Leadership for the Future:
Developing High-Potential Female Talent – Challenges & Opportunities

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Catalyst is the leading nonprofit membership organization working globally with businesses and the professions to build inclusive workplaces and expand opportunities for women and business.
The economic empowerment of women can increase a country’s growth and stability, combat shrinking labor forces, and contribute to economic development.
Ripple Effects

Overall, secondary education for girls leads to:

+15% to +25% boost in wages

Increasing the share of girls in secondary education by 1 percentage point boosts a country's annual per capita income growth by 0.3 percentage points

Sources:
Progress Towards Equality Has Slowed

Many Barriers to Women’s Full Participation in the Broader Economy Remain

Sources:
Why So Few Women?

Glass Ceiling

Leaky Pipeline
Women Lag Men from Day One, Gender Gap Grows Over Time

• Women lag men on level and salary from very first job
  • Women earn $4,600 less than men on average and are more likely to start in an entry-level position

• Over time, the gap in level and pay gets wider
  • This salary gap grew to $31,258 over time

• Even among these high potential employees, the gender gap exists and persists

The Promise of Future Leadership: A Research Program on Highly Talented Leaders in the Pipeline (http://www.catalyst.org/knowledge/promise-future-leadership-research-program-highly-talented-employees-pipeline)
Formal Mentoring Programs


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<th>Types of Mentoring Groups Offered (N=134)</th>
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Formal Leadership Development

Presence of Formal Initiative for Women’s Leadership Development (N=179)

- 35% No
- 65% Yes

Types of Training and Development Offered (N=181)

- Technical business-critical skills: 94%
- Non-technical business skills: 94%
- Tuition reimbursement: 88%
- Action learning opportunities: 78%
- Company-sponsored executive MBA programs: 48%

Women’s Employee Resource Groups

But,

Alignment of ERG Leadership Positions with Performance Appraisal and Succession-Planning Processes (N=147)

- 20% Tied to both performance appraisal system and succession-planning process
- 12% Tied only to the performance appraisal system
- 7% Tied only to the succession-planning process

70/20/10 Model

- 70% "On the job" experiences
- 20% Critical Relationships
- 10% Formal Development Programs

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Job Rotations

Following Formal Leadership Development Program - Men and Women reported

- 43% cross-functional assignment
- 39% high visibility assignment
- 30% stretch assignment
- 30% number of direct reports increase

But,

- 23% men got international assignments vs. 14% women
- 13% men received profit and loss responsibility vs. 7% women
- 22% of men had budget oversight increase by 20% vs. 15% women
Women entered leadership development programs earlier in their careers . . . and remained in them longer

- Started program within first year post MBA
  - 44% women vs. 30% men
- In programs 1 year or longer
  - 60% women vs. 51% men
- In programs 6 months or less
  - 30% men vs. 22% women

Within a year . . .

51% of men received promotion vs. 37% of women
Hot Jobs
"Hot Jobs": Project-Based Work

Women worked on fewer of the largest and most visible projects – those likely to lead to advancement

The budgets of men’s projects were more than twice the size of women’s projects

35%  26%

C-Suite visibility

Women received less experience in mission critical roles:

- Profit and loss responsibility
- Managing direct reports
- Managing budgets greater than $10 million

“Hot Jobs”: International Assignments

More men than women had international assignments

• Overall, more men (56%) than women (39%) are willing to move.
• But even among those employees most willing to move:
  • Men had more international assignments
  • More women reported never even being offered international assignments (64% of women, 55% of men)

Career Advancement Profiles

High
Use of Internal Strategies

Seek to Advance in Their Current Company
Climbers
31% of Women
32% of Men

Put Less Emphasis on All Career Advancement Strategies
Coasters
14% of Women
19% of Men

Use Both Internal & External Career Strategies
Hedgers
26% of Women
25% of Men

Keep a Finger on the Pulse of the Job Market
Scanners
28% of Women
24% of Men

Low
Use of External Strategies

Why the Difference?

Gain access to power by getting yourself introduced to people with influence!

Make your achievements visible; get credit for your work!

Scan for opportunities outside the company—keep up your network, stay in touch with headhunters!

Gain access to power by getting yourself introduced to people with influence!

Blur work-life boundaries—make sure your boss knows you’ll work long hours and weekends!
Advancing Talent Management

1. Mitigate Stereotypes

Talent Management System Influencers

The Vicious Cycle

Powerful Example - Baxter (Asia Pacific)

- Set target to create 50/50 gender balance in management and critical position through the 14 countries in region
- Require external recruiters to present diverse candidate slates of 50 percent women.
- Similar targets apply to training programs such as Leadership Acceleration Program (LEAP)
- **Changed the game by redefining characteristics of leadership potential**
- Technical knowledge essential, so predicate leadership-development selection on doing well in product-training classes

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Powerful Example - Commonwealth Bank of Australia

- Unconscious Bias Training is mandatory for General Managers and above, and equips leaders with the skills to recognize and understand their internal biases, communicate about them with their teams, and take steps to overcome them.

- The training is integrated into CBA’s broader diversity strategy and endorsed by the Diversity Council as a specific tool to help achieve the bank’s targets for women’s representation at senior levels.
2. Provide Serious Career Opportunities with Transparent Processes

- Develop and track who gets ‘plum assignments’
- Monitor recruitment, entry placement and promotions
- Demystify unwritten rules
Career Watch

- Developed to bring senior leaders and high-potential women and visible minorities together in a performance and talent management program.
- Senior leaders ("watchers") serve as advocates for employee participants ("watchees") – meeting every six months – develop and monitor development plan
- Senior leaders challenge assumptions, provide advocacy, offer career advice, and raise the visibility of the employee
Powerful Example – Scotiabank (Canada)

Transparency is an essential ingredient to success

- Online tool – HR Passport - provides access to strategies and competencies
- CEO shares People goals with the entire company on quarterly basis.
- Publishes quarterly progress toward advancement of women targets, including representation of women by job level, and compares its number with government benchmarks and other financial institutions.
Ask, Don’t Assume

“When I hear someone say that the woman doesn’t want that job promotion, I cringe. Most times they’re wrong. There’s a huge difference between asking ‘do you want this job’ and ‘you don’t really want that job, do you.’ Or, even worse, the question isn’t even asked. It’s a silent problem. Asking begins to address the problem and how we ask matters.”

—James S. Turley, Former Chairman & CEO, Ernst & Young LLP
Unwritten Rules: What Women Wish They Knew

Unwritten Rules

Rules of Advancement
- Some rules are explicit
- Some rules are implicit
- Learned informally

Challenges
- Inconsistently conveyed
- Unequal access
- Resistant to change

Types of Rules
- Relationships
- Visibility
- Communication
- Politics
- Career plan

What Women Wish They Had Known

1. Organizational politics, advocating for oneself, and becoming visible

2. Planning one’s career goals in advance and understanding the next steps

3. The importance of communicating effectively, including asking questions and requesting feedback

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Advancing Talent Management

3. Steadfast Visible Leadership From The Top

- True Champions who walk-the-talk
- Commitment to setting/meeting goals – “no excuses”
Mentors and Sponsors

Mentors

- Be at any level in the hierarchy
- Provide emotional support, feedback, advice
- Help navigate corporate politics
- Focus on personal and professional development
- Serve as role models

Sponsors

- Must be senior managers with influence
- Provide exposure to other executives who may help their careers
- Serve as an advocate for promising opportunities
- Fight to get their people promoted
Began in 2009 as a grassroots effort to develop women employees

- **Aim:** To develop talented women by pairing them with Cisco Executives
- “Shadows” exposed to various functions executives perform within the organization and increases cross-functional visibility
- **Key Component is pre-shadow training.**
- Shadows and executives typically spend four hours or more together
- **Participation rates & outcomes:** During FY12, 429 shadow pairs across Asia-Pacific, Europe, and the United States took part.

*Note: Cisco has generously agreed to make its PowerPoint toolkit, which outlines how to implement an executive shadowing program, available to member companies. Please contact Practices@catalyst.org if you are interested.*
"Who Took A Risk On You?"
- Tom Falk, CEO Kimberly-Clark
4. Implement Accountability Mechanisms

• Demand metrics
Powerful Example –
Goldman Senior Women’s Review (Global)

- Thorough cross-evaluation process that increases ‘fact base’ and visibility for women
- Development plans for those not promoted
- Managers held accountable for implementing plans
Powerful Example –

PepsiCo Mexico

Committed to increasing the representation of women across the organization, in leadership:

• Recruitment – when recruiters identify candidates for a new job, one-half of all prospective hires interviewed must be women
• Compensation – all compensation proposals for employees are reviewed to ensure that women and men are receiving equal compensation
• Advancement – when positions open, women must be given equal consideration as men and fill 50 percent of candidate slates
Your ideas on how to equalize talent development and its payoffs?
Heighten Sensibilities on what’s Holding Women Back?

• Video Clip:
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