirements and not demand a specific person. Ads need to involve and underline the female traits like unity and cooperation. According to research 44% of women will not apply when encountering in the job description masculine traits like aggressive (Evans, 2012; O'Brien, 2019).

Role models exemplify traits one needs to emulate and behaviors to follow. In order to attract women to apply for position one should advertise and



promote female success stories happening the company. Women would identify themselves with the success story and possibly apply (O'Brien, 2019).

#### Mentoring

Mentoring program for women is a formal process to assist and overcome the glass ceiling barriers, to navigate in an organizational maze, and extend mentors patronage for mentee's benefit. There are other types of mentoring too. Informal mentoring happens through development of friendship between senior colleague and inexperienced employee. This type of mentorship is very effective but women tend to benefit very little. According to similarity-attraction theory men who hold majority of leadership positions prefer to mentor other men (Bishop, 2019).

Formal mentoring program starts with setting a goal. HR department has to define the goal and outcome of the mentoring program. Some companies emphasize female mentoring program around various topics. The foremost is developing leadership skills and possible participation in decision making process. Involvement in decision making process allows to impact the organizational culture and introduce systemic change. Especially in male dominated industry mentor needs to encourage mentee, work on selfconfidence, and invest in listening skills. The last step in successful mentoring is regular feedback. Mentor with mentee should be responsible for regularity of meeting and update of the goals.

It is necessary to mention that mentoring process has its ripple effects. In the earlier study by Vries and Webb (2006) interviewing 15 mentors and 128 mentees the study has verified the positive effect of female mentee on male mentor. After a long-term mentorship program male mentors reported higher sensitivity regarding gender diversity and understanding. Almost 49% of mentoring relationships between male and female has continued after the



program ended. It constituting transformation to informal mentoring and possibility. Male mentors have spent more time with mentees and worked more intense on their relationships. The issue of possible masculinity imposition by men didn't materialize.

It has been illuminated in the previous chapter the negative impact of gender bias has on advancing women to the leadership positions. Miu (2021) has identified a specific external bias formed by the stakeholders and proposed model for the companies on how to cope with negative outcomes (s. Figure 1). The model is constructed based on two-step process: 1. Identify the threats and 2. mitigate the threat. The first step considers the two factors amplifying the gender bias.

- Overall masculinity in the industry Historically certain industries have been occupied by men. The construction and manufacturing industries account for over 70% male domination. Evidently, women in leadership positions in such industries considered to not fit in and thus, experience little rise to leadership. On the other hand, there is drastic disparity between the ranks of leadership and lower level employees. In healthcare women hold 78% of workforce with less than 13% of executive positions.
- Prominent male leaders in the industry Great leaders who have succeeded along the history in different industries and fields are celebrated in our society. These leaders epitomize specific traits and qualities necessary for a leader to possess. The examples of the success usually represented by a male figure hence the behavior and traits are masculine. Therefore, woman tend to emulate such traits to establish their equality and merit. Unfortunately, these practices only underline the differences and invites an external public bias.



#### Figure 1: External bias mitigation model

Step 1.	Key Question	Factors to consider	The effects of external bias on women leaders	Implications for executives
Threat identification	"How do conventional male prototypes manifest in your industry?"	Gender bias "hotspots" are more likely in some industries than others; it is likely pronounced when there are entrenched male prototypes, most notably: (1) higher overall "masculinity" and (2) the presence of prominent male leaders / innovators	<ul> <li>Wherever male prototypes are entrenched, the public will judge wome leaders more by their capabilities</li> <li>"Maleness" equals "merit" in such contexts, because of how bias shapes perceptions</li> <li>This leads to underestimation of women's efforts irrespective of their quality of work</li> <li>If these facts are ignored, women will face far steeper paths to career success because their true capabilities will not be recognized</li> </ul>	<ul> <li>Executives should consider how gender bias shapes stakeholders' perceptions of a leader's efforts regardless of their objective merits</li> <li>Executives should view gender bias as a critical threat to the firm and its women leaders</li> <li>Executives should consider the possible threat mitigation remedies outlined in Step 2</li> </ul>
	(a) V	Vhat is considered "conventional"? (b) Who	the following three items to determine the level of externa o is considered "prototypical"? (c) How "visible" are industr	y leaders?
Step 2.	Key Question	Remedies to consider	prototypes: i.e., celebrity male leaders, mostly male emp Practical examples for executives	Note to women leaders
		<ul> <li>Recognize and adjust for external gender bias.</li> </ul>	<ul> <li>Incorporate safeguards when appraising performance using external evaluations</li> <li>Challenge the narrative by celebrating women's achievements in the industry's history</li> </ul>	<ul> <li>Exhibiting "male" leadership traits or changing your style may not help if/when entrenched male prototypes amplify gender bias</li> </ul>
Threat mitigation	"If external gender bias is subconscious and widespread, how can women leaders and their firms cope with these obstacles, and <i>leverage</i>	Reassign women to less conventional leadership positions/work.	<ul> <li>Discuss with women leaders their thoughts around hurdles to success in conventional vs. unconventional contexts</li> <li>Assign women leaders to contexts with fewer entrenched male prototypes</li> <li>but avoid marginalizing women who want to lead in hotspot areas</li> <li>Make peace with the controversy of pointing to the fact that male prototypes shape public bias</li> </ul>	<ul> <li>Consider whether a reassignment will mitigate bias (or reinforce it by underscoring female prototypes)</li> <li>The choices are not just (a) enduring bias or (b) "staying in your lane" by pursuing contexts with strong female prototypes</li> <li>You can "trailblaze" in a space when merit outweins maleness</li> </ul>
	them instead?"		race that mate protocypes shape public blas	merre odeneigna materiesa

Source: Miu, at al 202

The second step of the model after identifying and acknowledging the threat is considering possible remedies. The model draws three strategies to be implemented:

 Recognize and adjust for external bias – External performance evaluation is prone to external bias. Executive level and HR mangers evaluating the performance of female leaders should consider persisting bias against women. Inadequate, subjective evaluation undervalues the female talent, assigns unnecessary costly trainings, and discourages women. In the example of film industry critics are one of the external evaluations for success of the products. In the recent study male critics outweighed female in ration of 2:1. In addition, companies are ought to establish and celebrate the achievements of women. The prototype of female



leaders will provide an external public with examples of leaders for a non-biased comparison. For younger generation it encourages young girls to pursue career in traditionally male dominated fields.

- Establish less convention leader position the goal is to reassign the female leader to a position with little impact of external bias. The position in already dominated female field like HR wouldn't provide growth opportunity for the candidate and could relegate the candidate. It is recommended that the line of business or industry be with at least an established precedent of female leader. Otherwise, a novel industry could be an avenue for growth. Uncongenial positions and industries are less prone to external gender discrimination; hence women could achieve their true potential without constrains.
- Flexible path for advancement executive members should encourage women to accept positions in the new fields and establish new career trajectories. Constant change in business world entails creation of new departments free of conventional standards. Such approach promotes female pioneers and diversity resulting in increased creativity and talent enrichments in the company (Mui, et at. 2021)

In following review of the diversity management approaches, the author examined various gender diversity policies focused on increasing representation of women in boardrooms and top management positions. The table 2 below portrays summary of government and company based policies promoting gender equality.

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## Table 3: Diversity management policies

Туре	Description	Outcome
Governmental policies	Affirmative action/ Mandatory Quotas	Initial negative financial impact on stock price and incremental admin costs. Company adherence to set policies by government.
	Soft Quotas approach	Minimal investment by the company with limited financial impact. Company non- compliance due to lack of sanctioned of enforcement mechanism
Company based policies	Targeted recruitment	<ol> <li>Flexibility in designing the position for women.</li> <li>Sensitive language and female attributes in the job ads for attracting female talent</li> <li>Celebrate successful female role models working in the company and communicate their stories through social media channels.</li> </ol>
	Mentoring	Formal mentoring to focus on developing leadership skills necessary in future promotions. Such informal training bridges the skills-based gap. Female involvement in decision making process produces systemic change and lowers the barriers for promotion.
	External Bias Management	<ol> <li>Identify the external threat:         <ul> <li>a) industry with high concentration of male dominance, b) industry characterized by male leader</li> <li>Consider possible remedies:                 <ul></ul></li></ul></li></ol>

Source: Author based on literature review



# 3 Gender diversity in Azerbaijan

In 2019, women contributed to almost a half of the total working population (The World Bank, 2021). Women participation in parliament has been increasing and female candidates gained more popularity in the municipal elections as well. Yet, most work women perform is still in the traditional female industries, as for example, care and education. Moreover, several country reports identify that many men are skeptical about gender equality or believe that initiatives towards gender inclusion have not gone far enough (UNFPA, 2018).

The current chapter explores the gender composition of the labor market of Azerbaijan, statistically evaluates the level of education of women, as well as studies diverse gender diversity approaches that have been implemented in Azerbaijan.

## 3.1 Gender situation in the labor market

Gender equality at work and active involvement of women in the labor market is increasingly critical to sustain not only earnings of the single household, but also for inclusive economic growth of the country. According to the findings of the 2019 Gender assessment conducted by the Asian Development Bank (2019), the country is progressively moving towards achieving its gender equality outcomes, as part of tis inclusive growth targets. In this regard, increasing investments in human development, such as primary education, maternity and newborn health, has helped achieving these aims.

In the future, though, further progress toward gender equality will need more determined initiatives, as the oil sector's profits of the country are steadily falling, and accelerated diversification of the economy is required



to secure long-term prosperity. It will be critical to have a broad vision for how gender equality will be mainstreamed into future growth initiatives to address and guide future efforts towards the remaining gender gaps. Prospective development strategies must specify concrete activities to counteract trends such as a dropping female secondary school completion rate, a greater teen birth rate, and an increasing male to female birth ratio, particularly addressing rural areas and vulnerable communities (ADB, 2019).

In this sense, expanding women's representation in the key decisionmaking positions, such as the state parliament, key ministerial positions, and the court is essential for ensuring that women have move inclusive role in the political life of the country. According to the World Bank's 2019 Gender Statistics, women account for 50.1 percent of the overall population and more than 70 percent of women aged 15 to 64 years, which, if gender equality targets are met, will provide a significant boost to the country's economic growth. However, the share of the women having at least a Bachelor degree and older than 25 years in 2017 remains low, which was recorded at 12.6%, might be a concern in achieving the gender equality goals (The World Bank, 2021).

International Men and Gender Equality Survey (IMAGES) from 2016, intended to understand men's practices and attitudes towards gender equality, family roles and dynamics, parenting and caregiving, and other preferences, came to interest conclusion that perception of the traditional role model in the modern and urban population is steadily shifting towards more comprehensive role of men in day-to-day children care (UNFPA, 2018). However, the traditional role model is still anticipated by majority of the male respondents. This means that the government should



promote women workforce participation to accelerate the shift towards inclusive and sustainable economy, which cannot be achieved without increased role of women in economy.

## 3.2 Education and the labor market

The numerous connections between education and job that cannot be described without taking in account other aspects, such as age or social status, to has generally been included in empirical examinations of the interrelationships between schooling and wages. Various research findings confirm that earnings climb with age up and then level out for all educational levels. The marginal productivity theory of demand is the backbone of the labour market theory in orthodox neoclassical economics, which envisions the employees' profit-maximizing behaviour, a supply theory based on employees' utility maximization, and as the result builds upon the concept of competitive equilibrium between them. This also means that the businesses aim at creating a demand schedule for labour based on the composition of commodities demand, and labour is employed up to the point when marginal productivity equals the industry pay. Then according human capital theory, the labour market may continue to absorb employees with ever greater levels of education, if selected aspects are met (Hinchliffe, 1987).

Azerbaijan is a middle-income country, which was largely due to exploitation of its waste hydrocarbon reserves accompanied with the reforms conducted by the country to move towards the more resilient market-based economy. According to the State Statistical Committee of the Republic of Azerbaijan 53% of the country's population reside in urban areas, while only 47 % of the total population live in rural areas of the country (State Statistical Committee, 2020). Azerbaijan's population is also relatively young, which might be viewed as a source of future growth.



According to recent state statistics (s. Table, 45.3 percent of the population is under the age of 29, and 70.2 percent of the economically active population is between the ages of 15 and 65. Literacy rate of population aged 15 and over is reported to be around 99,8 percent, when considered combined data for both urban and rural areas. When considered the total population in 15 years old and over who have higher, specialized secondary and general secondary (completed or uncompleted) the statistics suggest that for year 2021 number of people with university degree has exceed 14 percent of the considered age group (State Statistical Committee, 2020).

Year	Total population over 15 years old	higher education	specialized secondary	completed secondary education	general secondary
2019	7525	1014	658	4870	983
2020	7600	1047	664	4905	984
2021	7654	1077	668	4927	982

Table 4: Azerbaijani population characteristics

Source: State Statistical Committee, 2020

In 2010, the Gender Inequality Index was introduced to measure genderbased disparities in three dimensions: reproductive health, empowerment, and economic engagement. In 2019, Azerbaijan was ranked 73rd out of 162 nations, with a GII value of 0.323. In Azerbaijan, women hold 16.8% of parliamentary seats, while 93.9 percent of adult women have completed at least a secondary level of education, compared to 97.5 percent of males. Women die from pregnancy-related reasons at a rate of 26.0 per 100,000 live births, and the teen birth rate is also high. Women participation rate in the



labour market is 63.4 percent, while among the males this number is 69.7% (UNDP, 2020).

The findings indicate that the country still has a long way to go in combating the loss of human development caused by disparities in female and male accomplishment. This is especially evident when comparing with Kazakhstan and Uzbekistan, two nations in the region that share similar cultural, ethnographic, and historical background with Azerbaijan (s. Table 5 below).

	GII Value	GII Rank	Materna I mortalit	Female seats in parliamen	Labour partici rate	pation
			y rate*	t (%)	Female	Male
Azerbaijan	0,323	73	26	16,8	63,4	69,7
Kazakhstan	0,19	44	10	22,1	62,7	75 <i>,</i> 5
Uzbekistan	0,288	62	29	23,9	52,4	78,1
Europe and	0,256		19,9	27,8	45	70
Central Asia						
High HDI	0,34		62,3	33,6	54,2	75,4

Table 5: Azerbaijan's GII for 2019 in comparison to other countries

Source: UNDP, 2020

## 3.3 Gender wage gap

The constitution of the Azerbaijan Republic accepted in the year 1995 ensures equal pay for the same position and profession equivalently for men and women. Although in instances of different educational levels and years of experience the salary could vary, one may find persisting wage gap across industries. The below table depicts a 30% wage gap in compared positions and an almost 50% gap in overall earnings compared to men. Alarming trends indicate a growing disparity albeit government policies and international involvement (ADB, 2019).



Table 6: Wage Gaps from the Global Gender Gap Index, 2012 and 2017

2012		2017	
% women's earnings compared to men's earnings	52%	% women's earnings compared to men's earnings	48%
% women's earnings compared to men's in similar occupations	71%	% women earnings compared to men's in similar occupations	73%
GGGI ranking on wage gap	88 out of 135	GGGI ranking on wage gap	117 out of 144

Source: World Economic Forum (2017)

The gender assessment procured by the Asian Development Bank (2019) analyzes current antecedents and proposes few reasons for the ongoing wage gap. The majority of women hold low-paying positions usually working in education, healthcare, and other service-related sectors. On the other hand, industries with high-paying positions account for minimal female representation. The mining industry is one of the richest in the country employs around 30% of women and has around a 40% wage gap. Cultural bias against women in leading positions is persisting in the country. Therefore, another reason contributing to the overall wage gap is underrepresentation in leading positions. The state-run oil company Socar employs less than 4% of women in leadership positions. Some hidden issues are not officially communicated but can be observed in routine working life. Although women theoretically have the same chances for promotion to higher positions as men do, industries impose "glass ceilings" barriers for topmanagement positions. Women occupy a considerable number of financial and juridical positions however are seldom promoted to the board of directors or executive committee (Belenkova, 2013). This is explained by the fact that Azerbaijan still unconsciously attributes women to home-caring and family-oriented roles. Therefore, despite the Soviet inherited policies and culture women are considered to be weaker than men, as well as less committed to professional life, even though many of them work for the same company their entire career. (Posadskaya, 1994)

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## 3.4 Current approaches of gender diversity management

In the year 2019, the members of the Economic and Social Commission for Asia and Pacific (ESCAP) have discussed the results of national progress in gender equality in the region. Azerbaijan being one of the founding members has presented current developments (UN ESCAP, 2019):

- In the past five years government has made rigorous advancements toward equal employment. It has established and implementing labor laws promoting female employment. There are three major benefits: the law restricts any employment discrimination based on gender, the government has created incentives to encourage equal payment to women and expanding opportunities for women.
- 2. Women in Azerbaijan allocate the highest number of hours for running the household. It prevents women from pursuing external opportunities and creates an unhealthy disbalance between female and male responsibilities. Therefore, non-profit organizations and national councils have conducted an awareness campaign for young boys and male adults to encourage male population to actively participate and invest more unpaid time in family affairs and childraising activities.
- 3. The government in cooperation with international organizations has established a network of regional resource-education centers for supporting female entrepreneurship in rural areas. More than 3000 women have received educational support, access to computers and libraries. In addition, to overcome financial barriers, European Bank for Reconstruction has given multiple microloans to young female entrepreneurs.
- 4. Last but not least the parliament is in process to draft and pass a key amendment expanding the right of women and granting wider



social benefits and protection. On the of the examples is further social support for female unemployment and targeted social benefits in female recruitment. On the other hand, women received a 126 days of paid maternity leave. The current government policy does not entail any paternity leave, however, other countries in the region have already introduced it where men are able to receive a paid or non-paid leave due to childbirth.



# 4 Methodology

The analysis of the academic literature and statistical data on gender equality in Azerbaijan has identified some general trends and particular characteristics of Azerbaijani workforce diversity and status of women. The country nowadays still has a minimal amount of female leaders in public and private enterprises and has a high gender wage gap in all industries as well. Even large organizations that are active in many different countries like SOCAR do not offer equal fair pay and within equal employment opportunities.

In order to explore further the matter of equal employment opportunities in Azerbaijan, this thesis conducted an empirical study. Am empirical study aims to find an answer to the research question of this paper, which is formulated as follows:

# RQ: To what extent do local and international companies pay attention to equal employment opportunities?

Moreover, the paper explores and compares whether gender diversity practices are equally implemented in local and international companies in Azerbaijan. For this goal a supplementary research questions is defined as follows:

What is the role of gender inequality playing within the appointment of women in local and international companies in management positions?

The answer to the research question will provide an insight to the problem by identifying awareness of gender diversity and its benefits, and obstacles that hinder Azerbaijani women from pursuing leadership career paths.



### 4.1 Research method

The analysis of the empirical data will give many insights into the problem addressed by the research question. The empirical research will be conducted in the qualitative form.

The aim of the qualitative research is to develop concepts and understand them rather than to answer pre-defined hypotheses as it would be the case of quantitative research. Therefore, the main method of research of this paper is an explanatory research (Patton, 2002). The gualitative research is suitable for the current study because it aims for exploring and understanding the gender diversity problem in Azerbaijan. Azerbaijan as economically strong country attracts many international investors and businesses. However, international companies might struggle with an establishment of a right gender equality strategy due to country's turbulent history and consequent mixed or undefined gender inclusion values, influenced both by Muslim religious views and past Soviet norms. Therefore, with the help of qualitative research, the author of this paper aims to build an understanding of gender diversity in Azerbaijan. The theory will include possible forces towards gender inclusion, as well as hindering obstacles, which then can be tested quantitively on a larger sample, for example in neighbouring countries, e.g. Kazakhstan and Uzbekistan.

Qualitative research usually implies interviews, observation, case study analysis, focus groups or action research (Patton, 2002). As this study aims to collect opinions to understand reasons of gender roles in Azerbaijan, interview was chosen as a method of research. Further on, interviews can be either unstructured with questions arising during each interview, semistructured with a series of open-ended questions or structured with a strict sequence of questions for each interviewee (Bogner, Littig, & Menz, 2009).

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Since structured interview should focus rather on closed questions, which limit the range of acquired data but at the same time allow categorization and better comparison of responses, interviews in this paper will be in structured form.

Several sampling techniques can be applied for qualitative research. The research method of the current sample will conduct expert interviews. Expert is a person, who has expert knowledge related to his/her professional field and has a certain degree of decision-making power (Bogner, Littig, & Menz, 2009). Hence, in terms of the current study, experts are individuals, who have experience in working in Azerbaijan for at least 2 years either in international or local company and are aware of the HRM policies of their company. As already mentioned, international company refers to an enterprise with an international scope of operations and subsidiaries or/and headquarters abroad, while local company is Azerbaijani based.

## 4.2 Development of the interview content

To answer the research question and thus to evaluate the equal employment opportunities of women in Azerbaijan, a structured interview was developed. All interview questions are based on the theoretical findings and suggestions, as throughout fully researched in Chapter 2 (s. Figure 2 for interview content development). The complete interview content can be found in Appendix 1.

The interview content was classified into four thematic blocks:

- 1. Awareness of gender diversity concept
- 2. Benefits of women inclusion as a managerial workforce
- 3. Obstacles for female advancement in the organizations
- 4. Eventual suggestions for more female inclusion in Azerbaijan



First of all, the interviewer marked the position and experience of a respondent. Then, the general awareness of gender diversity concept and practices had to be evaluated (Q4). Additionally, the knowledge about gender inclusion practices in the respondent's company was questioned (Q5), which were then asked to be evaluated on the effectiveness (Q6), if applicable.

Secondly, general advantages of inclusion of women to the workforce were discussed (Q7). Thirdly, the interviewer explored issues that female employees might face in Azerbaijan when aiming for higher managerial positions (Q8, Q9), as well as evaluated the role of culture in defining those obstacles (Q12). Moreover, the areas of business with a better inclusion or higher percentage of female employees in Azerbaijan were explored (Q11). Finally, the interview investigated possible suggestions for better promotion of women in their careers, which could be particularly applied to the Azerbaijan (Q10), as well as evaluated whether international companies in Azerbaijan are performing better in terms of gender diversity (Q13).

#### Figure 2: Word cloud for the development of interview content



Source: Author



## 4.3 Research settings and sample characteristics

The sample of this study was composed from the respondents from the managerial positions in local and international companies in Azerbaijan. The interviews were hence conducted with female and male managers with at least 2 years of job experience. Inclusion of managers with diverse job experience, managerial positions and experience with local and international company policies will allow to represent a research problem from multiple viewpoints and hence to provide a complete understanding of gender diversity practices in Azerbaijan.

In total 12 expert interviews were conducted (s. Table 7). Interviews were both held in person and virtually, through an online call and were recorded. The half of interviews were conducted with representatives from the local companies, while another half with employees from the international companies. In order to ensure equal gender representation of the sample, an equal amount of interviews with female and male managers was conducted. The participants for this study were mostly chosen and contacted through a personal connection network. Several participants were kindly suggested by previous respondents.

The data was gathered during three weeks in 2021, between April 29<sup>th</sup> and May 14<sup>th</sup>. Due to confidentiality reasons, the names, positions, and companies of interview respondents are not disclosed. All of the interviewed respondents had experience of working in Azerbaijan for a certain number of years, were familiar with gender diversity concept and hence could provide meaningful insights to the research question.



#### Table 7: Sample characteristics

Number	Gender	Local/international	Experience (years)
Respondent 1	male	local	10
Respondent 2	male	international	26
Respondent 3	female	local	10
Respondent 4	female	international	4
Respondent 5	male	local	22
Respondent 6	male	local	5
Respondent 7	female	international	8
Respondent 8	female	international	8
Respondent 9	male	international	17
Respondent 10	female	international	16
Respondent 11	female	local	13
Respondent 12	male	local	13

Source: Author

## 4.4 Qualitative data analysis process

After the collection of data, a data analysis process was initiated. Usually, the analytical process of qualitative data underlies a particular procedure with minor adaptations depending on the needs of the researcher (Patton, 2002).

The analysis process starts with transcription. Each interview was manually transcribed and transformed into a written form. The transcripts can be found in the Appendix.

The second step of the qualitative data analysis process refers to coding of data. The process of coding implies assignment of codes, classifications, or headlines to elements of data. Coding helps to sort the data to more general



categories. Categories for coding are developed from intensive work with the data (Kozinets, 2010). The coding system of the current paper is based on qualitative context analysis and colour code schematics. According to the four main themes of the interview and thus to the framework extracted from the literature review, four main color blocks were developed:

- 1. Awareness
- 2. Benefits
- 3. Obstacles
- Suggestions

After the coding, the process of abstracting and comparing is initiated. It looks at identifying possible relationships between the words and phrases, as well as offers further generalization of the collected data. Hence, the author looked here for finding causalities between benefits and obstacles of female inclusion in the workplace. The fourth step of analysis refers to theoretical generalization of the regularities in the dataset and provides withing the answer to the main and supplementary research questions (Mayring, 1991). The last step of the qualitative data analysis compares results from the literature review (chapter 2), market/population statistics and gender policies promoted in Azerbaijan (chapter 3) with the empirically gathered data in order to develop a scientific conceptualisation and explain how equal employment opportunities are practiced in Azerbaijan.

#### 4.5 Data analysis results

The analysis of the collected interviews is conducted based on the four main themes that are essential in the context of the equal employment opportunities. Moreover, the focus of analysis lied in exploring the viewpoints of Azerbaijani managers of the importance and benefits of gender diversity in the workplace and at the same time finding out, which obstacles



are hindering Azerbaijani women to achieve higher managerial positions. The current chapter presents results of the qualitative analysis and compares these to the theoretical suggestions, extracted from the literature and market review.

## 4.5.1 Awareness of gender diversity concept

The analysis process starts with the evaluation of general understanding of gender diversity principles and awareness of company specific policies.

In general respondents were well aware of gender diversity term and its principles (12 out of 12 respondents). The majority consider gender diversity in the workplace as very important and claim that organizations must sustain the awareness about diversity among all workers of the organization.

Despite the importance and the need for gender inclusion, 4 out of 12 respondents identified that there are no specific gender policies or diversity initiatives in their companies. All these respondents were employed in the local Azerbaijani companies. Hence, it can be preliminary concluded that gender diversity management is rather practiced in international companies, which have already incorporated gender management standards in their multinational corporate strategies. As for example, respondent 2 states that:

Our company is Canada-based and we run the system they require. I would say that we do not have any problem actually regarding equal employment. I can give example from the department of sales in our company. This department consists of 8 workers and 4 of them are females and head of sales department is also the very experienced woman in her field.

Some local companies have gender related policies, yet those are just beginning to be developed and implemented, while the majority of leadership positions are possessed by men. However, two respondents from international employment also mentioned that the representation of women



in managerial position is good yet need further development. One respondent also named that women are better at desk jobs and are being promoted to these positions in her company.

Further on, the paper tested whether respondents consider that international companies have better gender inclusion policies than local Azerbaijani companies. Results showed that the majority of respondents (8 out of 12) believe that international companies do better in equal employment opportunities:

Respondent 1: I think women have more chances at international companies because these companies have their policy for many years probably and they do not put any difference between the genders of workers. In these companies, we see that they have women in charge as well, which is not common in local companies of Azerbaijan.

The underlying reason why local Azerbaijani companies are still performing worse than international in terms of gender inclusion refer to ideology and traditions, which are higher distinct in local enterprises, as for example:

Respondent 10: *Because in Azerbaijan there are still some people who live with the ideology of the last century.* 

Three respondents who do not believe that international companies have better policies for equal employment, claimed that both types of companies are similar in their diversity policies. Respondent 3 well explains this by stating:

I think it is the same. Because we live in the same country and people who run those international and local companies are also from Azerbaijan.

In general, no specific programs for developing female talents were named. Rather respondents indicated that talent promotion strategies rather based on the individual's skills and abilities than on gender and therefore offer fair



and equal opportunities in the career advancement. For example, a statement from Respondent 7 supports this idea by:

Most importantly our company offers fair and same chances for every worker, which is the most important factor I guess to overcome diversity.

Five respondents also referred to an importance of women-friendly environment and one mentioned the necessity of managers (i.e., recruitment staff) with a practical experience of working with women.

In summary, the gender diversity concept is well known in Azerbaijan. Gender diversity management is practised well in international companies and is being slowly developed in some local companies. All respondents recognize the importance of equal employment opportunities and partly wish more gender inclusion practices at their workplace.

#### 4.5.2 Benefits of female inclusion in Azerbaijani companies

As next, the advantages of female employees in the managerial positions were evaluated. The literature review of this thesis has identified several benefits of female inclusion to the managerial positions. Female representation in the higher managerial positions is claimed to improve general corporate oversight and company performance. Gender diversity in the boards increase the competitiveness and improve within the quality of decision making, innovation and creativity. In addition, female employees enlarge the network and allow an access to more resources that otherwise would not be possible. Inclusion of female board members also supports better appropriation of company funds, better corporate governance, economic growth, and higher devotion to the environmental goals.

The analysis of the data in the current research partly supports the theoretical suggestions. First of all, the current study explored whether



female inclusion increases financial profitability. 9 out of 12 respondents agreed that higher gender diversity has some effects on profitability. Moreover, 2 respondents stated that they are not sure about financial benefits and 1 further respondent claimed that in general companies should recognize the financial profitability from inclusion of women, however Azerbaijani companies do not realize it yet. Interestingly, one respondent claimed that financial benefit is the only aim of gender diversity principles rather than fairness and equality principles:

Respondent 6: I don't think that they do these policies to be fair for everyone. The main reason is firstly to create an easily operated workplace environment and also increase the sales.

Nonetheless, respondents see not exclusively financial profits but also other advantages, which correlate to ones suggested in the academic literature, i.e., boost of creativity (n=3), higher scope of ideas, which leads to better problem-solving, increased competition within the company, which also triggers better ideas and problem-solving approaches, as well as higher degree of adaptation. Statements from respondents 5 and 9 support this finding:

Respondent 5: both genders can create a positive impact on workers, which will lead to competition among them and all these things positively affect the firms' earnings too.

Respondent 9: Diverse groups will generate more creative ideas. When people from various backgrounds collaborate, their diverse experiences also result in increased creativity.

Interestingly and supporting to the theoretical suggestion that women are more risk-averse and concerned about environmental issues was a finding from respondent 4 (female) that women participation in the decision-making processes of the company help to eliminate corruption:



Also, I think when there is equal employment opportunity, it helps to prevent corruption among workers too, which is the major problem of many companies nowadays.

## 4.5.3 Obstacles for female advancement in Azerbaijani companies

Literature review of the current study has suggested that main obstacles for women advancement in the career path included family norms, gender and inner-organizational bias. Overview of Azerbaijani reports has supported even more that family norms play a significant role in hindering women from higher participation in the careers demanding high level of decision-making. This part of data analysis evaluates the obstacles and cultural influence on gender diversity in Azerbaijani companies as seen from the perspective of respondents of the sample.

Table 8 provides the essential data that was exerted from the expert interviews and secondary research.

Number	Gender	What are the main obstacles of hiring women to higher managerial positions?	Best type of work for women
Theory	-	<ul> <li>Family norms, traditions, religious beliefs</li> <li>Gender and inner-organizational bias</li> <li>External bias</li> <li>Education and societal expectations</li> <li>Personal characteristics and career wishes</li> </ul>	Lower paid industries and sectors
Respondent 1	male	USSR affected the workplace environment, local companies offer less salary and some boundaries of female leadership style, in international companies no obstacles, easier to work with men, culture plays role. Men work – women for homecare.	Fashion, design, financial department, marketing, HR

Table 8: Analysis of the obstacles of ec	ual employment opportunities in Azerba	ijan
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Respondent 2 Respondent 3	male	Leadership is associated with male behavior, women have family and cultural issues, i.e., companies focus on male career development. Discrimination of gender in AZ. New generation in AZ will change the status quo eventually. No fair chances and salaries. Male	Women are capable of working in every field and position. Administrative
		leaders are preferred because more successful and concentrated – the USSR influence. Women cannot lead men – cultural bias.	office work
Respondent 4	female	Culture and outdated traditions, no fairness during hiring, companies prefer men (more dominant and are better leaders)	HR, sales, financial
Respondent 5	male	Family, culture, and religion -men do not allow women to work. Males are better leaders.	Administrative office work
Respondent 6	male	Culture, men are better at problem- solving	Governmental jobs, school, HRM.
Respondent 7	female	Female worse at decision-making because too emotional, unwritten social norms and cultural norms, family responsibilities.	Medicine, education
Respondent 8	female	Culture, patriarchal society, power of men	Fashion
Respondent 9	male	Gender and cultural bias, patriarchal society, unfair payment and no payment during maternity. Women are weak by nature.	School education, nursing
Respondent 10	female	Unfair chances, sexual harassment. Men are more suitable for leading positions. Cultural bias.	Fashion, tourism
Respondent 11	female	Cultural, religious and personality bias, unfair chances	Governmental structures
Respondent 12	male	Discrimination, family bias – women should not work and many do not want, unfair pay, lack of women-friendly environment	Medicine, psychology, design, media.

Source: Author

The analysis of obstacles revealed three major issues that were mentioned by all respondents, as well as suggested in theory:



1) Cultural bias (12 out of 12) shaped by religion, tradition, and societal norms in Azerbaijan, as well as the Soviet history (2 respondents).

All respondents have supported the statement that culture has a major influence on shaping gender diversity bias and hindering women from career advancement. As described in Chapter 3, Azerbaijani culture remains rather a patriarchal one with traditional gender roles. Men are considered to work and financially support the family, while women have home and childcare responsibilities. 6 out of 12 respondents added that a significant amount of men do not allow their wife's to work disregarding the position. For instance, Respondent 1 claims:

In our culture, mainly men and women share some works like – men are working and women look after kids, cook meals, in general, they do these kinds of staff. Also, most of the husbands they do not want their wife to work and they put some boundaries for them. I think it is not correct...

Therefore, women initially do not have equal employment opportunities. Nonetheless, Azerbaijani workforce consists from 49% female employees. A high percentage was particularly gained during the period under the Soviet occupation, which actively promoted women employment. At the same time there were hundreds of professions prohibited for women. Moreover, female employment was rather enforced due to lack of male workers as a consequence to devasting World War II than as an initiative to promote equal employment opportunities. Women's professions remained in caring, teaching or hospitality sectors, while there was minimum representation of women in governmental and leading positions (Sabi, 1999). Hence, although women were actively impelled to work, which arguments against Muslim culture of Azerbaijan, leading positions remained unachievable also during the Soviet regime. Two respondents named the historical influence of the



USSR as an important reason for gender inequality in the workspace in Azerbaijan.

 Gender bias resulting in assigning women to administrative and caring positions

Consequently, history and religion in Azerbaijani also impelled gender bias, which pose numerous stereotypes about behavior and roles of women. According to the sample of this research paper, only one respondent identified that women can work in any field, whereas other named either management unrelated fields (e.g., nursing, education, fashion, psychology) or administrative/desk positions in the office, HRM, sales and financial/accounting professions. All these positions refer to typical female jobs that imply caring for others, teaching, or communication skills. Organizational leaders with decision-making responsibilities are expected to be males per se.

Respondent 9 highlights this finding and compares gender diversity with more developed countries by:

We see easily that there is more gender diversity in developed countries. Women's rights are very important in Azerbaijan, it was the first country in the East; provide women with the right to vote. However, Azeri women are facing cultural limitations in working life and there are not many women who have a chance to participate in "leadership roles" in the workplace.

 Inner-organizational bias resulting in unfair wages and recruitment policies

Gender and cultural bias jointly have a further impact on organizational bias, which implies that women do not possess necessary characteristics for leading and/or problem-solving positions. Respondents claimed that stereotypically women are believed to be too emotional to make right



decisions. They also are less successful and dominant than men, as well as demonstrate weaknesses in competitive environment. Furthermore, due to patriarchal culture men in Azerbaijani companies will not consider female leader as capable of leading them and will experience difficulties in developing respect, trust and obedience towards her.

The abovementioned factors are among the main reasons why companies consider men as better leaders and invest resources into male career advancement only. Respondent 3 criticizes such corporate strategies:

Because companies prefer male leaders instead of females in Azerbaijan for some reasons. These reasons might be that they think men are more successful or more concentrated than women.

Furthermore, a number of respondents named that women in Azerbaijan receive smaller salaries for the same amount of work that male do. Moreover, some women are able to work a half-time only due to family matters. Working half-time implies even higher unfairness in salary, while maternity leave is not financially supported by the company. Unfair conditions are then explained by family or cultural factors and, from the viewpoint of respondents, are not yet considered seriously enough.

Respondent 2: In most of the companies, they claim that women might have family issues or cultural effects in the future, which might affect their company, so they mainly focus on males.

Respondent 10: Unfairness is the major problem. Companies do not offer the same income, freedom, etc. for women.

#### 4.5.4 Suggestions for gender diversity development in Azerbaijan

After evaluation of obstacles that hinder female inclusion to higher managerial positions, the last section of data analysis explores the suggestions of respondents, how the gender situation can be improved.



In general respondents evaluated that Azerbaijan still needs to undertake a lot of actions towards gender diversity and providing women with equal employment opportunities. One frequently mentioned idea to improve female participation in the leading positions and to motivate girls to develop their career paths was creation of role models. For example, Respondent 6 arguments that:

Also, one major thing in my view is that in a business there should be at least one female leader in their management position to increase motivation among female workers.

According to respondents, Azerbaijan currently lacks female leaders, which could serve as encouraging role models for Azerbaijani working women. Hence, it is suggested to increase promotion of talented female leaders in Azerbaijan by highlight their success and skills to a wider public. Moreover, respondents of the survey have indicated that companies should provide mentoring and coaching to their female employees. It would be even better if mentoring would be offered by either a female manager or male manager, who has experience working with women.

Respondents also recommended to develop fair payment systems based on actual skills and goal-completions rather than gender. This finding correlates with market statistics (s. chapter 3.3), which identified up to 30% gender wage gap in Azerbaijan. Two respondents mentioned the need for flexible hours so that women could better organize work-life-balance. One respondent discussed the necessity of gender quotas in the workplace, i.e., 50% to 50%.

All in all, the majority of respondents claimed that in order for gender diversity to become improved in a particular company, the general population's attitude towards women has to be changed:

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Respondent 12: To change the status quo, we have to change something in our lifestyles. I see that actually, it is getting better each year; the number of women workers rises, so it is a result of peoples' increasing awareness on this case.

Respondent 8: it's needed to take big steps to change the people's minds and make them believe that equal employment opportunity is not against our culture.

Azerbaijan is still strongly influenced by religious views, norms of patriarchal society and as a result stereotypical gender roles. Although awareness of gender diversity increases over the years, many people still believe that women should not work or even should not be allowed to work. While such radical ideas will remain in the society at the family level, gender diversity at the organizational level will be almost impossible to implement.



# 5 Discussion

The research question of this paper focused on finding out the extent of equal employment opportunities in Azerbaijan with a particular focus on implementation of gender diversity practices in local and international companies. Following discussion provides an answer to the research question and reviews the results of qualitative data analysis.

The discussion is based on the 12 expert interviews, which are employed to diverse job positions by international and local companies in Azerbaijan. The results of this thesis enrich scarce academic research on gender diversity in the Azerbaijani workplaces, as well as contribute to practical understanding of gender diversity issues, practices, and viewpoints in Azerbaijan and within help foreign managers to create appropriate HR strategies when entering Azerbaijani attractive market.

In general, the awareness about gender diversity principles was very high. Azerbaijanis realize that employment opportunities and career development should be based on individuals' talent and skills rather than on gender or another demographic characteristic. However, distress about the lack of proper gender diversity management was similarly very high. Although Azerbaijan is intensively developing gender equality principles and corporate standards, no tangible outcomes are yet present in the country. There are also no gender quotas and hence comparison to e.g. Scandinavia is not yet possible at this point.

Azerbaijan offers microloans to females for opening businesses, yet in a larger picture, women and the whole society in the country are not yet ready to benefit from such governmental incentive. Due to strong influence of Muslim culture and religion, as well as patriarchal values, Azerbaijani society

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does not see women as leaders and rather identifies females with home caring responsibilities. Moreover, some customer facing job positions without leadership requirements remain closed for Azerbaijani women as the society expects a male representative. Therefore, while it is possible for a women to receive a microloan and open a shop, for example, the success of such enterprise will depend on her acceptance of male customers.

Thus, at the current point religion, society and as a result family norms are the main obstacles for creating a base for equal employment opportunities in Azerbaijan.

International companies showed to be more successful in ensuring fair recruitment, payment systems and female career advancement principles than local Azerbaijani companies. International companies have more gender diversity because corporate strategies or framework are usually already developed and tested in other geographical markets and hence company directors impel proper implementation also in Azerbaijani market. Nonetheless, the empirical research of this paper showed that despite the need of implementation of international corporate strategies, local managers and their employees still believe in Azerbaijani values and traditions, which oppose Western gender diversity principles.

Moreover, as Western examples show, gender diversity principles are not ultimately implemented with the pursuit of business performance improvement. As in the case of gender quotas, which rather aim for social justice than business success. Hence, enterprises might be forced to implement governmentally imposed quotas only for ensuring legality and corporate social responsibility, while gender equality issues are omitted. In such case, an international company running its subsidiaries in Azerbaijan, where no governmental gender quotas yet exist, might adapt easily to the



local market, and chose male leaders as men are stereotypically considered more successful overall in the world.

Hence, global changes in the world picture are needed to gain authentic gender diversity. Novel gender policies of the last half of century teach us to a see a person instead of gender. However, for thousands of years homo differentiated gender abilities, associated sapiens have gender responsibilities, and thus developed multiple gender bias over the centuries. Today, the roles are though changing, yet at a slow speed, especially in countries like Azerbaijan with traditional values and norms. Due to traditions and certain upbringing, many women in Azerbaijan (also with high education) do not aim to work and/or pursue leading careers even if they would have all prerequisites for equal career opportunities.

On a narrower scope, Azerbaijani society requires more female role models to increase motivation among women to pursue careers including leadership positions. Similarly, as discussed in chapter 2.2 of this paper, role models are helping to attract women to apply for positions by promoting female success stories. Through role models, women identify themselves with the success story and are hence more motivated to apply. The empirical research of this paper identified that currently there are two female role models in Azerbaijan, with whom women are eagerly associating themselves and believe that the success of the named role models is changing the overall attitude towards women in the country.

Another managerial implication of the current research refers to the need of creating female friendly work environment. Women in Azerbaijan are believed to be very emotional, communicative and search for protection from male colleagues. At the same time, job responsibilities that require problemsolving, decision-making and competition are considered as too dominant



and disrespectful for Azerbaijani women. Hence, male employees display overprotective behaviors instead of anticipating female colleagues as equal. In order to improve this situation, this study suggests implementing special mentoring and coaching programs for future female leaders by mentors, who have already practical experience in working with women or in highly diverse working environment, so women could trust him/her. This adds another advantage for international companies, which have managers with diverse international experience.

Summing up and providing the answer to the research questions of the thesis, the results of the qualitative data analysis show that international companies in Azerbaijan pay more attention to equal employment opportunities and appointment of women to management positions. This is due to international corporate strategies and rules, which are impelled from the headquarters. Local companies also realize the importance of gender diversity, yet gender equality strategies are currently in the initiation phase. The main obstacle, which hinders a higher participation of Azerbaijani women in leading positions, is strong cultural and religious influence of patriarchal society and traditional gender roles.



# 6 Conclusion

Diversity in the workplace is a valuable source for the competitive advantage of a business. Diversity improves organizational flexibility, innovation, creativity and increases heathy competition among employees. This study aimed to explore how and to which extent are equal employment opportunities practiced in Azerbaijan. It also aimed to compare whether gender diversity practices differ in local companies and international subsidiaries in Azerbaijan.

In order to answer the research question, the current study performed a throughout analysis of the academic literature, followed by an empirical study. Empirical research implied a qualitative method of interviewing 12 experts: 6 employed for local companies and 6 for international companies in Azerbaijan.

Literature research provided insights into the gender diversity problem. Alongside with analyzing theoretical concepts of diversity, including gender diversity, stereotyping, biases and HRM, it compared gender diversity strategies, which were implemented by countries advanced in gender equality (e.g., Norway). Interestingly, the secondary research showed that despite many gender diversity and work-life-balance incentives developed in the recent years, female leaders have to adapt male leadership styles. In other words, in order to become successful, female leaders copy male characteristics and are thus rather aggressive, dominant and omit family goals in the benefit of careers. While such behavior is encouraged in the leadership positions of the Western countries, Azerbaijani culture and society rather do not support male behavioral traits in women. Instead, Azerbaijani women are still considered to pursue careers in caring, teaching or psychology fields, if at all. Strong patriarchal traditions and Muslim religious



norms in the Azerbaijani society, impel woman to fully devote herself to the family and home matters. Moreover, in many households husbands have still the decisive voice whether women is allowed to work outside from home.

Nonetheless, the empirical research of this paper showed that Azerbaijani employees seek for more equal employment opportunities and are well aware of gender inequality matters in Azerbaijan. Furthermore, the thesis showed that there are more initiatives for gender equality in the international companies than in local. Hence, the probability of achieving higher managerial positions in Azerbaijani subsidiary of an international company is notably higher due to international policies, HRM standards, company quotas and corporate strategies. However, international companies should not omit the fact that majority of the workforce remains Azerbaijani and thus follows Azerbaijani traditions and has a strong belief in obedience to societal norms. Hence, companies should regularly implement training and mentoring for their employees and managers, which might slowly change the primary understanding in Azerbaijan that only men can become leaders. Both theory and practice show that promotion of successful careers of female leaders is one of the most efficient methods to increase female motivation to pursue leadership careers. Therefore, in order to attract female talents and increase female involvement in decision-making processes, organizations in Azerbaijan should increase the visibility of the female role models in the society.

# 6.1 Limitations and further recommendations

Although the author has fulfilled the stated aims of the study there, some limitations are necessary to acknowledge the benefit of the research body. To analyze the ongoing gender diversity gap in the workplace and evaluate

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policies advancing women in Azerbaijan, firstly author has conducted a primary and secondary literature review with succeeding qualitative review.

It is necessary to note the lack of available scientific literature and reliable statistical data. The concept of gender diversity in Western countries has a long history of research resulting in plentiful localized sources and statistical analysis. On a contrary, there is a limited number of scholars investigating this subject in Azerbaijan. The majority of data is only available through international institutions and reports sponsored by international non-profit organizations. In addition, the body of literature has no record of previously conducted studies in Azerbaijan on this subject. Although the uniqueness of this study is apparent, the author cannot compare or reflect on the progress of gender diversity. The in-depth structured surveys provided detailed information on gender diversity policies in the company and employee attitudes toward the subject. However, the limited access to company top management and relatively small sample prevented from finding trends and establishing relationships between specific policies and company performance.

This study believes the longitude study would serve a greater benefit to evaluate the effects of gender diversity policies on company outcomes. It is recommended to select a specific policy or strategy and analyze its effect on company outcomes. Contemporary literature produced mixed results on the effect of gender diversity and failed to build a solid business case therefore, the positive impact would strengthen the case of gender diversity in Azerbaijan. Due to the time constrains and scope of the study it was not feasible to implement in the current study.

Lastly, cultural and religious influence in Azerbaijan establishes a prominent influence on social life. Religious norms, conservative beliefs, and traditions



should be regarded and integrated into further research. It is crucial to understand how gender diversity can coexist with religious norms and what strategies are most promising to promote change.

# 6.2 Implications

The current research paper focused on Azerbaijani market. It analyzed the current state of art of gender diversity in Azerbaijan and provided useful insights in tackling the issue. The current research could be beneficial for diverse companies wishing to enter the attractive market of Azerbaijan or already operating in the country. The gender diversity approach in the Western countries, e.g., in United States or Europe, differs largely from currently applied diversity management in Azerbaijan and hence the research paper could serve as a useful handbook for exporters.

Another benefiter of the study could be the academic researchers in cultural and international studies. This study provides a comprehensive literature overview in gender diversity topic and describes and critically discusses recent development both in countries that are advanced in their gender policies, e.g. Spain and Sweden, and those, who are just initiating gender diversity approaches such as Azerbaijan. Moreover, as there is a limited amount of scholars investigating Azerbaijan, this study presents novel findings to the academic body of literature.



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# Appendices

# **Appendix 1: Interview content**

Interviewee Nr.Code: \_\_\_\_\_

Date:

Interviewer: Rashid Sadikhov

# Interview Guideline – <u>How equal employment opportunities are practised in</u> <u>Azerbaijan: Women in Executive management.</u>

- Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded?
- If **yes**  $\rightarrow$  no need to take notes

# If **no** $\rightarrow$ make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization?
- 3. What's your professional experience?
- 4. Are you aware about gender diversity and its importance in the workplace?
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions? If yes → what are they? Then go to question 6
  If no → got to question 7
- 6. What are the most effective practices and polices implemented by your company to promote women in management position roles that come up to your mind?
- 7. Do you think businesses see a financial or operational benefit gender diversity policies?
- 8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?
- 9. Why do you think there are more men in leadership position than women in Azerbaijan?
- 10. What resources are needed in your opinion to promote women in management positions?
- 11. In what areas of business in Azerbaijan in your opinion are more open employing women in general or placing them in managerial positions and why?
- 12. In your opinion do you think the culture of Azerbaijan plays a role on how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?



13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!



#### **Appendix 2: Interviews**

Interviewee Nr.Code: 001 (male) Local

Interviewer: Rashid Sadikhov

# Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

If yes  $\rightarrow$  no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am working as a sales manager for 3 years. Also had some other positions in my career.
- 3. What's your professional experience? I have started my professional career in 2011, in one well-known brand. Then I have changed my workplace 2 times until this time.
- Are you aware of gender diversity and its importance in the workplace?
   Yes, I am aware of gender diversity in the workplace and I know that is very important to sustain awareness among all workers towards gender diversity.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions? There is no specific method implemented in our company to focus on gender diversity and I can say that in our company there are more men compared to women and I strongly believe that as soon as possible some actions need to be taken to increase the percentage of females in the workplace. If yes → what are they? Then go to question 5 If no → got to question 6
- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind?
- 7. Do you think businesses see a financial or operational benefit of gender diversity policies?

I am not sure if they see financial benefits or not, but I think that gender diversity policy does not affect financial aspects. But they might face some operational



benefits. I think that women in charge are more adapted while working and trying their best to boost up the sales in the company.

- 8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions? In Azerbaijan, hiring works a bit differently I would say. It is not the same in every company. As you know, it was part of the USSR for a long time and it affected the workplace environment as well. Also, nowadays the number of international companies rises and they establish eastern methods of the workplace environment. I would say that local companies offer less salary and require more experience, which makes also being placed in leadership positions more challenging. Also, women might put some boundaries on their style. However, in international companies, I would say that there are no many obstacles that they might face (maybe there are but I don't know them).
- 9. Why do you think there are more men in a leadership position than women in Azerbaijan?

In Azerbaijan, if you also look at the statistics, you can observe that the percentage of men working is tremendously higher than the percentage of working females. It is one reason. Another reason is that people in high positions do not believe inabilities of women or they think that it is easy to work with men rather than women.

- 10. What resources are needed in your opinion to promote women in management positions?
  In recent years, women made strong progress, but there is still a long way to go. The needed resources in my view are that to create some rules regarding the amount of worker gender difference (for example 50% male and 50% female required in a management position). Government should accept some laws regarding this to overcome gender discrimination.
- In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

   I think in areas like fashion, design, or a financial department of one company, also marketing field or HR could be best places of work with the higher chance for them to be successful.
- 12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Yes, the culture of Azerbaijan plays a significant role in equal employment. It is changing year-by-year of course, but still a long way to go. In our culture, mainly men and women share some works like – men are working and women look after kids, cook meals, in general, they do these kinds of staff. Also, most of the husbands they do not want their wife to work and they put some boundaries for them. I think it is not correct, male and females need to share the economy of family and that is why they both have to work. People who think like me are getting more and more day by day and I believe that by respecting our culture and also religion, women need to work as well.



13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

I think women have more chances at international companies because these companies have their policy for many years probably and they do not put any difference between the genders of workers. In these companies, we see that they have women in charge as well, which is

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was very good for me. The interviewee spoke about the problems regarding this in the working environment in Azerbaijan. I did not have a connection before with this interviewee and during the interview, I felt that there are some major issues that need be solved in Azerbaijan regarding to equal employment.

Interviewee Nr.Code: 002 (male) International

Interviewer: Rashid Sadikhov

# Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

If yes  $\rightarrow$  no need to take notes

If **no**  $\rightarrow$  make notes



Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am working as Vice President in Oil Company located in Baku.
- 3. What's your professional experience? I have started my professional career in 1995 year, until 2021 year, I hold different positions mainly in the financial departments of private companies. Since 2013 I am working as a Vice President in this company
- Are you aware of gender diversity and its importance in the workplace?
   Yes, of course, it is not possible to not be aware of this. I am also very strict about this issue and trying to overcome this problem in a company I work for.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions? Yes, our company is Canada-based and we run the system they require. I would say that we do not have any problem actually regarding equal employment. I can give example from the department of sales in our company. This department consists of 8 workers and 4 of them are females and head of sales department is also the very experienced woman in her field. We do not do any special promotion, we just promote who shows respect to their work and professional, also helps the company to get achievements. If yes → what are they? Then go to question 6

If no  $\rightarrow$  got to question 7

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? Like I said before, we do not do any special action for this, we just are fair to each worker and just look for their workplace achievements when we promote them. Also when we accept new workers, some requirements need to be shown in their CV and then we decide whom to accept concerning genders.
- 7. Do you think businesses see a financial or operational benefit of gender diversity policies?

All companies see a financial benefit from this policy. All companies have one aim – to gain a profit. When companies have diversity among workers, it means that in this company you can see competition, creativity and also all employees will be adapted more than ever.

Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?
 I will talk in general – nowadays companies are mainly associated with male behaviours, so it makes equal employment opportunities more challenging to apply. In most of the companies, they claim that women might have family issues or cultural effects in the future, which might affect their company, so they mainly focus on males. I think this is the main reason, if our local and also international



companies tackle this problem it will be easier to create an equal employment opportunity for everyone.

9. Why do you think there are more men in a leadership position than women in Azerbaijan?

This is not a problem only for Azerbaijan; it is for every place in the world. Yes, the percentage of worker females rises, but if we compare leadership position percentages between males and females we see a huge gap. I believe that women have better leadership abilities compared to men and the reason why still there are fewer women in a leadership position in Azerbaijan is discrimination of gender and more males think that leadership is only for men, which is completely wrong.

- 10. What resources are needed in your opinion to promote women in management positions? Women need a role model and to follow them. In Azerbaijan, we do not have many role models for women to give them the motivation to work and get higher positions in workplaces. Creating a natural interest is the best and most successful way of promotion.
- 11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why? Azerbaijani women are capable of working in every position and area of work, so I do not want to differ some areas for them. Also, it is the same for positions as well; they can work in many different positions.
- 12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo? Nowadays yes, but hopefully it will lose its effect on working. The new generation of Azerbaijan will change the status quo hopefully. I don't say they have to forget their culture, no. They just have to understand that equal employment is for everyone and working, helping their family, or sustaining their career is not against our
- 13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business? Nowadays they have more chance in international companies, but local ones are

also becoming aware of this situation and doing their best to close the gap.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

culture.



How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was very helpful for my research and also the environment was very quiet and ideal for the interview. I know this interviewee from my internship opportunity before in that company. I had positive feelings during the interview about the future of Azerbaijani companies.

#### Interviewee Nr.Code: 003 (Female) (Local)

Interviewer: Rashid Sadikhov

## Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

### If yes $\rightarrow$ no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am working as an accounting manager since 2017 in this company.
- What's your professional experience? I have finished the university of finance in Baku and it is the 10<sup>th</sup> year of my professional career.
- 4. Are you aware of gender diversity and its importance in the workplace?

I am aware of gender diversity and its importance as well.

5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7



I would say that our company to promote diversity and increase women in a management position does nothing special. The proportion of women in a management position is very low and I am not happy about it.

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? N/A
- 7. Do you think businesses see a financial or operational benefit of gender diversity policies?
  I think it depends actually. Not all firms see a financial benefit through diversity policy. But, nowadays increasing awareness of gender diversity could be also the reason for the financial benefits that companies aim to earn in this way.
- 8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?

In Azerbaijan, there are plenty of problems that women might face when they are hired to work. Firstly, some companies do not offer fair chances or fair salaries compared to other workers in the same position. Secondly, some women do not want to work full-time because of some reasons (could be maternity) and it makes everything even more challenging. These reasons also affect their working career, so it will be more difficult for them to get in better positions.

- 9. Why do you think there are more men in a leadership position than women in Azerbaijan? Because companies prefer male leaders instead of females in Azerbaijan for some reasons. These reasons might be that they think men are more successful or more concentrated than women. But this idea comes from what they saw from the USSR period system. Back in those times, the percentage of female leaders was nearly zero. The reason might be this in my opinion.
- 10. What resources are needed in your opinion to promote women in management positions?

**By offering them fairness in the workplace and stopping gender discrimination**. These are the major issues they face and if these problems get solved, then there are some chances for women to avoid any pressure and to get the promotion.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

In Azerbaijan, there are limited places of works for women. The best type of work for women in Azerbaijan is office works, working on the computer or something else. They also have good communication skills, so it helps them to be promoted in office works.



12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Yes. Women face many barriers in their life, including cultural ones. We need to remove those barriers to let them show their full potentials. In our mentality also some men claim that women can never be a leader of them, but it is a completely wrong ideology. To overcome these kinds of ideas, first actions need to be taken starting from their educational lives and also from their families. It may help to change the status quo.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

<mark>I think it is the same</mark>. Because we live in the same country and people who run those international and local companies are also from Azerbaijan.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was normal and we discussed each question deeply regarding this issue. The environment was a bit nervous because the interviewee almost pointed every major problem regarding gender diversity in workplaces. I had no connection with the interviewee before, after this meeting I feel that some companies still do not care about gender diversity.

### Interviewee Nr.Code: 004 (female) International

Interviewer: Rashid Sadikhov

## Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

1. Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I



approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

#### If **yes** $\rightarrow$ no need to take notes

#### If **no** $\rightarrow$ make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? My role is a Human Resource Manager.
- 3. What's your professional experience? It is my 4<sup>th</sup> year working in this company and it is my first professional full-time experience.
- Are you aware of gender diversity and its importance in the workplace?
   Of course, I am aware of this and not only me, everyone should be aware of this and its importance for us.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7

In recent years, our new CEO has established some new rules to increase the proportion of women in a management position and I can say that his efforts were successful until now. He redesigned the roles in work and by this way, women in our company had good opportunities to get better positions.

6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind?

Our company challenges some cultural or traditional factors to offer better chances for women. Because for many years you would rarely see any women in a leadership position because of leaders who saw USSR time rules as a leading way as a guide.

7. Do you think businesses see a financial or operational benefit of gender diversity policies?

Yes, might be. It is normal to focus on financial benefits and look for some ways of implementing policies to gain profit. Also, I think when there is equal employment opportunity, it helps to prevent corruption among workers too, which is the major problem of many companies nowadays.



8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?

Our culture maybe, I think it is the main obstacle. In our culture, usually, men are working and women are doing home staff. The second obstacle might be fairness in a hiring process. Companies mostly prefer men rather than women and give them better chances of promotion.

- 9. Why do you think there are more men in a leadership position than women in Azerbaijan? In recent years there have been some positive signs of progress, not only in businesses also in governmental structures. For example, the head of the national assembly of the Azerbaijan Republic is a woman and she is doing some great jobs already. I think she will be a role model for women. The reason for more men in leadership as it was claimed that men are more dominant in the workplace and have better leadership skills. But there are already some great women leaders who prove this idea wrong.
- 10. What resources are needed in your opinion to promote women in management positions?

The company itself needs to create chances for women workers. Otherwise, it is almost impossible to promote to a management position. Businesses need to take actions like being fair on salary and equal rights, creating a balance between the workers. In general, being aware of gender diversity will be enough, so women will be more attracted and focused.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

I can give example from our company. Women in our company mainly work in the human resource department, sales department or even at the financial department. Those are the type of works that they mainly prefer in all businesses. In these fields, they are also very successful and have more chances to be promoted to better positions.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

It plays a significant role, especially until the 2010 year. After that year we had some positive development, but still, there are some impacts of culture. To change the status quo, many steps need to be taken and firstly people need to be aware that all people share the same rights in this country and change the old rules. This step will be the first step of change.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?



I would say international ones, as I am also a worker in international company branch in Azerbaijan, I think no local company can offer the same equality as our company does. I have also asked many people who work in local businesses to have an opinion about it for comparison and I can say that there are still some major differences between the policies of local and international companies.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was enjoyable for me as we discussed all the major points and the interviewee also gave many examples regarding problems and ways to solve them. We had a meeting for the first time, so I have no connection with the interviewee. But the ideology of this interviewee created some positive feelings in me towards the future of Azerbaijan.

### Interviewee Nr.Code: 005 (male) Local

Interviewer: Rashid Sadikhov

## Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

### If yes $\rightarrow$ no need to take notes

If **no** → make notes

Only ask if not possible to figure out before, otherwise fill out before:

2. What's your role in the organization? I am working as Chief Marketing Officer.



- 3. What's your professional experience? I am holding this position since the 2017 year. But I have work experience of 22 years.
- 4. Are you aware of gender diversity and its importance in the workplace?

I am aware of gender diversity and its importance. Even though most of the companies are not fair about this, but I see some positive development in this sector.

5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7

Our company is just starting to do something about this issue. Because if you check the top positions you can see that percentage of men in a leadership position is significantly higher than the proportion of women. Nowadays, some women workers got promoted for their hard work but still, it is not enough for a big company like ours.

6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind?

By offering them better opportunities and a fair workplace environment I would say. Because women in Azerbaijan mainly look for a fair and friendly atmosphere in the work.

7. Do you think businesses see a financial or operational benefit of gender diversity policies?

**Yes, they see a financial benefit from this**. Every company's priority is their financial strength and its normal thing. Offering equal employment chances for both genders can create a **positive impact on workers, which will lead to competition among them and all these things positively affect the firms' earnings** too.

8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?

They might have problems regarding their family firstly because in our country some religious factors can influence. What I mean by family problems is that in Azerbaijan usually, men do not want their wives to work. Some husbands agree on their wives to work but they put some boundaries like this: "find this kind of work or maximum of "x" hours". So these factors show their effects on being hired to work as well.

9. Why do you think there are more men in a leadership position than women in Azerbaijan?



Our culture may have some effect on this. But this is not a problem only for Azerbaijan; it is an issue for most of the countries, including the USA I think. So some other factors are influencing too. I am not sure what are they exactly, but might be a belief in male leaders and their skills rather than women.

10. What resources are needed in your opinion to promote women in management positions?

The main resource is offering a good salary because it is a reality that most people think about it mainly. If there is competition between workers for promotion it will give more motivation for not only female workers, also for male workers too.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why

Women in Azerbaijan mainly choose the passive type of works, in which they mainly work from their desks. But the area of business fields varies; it can be Construction companies, Media Company or other types of businesses.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

I think it is the only reason alongside our religion. Azerbaijan is a Muslim country, so when it gets together with our culture, some boundaries appear. Family issues might be the biggest ones. Not all of the husbands allow their wives to work or in a workplace there are might be some rules about their clothes or so on. Of course, this is not the same in every company, but it's 50% I would say. The only way is to adapt to working only, not other things and adaptation is required to new and modern era.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

International businesses offer better chances for women; I also previously mentioned that we need modernization or ideology change in workplaces; so international companies have better systems for both genders in Azerbaijan.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

### Interview Diary: (for interviewer only)

How was the interview?



How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview and the environment were well I think. I had a connection with this interviewee before too, I had a chance to have a conversation about some other problems regarding workplaces in Azerbaijan before. The interviewee had some good ideas about this issue in Azerbaijan, which made me feel happy.

#### Interviewee Nr.Code: 006 (Male) Local

Interviewer: Rashid Sadikhov

## Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

If yes  $\rightarrow$  no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? Sales manager
- 3. What's your professional experience? 3 years of full-time experience in this company and I also had 2 years of experience in the marketing department of another company located in Azerbaijan.
- 4. Are you aware of gender diversity and its importance in the workplace?

I strongly support the idea that there should be no diversity and people should understand that also equal employment opportunity is very important for us.

5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they?



Then go to question 6 If no  $\rightarrow$  got to question 7

In our company, the number of women workers compared to men is slightly less, and in my view, the reason for this is lack effort on promotion by company runners.

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? N/A
- 7. Do you think businesses see a financial or operational benefit of gender diversity policies?

Businesses every time see benefit from **something. I don't think that they do these policies to be fair for everyone**. The main reason is firstly to create an easily operated workplace environment and also increase the sales.

8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?

Firstly, companies do not offer equal pay most of the time; ask for more workload, which is not fair. Also, they only can be hired for a type of work where the possibility of career advancement is very low. Businesses also require some extra staff like a certificate or past work experiences that they had, otherwise it is almost impossible to be hired.

There are some other reasons too, but in my view, these are the most important ones.

- 9. Why do you think there are more men in a leadership position than women in Azerbaijan? It is claimed that men are more easily express their ideas or feelings when there are problems among workers or companies. It is believed that men have better problem-solving abilities compared to women. But I think it is not a big deal and women also have good attributes of leadership.
- 10. What resources are needed in your opinion to promote women in management positions?

Firstly, respect towards female workers, secondly, enough salary, also female workers need to feel that their ideas are also worthy for the company. Also, one major thing in my view is that in a business there should be at least one female leader in their management position to increase motivation among female workers.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?



Even though some governmental structures is more preferable by women in recent years, including schools as well, there are better chances for them to be successful in the HRM departments or recruitment department of private companies. Because, men are less likely to do that job, compare to women, and women have better skills of communication with people and patiently listening ability. So, I think in these areas they can have better opportunities.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Yes, it plays the role more than everything. But some actions need to be taken to overcome this issue. Protecting culture is a good thing, but in work, it has no meaning, because everyone has the chance to sustain his or her career. Hopefully, in near future, it will be better.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

I am not sure, because some local businesses offer great chances for women too, but International companies have offered those chances for several years already. That is why I think local businesses are getting better for equal employment in recent years, but international ones are still better for equal employment opportunities for women in Azerbaijan.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview went well. We talked about all the questions and the interviewee also liked the questions that I addressed. Even though it was our first conversation, the environment was very stress-free, which made me feel comfortable during the interview.

#### Interviewee Nr.Code: 007 (female) International



Interviewer: Rashid Sadikhov

## Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

If yes  $\rightarrow$  no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am working as an accountant.
- 3. What's your professional experience? My professional career started in the 2013 year. Since now, I have had working experience in different areas including the banking system too.
- 4. Are you aware of gender diversity and its importance in the workplace?

Yes, every people, does not matter of his or her gender or even religious differences should have the same chance with each other.

5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7

Yes, in our company there are some policies to balance gender difference percentage in top positions especially. The main policy is that every worker has the same rights in the workplace, which does not depend on their gender.

6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind?

Most importantly our company offers fair and same chances for every worker, which is the most important factor I guess to overcome diversity.



- Do you think businesses see a financial or operational benefit of gender diversity policies?
   Gender diversity is the positively affected policy that ensures equal opportunities in the workplace. Simply, it creates a work environment with full different ideas, viewpoints that is significant for problem-solving.
- 8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions? One of the main obstacles that most of the woman face is the low expectation from the team that contains mainly men. Because there is a stereotype that women are emotional human beings and they cannot act decisively while making complicated and tough business decisions
- 9. Why do you think there are more men in a leadership position than women in Azerbaijan?

If we look to throw the statistics during the past years and differentiate it from recent years we will see positively increased results on it. However, results are still low. As we know there is an unwritten social norm that is accepted in society. The role of the women in the family is considered more important and they have more responsibility on handling household problems. It is hard to balance a leadership position in the work and family. From my standpoint, it plays an important role in this issue.

10. What resources are needed in your opinion to promote women in management positions?It is needed to give women a chance by not criticizing them with stereotypes that

are created in society. If women see equal supports and conditions that have been created for men, it will increase their willingness.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

In Azerbaijan, most women work in the sphere of medicine, education. Because these areas offer more flexible hours to them.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

As I mentioned above, culture, social norms are very important on this issue. However, mostly it affects negatively and causes to have not equal opportunities. But, a time-to-time positive on-going development on the education leads to good changes.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?



In my view, the gender inequality problem is still a part of stable and unsolved problems in the world. However, it is important to mention that there are some companies, businesses, especially the international ones, which offer equal opportunities to women as well.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was ok for me. The interviewee had very good ideas regarding gender inequality issue in Azerbaijan. I had no connection with the interviewee before and the environment was a bit serious for me compared to other interviews.

### Interviewee Nr.Code: 008 (female) International

Interviewer: Rashid Sadikhov

### Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

### If yes $\rightarrow$ no need to take notes

#### If **no** $\rightarrow$ make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? Marketing manager in a fashion company.
- 3. What's your professional experience? I have 8 years of working experience and 4 of them were in the fashion sector.



- Are you aware of gender diversity and its importance in the workplace?
   Yes, I am aware of it. I support the idea that everyone should have an equal employment opportunity in a workplace
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7 In our company, there are many women workers in a leading position already and still, our policy continues to promote equal employment opportunity for both

6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? Our company provides a women-friendly environment to attract more women in a management position, also offer them some training as well for some period to make them ready for the job. In this way, it is possible to sustain a fair workplace environment for everyone.

genders. Our policy is to support talented workers regardless of their gender.

7. Do you think businesses see a financial or operational benefit of gender diversity policies?

I think mostly it's seen as a financial benefit to continue the business with more profit

- Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?
   The first one is being not believed and it doesn't matter women or men, they discriminate against the women leaders by not believing them.
- 9. Why do you think there are more men in a leadership position than women in Azerbaijan?

The type of society of course shapes the mind of people and it directly affects the working life. Patriarchal society mostly focuses on the power of men, that's why we see more men in leading positions.

What resources are needed in your opinion to promote women in management positions?
 Definitely, human resources are needed. Especially those who worked with women and engaged in the working processes. They can be the only ones to promote

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

women in management positions with real-life experiences.



I see only the fashion area of business. Because it's seen that in those women like more shopping than men, or they're aware of fashion more than them. That's why they can lead more professionally

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Culture plays a great role for sure, and for changing the status quo it's needed to take big steps to change the people's minds and make them believe that equal employment opportunity is not against our culture.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

They have growth opportunities in international business than local, it is a fact. But I would say that also some local companies take some big steps to create a fair workplace environment for both genders.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

This interview was very good for me and even though I had no connection with the interviewee, the environment was positive. The interviewee answered each question with pleasure, which made me very happy.

#### Interviewee Nr.Code: 009 (male) International

Interviewer: Rashid Sadikhov

### Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>



 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

#### If yes $\rightarrow$ no need to take notes

#### If **no** $\rightarrow$ make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? Lawyer in a private company.
- 3. What's your professional experience? I graduated from Baku State University in the year 2004 and since that time I have had working opportunities in my field with several companies.
- 4. Are you aware of gender diversity and its importance in the workplace? Like most people, I am also aware of its importance, but it is not enough to be aware, every member of this society should do their best to overcome issues regarding diversity.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7 Our company supports each talented worker in their fields and its goal is to create a fair working environment for workers at our office. We think that women are mainly better at sedentary jobs, in which they can be great leaders. So that is why our company continues to hire some new talented women to our company's management positions.

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? Firstly, our application guideline offers better chances for women too. It is easy to apply and selections are done fairly. This is a major practice done by our company.
- 7. Do you think businesses see a financial or operational benefit of gender diversity policies?



I think yes, gender diversity policy is so important in business. Diverse groups will generate more creative ideas. When people from various backgrounds collaborate, their diverse experiences also result in increased creativity.

8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?

Today, women are facing many problems in business life. From a financial perspective, even if they have the same working hours but their income is less because they are "women", not the ones that "have to rule the family". However, another problem is the maternity problem: that many women are facing, there is the fact that due to some countries policy's, women don't get paid for maternity, parental leave.

9. Why do you think there are more men in a leadership position than women in Azerbaijan?

Yes, unfortunately, if we look at the statistics, it is obvious that there is a patriarchal situation in business life. As far as I can tell, this is because fewer opportunities are offered to women, and the stereotype that women are "weak" by nature and their leadership skills are not as "good" as men.

10. What resources are needed in your opinion to promote women in management positions?I think by offering them flexible hours, giving as many opportunities as we do to

men, and support them, by letting them know that they can make it happen.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

From my point of view, the most popular areas that women are working in nurses and elementary or middle school teachers. Because the percentage of males interested in these areas is too low, so it generates a good opportunity for women to get hired.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

I think culture plays an enormous role in the workplace. If we look at the statistics, we see easily that there is more gender diversity in developed countries. Women's rights are very important in Azerbaijan, it was the first country in the East; provide women with the right to vote. However, Azeri women are facing cultural limitations in working life and there are not many women who have a chance to participate in "leadership roles" in the workplace. For changing that status quo, the government should apply more equal policies (financial, operational opportunities) to women.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?



Unfortunately, I think women have more equal rights in international businesses. That is the reason why also many well-educated women prefer international companies rather than local businesses.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview went well, I met this interviewee once before, but we did not have a conversation with him actually. However, the interviewee answered each question with pleasure and the interview flowed naturally. My feeling was very positive regarding this interview.

#### Interviewee Nr.Code: 010 (female) International

Interviewer: Rashid Sadikhov

### Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management</u>.

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

If yes  $\rightarrow$  no need to take notes

#### If **no** $\rightarrow$ make notes

Only ask if not possible to figure out before, otherwise fill out before:

2. What's your role in the organization? Assistant to Director of company.



- 3. What's your professional experience? I have started working since 2005, but I had worked in several structures and roles until this day. I started my job in this company in 2018.
- Are you aware of gender diversity and its importance in the workplace?
   Yes, every person in society should learn the importance of gender diversity from the very beginnings of their educational careers and in their work lives, they will be aware of its importance as well.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7 Yes, our company has some policies in recent years to create a balance between workers and to give them equal chances.

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? In our company, there is a women-friendly environment and the recruitment process is very fair. These two policies are the most effective ones.
- Do you think businesses see a financial or operational benefit of gender diversity policies?
   Probably yes. Because experiences show that when there are more women on board, it results in higher profitability. So, this might be one reason for implementing this policy.
- Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions?
   Unfairness is the major problem. Companies do not offer the same income, freedom, etc. for women. In general, I would say they face sexual harassment, but of course, I talk about some companies, nowadays the situation gets better in Baku.
- Why do you think there are more men in leadership positions than women in Azerbaijan?
   Because company CEOs or think that men are more suitable for these types of works. Only a few companies in Azerbaijan offer fair chances of promotion to leadership positions for women in Azerbaijan compared to men.
- 10. What resources are needed in your opinion to promote women in management positions?The only important resource that is giving them chance and a little support, could be mentoring. That will be more than enough for them to show their skills.
- 11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?



Women mostly prefer the fashion industry, also some design or tourism businesses in Azerbaijan. Because this type of business requires women employees because of their skills in these fields.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Yes, more than everything. To change the status quo people need to change their old views. This will lead to developing more freedom for women in their careers.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?
In international ones, they have more chance of equal opportunities. Because in Azerbaijan there are still some people who live with the ideology of the last century. The international companies bring a fresh breath to our work system. There are many more years for our local companies to catch up with the system that international companies implementing.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview went positive. The environment was also good and the interviewee answered every question with respect and fluently. I did not have a connection with this interviewee before, but I liked her ideas. I felt free during the interview and it was a very interesting experience.

#### Interviewee Nr.Code: 011 (female) Local

Interviewer: Rashid Sadikhov



### Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> Women in Executive management.

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

### If yes $\rightarrow$ no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am Head of Marketing Department.
- 3. What's your professional experience? I have 13 years of working experience in my career. I am holding this position in this company for 5 years.
- Are you aware of gender diversity and its importance in the workplace? Yes, I am aware of its importance.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7

Not yet, but I hope soon our company will start to take some crucial actions for solving gender diversity issue in our workplace

- 6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? N/A
- Do you think businesses see a financial or operational benefit of gender diversity policies?
   Normally they see. But in Azerbaijan some companies still do not think that it affects profits positively, otherwise, we would see more women in management positions.
- Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions? Normally, they have less chance of being hired to leadership positions, because in recruitment duration's companies set some boundaries and also ask for some extra degrees from women participants.
- 9. Why do you think there are more men in a leadership position than women in Azerbaijan?



Culture also has some effects on it alongside family issues in Azerbaijan. In our country normally women take care of home problems and men work instead to earn money. So it affects the number of worker differences as well.

- 10. What resources are needed in your opinion to promote women in management positions?
   Offering them fair working hours, a less stressful environment, penalizing people who do sexual and physiological harassment toward women in the workplace are the main resources.
- 11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

Even though private companies offer better equal employment chances compared to official departments, women in Azerbaijan mostly prefer governmental structures nowadays. However, the main reason could be Sahiba Gafarova, who is the deputy and Chairman of the National Assembly of Azerbaijan Republic. She came on board in the year 2020 and she is a strong role model for women of Azerbaijan.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

Yes, our culture, religion, and personality of Azerbaijani people play a strong role in a way of equal employment is perceived. To change the status quo, there should be some laws regarding this issue. Then people need to change their way of thinking. In general, there is no big deal actually, the only thing to be done is to simply understand the importance of equality and that's it.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?

I work locally and I don't think that we are doing great here, so I would say international ones are better compared to local ones in Azerbaijan.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?



How did I feel during the interview?

The interview was normal; the environment was also satisfactory. I have no connection with the interviewee, but he has many years of experience in Azerbaijan workplace structure and saw almost everything regarding this. He addressed many issues and their reasons for them very clearly. In general, I felt very cheerful to hear such valuable ideas.

### Interviewee Nr.Code: 012 (male) Local

Interviewer: Rashid Sadikhov

# Interview Guideline – <u>How equal employment opportunities are practiced in Azerbaijan:</u> <u>Women in Executive management.</u>

 Hello, thank you for taking the time for this interview. My name is Rashid Sadikhov and I am a Bachelor's student at Modul University Vienna. As part of a research thesis, I am trying to evaluate equal employment opportunities in Azerbaijan. I approached you since I am interested in your experiences and input regarding this issue. Is it OK for you if this interview is recorded on tape?

### If yes $\rightarrow$ no need to take notes

If **no**  $\rightarrow$  make notes

Only ask if not possible to figure out before, otherwise fill out before:

- 2. What's your role in the organization? I am Accountant in a local company.
- 3. What's your professional experience? I have 13 years of professional experience in this role.
- 4. Are you aware of gender diversity and its importance in the workplace? Yes, I am aware of it and it is a very common issue in Baku.
- 5. Are there any policies in your company focused on promoting gender diversity or increase the proportion of women in management positions?

If yes  $\rightarrow$  what are they? Then go to question 6 If no  $\rightarrow$  got to question 7 Our company does not have such a policy regarding this. I believe that in the near future there will be some positive progress.

6. What are the most effective practices and policies implemented by your company to promote women in management position roles that come up to your mind? N/A



7. Do you think businesses see a financial or operational benefit of gender diversity policies?

I am not sure. Some of them might be but not each company really thinks that they can get profit if they hire more women to a management position.

8. Please explain in your opinion what are the obstacles that women might face in being hired or placed in leadership positions? There are plenty of obstacles, it starts from family firstly. In Azerbaijan women always talk to their family or husband about work and they have a big impact on women's choices. Secondly, Azerbaijani women prefer a respectful environment and they want to work in an office where are the majority of workers are female also,

which is quite impossible in Azerbaijan. Lastly, companies create problems for women while the hiring process or during the promotion. They offer less salary; give women less authority, especially on men workers. These are the major issues in my view.

9. Why do you think there are more men in a leadership position than women in Azerbaijan?

Not every woman wants to work here, so it is the first reason, secondly, companies have more belief in males' success rates rather than women, and it is also because of our culture.

10. What resources are needed in your opinion to promote women in management positions?

Women need motivation and managers should increase their motivation by maybe giving an example of some female role models that will make them believe in themselves. Coaching could be another resource.

11. In what areas of business in Azerbaijan in your opinion are more open to employing women in general or placing them in managerial positions and why?

Azerbaijani women mainly prefer and successful in medicine, psychology, design, media, and other similar sectors of works. They have more chance of promotion in these areas.

12. In your opinion do you think the culture of Azerbaijan plays a role in how equal employment opportunity is perceived in the workplace and if so what can be done to change the status quo?

It plays, but some other factors are influencing too. For example, discrimination, males being over-protective of their wives and do not let them work. The idea is that women need to take care of home staff and men have to earn money. In western countries, the husband and wife both work and manage to create work-life balance in their family without any issue. It also helps the family's economic situation. To change the status quo, we have to change something in our lifestyles. I see that actually, it is getting better each year; the number of women workers rises, so it is a result of peoples' increasing awareness on this case.

13. With regards to gender opportunity growth for women, do you think the women of Azerbaijan have more equal employment chances in an international or local business?



Nowadays international companies offer more fair chances, but hopefully, in the next 5 years, it will be even better for our local companies too.

Thank you very much for your responses and for taking the time. You help us kicking off further research on the role of women in executive management positions in Azerbaijan. Do you have any questions? If not, we are done with the interview. Goodbye and have a nice day!

Interview Diary: (for interviewer only)

How was the interview?

How was the environment?

Did I have a "connection" to the interviewee?

How did I feel during the interview?

The interview was fine and also it affected the environment positively. I had no connection with the interviewee before, but I am happy to have a chance to discuss this topic with this participant. Even though, the interviewee is not happy with the situation in local companies nowadays, but his belief on the future of our local companies made me feel delighted.