The CEW Gender Diversity Kit

Chief Executive Women

Women leaders enabling women leaders
THE CEW GENDER DIVERSITY KIT
For Attracting and Retaining Female Talent

“Women leaders enabling women leaders”

CEW KIT FOR CEO’S
third edition January 2013
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About CEW

Chief Executive Women is the pre-eminent organisation representing Australia’s most senior women leaders from the corporate, public service, academic and not-for-profit sectors.

Founded in 1985, CEW has over 300 members whose shared vision is “women leaders enabling women leaders”.

With values of collegiality, respect and vision influencing all that CEW undertakes, it offers innovative and substantive programs aimed at supporting and nurturing women’s participation and future leadership.

For further information about CEW go to: www.cew.org.au

Organisations are growing increasingly aware of the cost of losing or not attracting female talent. This Kit has been created to assist CEOs and their leadership teams reduce that cost and in the process, realise greater results through the better use of the available female talent pool.

CEW spent over two years creating this Kit with input from CEOs, Boards, Government Agencies and Academia.

The Kit has been used by over 100 leading organisations, all of which acknowledged valuable insight and progress from using the Kit, and the diagnostic tool to gather the facts within their own organisations. Many of these Kit users, while they are large companies, saw that the Kit could be enormously valuable to small to medium sized companies, and as a result, CEW is now making the Kit available online free of charge.

This edition of the Kit has been updated with new references and additional data. However, the underlying structure and content of the document remains the same as the original version, reflecting that the key elements for attracting and retaining female talent have not changed.

Acknowledgements

There have been many people and organisations who have supported the development of this Gender Diversity Kit. They include:

- The CEW Kit Task Force. The original Kit was conceived and developed by:
  - Diane Grady
  - Jane Bridge
  - Jillian Broadbent

More recently, to refresh the Kit, Sally Herman led the effort with the support of Tiffany Jones, a consultant to CEW.

- Bain and Company for their support in developing the Charting Tool. The charts allow organisations to quickly produce charts with their own data to graphically illustrate the diagnoses used throughout the Kit.

- Hewitt and Associates who assisted in the initial benchmarking exercise.

- Ernst & Young who partnered with CEW in the marketing of the Kit, working with organisations to implement it, and supported the Kit going online.

- Contributing companies who assisted with the pilot of the Kit, contributed data, and provided feedback on the Kit.

- Salmat who assisted CEW in developing the online version of the Kit.

- CEW members and office staff for all their many and varied contributions.

Diane Grady  Jane Bridge  Jillian Broadbent
Joanne Martin  Anna MacPhee  Diana Ryall
Message to the CEO

The Mystery

What gets measured, gets done. As a CEO, you already know that. And perhaps you also agree with many of your fellow chief executive officers that higher-end skills shortage is a major issue. The CEO Institute recently released a list of the top 5 issues currently keeping CEOs awake at night, and sourcing and retaining skilled staff was the top concern.

The mystery then, is why most CEOs have allowed their organisations to do such a poor job developing and retaining female talent. Why isn’t data collected and analysed to understand the extent and reasons for such wastage? Why don’t CEOs have programs and performance measures in place to fix the problem – as they do for other business issues?

The Excuses

There are many excuses. Some chief executive officers believe ‘time’ is the answer; that as the years pass, more and more women will gradually, even inevitably, start to fill the most senior positions within an organisation. However, the facts strongly suggest otherwise: despite organisations hiring large numbers of female graduates, the percentage of women filtering through to senior levels has remained at around 10% for over 10 years.

Other CEOs have delegated the problem to their HR departments and failed to follow up on it. The executive team never buys into the business case and remains uninvolved. The changes required to effectively and successfully transform the culture of an organisation cannot be implemented by HR – they must be driven by business leaders.

Alternatively, CEOs may believe that losing female talent is inevitable due to family responsibilities. While women say they leave work for family reasons, the unspoken but real reason for the disproportionately high female attrition rate is almost always due to the organisational culture. Exit interviews conducted under conditions of confidentiality by independent interviewers, reveal that the majority of women actually leave for “situations that offer more recognition of their talents; more flexibility in achieving outcomes, and a more inclusive culture. Not surprisingly, then, roughly 70% of women who left one company-ostensibly for family or personal reasons-are employed full-time by competing companies a year or two later” (Robin J Ely, Advancing Women to Leadership: What’s Gender Got to Do with It? - Speech to Committee on the Concerns of Women, Harvard Business College, June 2006).

Recent research in Australia confirms that women themselves see the main factor contributing to the lower number of women than men in senior leadership roles as being how the styles of women and men are valued. In a joint study between Bain & Company and CEW in 2011, almost 80% of female respondents said the main factor was “difference in styles”. Conversely, about 60% of the men said it was due to “competing priorities”, such as managing both work and family.

Other CEOs would like to make a difference, yet don’t know where to start; for others, it is just too hard.
Why it matters

Finding the best way to attract, develop, motivate and retain women requires CEO focus and organisational commitment. It is important because it affects:

A. Financial Performance

McKinsey research has shown that organisations with a higher proportion of women in their top management have better financial results. Firms with the most gender diverse management teams have 47% better ROE, 56% better EBIT and 1.7 times better share price growth than average companies.

<table>
<thead>
<tr>
<th>Category</th>
<th>Data</th>
<th>Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average ROE</td>
<td>22% (Top quartile)</td>
<td>+47% (vs Sectorial Indexes)</td>
</tr>
<tr>
<td>Average EBIT Margin</td>
<td>17%</td>
<td>+56% (vs Sectorial Indexes)</td>
</tr>
<tr>
<td>Stock price growth</td>
<td>64%</td>
<td>x1.7 (vs EuroStoxx 600)</td>
</tr>
</tbody>
</table>

Companies in the top quartile for women’s representation on executive committees vs sector

Companies with no women on the executive committee in that sector

1 ROE: Average calculated on 2007-2009 period for 279 companies
2 EBIT: Sample of 231 companies, banks, insurance and financial services have been excluded
3 Of the 89 most gender diverse companies, 44 have a market capitalisation greater than 2 billion euros


B. Reputation

Women leave organisations that fail to deliver on the ‘promise’ made to them at the point of entry. High Engagement at Hewitt Best Employers not only relates to greater discretionary effort, more rewarding customer relationships and greater job commitment, it also promotes better talent through a stronger company reputation. Employees are not only saying great things to customers, they are also saying great things to people they know. (Hewitt Best Employers 2009).
C. Leadership
Drawing leaders from the total talent pool will give the organisation more strength and flexibility.

Figure 2: The ‘stupid curve’ in Australian organisations, 2012

D. Cost
Losing talent is expensive, in both employment and opportunity costs. A rule of thumb for cost of attrition is 150-200% of the annual package (based on recruitment costs, lost productivity, time to recruit and train new employees).

E. Innovation and insight
Heterogeneous teams are more creative, better at thinking up new ideas and avoiding ‘groupthink’, but only if the organisational culture values diverse views.

F. Clients and customers
Your clients and customers are both men and women; they expect you to use your best male and female talent to meet their needs. Community expectations have shifted and organisations that do not respond are losing business. In Australia in 2008, women were reported to control 72 per cent of household spending.

G. Employee engagement
What women find unappealing about organisations is increasingly being reflected in the attitudes of male employees—particularly younger ones. Employees who are not engaged with company values and behaviour perform poorly.

Change is possible— but it must be driven from the top and be based on facts and analysis.

The CEO kit is designed to help CEOs determine:

1. If the business benefits to be gained by making better use of female talent are worth the investment in time and energy;
2. What the real issues are and what the priorities should be;
3. How to secure early wins and deliver lasting results.

* Source: EOWA Analysis 2012 ASX500 + Mc Kinsey Women Matter Asia 2012
It simply doesn’t make business sense for Australian companies to waste half the available talent by not realising the potential of women.

Women make up almost 45% of the labour force and comprise over 50% of university graduates in Australia. In ASX Top 50 Companies however, women hold only 9.2% of executive key management positions, and there are currently only twelve women in CEO positions. Women hold few leadership positions in Australia’s ASX50 companies.

Figure 3: shows that approximately 40% of these companies have no women in the senior leadership team.

ASX Top 50 Companies’ Most Senior Women: Where are they? (by company)

This figure shows where women are in executive key management in Australia’s largest companies. Only 4 of the ASX Top 50 have 3 or more women; 7 companies have 2 and 18 have 1 woman in executive key management, 21 companies have none. 21 companies have none. Just 2 women occupy the role of Chief Executive Officer.

Source: EOWA 2012 census
Moreover, progress in Australia has stalled according to EOWA Australian Census for Women in Leadership 2012 (now known as Workplace Gender Equality Agency), and those women who hold senior positions are more likely to be in functional (HR, legal, marketing etc) roles than with line responsibilities.

**Figure 4:** ASX top 200 Female representation: Percentages of CEOs, line management and support positions occupied by women:

In the last decade, very little has changed for women in senior executive roles overall. Women have consistently held approximately 10% of Executive Management Team positions over this period, with no discernable improvement.

**Figure 5:** ASX top 200 Female representation in leadership positions (2002–12)

How is Australia doing?

Top talent is always in short supply. Knowing how to find and retain skilled women will be essential for organisations to reach their potential. Women want to work. Women need to work. Yet still, despite high rates of participation, women remain clustered in particular low paying occupations and hold a small minority of leadership positions across all industries. Other countries have made more progress in using their female talent, as shown in Figure 6, where the percentage of women in executive positions is shown in Australia, along with three comparable countries - each with more women in their top companies.

**Figure 6:** Australia lags other countries

Percentage of women executive managers by country

*Source: EOWA Australian Census for Women in Leadership 2012*

**Did You Know...?**

More than half of ASX 500 companies currently have no female directors EOWA 2012.
The CEW Gender Diversity Kit

The CEW Gender Diversity Kit will help organisations overcome the ‘fact gap’ and make real progress in attracting, developing and retaining female talent. Chief Executive Women (CEW) spent over two years creating this Kit. It has been tested by 10 leading organisations, all of which acknowledged valuable insight from the process.

The CEW Gender Diversity Kit has been organised around five Core Questions:

1. Is identifying and promoting female talent a top priority for our CEO, leadership team and board?
2. Are we appointing our fair share of female talent?
3. Is organisational culture driving our female talent out?
4. Does our pay distribution by gender tell a story?
5. Are we managing our female talent for leadership roles?

For each question CEW has identified critical issues, useful analyses and common findings, and has suggested actions that can be taken based on these. We have also included a section outlining the lessons that have been learned by other organisations pursuing this path.

The development of a Charting Tool by Bain and Company to assist organisations in reproducing Kit graphics illustrating the diagnoses has been a significant development and this Tool continues to be refined as its usage spreads.

CEW hopes to engage with a number of Australian CEOs to further develop and promote the discussion around issues of attraction and retention of women in leadership positions.

In this way, we anticipate bringing our vision into reality: Women leaders enabling women leaders.

We hope you will join us.

Julie White
CEO
Chief Executive Women
How to use the CEW Gender Diversity Kit

The Gender Diversity Kit is organised around 5 CORE QUESTIONS, as illustrated here. In addition, Common Findings and Suggested Actions relating to each Core Question are presented.

<table>
<thead>
<tr>
<th>Core Question 1</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is identifying and promoting female talent a top priority for our CEO, leadership team and board?</td>
<td>4 Critical Issues</td>
<td>29 Key Points</td>
<td>7 Figures</td>
</tr>
<tr>
<td>e.g. Are the business benefits of making better use of female talent clearly identified?</td>
<td>e.g. Costs – Are we investing in hiring and training women, but losing too many prematurely?</td>
<td>e.g. Calculate what this wastage cost us</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Core Question 2</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are we appointing our fair share of female talent?</td>
<td>4 Critical Issues</td>
<td>32 Key Points</td>
<td>13 Figures</td>
</tr>
<tr>
<td>e.g. Does our organisation have a glass ceiling?</td>
<td>e.g. What does our senior team look like?</td>
<td>e.g. How many women have been appointed to the top team in the last two years?</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Core Question 3</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is organisational culture driving our female talent out?</td>
<td>4 Critical Issues</td>
<td>15 Key Points</td>
<td>8 Figures</td>
</tr>
<tr>
<td>e.g. At what stage in their career do women leave?</td>
<td>e.g. Where are the ‘flash points’ where female talent is at risk?</td>
<td>e.g. Analyse attrition rate by years of employment with us</td>
<td></td>
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</tbody>
</table>

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<thead>
<tr>
<th>Core Question 4</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does our pay distribution by gender tell a story?</td>
<td>4 Critical Issues</td>
<td>12 Key Points</td>
<td>8 Figures</td>
</tr>
<tr>
<td>e.g. How many of our highest-paid employees are women?</td>
<td>e.g. Rank the top 20 earners and determine what percentage are women</td>
<td>e.g. What is the pay gap between the average of the top 5 highest-paid men and top 5 highest-paid women?</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Core Question 5</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are we managing our female talent for leadership roles?</td>
<td>4 Critical Issues</td>
<td>34 Key Points</td>
<td>2 Figures</td>
</tr>
<tr>
<td>e.g. Do we help women establish organisational presence?</td>
<td>e.g. Women at work are often more task-focused than men and spend less time building relationships</td>
<td>e.g. How do we facilitate networking for women?</td>
<td></td>
</tr>
</tbody>
</table>
Five Core Questions

The 5 core questions are the basis of the Kit. There are 120 specific analyses and explorations included and almost 40 figures and charts.

We believe organisations will benefit most by diving deep on an issue – getting all the facts and acting on the data. Making changes incrementally will build and provide momentum for the next step. Attempting to collect data on every issue will only lead to paralysis and soak up valuable resources that could be used for implementation of small, but real changes. These metrics, ideas and analyses have been provided knowing that different organisations are at different stages of the journey and therefore need to choose the questions and approaches relevant to their own situation.

"Unless it is a strategic priority for the CEO, leadership team and board, your organisation is unlikely to make the changes required to capture the benefits..."

Some answers are easy to find, others will require more determination. The first Core Question is the most important. Undertaking the analyses suggested here will help you assess if there are tangible business benefits to be gained from making better use of female talent. If the answer to Core Question 1 is “no” – stop here. Unless it is a strategic priority for the CEO, leadership team and board, your organisation is unlikely to make the changes required to capture the benefits. If, on the other hand, the answer is “yes”, proceed to the next 4 Core Questions, deciding which of them is most relevant to your organisation at this point. As with any change effort, it’s important to focus on areas where you can have a big impact quickly before tackling longer term challenges. Following the five Core Questions are:

Bibliography:

Key source documents are included, as well as links to useful websites.

Appendix:

Contains useful key data, together with a sample CEW Employee Survey, which may be used to assess issues related to organisational culture or company policies that may affect women.

Lessons for Effective Change:

These include relating how other organisations have progressed in making better use of their female talent. There is obviously no right or wrong way of doing this, but common pitfalls are identified, together with approaches that have proved effective in a variety of situations.
CORE QUESTION 1
Is identifying and promoting female talent a top priority for our CEO, leadership team and board? (‘Must Do’ question)
Core Question 1

Is identifying and promoting female talent a top priority for our CEO, leadership team and board?

- **Critical Issues**
  - **1A**
    - How committed are our CEO and top leadership team to making better use of female talent?
  - **1B**
    - Does our board believe making better use of female talent is an important issue?
  - **1C**
    - Are we wasting female talent?
  - **1D**
    - Are the business benefits of making better use of female talent clearly identified?

- **Exploration and Analyses**
  - **7 Key Points**
    - e.g. Is our CEO visibly involved with programs to support women?
  - **3 Key Points**
    - e.g. Does the board have and review a female talent scorecard?
  - **3 Key Points**
    - e.g. Do we have ghettos of almost all men or all women in parts of the organisation?
  - **7 Key Points**
    - e.g. Insight/innovation - are we at risk of ‘groupthink’ by failing to have diverse leadership?

- **Figures**
  - **1 Figures**
    - Survey the top three levels re. Perceived business benefits and leadership commitment
  - **1 Figures**
    - Sample scorecard provided
  - **1 Figures**
    - Pyramid figure showing distribution of men and women by level and function
  - **4 Figures**
    - e.g. How many women are on the top three decision-making bodies in our organisation compared to men?

- **Common Findings**
  - Facts
  - What Works
  - What Doesn’t Work

- **Suggested Actions**
  - Accountability
  - Processes
  - Culture Change
  - Skills and Awareness Building
Wasting talent makes no sense given skills shortages...

Is identifying and promoting female talent a top priority for our CEO, leadership team and board?

Critical Issues

1A How committed are our CEO and top leadership team to making better use of female talent?

Exploration and Analyses

1 Is commitment a key performance indicator (KPI) for the CEO and top leadership team?
2 Is the CEO visibly involved with programs to support women?
3 Has the CEO appointed women to key roles?
4 Does our organisation believe it is a business priority and understand what the benefits are?
5 Do we have a female talent scorecard with metrics and goals?
6 Do we report goals and processes on our website? (Good examples can be found by searching “Diversity and Inclusion” on organisational websites).

What Works

- Progress in attracting and retaining women will only occur when it is a CEO priority. Otherwise, experience suggests you are wasting time.
- Progress depends on you being convinced that there are real and specific business benefits – the ‘feel good factor’ is not enough.
- Improving gender mix must be driven by line managers – HR should enable but not drive the program.
- Get the facts – there are a lot of ‘beliefs’ about gender that need to be confirmed or refuted with real data.
- Send a signal you are serious by asking all suppliers (products and services) to explain their gender profile as part of the purchasing process.

What Doesn’t Work

- One woman in a group is not enough! A single talented female voice is inadequate to represent customers, employees etc., and conduct her executive duties. Solo women are under pressure to fit in, and so are often hesitant to speak up about gender problems.
- HR-driven programs are typically not taken sufficiently seriously by business leaders.
1A How committed are our CEO and top leadership team to making better use of female talent? (cont.)

7 Have we surveyed the top three organisational levels regarding perceived business benefits, perceived leadership commitment, KPIs and personal actions? (Figure 1.1)

Note: Professional staff analysis (excludes clerical and technical staff)

Survey the top three levels asking:
Based on your perception:

<table>
<thead>
<tr>
<th>How committed is our CEO to making better use of female talent?</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not committed</td>
<td>1</td>
</tr>
<tr>
<td>Highly committed</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How committed is the top leadership team to making better use of female talent?</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not committed</td>
<td>1</td>
</tr>
<tr>
<td>Highly committed</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What are the business benefits for making better use of female talent?</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enhance business performance</td>
<td>1</td>
</tr>
<tr>
<td>• Build reputation as ‘employer of choice’?</td>
<td>1</td>
</tr>
<tr>
<td>• Have better leadership by drawing from whole talent pool?</td>
<td>1</td>
</tr>
<tr>
<td>• Reduce costs of attrition</td>
<td>1</td>
</tr>
<tr>
<td>• Generate better insight and innovation by avoiding ‘groupthink’?</td>
<td>1</td>
</tr>
<tr>
<td>• Meet needs of customers/clients better?</td>
<td>1</td>
</tr>
<tr>
<td>• Increase employee engagement?</td>
<td>1</td>
</tr>
</tbody>
</table>

Did You Know...?
Companies whose directors include one or more women are 38% less likely to have to restate their financial performance figures to correct errors than firms with all-male boards (American Accounting Association 2012).

Is making better use of female talent a clear business priority?

Figure 1.1 Sample Survey:
1B Does our board believe making better use of female talent is an important issue?

Do we regularly measure progress on diversity and report results to the board?

**Figure 1.2** Australian Company Scoreboard (Illustrative):

<table>
<thead>
<tr>
<th>Strategic Imperative</th>
<th>Metric</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruitment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consider external women candidates for management positions</td>
<td>Percentage of searches with female candidates</td>
<td>Best efforts to be used to include at least one female candidate on every Level 3 and above interview list</td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Women promoted into and within management positions</td>
<td>Number of women promoted vs total promoted</td>
<td>Increase in number of women promoted vs prior year</td>
</tr>
<tr>
<td>Development plans in place for all promotable and high-potential women in management positions</td>
<td>Percentage of population</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Retention</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retain high-potential and promotable women</td>
<td>Percentage of departures of target group</td>
<td>Retain 80% of female high-potential and promotables</td>
</tr>
<tr>
<td>Improve engagement of women</td>
<td>Engagement score from Best Employers Survey</td>
<td>Improve engagement score relative to prior year survey. Measurable annually in Q1</td>
</tr>
<tr>
<td>Turnover of women managers to be no higher than overall percentage in Asia-Pacific</td>
<td>Turnover in percentage</td>
<td>No higher than the attrition of the total managerial population in Asia-Pacific.</td>
</tr>
<tr>
<td><strong>Additional diversity initiatives</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity action plan in place</td>
<td>Action plan in place for Asia-Pacific region</td>
<td>Asia-Pacific plan in place by end Q2</td>
</tr>
<tr>
<td>Successful mentoring program for women</td>
<td>1. Number of mentor/mentee pairings taken Expand the mentoring program to other sites in Australia by end FY through the program 2. Number of sites covered</td>
<td>Expand the mentoring program to other sites in Australia by end financial year</td>
</tr>
<tr>
<td>Senior leader accountability for promoting diversity goals</td>
<td>Percentage with diversity objectives</td>
<td>100% of leadership team and their direct reports with diversity objectives</td>
</tr>
<tr>
<td>Increase level of diversity awareness</td>
<td>1. Number of salaried staff trained 2. Improved scores on diversity-related questions in engagement survey</td>
<td>1. Provide diversity-awareness training to all leadership team by end Q3 2. Include diversity awareness in general orientation and induction program by end Q2</td>
</tr>
</tbody>
</table>

*Includes hire, promotions and regrettable losses
1C Are we wasting female talent?

Exploration and Analyses

11 Do we have ghettos of almost all women or all men in parts of the organisation? (Figure 1.3)
12 Are women concentrated towards the bottom of the organisational pyramid?
13 Are women concentrated in staff or support functions or practice areas with less opportunity for promotion?

Did You Know…?
Companies with 3 or more women in top management score more highly on all organisational criteria (e.g. Leadership, vision, coordination, control, work environment) than those with no women (McKinsey report, 2007).

Do we have ghettos with high concentrations of either men or women?
Figure 1.3 Cluster Pyramid (Illustrative)

Note: Professional service firms should use practice areas rather than functions.
**1D Are the business benefits of making better use of female talent clearly identified?**

**Did You Know...?**
In Australia in 2008, women were reported to control 72 per cent of household spending (BCG 2009).

**Did You Know...?**
A study testing the performance of 2,360 companies over a six-year period concluded that it would have been on average better to have invested in corporates with women on their management board than in those without (Credit Suisse 2012).

**For many years Deloitte have been publishing data on their website to communicate the business case for gender diversity**

**Figure 1.4 USA Website Example (Actual):**

- Women earn 57% of all accounting degrees
- Women will receive 58% of all bachelors degrees and 58% of all masters degrees granted in 2006
- Women now hold more than half of all managerial and professional positions in US business.
- In 2005, almost 90% of the Fortune 500 companies had women on their board of directors.
- 91% of our partners and senior managers have "pitched" to women clients in the last two years.
- More than half of the 10.6 million privately held American companies are owned by women.

The business case continues to be clear and compelling:
We cannot sustain our growth without attracting, developing and retaining women to serve our clients.

Source: Website report of Deloitte, USA

**More and better educated women are entering the workforce and have more options now than ever before**

**More buyers are women, and women are high on our clients’ agendas when it comes to selecting professional service firms**
1D Are the business benefits of making better use of female talent clearly identified? (cont.)

Exploration and Analyses

Leadership
14 Are we drawing our leaders from the whole talent pool?
15 Have we determined what our ‘stupid curve’ looks like? (Figure 1.5)

Reputation
16 Are we an ‘employer of choice’?
17 What percentage of our offers were accepted by men and by women?
18 How are we rated by the WGEA (Workplace Gender Equality Agency) & Other employment surveys?

Clients/Customers
19 Is having more women leaders important in meeting the needs of our clients/customers?
20 What percentage of our clients/customers are female?
21 Do our clients/customers want us to have women in leadership roles?
22 Would having women in leadership roles give us an advantage in identifying customer needs or relating to clients?

Are we drawing our leaders from the whole talent pool?

Figure 1.5 The ‘Stupid Curve’ (Illustrative):

Note: Professional staff analysis (excludes clerical and technical staff)
The term ‘stupid curve’ was coined in 1992 by Mike Cook, Chairman of Deloitte USA.
1D Are the business benefits of making better use of female talent clearly identified? (cont.)

Costs

23 Are we investing in hiring and training women, but losing too many prematurely?

24 What did this wastage cost us. Compare these costs with wastage costs for men. (Figure 1.6)

Did You Know…?
A rule of thumb for cost of attrition is 150 – 200% of the annual package.

What did this wastage cost us?

Figure 1.6 Australian Company Example (Illustrative):

Company’s average annual package for Levels 2-3 is $150K, hence the estimated wastage cost per person is $225K.

Note: The definition of wastage costs is the total cost to the organisation of lost female talent (e.g. Recruitment costs, lost productivity, time of remaining employees to recruit and train, education and training costs of old and new employees, lost clients/contacts/corporate knowledge).
1D. Are the business benefits of making better use of female talent clearly identified?

Insight/Innovation
25. Are we at risk of ‘groupthink’ by failing to have diverse leadership?
26. How many women are on the top three decision-making bodies in our organisation compared to men? (Figure 1.7)

Employee Engagement
27. Are the ‘culture’ issues that concern women also alienating men, especially younger ones?
28. Have we conducted an engagement survey to analyse:
   a) How engaged are employees in their work?
   b) What are employees’ top three issues?
   c) Do the employees intend to stay in the organisation? Split data by gender, age groups, and combined gender and age groups. (See Appendix 1 for sample CEW Employee Survey).

Performance
29. Would making better use of female talent enhance our performance over time, given the answers to the above?

Did You Know…?
Companies with more women on their boards were found to outperform their rivals with a 42% higher return in sales, 66% higher return on invested capital and 53% higher ROE (“The Bottom Line” Catalyst 2007).

Figure 1.7: Asian-Pacific Company Example (Actual):
Suggested Actions

Core Question 1: Is identifying and promoting female talent a top priority for our CEO, leadership team and board?

Accountability
- Get the facts – even when it’s tough to find the data.
- Get real business data supporting the importance of female talent.
- Develop agreed business rationale for improving usage of female talent.
- Develop a female talent scorecard with specific goals and KPIs for leaders.
- Have the CEO and executive team report on the female talent scorecard at least quarterly through a staff newsletter or equivalent, and annually on the website.
- Develop and report female talent statistics to the board annually.
- Have the WGEA report on the board’s agenda each year and seek feedback/comment from the board.

Processes
- Define the path to get the leadership team on board.
- Develop a program led by line managers to tackle the most important issues and demonstrate commitment to implementation.
- Provide a quarterly briefing to the CEO and executive team on the female talent initiative(s) in other organisations.
- Conduct focus groups (by externals) that provide direct feedback on how the executive team is seen by female employees.
- Conduct all-male and all-female focus groups to understand different perceptions of culture and develop case examples of issues.

Culture Change
- Ask every senior female staff member to nominate two actions that would make a difference for women.
- Commit to having women account for (at least) an increased percentage of CEO direct reports within short time frame.
- Have the CEO speak about company efforts to make better use of female talent in all addresses to staff.
- Do not hold company functions at places where women cannot be full members with equal rights, e.g. Male-only dining clubs or golf clubs.
- Set up processes to ensure women have equal opportunity to represent the firm at social functions, sporting events, speaking engagements, etc.
- Eliminate sexual photos or posters from all workplaces.
- Ban entertainment at venues where women might be uncomfortable, e.g. Strip clubs.

Skills and Awareness Building
- Ask each top leadership team member to mentor a senior or high-potential woman outside their functional area.
- Provide 360° feedback to members of the top leadership team regarding how their behaviour supports or undermines women.
- Train the top leadership team to be more flexible in their communication and feedback styles to ensure they are able to support female talent.
- Conduct CEW Employee Survey annually and use as part of performance review process for managers.
- Conduct awareness-raising workshops with men and women together, using case studies as examples.
CORE QUESTION 2
Are we appointing our fair share of female talent?
<table>
<thead>
<tr>
<th>Core Question 2</th>
<th>Critical Issues</th>
<th>Exploration and Analyses</th>
<th>Figures</th>
<th>Plus...</th>
</tr>
</thead>
<tbody>
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<td>2A</td>
<td><strong>2 Key Points</strong></td>
<td>2 Figures</td>
<td><strong>Common Findings</strong></td>
</tr>
<tr>
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<td></td>
<td>e.g. Does the number of women fall off at certain levels?</td>
<td>e.g. Track the percentage of women by level and note fall-off points.</td>
<td>• Misconceptions</td>
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<td>• Facts</td>
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<tr>
<td></td>
<td>2B</td>
<td><strong>5 Key Points</strong></td>
<td>8 Figures</td>
<td>• What Works</td>
</tr>
<tr>
<td></td>
<td></td>
<td>e.g. Do women stay in roles for longer before promotion than men?</td>
<td>e.g. For graduate hires, compare time to first, second and third promotion for men and women</td>
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<td>2C</td>
<td><strong>11 Key Points</strong></td>
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</tr>
<tr>
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<td>e.g. Are women ‘guided’ towards roles with lower visibility and less career potential?</td>
<td>e.g. Identify high-visibility career-making roles in your organisation and compare the percentage of women to men in those roles</td>
<td>• Accountability</td>
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<td>• Processes</td>
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<td>2 Figures</td>
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<td>e.g. Are we successful in attracting experienced female talent?</td>
<td>e.g. Compare the percentage of female and male applicants at each stage of the search process</td>
<td>• Skills and Awareness Building</td>
</tr>
</tbody>
</table>

**Core Question 2**
Are we appointing our fair share of female talent?
Core Question

2A Does our organisation have a glass ceiling?

1 Does the number of women fall off at certain levels? (Track the percentage of women by level and note fall-off points – Figure 2.1)

Did You Know...?

Senior men and women do not have materially different levels of ambition, with 76% of men and 74% of women saying they aspired to leadership (Bain - CEW research 2011).

Figure 2.1 Australian Company Example (Actual):

This data may also be analysed over time to identify improvements and change.
2A Does our organisation have a glass ceiling?

2 How has the gender mix changed over time at each level? [Figure 2.2]

3 What does our senior team look like?

4 How many women have been appointed to the top team in the last two years?

5 How many women have been appointed to the two levels below the CEO in the last two years?

Did You Know...?
The odds are consistently stacked against women climbing higher at every step of the career ladder - not just at the top (McKinsey Women Matter 2012).

What is the gender mix in our organisation and how has it changed over time?

Figure 2.2 Monitoring Progress Over Time (Illustrative):

- Data highlights that whilst the number of women in entry-level roles has increased, the proportion in senior roles has not.
**2B** Does our evaluation and promotion system treat men and women equally?

**Promotions**

- Do women stay in roles for longer before promotion than men? (Compare the average time spent in key roles, or levels, before promotion for men and women)

**Did You Know...?**

Search firm partners interviewed by CEW say that women are significantly more reticent than men to ‘stick up their hands’ for career opportunities, even when equally qualified. Consequently, they require more encouragement to ‘go for it’.

**Are women promoted within the same time period as their male counterparts?**

**Figure 2.3 Time To Promotion (Illustrative):**

- Are our job evaluation processes gender neutral?
- Does ‘face time’ (long hours at the office) count for more than results?
- Do women perform better on objective or subjective criteria?
- Do subjective perceptions count more as employees move up the hierarchy?

*Note: Analysis by ‘role’ works when there are a number of people in the same type of job*
**2B** Does our evaluation and promotion system treat men and women equally? (cont.)

How long does it take female as opposed to male graduate hires to receive their first, second and third promotion? (Figure 2.4)

Do female graduate hires keep pace with their male peers?

*Figure 2.4 Graduate Hire Progression (Illustrative):*

![Graduate Hire Progression Chart](image-url)
2B Does our evaluation and promotion system treat men and women equally? (cont.)

8 Do high-performing women get promoted at the same rate as similarly high-performing men? If not, why not? (Compare the average time to promotion by level for men and women who a) meet expectations, and b) exceed expectations – Figure 2.5)

9 How do men and women view our promotion and evaluation processes? (Conduct CEW Employee Survey – see Appendix 1)

Did You Know...?
Large and visible projects, mission-critical roles, and international experience are crucial “hot jobs” that advance high potentials further and faster, but women get fewer of these crucial experiences necessary to advance (Catalyst 2012).

Do high-performing women get promoted in the same time frame as high-performing men?

Figure 2.5 High Performers’ Promotion Rates (Illustrative):
2B Does our evaluation and promotion system treat men and women equally? (cont.)

10 Do we pre-select what will/will not work for women and families? (Identify ‘challenging’ roles, e.g. Tough turnarounds, international/interstate roles, critical client or project roles filled over the last 2 years and compare how many women were considered/made an offer/accepted as opposed to men – Figure 2.6)

Do we pre-select what will or will not work for women with families?

Figure 2.6 Career-limiting Assumptions (Illustrative):

**Misconception**
Organisations assume women will not take roles that require travel or relocation, roles in ‘male’ industries or roles with demanding clients – so they aren’t offered those positions. But many women will accept these challenges.
2B Does our evaluation and promotion system treat men and women equally? (cont.)

Performance Ratings

11 Are women as likely as men to be rated outstanding, average or poor performers? (Plot performance-review rating distribution for men and women – Figures 2.7 and 2.8)

Do performance ratings for women have a similar distribution profile to those for men?

**Figure 2.7** Performance Review Rating Distribution (Illustrative):

*Did You Know…?*

This analysis can be revealing when you compare full time and part time employees by gender.
2B Does our evaluation and promotion system treat men and women equally? (cont.)

12 If self-assessment is part of the process, do we check to see if women are underrating themselves relative to men and thereby pulling down their assessment?

How do the assessment results for women compare to men in performance reviews?

**Figure 2.8** Assessment Bias (Illustrative):

![Assessment Bias Chart]

- The chart illustrates the percentage of male and female employees who meet expectations at different performance levels.
- Men generally have a higher percentage of employees meeting expectations compared to women across all levels.
2B Does our evaluation and promotion system treat men and women equally? (cont.)

13 Are women proportionately represented on our succession and ‘high potential’ talent lists? (Figure 2.9)

14 What percentage of successors nominated for key roles are women? (Figure 2.9)

Are women proportionately represented in our succession and high-potential talent plan?

Figure 2.9 Talent Identification (Illustrative):

What is our talent-identification process? Is it gender neutral?
2B Does our evaluation and promotion system treat men and women equally? (cont.)

What percentage of women are rated ‘stars’ – both high potential and high performers – compared to men? (Figure 2.10)

Are women as likely as men to be identified as ‘stars’?

Figure 2.10 The Talent Matrix (Illustrative)
2C Do we help women find successful career paths?

Visible Roles
16 Are women concentrated in roles with lower visibility and less career potential?
17 What percentage of women are in specialist functions compared to men? What percentage have general management responsibility?

18 Have we identified high-visibility career-making roles in our organisation and compared the percentage of women to men in those roles (Figure 2.11)
19 Have we analysed career moves over the last 12 months? Evaluate what percentage of women and men moved into ‘high career potential’ roles compared to ‘low career potential’ roles.

Are women concentrated in specialist or functional roles with less career potential in our organisation?

Figure 2.11 Role Diversity (Illustrative):

Did You Know…?
At every stage of their career, women can encounter unhelpful attitudes held by men and women alike.
**2C Do we help women find successful career paths?**

**Career Development**

20 Do our career development processes assist women?

21 What are our core processes for assigning work – e.g. projects, clients, roles? Determine if they are gender neutral in theory and practice.

22 Have we analysed how career paths are communicated and specific jobs advertised to ensure women have equal access to information, e.g. formal and informal networks?

23 Have we reviewed key role specifications to ensure they are based on necessary competencies, not historical biases that may disadvantage women?

24 Have we reviewed how careers and performance are assessed to ensure women are not penalised for time out of the workforce, or less ‘face time’ in the office?

25 How many of our women have we ‘tapped on the shoulder’ in the past 12 months?

26 Have we conducted the CEW Employee Survey (see Appendix 1) to understand how women view the career development process?

**What Works**

- External assessment of potential may have a higher success rate than internal assessments, and may eliminate bias against women.
- Have successful women managers meet female candidates to address any concerns.
- Organisations that require search firms to present at least 20% female candidates for each position hire more women.
- Make extra effort to have women succeed in profit-accountable roles early in their career. Don’t let them drift into specialist functions before they have tried to ‘run something’.
- Fixing the assignment process to open up more opportunities for women is one of the biggest ‘wins’ in many organisations.
- While men attribute women’s lack of success in reaching senior leadership to competing priorities, women are more likely to point to differences in style as holding them back (Bain – CEW Research 2011).
2D Are women interested in joining our organisation?

**Experienced Hires**

27 Are we successful in attracting experienced female talent?

28 Do we know the percentage of female and male applicants at each stage of the search process? Where do women fall out? (Figure 2.12)

29 Do we know the percentage of female and male ‘experienced hires’ by level or key roles?

**Did You Know…?**

According to search firms, most women feel they must be 110% qualified to apply for a new role, while most men are happy to apply if only 60% qualified, confident they will learn the rest on the job.

**How do women progress through our search process?**

**Figure 2.12 Recruitment Process Analysis (Illustrative):**

- Advertisement Response
- Search Firm Long List
- Search Firm Short List
- Interviews
- Offers Made
- Accepts

Gender split for experienced hires
2D Are women interested in joining our organisation? (cont.)

Entry Level
30 At entry level, are we attracting our fair share of women graduates?
31 Have we compared the percentage of female hires with the percentage of women in the graduating pool for relevant faculties?
32 Do we know the percentage of female and male applicants who get interviews, who receive offers and who accept offers? (Figure 2.13)

What is the gender split at each stage of our hiring process? Has it changed over time?

Did You Know…?
The interview process may be unconsciously biased against women. For example: – Some firms have found it takes longer to relate to people of different gender/race. Increasing interview time by 15 minutes improved their diversity ‘hit rate’.
– A consulting firm found that women often fared poorly when tested on their problem solving abilities because they didn’t respond to case examples in the sequence expected by male interviewers, despite identifying all the key points.
Suggested Actions

CORE QUESTION 2: Are we appointing our fair share of female talent?

Accountability
- Get the facts.
- Hold search firms accountable for identifying female candidates.

Processes
- Require managers to interview at least one woman for each appointment.
- Analyse in depth why women are unsuccessful in the interview process.
- Follow up those who do not accept job offers – have a third party interview people who declined job offers and report back. Sometimes you will discover that managers have made highly inappropriate comments to applicants.
- Advise women of the key skills and experiences required for promotion in your organisation. Make sure promotion opportunities are well-publicised, with clear statements of the qualifications required. Women will benefit because they are often less well connected to the informal information-exchange networks.
- Recruit informed women to represent the company at university career days.
- Collect data on how promotions are handled and how women view the process is it transparent? Are the right people being promoted?

Culture Change
- Appoint talented women who are great role models to senior positions.
- Conduct focus groups (by externals) that provide direct feedback on how the executive team’s attitudes towards gender issues are viewed by women.

Policies and Practices
- Require interview panels to have women participating in the selection process.
- Require search firms to present female candidates for every position.
- Have HR review performance-assessment distribution prior to locking in performance ratings in order to identify any biases before ratings are communicated.
- Create career paths that steer women through profit - accountable positions early in their careers.

Awareness Building
- Publish the rates of female employment and promotion internally to make it clear to all what is going on, and where.
- Encourage women to apply for promotion and support their applications.
- Give every senior woman appointed a male ‘mentor’ two levels above her for at least the first six months in the job.
- Provide gender-sensitive selection training – and alert all managers to their responsibilities under anti-discrimination legislation.
CORE QUESTION 3

Is organisational culture driving our female talent out?
### Core Question 3

**Is organisational culture driving our female talent out?**

#### Critical Issues

| 3A | How many talented women were we sorry to lose over the last three years? |
| 3B | At what stage in their careers do women leave? |
| 3C | Do we know why women leave and what they do next? |
| 3D | What role does our culture play in losing or retaining women? |

#### Exploration and Analyses

| 4 Key Points | e.g., Does the number of women fall off at certain levels? |
| 2 Key Points | e.g., Where are the 'flash points' when female talent is at risk |
| 5 Key Points | e.g., Are employees who left now working full-time, part-time or at home? |
| 4 Key Points | e.g., What aspects of our organisational culture (if any) alienate women? |

#### Figures

| 3 Figures | e.g., Compare attrition rates with formal performance reviews and potential assessment for men and women |
| 2 Figures | e.g., Show attrition rate by years of employment with us |
| 3 Figures | e.g., Do we include women in networking functions involving external guests? |

#### Plus...

- **Common Findings**
  - Misconceptions
  - Facts
  - What Works

- **Suggested Actions**
  - Accountability
  - Processes
  - Culture Change
  - Policies and Practices
  - Skills and Awareness Building
For many women, the male-oriented culture of some workplaces is like living and working in a foreign country – they never quite feel accepted...

**Is organisational culture driving our female talent out?**

Critical Issues

**3A How many talented women were we sorry to lose over the last three years?**

1. How many women left our organisation last year?
2. Was the attrition rate higher among women than men and how has it changed over time? (Figure 3.1)

---

**Did You Know...?**
The most diligent organisations have diversity on the CEO’s agenda – and they have a target, a plan and a communication strategy (McKinsey 2012).

**Did You Know...?**
The career choices of middle and senior managers, both men and women, are mainly influenced by work environment and aspirations and not by family circumstances (McKinsey Global Study, 2007).

---

**Has the pattern of male and female attrition changed over the last three years?**

**Figure 3.1 Attrition Pattern (Illustrative):**
3A How many talented women were we sorry to lose over the last three years? (cont.)

3 Were the women who left valued employees? (Compare attrition with formal performance-review ratings and potential assessment for men and women who left the organisation – Figure 3.2)

4 What did this wastage cost us? (See Figure 1.6) What is the gender mix in our organisation and how has it changed over time?

Did You Know...? When asked the question, “Does the evaluation system in your company treat men and women equally?” 65% of men agreed, compared to 30% of women surveyed (McKinsey 2012).

Did You Know...? Women who leave an organisation often feel they are not valued – even when they had been identified as high potential.

Were the women who left valued employees?

Figure 3.2: Performance & Potential Matrix (Illustrative):

What percentage of women (or men) who left were in each category?

Note: These ratings need to be based on formal performance/review and potential assessments – not impressions.
3B At what stage in their career do women leave?

5 Where are the ‘flash points’ when female talent is at risk? Are they different for men? (Show attrition rate by years of employment with us – Figure 3.4)

Does the pattern of wastage differ between women and men?

Figure 3.4 Australian Company Example (Actual):

**Misconception:**
Women leave for family reasons and choose to stay at home. One professional service firm found that six months after citing family reasons for leaving, 70% of women were working full-time and 20% part-time for other firms, less than 10% were at home.
At what stage in their career do women leave? (cont.)

6 Does the pattern for our female attrition rate match that of many organisations, i.e. three major trigger points (early leavers, family leavers, senior leavers), with ‘culture’ the root cause for each? (Figure 3.5)

Is culture the ‘root cause’ of our female attrition as in many other organisations?

**Figure 3.5 Attrition Patterns (Illustrative):**

<table>
<thead>
<tr>
<th>Graduate Hire</th>
<th>Senior executive</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Timeline</strong></td>
<td></td>
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<tr>
<td>Apparent trigger:</td>
<td></td>
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<tr>
<td>Typical stated reason on exit:</td>
<td></td>
</tr>
<tr>
<td><strong>Root causes</strong></td>
<td>Culture</td>
</tr>
<tr>
<td>Root cause</td>
<td></td>
</tr>
<tr>
<td>Comments</td>
<td></td>
</tr>
<tr>
<td><strong>Early Leavers</strong></td>
<td>Family Leavers</td>
</tr>
<tr>
<td>Within 3 years of joining female graduate hires become disillusioned seeing male peers getting ahead in money, responsibility and presence</td>
<td>Children between ages 0 and 10</td>
</tr>
<tr>
<td>Better opportunity elsewhere</td>
<td></td>
</tr>
<tr>
<td>Do not feel valued</td>
<td>Criticised for ‘lack of commitment’ because of responsibilities outside of work</td>
</tr>
<tr>
<td>Missing out on career opportunities; do not see career path ways</td>
<td>Not offered interesting roles with flexibility</td>
</tr>
<tr>
<td>Often join other organisations, hoping things will be different</td>
<td></td>
</tr>
<tr>
<td><strong>Family Leavers</strong></td>
<td>Senior Leavers</td>
</tr>
<tr>
<td>Family responsibilities</td>
<td>NED opportunity, or new business opportunity</td>
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<tr>
<td></td>
<td>Become a director on boards</td>
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**Did You Know...?**

At one of Australia’s leading law firms, the head of HR states, “We cannot afford to train up good lawyers who will build relationships with our clients - and see them walk out the door after a couple of years with no intention of returning. We have put in place initiatives to make our talent want to stay”.

60% of women who become NED’s do so in their 40’s, compared with 10% of men.
3C Do we know why women leave and what they do next?

7 What are employees who left doing now – working full-time, part-time, or at home?
8 If working, at what type of employer (e.g. Large public company, small business, self-employed; same industry or different; similar role or different) and why were they attracted to the role/organisation?
9 On reflection, what did the employees appreciate about our organisation?
10 What caused them to leave? Stated reasons for leaving are often not the real reason.
11 Do we conduct exit interviews using an external organisation? (Wait six months after leaving so employees have time to reflect on real reasons, and to take next steps in their career.)

What Works
- When the effect of organisational culture on women is measured and monitored, in a way that protects anonymity, most organisations are surprised by the problems that surface.
- Healthy organisations conduct specific employee surveys to identify culture and work practices that negatively affect women.
- Change only takes place when a critical mass of men speak out against gender stereotyping, inappropriate language and exclusionary actions.
- Finding the real reasons why women leave an organisation can require extensive research. Sometimes the individual herself doesn’t understand until later why she has left. ‘Family reasons’ is a convenient excuse, but rarely the real reason.
- Many male executives are stunned by the horror stories that emerge if women are asked about their culture experiences in a ‘safe’ process.
- A critical mass of 3 or more women creates “normalisation” where gender is no longer a barrier to communication and where women are more likely to feel comfortable, supported, and freer to raise issues & be heard.

Did You Know…?
It requires having 20% of employees to be female in an organisation – at each level and function – for the culture to start to change. At 30% there is a noticeable difference. At 40%, gender is no longer an issue. Chatman, J. and Flynn, F., “The influence of demographic heterogeneity on the emergence and consequences of cooperative norms in work teams,”. Academy of Management Journal, 2001, pp. 956-974.

Research has shown that 3 or more women on the board constitutes a critical mass – the number of women needed to bring significant change to the boardroom and improve corporate governance. (EOWA 2012) Konrad, AM. Kramor VW & Erkut S 2008. Critical mass: The impact of 3 or more women on corporate boards, org dynamics 37(2) 145 – 164.
3D What role does our culture play in losing or retaining women?

Did You Know…?
Feeling they are not being heard is a major complaint among women in organisations.

12 How is our culture viewed by men and women? (Conduct CEW Employee Survey – see Appendix 1.)
13 Do we understand what specific aspects of our culture (if any) alienate women? (Conduct externally facilitated focus groups with female employees to identify issues, and case examples – Figure 3.6)

Is our culture driving women out?

Figure 3.6 Australian Company Example (Actual):

Themes that surfaced in 4 discussion groups with women

<table>
<thead>
<tr>
<th>Themes</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not being taken seriously/listened to:</td>
<td>There is a perception that men are more likely to listen to each other within a group situation. It was expressed on more than one occasion that if a woman contributes an idea/suggestion it is taken less seriously than if a man within the group expresses the same idea/suggestion.</td>
</tr>
<tr>
<td>Gender stereotyping</td>
<td>For example, women are asked to take the minutes of a meeting, regardless of their position.</td>
</tr>
<tr>
<td>Inappropriate Labelling</td>
<td>For example, comments such as: “You are forceful; you are hard; you are ‘fired up’ today”. Women see such comments as an attempt to shut them up, belittle them or put them down.</td>
</tr>
<tr>
<td>Lack of support for women who ‘speak out’</td>
<td>Some women perceive that if they do speak out it will be viewed negatively by their manager, and will ultimately limit promotional opportunities.</td>
</tr>
<tr>
<td>Inappropriate language</td>
<td>Some women reported the use of inappropriate language. One woman reported being sworn at by her manager on a regular basis.</td>
</tr>
<tr>
<td>Equity</td>
<td>Some women report that managers have stated that they will limit their career if they take parental leave and/or wish to work more flexible hours to accommodate their families</td>
</tr>
</tbody>
</table>
### 3D What role does our culture play in losing or retaining women? (cont.)

Have we considered whether we have taken action on aspects of our organisational culture that are problematic for our female talent? E.g. Our behaviour, our communication, our work environment, our socialising. (Figure 3.7)

Are there aspects of our culture that alienate women?

**Figure 3.7 Culture Checklist (Illustrative):**

<table>
<thead>
<tr>
<th>Common Culture Issues</th>
<th>Do We (Actions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entertainment/Socialising</strong></td>
<td>• Entertain at venues or sporting events where women are not included?</td>
</tr>
<tr>
<td></td>
<td>• Socialise at clubs where women cannot be full members?</td>
</tr>
<tr>
<td></td>
<td>• Introduce women to our business network?</td>
</tr>
<tr>
<td><strong>Behaviour</strong></td>
<td>• Model appropriate behaviour between men and women, and communicate our standards?</td>
</tr>
<tr>
<td></td>
<td>• Make an effort to include women as part of the team?</td>
</tr>
<tr>
<td><strong>Communication</strong></td>
<td>• Consciously use gender-neutral language in all corporate and personal communications?</td>
</tr>
<tr>
<td></td>
<td>• Help men and women recognise and accept style differences?</td>
</tr>
<tr>
<td></td>
<td>• Take action to ensure women’s opinions are heard at meetings?</td>
</tr>
<tr>
<td><strong>Work Environments</strong></td>
<td>• Have early morning or evening meetings regularly?</td>
</tr>
<tr>
<td></td>
<td>• Demand employees adjust to frequent, sudden changes in work schedule?</td>
</tr>
<tr>
<td></td>
<td>• Frown on free time, or time spent away from the office?</td>
</tr>
</tbody>
</table>

**Misconception:**
Men often presume women are not interested in sporting events, so they are not invited.
What role does our culture play in losing or retaining women? (cont.)

Evaluate whether we include women in networking functions involving external guests. (Figure 3.8)

Are women included in our functions involving external guests?

**Figure 3.8 Attendance At Functions (Illustrative):**

<table>
<thead>
<tr>
<th>Event Type</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spectator Sports</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Lunches</td>
<td>200</td>
<td>0</td>
</tr>
<tr>
<td>Theatre/Performance</td>
<td>125</td>
<td>0</td>
</tr>
<tr>
<td>Speaking engagements/Semins</td>
<td>40</td>
<td>0</td>
</tr>
</tbody>
</table>

**Did You Know...?**
Participation with employees or customers in classic male ‘social’ activities (e.g., Golf, football) from which women may be excluded can have job-related advantages. In other words, these events are not necessarily purely social.
**Suggested Actions**

**CORE QUESTION 3: Is organisational culture driving our female talent out?**

**Accountability**
- Get the facts.
- Brief the executive team, giving them all the data about women leaving and the reasons for their exits. Don’t allow stereotypes of women having children to cover up the real reasons.
- Provide each manager with data for their own functional area and show them how it compares to other areas or other similar organisations. Bring the data back to the work-unit level rather than organisational averages.
- Ask why certain areas of the business are losing their female staff members.
- Identify managers who ‘get it right’ and reward them – publicly (and the reverse!).
- Charge business units the full cost of unexplained or unacceptable attrition and report it in management accounts.
- Analyse attrition patterns for male and female professionals by job category.
- Calculate the total cost of attrition by job category.

**Processes**
- Have an external organisation conduct focus groups with women to identify the issues that will influence whether current female employees stay or leave the organisation in the next three to five years.
- Contract an external firm to conduct exit interviews with all female professionals six months after they leave. Establish what they are doing at that point in time.

**Culture Change**
- Confirm staff events cater for general interests, not just male-oriented activities.
- Pinpoint behaviour that may make women uncomfortable. Directly address this with the individual managers rather than attempting to enforce a vague ‘in general’ policy.
- Initiate a series of actions to signal culture change is taking place.
- Reject venues where women do not have equal rights.

**Policies and Practices**
- Establish what is ‘too early’ in terms of employee departures and have managers formally advise HR when women leave and answer ‘Why do you think this woman left?’
- Communicate that the organisation wants feedback about issues at work before any employee decides to resign.
- Require that women professionals be invited to all internal and external social functions if such functions are to have any official endorsement.
- Schedule all key meetings within a core band of time to suit your business, and make this explicit.

**Skills and Awareness Building**
- Hold workshops with men and women to raise awareness of culture issues. Establish a culture-awareness training program for all managers and encourage open dialogue between men and women using case studies to introduce topics.
CORE QUESTION 4

Does our pay distribution by gender tell a story?
### Core Question 4

Does our pay distribution by gender tell a story?

#### Critical Issues

| 4A | How many of our highest-paid employees are women? |
| 4B | Is there a significant difference in remuneration paid to men and women? |
| 4C | Do women fall behind their male peers in pay? |
| 4D | What have we done to ensure gender pay equity in our organisation? |

#### Exploration and Analyses

<table>
<thead>
<tr>
<th>3 Key Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. What are the reasons for difference in remuneration between senior men and women?</td>
</tr>
<tr>
<td>e.g. Do women tend to be paid at the lower end of each level/band?</td>
</tr>
<tr>
<td>e.g. Is there a discrepancy in pay for male and female graduates hired at the same time for similar roles?</td>
</tr>
<tr>
<td>e.g. Are women concentrated in low paying roles?</td>
</tr>
</tbody>
</table>

#### Figures

<table>
<thead>
<tr>
<th>1 Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. What is the pay gap between the top 5 highest-paid women and top 5 highest-paid men (excluding CEO)?</td>
</tr>
<tr>
<td>e.g. Compare the total remuneration for the top 10% and bottom 10% of men and women at each level</td>
</tr>
<tr>
<td>e.g. Compare remuneration of graduates by year of intake</td>
</tr>
<tr>
<td>e.g. Compare average remuneration in roles with particularly high concentrations of men or women</td>
</tr>
</tbody>
</table>

#### Plus...

**Common Findings**
- Facts
- What Works

**Suggested Actions**
- Accountability
- Processes
- Policies and Practices
- Skills and Awareness Building
Pay is a measure of value and carries a message... Does our pay distribution by gender tell a story?

Critical Issues

4A How many of our highest-paid employees are women?

1 Have we ranked the top 20 earners, including all forms of remuneration, and determined what percentage are women?

2 What is the pay gap between the average of the top five highest-paid men and top five highest-paid women? (Figure 4.1)

3 What are the reasons for differences in remuneration between our most senior women and most senior men? (Compare roles, careers, qualifications of the top 10 men and women.)

What is the pay gap between the top 5 highest-paid women and top 5 highest-paid men (excluding CEO)?

Figure 4.1 Australian Company Example (Actual):

<table>
<thead>
<tr>
<th>Highest-paid women</th>
<th>Total remuneration</th>
<th>Averages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>570K</td>
<td>$465K</td>
</tr>
<tr>
<td>2</td>
<td>520K</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>440K</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>410K</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>380K</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Highest-paid men</th>
<th>Total remuneration</th>
<th>Averages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1350K</td>
<td>$1103K</td>
</tr>
<tr>
<td>2</td>
<td>1175K</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>1160K</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>950K</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>880K</td>
<td></td>
</tr>
</tbody>
</table>

Figures indicate, on average, women working full time earn 17.5% less than men working full time (ABS2012).
4B Is there a significant difference in remuneration paid to men and women?

What is the average total remuneration for men and women by level? (Figure 4.2)

How does average remuneration for men and women compare by level?

Figure 4.2 Australian Company Example (Actual):

Did You Know...?
Women are less likely than men to push for pay increases (see Nice Girls Don’t Ask Harvard Business Review).

Did You Know...?
Women are often judged on their performance but men on their potential. (Mc Kinsey 2012).
4B Is there a significant difference in remuneration paid to men and women? (cont.)

Is there a difference between the average total remuneration for the top 10% of women earners and the top 10% of men earners? What about the bottom 10% of male and female earners? (Figure 4.3)

Is there a significant difference in average total remuneration between the top 10% of male and female earners; and also the bottom 10%?

Figure 4.3 Australian Company Example (Actual):

Did You Know...?
The overall median pay for women top earners in the ASX 200 is 58% of the overall median pay for men (EOWA 2008, Gender income distribution of top earners in ASX 200 companies).
4B Is there a significant difference in remuneration paid to men and women? (cont.)

6 Do women tend to be paid at the lower end of each level or band? (Compare the total remuneration package for the top 10% and bottom 10% of male and female earners at each level or band – Figure 4.4)

Did You Know…?
Female graduates earn $5,000 pa less than male graduates on entering the workforce. (Gradstats 2012).

Is there a significant difference between men and women in total remuneration at each level of our organisation?
Figure 4.4 Australian Company Example (Actual):

Note: Include number of men and women represented in each band in order to calculate weighted average
* No women represented in top 10% of earners
4C Do we know why women leave and what they do next?

7 Is there a discrepancy in pay for male and female graduates hired at the same time for similar roles? If so, when and why? (Track peer group total remuneration by gender for each year of graduate intake over a five-year period – Figure 4.5)

8 Is there a difference in starting salary for men and women in the same roles? Can the difference be explained by qualifications and experience?

When do women graduate hires fall behind male peers in pay?

**Figure 4.5** Australian Company Example (Actual):

**Did You Know...?**

In many companies, women begin to fall behind in remuneration within three years of joining, which is a major contributing factor to a high rate of attrition.

Did You Know...?

In many companies, women begin to fall behind in remuneration within three years of joining, which is a major contributing factor to a high rate of attrition.

Analyse:

1) What were the main causes of any difference?
2) What does the picture look like for graduates who start in the same role?
4D What have we done to ensure gender pay equity in our organisation?

Did You Know…?
The reasons women fall behind in pay are often related to their movement into roles with less career potential than those of their male peers (‘pink collar jobs’).

9 Are women concentrated in low-paying roles? (Compare average remuneration in roles with particularly high concentrations of men or women – Figure 4.6)

Are functions (or jobs) with the highest concentration of women the lowest paid?

Figure 4.6 ‘Pink Collar’ Remuneration (Illustrative):
4D What have we done to ensure gender pay equity in our organisation? (cont.)

1. Are men and women equally eligible for at-risk remuneration and other benefits? (Figure 4.7) Are there aspects of our culture that alienate women?

How do ‘at risk’ remuneration and other benefits compare between men and women?

**Figure 4.7** Comparison of Packaging & Performance Pay (Illustrative):

<table>
<thead>
<tr>
<th>Level</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average band (STI) % of base

Average equity awards % of base

Average value of other benefits* total

*List other benefits if $ value is not available
**4D What have we done to ensure gender pay equity in our organisation? (cont.)**

11 Does pay reflect performance and potential or a ‘squeaky wheel’? (Figure 4.8)

12 If there are a number of ‘exceptions’ in our remuneration structure, what percentage of these ‘exceptions’ are male and what percentage are female?

**Does pay reflect performance and potential for women and men?**

*Figure 4.8 Remuneration By Performance & Potential (Illustrative):*

**What Works**

- Communicate expectation for gender equity before performance assessments and bonuses are complete – this helps managers moderate any biases.
- Track all elements of remuneration by gender, starting with performance reviews – shining the spotlight really does make a difference.
- Don’t let gender-based pay disparity continue – set a timetable to eliminate it.
- Balance ‘self-assessment’ as part of the remuneration process with other more objective methods, because women on average underrate themselves and men on average overrate their performance.
Suggested Actions

CORE QUESTION 4: Does our pay distribution by gender tell a story?

Accountability
• Get the facts – have HR track salary level by gender as a standard part of all HR data.
• Maintain data for total compensation at the functional level by gender. Ensure that variations in bonus payments are justified.
• Report remuneration by gender to the board remuneration committee each year

Processes
• Communicate any issues prior to remuneration review so that managers are aware of potential biases.
• Use WGEA ‘Pay Equity’ tool to analyse data and compare benchmarks.

Policies and Practices
• Introduce a system of bonus allocation that will allow scrutiny and track results by gender for each manager (implement this as a project for approximately three years).
• Conduct a review before signing off on performance bonuses to ensure gender equity.
• Review job evaluations and role specifications for gender biases, e.g. Unnecessary qualifications or requirements.
• Beware of self-assessment as part of the remuneration process, as it will disadvantage women who tend to be harder on themselves.

Skills and Awareness Building
• Teach female employees how to negotiate for pay increases.
CORE QUESTION 5
Are we managing our female talent for leadership roles?
Core Question 5

Are we managing our female talent for leadership roles?

Critical Issues

5A
Do we help women establish an organisational presence?

5B
Do we make it clear that we value our female talent?

5C
Do we acknowledge and value management style differences between men and women?

5D
Do we have workplace policies that actively try to retain talented women?

Exploration and Analyses

9 Key Points
- e.g. Men naturally mentor other men. How do we ensure women receive good mentoring support?

4 Key Points
- e.g. What have male leaders done to ensure that women’s voices are heard and valued?

9 Key Points
- e.g. Women often ‘lead from behind’ by asking questions and reinforcing ideas. Men frequently interpret this style as weak.

12 Key Points
- e.g. Flexibility – do managers tailor work arrangements to meet individual needs?

Plus...

Common Findings
- Facts
- What Works

Suggested Actions
- Accountability
- Culture Change
- Policies and Practices
- Skills and Awareness Building

- e.g. What percentage of male and female employees have some form of flexible work arrangements?
Most workplaces were designed by and for men. As a result, there will not be a level playing field for women without change…

Are we managing our female talent for leadership roles?

Critical Issues

5A Do we help women establish an organisational presence?

Mentoring

Men naturally mentor other men because it’s easier and more comfortable.

1. How do we ensure women receive good mentoring support? Is there a formal program?

2. Does each person on our high-potential list have a suitable mentor? If they don’t, assign one. What is the pay gap between the top 5 highest-paid women and top 5 highest-paid men (excluding CEO)?

Networking

Women in organisations are often more task-focused than their male colleagues – possibly because forming relationships and networking is hard for them due to the prevailing male culture; possibly because they gain enough satisfaction from doing a terrific job; and possibly because family responsibilities mean less time for socialising.

3. How can we facilitate better networking for talented women?

4. Have we asked senior women how many times in the last three months they have had a casual coffee or lunch with a business colleague?

5. Have we asked senior men how many times they have initiated an informal conversation with a female colleague?

High-profile tasks

Organisations have many high-profile tasks that increase visibility for those involved, e.g. Task forces, speeches, ad hoc committees, entertainment.

6. How does our organisation ensure our female employees have profile-building opportunities?

7. How many high-profile tasks have been carried out by women in the last six months?

Sponsoring

Sponsorship involves recommending high-performing employees for assignments, opportunities or promotions. It requires the sponsors to leverage their own power and reputational capital. (Catalyst, “Sponsoring Women to Success”, 2011).

Over recent years, it has become increasingly clear how important sponsorship is for women to achieve the most senior roles – something that mentorship by itself cannot do.

8. Is our top team expected to sponsor talented men and women?

9. Do our top female talent members each have a sponsor?

Did You Know…?

One of the best ways to boost confidence is to ask a female employee to take on a high-profile task involving senior people.

Did You Know…?

Men often seem incapable of hearing good ideas presented by women – training can fix this problem.
5B Do we make it clear that we value our female talent?

Recognition
10 How many talented women received awards or recognition in the last 12 months from our organisation?
11 Are these awards ‘female only’ types of recognition? Are these awards respected by men in the organisation?

Voices heard
12 What have male leaders done over the last year to ensure that women’s voices are heard and valued?
13 Can female and male managers identify specific examples?

Did You Know...?
Firms that promote women just before or during maternity leave have the highest success rate of women returning to them.

Did You Know...?
One organisation improved its retention of women by 50% by enforcing a ‘no meeting before 9.00am or after 5:00pm’ policy.

What Works
• Providing mentors is one of the best ways to improve progress and retention of women. It helps overcome ‘gossip risk’ when senior men ‘socialise’ with more junior women. Senior women also need to invest time in helping young talent.
• Providing company-sponsored child care or allowing salary sacrifice for child care significantly improves worker retention.
• Flexibility can work in even the most senior roles when there is a ‘can do’ mindset. At one accounting firm there was a strong belief that partners could not be part-time, yet a major competitor had a number of successful male and female part-time partners serving clients.
• Companies that offer flexible part-time work or leaves of absence often find women returning to full-time work with an enhanced, deep-seated commitment to the company.
• Flexible work practices mean adjusting work to fit individual needs – not having a few fixed flexible options. The key question needs to be: “What can we do to keep this individual?”
5C Do we acknowledge and value management style differences between men and women?

Meetings
Women’s voices can be drowned out in meetings, or they can be perceived by men to be too talkative or even rude when they interject positive comments while men are speaking. However, women see these ‘interruptions’ as affirming – or building on – ideas.

14 Do we train leaders in how to run meetings to get the best out of men and women?
15 Do we train women in how to be effective in getting messages across in meetings?

Teams
Women often ‘lead from behind’ by asking questions and reinforcing ideas. Men sometimes interpret this style of leadership as weak and indecisive, while women see it as collegial, building consensus.

16 How do we ensure women are evaluated on results, not perceptions of style?
17 Do we survey team members or clients for feedback on how well team leaders perform?

Performance reviews
Women and men approach reviews very differently – e.g. Women tend to be more self-critical.

18 Does our performance review process disadvantage women?
19 Do we compare self-assessment, manager-assessment and final rating for men and women?
20 Do our training programs teach managers giving performance reviews to be aware that women often hear only the negative feedback, while men often hear only the positive feedback?

Emotions
Women sometimes cry when angry or frustrated – but get over it quickly. Men think tears represent very strong emotions and feel highly uncomfortable in such circumstances.

21 Do we have training programs that help men and women understand communication and style differences and how to manage them?
22 What percentage of our executive and management has attended these?

Did You Know...?
Female full time employees bear a double burden spending 21 hours/week on household chores while men spend only 8.7 hours (Melbourne University Survey, 2006).

Did You Know...?
70% of females surveyed rated their own performance as equivalent to that of their coworkers, while 70% of men rated themselves higher than their co-workers (McKinsey survey, 2007).
5D Do we have workplace policies that actively try to retain talented women?

Flexibility

23 Do managers have the authority and inclination to tailor work arrangements to meet individual needs? In today’s world, one size cannot fit all.

24 What percentage of male and female employees have some form of flexible work arrangement? (Figure 5.1)

25 Are flexible work arrangements available at senior levels? Do we promote people who have a flexible arrangement?

26 Do we offer quality part-time roles that are attractive to high-potential women?

Did You Know...?
Unless flexible arrangements are common (involving at least 20% of the workforce) among both men and women, those with them will invariably be viewed as ‘second class citizens’.

Do we have a flexible workplace effective at retaining valuable employees?

Figure 5.1 Patterns of Access To Flexible Work Practices (Illustrative):

<table>
<thead>
<tr>
<th>Job classification/role</th>
<th>Percentage on flexible arrangements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Part-Time</td>
</tr>
<tr>
<td></td>
<td>Men</td>
</tr>
<tr>
<td>A</td>
<td>%</td>
</tr>
<tr>
<td>B</td>
<td>%</td>
</tr>
<tr>
<td>C</td>
<td>%</td>
</tr>
</tbody>
</table>

The range of flexible options is not limited to those mentioned above
5D Do we have workplace policies that actively try to retain talented women? (cont.)

Maternity Leave

27 Do we have policies that encourage women to return to work with our organisation?
28 What percentage of women return after maternity leave and how long do they stay? (Figure 5.2)
29 Do we offer day care or salary-sacrifice opportunities for employees with children?

Work Practices

30 Do we have work practices that respect our employees’ commitments outside of work?
31 Do we schedule meetings at times that are difficult for people with family responsibilities, e.g. Before 9.00 am and after 5.00 pm?
32 Do we require our employees to alter schedules with little notice?
33 Do we respect our employees’ right to a life outside of work?
34 Is “face time” in the office more important than results?

Did You Know...?
‘Best practice’ employers have a success rate above 90% of women returning to work from maternity leave.

Did You Know...?
Women who have successful part-time or flexible roles are highly loyal to the organisation.

Do we have problems retaining women following a period of maternity leave?

Figure 5.2 Post Maternity Leave Retention (Illustrative):
Suggested Actions

CORE QUESTION 5: Are we managing our female talent for leadership roles?

**Accountability**
- Get the data.
- Conduct the CEW Employee Survey, comparing responses between men and women (see Appendix 1).

**Culture and Change**
- Analyse meeting styles and behaviours to encourage full inclusion.
- Publicly praise examples of staff using flexibility in your workplace.
- Promote women who are in part-time or flexible roles.

**Policies and Practices**
- Establish a formal mentoring program for female managers.
- Organise mentors who are at least two levels higher up the management structure for all women on your ‘high potential’ list.
- Ask all staff to state their ‘takeaways’ from performance reviews to ensure the right messages are getting through.
- Experiment with part-time roles for key people and positions.
- Facilitate access to childcare.
- Establish best practice caregiver policies.

**Skills and Awareness Building**
- Reverse roles in meetings on a regular basis – have people change seats and shift roles.
- Include gender-specific training in all leadership programs to help men and women recognise style and communication differences.
- Ask each executive in the top two levels of your organisation (excluding the CEO) to sponsor a talented woman.
- Record meetings to help male and female employees better understand body language and discussion dynamics.
- Make women aware of the importance of building relationships in addition to doing their jobs.
- Train managers to identify different styles and to draw out and recognise input from women.
LESSONS FOR EFFECTIVE CHANGE
Lessons from those who have gone before...
1 Facts are critical

There must be compelling business reasons for change. The “feel good factor” is not enough. The Gender Diversity Kit was created to focus on facts. Hold leaders to account.

2 CEO and executive team driven

The change process must be driven from the top. If not, the organisation will waste time and energy for little benefit.

3 Involve both male and female leaders in the change process

Women cannot do it alone. Success requires men to do things differently, as well as women.

4 Bite-sized, results-focused programs

This is a big change that will not happen overnight. The goal should be to implement a well-paced series of initiatives over time.
Run your gender-focused talent management program with the same rigour as other business initiatives

Summary of suggested actions

<table>
<thead>
<tr>
<th>Galvanise with facts (not “feel good factor”)</th>
<th>Visibly led by CEO, top team (not HR)</th>
<th>Use disciplined project management process</th>
<th>Assist women in career building</th>
<th>Assist women to manage family responsibilities</th>
<th>Create an inclusive culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Insist on facts – even when data is hard to get</td>
<td>• Develop and communicate business rationale</td>
<td>• Establish specific projects with tight time frames</td>
<td>• Establish mentoring program</td>
<td>• Create flexible jobs to retain talented women</td>
<td>• Raise awareness of culture issues that alienate women</td>
</tr>
<tr>
<td>• Check the practice – a policy is not enough</td>
<td>• Demonstrate CEO and top team involvement</td>
<td>• Assign business leaders – male and female – to run projects</td>
<td>• Ensure promotion and assignment process develops female talent</td>
<td>• Enforce reasonable work practices</td>
<td>• Insist on gender neutral language</td>
</tr>
<tr>
<td>• Set objectives and hold leaders accountable</td>
<td>• Check that CEO and leadership team behaviours support female talent</td>
<td>• Focus on delivering results from a few initiatives at a time rather than trying to do it all simultaneously</td>
<td>• Ensure pay and performance measurement processes send the right signals to women</td>
<td>• Develop best practice, caregiver policies</td>
<td>• Include women in networking/social events</td>
</tr>
<tr>
<td>• Establish scorecard and report results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Help women build organisational presence</td>
</tr>
</tbody>
</table>
What works – suggested program structure

Talent management steering group

Members:
• CEO (Chair)
• Total leadership team
• Senior women

Responsible for:
• Identifying issues
• Establishing priorities and program initiatives
• Agreeing objectives and performance measures
• Approving project team recommendations
• Communicating purpose and progress

Project teams

• Senior executive sponsor
• Respected male and female business leaders

Responsible for:
• Investigating issues
• Developing recommendations
• Implementing changes

HR and/or consultant advisor

Responsible for:
• Providing support to steering group and project teams
### Making better use of female talent change process

**Australian Company Example**

<table>
<thead>
<tr>
<th>Call to arms</th>
<th>Get serious</th>
<th>Build commitment</th>
<th>Secure early wins</th>
<th>Set new priorities</th>
</tr>
</thead>
</table>
| • HR and a small group of female leaders develop core analyses (3-5) that capture CEO/senior executive attention  
• Expose senior business leaders to analyses. Discuss business implications  
• Identify senior champions | • Establish formal talent management steering group chaired by CEO  
• Articulate business reasons for change | • Seek input from mid- and senior-level women through focus groups, interviews and surveys. Find out their most important issues  
• Get a larger group (100+) of men and women involved. Workshop environments work well. Share facts/more analyses/survey results. Agree priorities. Ask for volunteers. | • Set up specific task forces to tackle priorities (include men and women volunteers)  
• Establish clear work program and timetable for implementation | • Evaluate program  
• Assess results  
• Report to CEO and board  
• Communicate progress to the organisation  
• Establish new wave initiatives |
## Troubleshooting your change process Australian Company Example

<table>
<thead>
<tr>
<th>What can go wrong?</th>
<th>Suggested response</th>
</tr>
</thead>
<tbody>
<tr>
<td>New CEO isn’t a supporter</td>
<td>Ensure business case is sound and fact-based</td>
</tr>
<tr>
<td>Lots of talk, no action</td>
<td>Hold specific executives accountable for key program initiatives that deliver results within tight time frames</td>
</tr>
<tr>
<td>HR becomes the “owner”, business support withers</td>
<td>Position HR as the enabler, and make senior business leaders accountable as project owners</td>
</tr>
<tr>
<td>Too many initiatives, too little benefit</td>
<td>Pace the program, only start initiatives that can be completed within reasonable time frames</td>
</tr>
<tr>
<td>Male backlash</td>
<td>Communicate business case for change, focus on talent (not diversity), involve men in the change initiatives</td>
</tr>
<tr>
<td>“Do as I say, not as I do” leadership</td>
<td>Give 360° feedback to your CEO and top team regarding support for female talent initiatives Report results to the board</td>
</tr>
<tr>
<td>Women avoid participation for fear of being “labelled”</td>
<td>Focus on the business case and share facts. Have men lead initial projects</td>
</tr>
<tr>
<td>“Flavour of the month” program, enthusiasm flags over time</td>
<td>Establish performance measures, set clear objectives, hold people accountable. Celebrate wins</td>
</tr>
<tr>
<td>External awards don’t reflect internal reality</td>
<td>To avoid cynicism, report progress honestly. Keep renewing objectives internally</td>
</tr>
<tr>
<td>Failure to get the facts because data not readily available; or believe you know the answer</td>
<td>Keep referring back to the CEO Kit. Explore one issue at a time in depth rather than settling for a cursory overview of everything</td>
</tr>
</tbody>
</table>
Bibliography

ABS Average Weekly Earnings - Trend (Cat No 6302.0 Table 1), May 2012 [released 16/08/2012]. Full time, adult, ordinary time earnings.

American Accounting Association full reference


Babcock, L, Laschever, S, Gelfand, M & Small, D 2003, ‘Nice girls don’t ask’ in Harvard Business Review, October, http://harvardbusinessonline.hbsp.harvard.edu Managers who pride themselves on giving employees what they request may be short-changing women, simply because men ask for a lot more than women do. This can be costly for companies, and it requires management intervention.


Credit Suisse (2012) Gender Diversity and Corporate Performance, Zurich, Credit Suisse AG. Research Institute.


What keeps CEOs awake?: The CEO Institute, January-March 2012 (member meetings)


Appendix 1A: The Employee Survey

This survey developed by CEW aims to provide CEOs with an overview of the level of employee satisfaction. Organisations are welcome to use or develop this survey further.

Key questions

<table>
<thead>
<tr>
<th>About working for (company name)</th>
<th>Strongly disagree</th>
<th>2</th>
<th>3</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I really enjoy the work I do at (company name)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>I would recommend (company name) as a good place to work</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>About career plans and development</th>
<th>Strongly disagree</th>
<th>2</th>
<th>3</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>About career plans and development</td>
<td></td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>I will be seeking further promotion</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>I plan to resign or retire in the next three years</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>If I were to leave, the main reason would be:</td>
<td></td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Better opportunity for promotion or career progression</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• More money</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• More flexibility/ability to manage own time</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Better work/life balance</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Better opportunity to develop my skills</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Better opportunity to feel valued and part of a team</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Less likely to be harassed or bullied</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• More gender-neutral environment</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

NOTES: Survey must be anonymous for employees to feel ‘safe’ in responding / Ensure data can be split by gender for employees under 30, between 30 and 40, and over 40.

The CEW Gender Diversity Kit 69
### Appendix 1A: The Employee Survey (cont.)

#### About career plans and development (cont.)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>* The promotion process is fair and objective</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* If I wish to progress my career at [company name], I feel supported to do so</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I have adequate support from formal or informal mentors</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* My access to formal or informal networks is equivalent to that of my peers</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* My supervisor and I have agreed on the actions I need to take to realise my career goals</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I had the same training/development/work opportunities as my peers</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I have received development opportunities in the last year</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* Gender does not influence career development opportunities in my area</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

#### About selection and promotion

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>* [company name] does a good job of promoting the most competent person</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I believe I have been unsuccessful for promotion at [company name] because of my gender</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* Gender does not influence career development opportunities in my area</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I am satisfied with the opportunities for promotion/career progression</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I consider [company name]’s maternity-leave policies to be very good</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I consider [company name]’s paternity-leave policies to be very good</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I believe females who take maternity leave are supported and encouraged to resume their career</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

*Ask for specific examples or comments
## Appendix 1A: The Employee Survey (cont.)

<table>
<thead>
<tr>
<th>About remuneration and performance</th>
<th>Strongly disagree</th>
<th>2</th>
<th>3</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>* My performance assessments are fair and based on my job goal results</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>* Gender does not influence performance assessments in my areas</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>* Unfair treatment on the basis of gender does not occur at (company name)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

| About employee involvement | | | | |
|----------------------------| | | | |
| * My manager/supervisor takes equal account of the opinions of women and men in reaching decisions affecting our work | 1 | 2 | 3 | 4 |
| * I am able to get my opinions listened to at meetings | 1 | 2 | 3 | 4 |
| * The work environment at (company name) is one where I have equal opportunity as my peers to succeed | 1 | 2 | 3 | 4 |
| * My supervisor/manager seems to value my views and perspectives | 1 | 2 | 3 | 4 |
| * I feel accepted and valued at work | 1 | 2 | 3 | 4 |

| About work/family balance | | | | |
|----------------------------| | | | |
| * My hours of work enable me to balance work and family commitment | 1 | 2 | 3 | 4 |
| * I believe my manager/supervisor would support flexible work arrangements to assist employees | 1 | 2 | 3 | 4 |
| * I want to be considered for promotion even if it means working longer hours/more time away from home | 1 | 2 | 3 | 4 |
| * I would be interested in reducing my salary in exchange for additional leave | 1 | 2 | 3 | 4 |
| * My manager respects my time and family commitments | 1 | 2 | 3 | 4 |
| * I have the flexibility I require to be successful in my role | 1 | 2 | 3 | 4 |
Appendix 1A: The Employee Survey (cont.)

<table>
<thead>
<tr>
<th>About gender awareness and equity</th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Social functions involving my team are held at venues where I feel comfortable</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* Men and women in my job are equally included in social functions</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* Sexual harassment and bullying are not tolerated by my supervisor/manager</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I know how to raise a complaint about unfair treatment or harassment</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I believe staff are confident using [company name]’s processes to deal with inappropriate behaviour</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* I consider the company is serious about encouraging gender equity</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* My supervisor/manager uses gender-neutral language</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>* Offensive language is not tolerated in my work environment</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

*Ask for specific examples or comments

Appendix 1B: The Wheel of Fortune

This diagram represents a means of monitoring progress organisation-wide on the various dimensions included in the Kit.

In recent times, many organisations have taken a number of initiatives to retain and develop female talent. Such developments are welcome, but it remains a fact of business life that real and sustained progress will not happen until there is significant change across all 12 dimensions on the female-talent ‘Wheel of Fortune’ figure shown below. Action in each of these dimensions reinforces and furthers progress in all the others – making the wheel spin faster until the momentum is unstoppable.