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Women in Leadership:
Unequal Access on the Journey to the Top

Executive Summary

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Women 61% **Men** 71%

Those who say their manager **encourages them to grow their career.**

When women thrive in leadership roles, organizations benefit. Organizations with a higher proportion of women in leadership are more likely to report improved business outcomes, such as greater creativity and innovation and increased productivity.[1] Yet despite making up nearly half of the U.S. labor force,[2] women are still significantly underrepresented in leadership positions, accounting for only **8%** of *Fortune* 500 company CEOs[3] and **30%** of S&P 500 directors.[4]

To better understand the challenges holding women back from attaining parity at their companies' leadership tables, the Society for Human Resource Management (SHRM) surveyed HR professionals, individual contributors and managers. SHRM found that as women attempt to move up at work, they encounter several barriers including less tangible support from their managers to foster leadership growth and reduced access to promotion opportunities.

The research also reveals an alarming trend whereby women become increasingly disillusioned about equal access as they move up the ladder. While men are more likely to feel included and to feel taken seriously as a leader, women, and particularly women of color, do not experience this same boost as they enter leadership roles.

What's more, the research highlights how female leaders with caregiving responsibilities experienced additional setbacks amid the pandemic. To achieve positive change, business leaders must be willing to take a closer look at the gender gaps that exist in their organizations —from entry level to the C-suite—and commit to creating spaces that allow all workers to reach their full potential.

[1] *Women in Business and Management: The Business Case for Change,* International Labour Organization, 2019.
[2] U.S. Bureau of Labor Statistics Current Population Survey 2020.
[3] The female CEOs on this year's Fortune 500 just broke three all-time records, *Fortune,* 2021.
[4] 2021 U.S. Spencer Stuart Board Index.

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Key Findings:

1. **Women aren't necessarily underrepresented in leadership roles by choice. Of those interested in being promoted:**

   - Female managers **(55%)** are more likely than their male counterparts **(42%)** to aspire to a higher-level role because they think they would be good at it.

   - Female individual contributors **(53%)** are more likely than their male counterparts **(40%)** to aspire to a higher-level role because they want more or different responsibilities.

2. **Men and women are equally likely to have shared their leadership aspirations with their managers, yet women are less likely to report that their manager acts in ways that support their leadership growth.**

   - Only **61%** of women say their manager encourages them to grow their career compared to **71%** of men.

3. **Organizations' practices for sharing internal job openings may unfairly advantage men—a trend reflected in promotion rates.**

   - Female managers are less likely than male managers to say employees in their organization are made aware of internal job openings **(78%** versus **86%).**

   - Female managers are less likely than their male counterparts to have reached their current role by being promoted internally **(40%** versus **48%).**

4. **Organizations that overlook women in their leadership pipeline risk losing top talent—particularly female leaders of color.**

   - Female managers of color are over five times more likely **(21%)** than their white female counterparts **(4%)** to say they have quit a job after being overlooked for a new leadership opportunity at work.

It's lonelier at the top for female leaders.

Female managers who say they have quit a job **after being overlooked for a new leadership opportunity at work.**

21%

Female Managers of Color

4%

White Female Managers

5. **Women become disillusioned about equal access as they move up the ladder.**

- As women move from individual contributors to managers, they become notably more likely to believe women in their organization are given fewer opportunities for upward career growth than men **(24%** versus **37%).**

6. **It's lonelier at the top for female leaders.**

- White female managers **(65%),** and especially female managers of color **(57%),** are less likely to feel included in key networks at their organization than male managers of color **(68%)** and white male managers **(73%).**

- Female managers of color **(56%)** are much less likely to feel they can talk about their personal life with others at work without feeling judged than white female managers **(70%),** male managers of color **(72%)** and white male managers **(79%).**
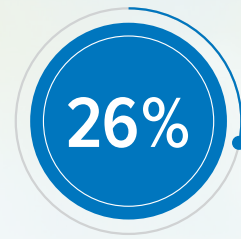
Women   **Men**

35%   **26%**

Managers with caregiving responsibilities who have **experienced a pandemic-related career setback.**

7. **The COVID-19 pandemic made it more difficult for female managers with caregiving responsibilities to thrive in the workplace.**

   - Female managers with caregiving responsibilities **(35%)** are more likely to have experienced a pandemic-related career setback than their male counterparts **(26%).**

8. **Many senior leaders may not be held accountable— or rewarded—for supporting a diverse, equitable and inclusive leadership pipeline.**

   - Only half **(52%)** of HR professionals believe that senior leaders in their organization are held accountable for ensuring male and female employees have equitable access to career paths or opportunities that lead to leadership roles.

What Can Organizations Do?

To better support all workers along their leadership journeys, employers should:

1. **Develop a meaningful diversity, equity and inclusion (DE&I) strategy** for their leadership pipeline that is aligned with the organization's mission, vision and values.

   - Organizations must set goals that are both realistic and meaningful within the context of their own workforce and business objectives to make the most impact. Alignment ensures that all efforts to improve gender DE&I are purposeful and cohesive, provide value to employees and the organization, create shared accountability, and support measurable and sustainable change.

2. **Track and examine key DE&I metrics to identify gaps in their leadership pipeline and gauge progress toward their goals.**

   - Organizations that have been very successful at improving DE&I are three times as likely as those that have been unsuccessful to track if promotion decisions are equitable **(48%** versus **16%),** four times as likely to track if performance evaluations are equitable **(46%** versus **11%)** and five times as likely to track if leaders support all staff equitably **(56%** versus **11%).**[5] Organizations also shouldn't overlook **pay equity** and retention rates as key measures of an equitable pipeline.

3. **Identify hidden biases that may exist along the leadership pipeline and that create unequal access to important resources or advancement opportunities.**

   - To ensure men and women are equally supported as they move up, organizations should regularly audit their practices and policies from recruitment and hiring, to performance and development, to promotions and succession planning. Organizations should also consider the value of equipping people managers with training on topics like managing diverse teams and eliminating unconscious bias to enhance equity in day-to-day interactions.

[5] *Creating a Culture of Diversity, Equity, and Inclusion: Real Progress Requires Sustained Commitment*, Harvard Business Review Analytic Services, Trusaic, and SHRM, 2021.

4. **Create more inclusive workplace cultures that foster a sense of belonging for all staff and at all levels.**

    - Previous SHRM research shows that workers who rate the inclusiveness of their workplace as excellent are less likely than workers who rate it as poor to be actively looking for another job **(35%** versus **51%).** They're also nearly two and a half times more likely to recommend their organization to others as a great place to work **(90%** versus **37%),** and to feel respected and valued at work **(92%** versus **38%).**[6]

5. **Consider implementing "returnship" programs to engage women who may have left the workforce during the pandemic.**

    - Returnships provide valuable opportunities for organizations to access untapped female talent that may have previously been overlooked due to resume gaps. Rather than settling for jobs that are not commensurate with their expertise, programs like these can help women re-enter roles that are better aligned with their experience and knowledge and engage them in meaningful ways consistent with their career goals.

Methodology

The survey of workers was fielded June 29, 2021, to July 14, 2021, using the AmeriSpeak Panel®, NORC at the University of Chicago's nationally representative, probability-based panel. Online interviews were conducted with 1,017 individual contributors and 1,038 managers. Data were weighted to reflect the population of U.S. working adults. The margin of error is approximately ± 3.01 percentage points at the 95% confidence level.

The survey of HR professionals was fielded electronically to a random sample of HR professionals from the active SHRM membership from June 10, 2021, through July 20, 2021. In total, 1,094 HR professionals participated in the survey. Academics, students, consultants and retired HR professionals were excluded from the survey. Respondents represented organizations of all sizes in a wide variety of industries across the United States.

[6] American Workforce Roadmap Survey, SHRM, 2021.