



THE GENDER GAP AT THE TOP

What's Keeping Women From Leading Corporate America?



WHAT WE NEED TO DO

For years, we've watched corporations announce programs to help women move into senior positions. We've heard about high potential pipelines, leadership development initiatives, formal mentoring and, more recently, sponsorship. And yet, the numbers don't move—at both Fortune 500 and S&P 500 companies, women are only about 5 percent of CEOs and multicultural women are almost non-existent at the top. While there are many programs in place having an impact, including formal mentoring and sponsorship, change is slow.

Working Mother, and our **NAFE** (National Association for Female Executives) division, are frustrated with this lack of progress. So we decided to find out what was keeping women from moving into the feeder positions for CEO, especially those with Profit & Loss (P&L) responsibilities, and what could be done about it. We reviewed previous studies and noted that there was some data-driven research but it didn't contain any of the “why,” the stories behind what is keeping women out of these positions. And while there were many articles and interviews with senior-level women, they didn't contain data to support what they said.



We decided to combine quantitative and qualitative research. We launched a national survey of women (and men) at all levels and followed up with in-depth focus groups of employees at various career stages and interviews with C-suite executives.

The results are staggering. Across the board, junior and mid-level women don't know what opportunities exist for them or how to pursue them, don't understand the benefits of P&L experience, don't understand the importance of networking, mentoring and sponsorship, and are afraid to take risks in the form of job opportunities when they don't have all the skills required.

We have gone further than just identifying what's wrong. We have spoken with many people across various levels in corporate America to reveal solutions that both the women and the corporations need to undertake if this deficit is to be solved.

This research is just the beginning. While we did pull out information for multicultural women in this report, in 2020 we are going to dive even deeper into the particular challenges they face, and break it down specifically by race and ethnic group. And, in 2021, we are planning to examine the global challenges of getting women to the top.

Subha V. Barry
President
Working Mother Media

Why This Research

Much has been said in recent years about the lack of women at the top of corporate America. Despite the introduction of programs and initiatives designed to move women up, the reality is that the CEO and C-suite numbers—and in the pipeline—are stagnant. And they are even worse for multicultural women.

This Working Mother Research Institute project takes a comprehensive look at the experiences of women—and men—at all levels of corporations to ascertain what perceptions and realities are keeping them out of the highest ranks and to offer real solutions to close the gap. Our extensive data is both quantitative and qualitative. Key findings, detailed in this report, show women have fewer positive experiences in the workplace than men and that this reality begins early in their careers. These deficiencies are especially significant for multicultural women.

CONSIDER



Only 5%
of CEOs of S&P
500 companies
are women¹



At S&P 1000
companies,
**94% of
CEOs are
men**²



About 24%
of C-suite positions
at S&P 500
companies are held
by women²

Women in management positions, 2017

White women

32.5%

Latinas/Hispanic women

4.1%

Black women

3.8%

Asian women³

2.4%

A Korn Ferry survey of the 1,000 largest U.S. corporations showed women holding 25% of C-suite positions, up from 23% in 2018. **But most of those spots were as chief of Human Resources and only 6% of CEOs were women.**⁴ Research by IBM shows this is a “top of the house” problem, with many organizations giving lip service to advancing women but addressing the issue haphazardly and ineffectively. “Organizations are over-relying on ‘good intentions’ and applying a laissez-faire approach to diversity, rather than applying the disciplined focus on operational execution they apply to other aspects of organizational performance. Most predict it will take generations before gender-diverse leadership is achieved in their industries.”⁵

The big question is: Despite the prevalence of corporate programs to promote women, why are these numbers not trending upward more quickly?
Our research unveils four main gaps still unaddressed

- awareness/knowledge by women of what’s needed to move up and what opportunities exist
- ability to build relationship capital
- confidence in oneself and willingness to take risks
- corporate cultures that “walk the talk” of accountability in creating opportunities for women

1) “Pyramid: Women in S&P 500 Companies,” Catalyst, 2018

2) “Women CEOs Speak,” Korn Ferry Institute, 2017

3) “Quick Take: Women in Management,” Catalyst 2018

4) “Women C-Suite Ranks Nudge Up—A Tad,” Korn Ferry Institute, 2019

5) “Women, Leadership and the Priority Paradox,” IBM 2019

METHODOLOGY

In October 2018, a nationally representative sample of 3,038 professionals— 2,289 women and 749 men—was conducted across race/ethnicity and levels of experience with more than 100 questions detailing demographics, aspirations, career progress and derailing factors. There was an even distribution of respondents in their early, middle and late career as well as at varying levels—36% professional/technical non-managers, 25% first-/second-level managers and 8% executives (including 200 C-suite executives). Forty-one percent of respondents had profit-and-loss (P&L) responsibility.

We defined P&L as having responsibility that involves monitoring the net income after expenses for a department or entire organization, with direct influence on how company resources are allocated.

Of total respondents, 79% were white, while 20% were multicultural and 1% did not answer. Respondents represented 24 industries, including accounting, financial services, healthcare, manufacturing, non-profits, pharmaceuticals, professional services and technology.

We followed up the quantitative research with eight in-person focus groups and six executive interviews conducted by WFD Consulting, giving us extensive qualitative and experiential information to better understand the context for the data. Working Mother Research Institute also did one-on-one interviews with four C-suite executives (three women, one man) about their experiences.

Report by Barbara Frankel, Suzanne Richards, Ed.D. and Maria Ferris of Maria S. Ferris Consulting

Thanks to Betty Spence, Ph.D., and the National Association for Female Executives (NAFE) for spearheading this research. Also thanks to research advisors Ripa Rashid of Culture@Work and Deborah Munster of Diversity Best Practices.

Key Findings 4 Critical Gap Areas

The research identified four major areas that are impacting women's desire and ability to reach the top of their organizations.



Awareness/ Knowledge Gap

Women are less likely than men to have a clear vision of how they want their careers to advance, including acquiring P&L experience, and most men underestimate the barriers women face. A significant percentage of women do not understand nor have access to information about career paths that lead to C-suite positions. They're unaware of what steps are required for vertical movement and whether they are considered high potential or C-suite material. Many don't even realize there are training and development programs, career guidance, mentoring and sponsorship programs available to them

- **For example, 48% of men say they have received detailed information on career paths to P&L jobs in the past 24 months vs. just 15% of women**



Relationship Capital Gap

Far more men than women recognize the critical importance and benefits derived from networking, mentoring and sponsorship in elevating one's personal profile, developing one's brand and finding allies to help move up. And with multicultural women, the negative impact of the gap is even more significant. The lack of relationship capital is evident by the fact that fewer women are encouraged to consider P&L roles

- **For example, 54% of men had a career discussion with their mentor or sponsor in the past 24 months vs. just 39% of women**



Career Aspiration/ Risk-Taking Gap

The importance of being able to visualize oneself at the top, to seek role models and to be encouraged cannot be overestimated. Some women are afraid to take on stretch assignments or new positions unless they feel they already have all the qualifications. There are not enough role models for women to help visualize themselves in those roles. Consequently, there are too few senior executive women who can provide coaching, mentoring and sponsorship for more junior women

- **For example, 59% of men aspire to be CEO vs. 40% of women**



Culture Gap

Real implementation—and holding people accountable to drive measurable results—is rare. Companies are checking the boxes with diversity programs, especially those aimed at advancing women. The business case for diversity must assume the same degree of importance in the C-suite as market share and bottom line

- **Of those who never had a P&L position but may want one, 64% of women see a male-dominated culture as an obstacle vs. 21% of men**



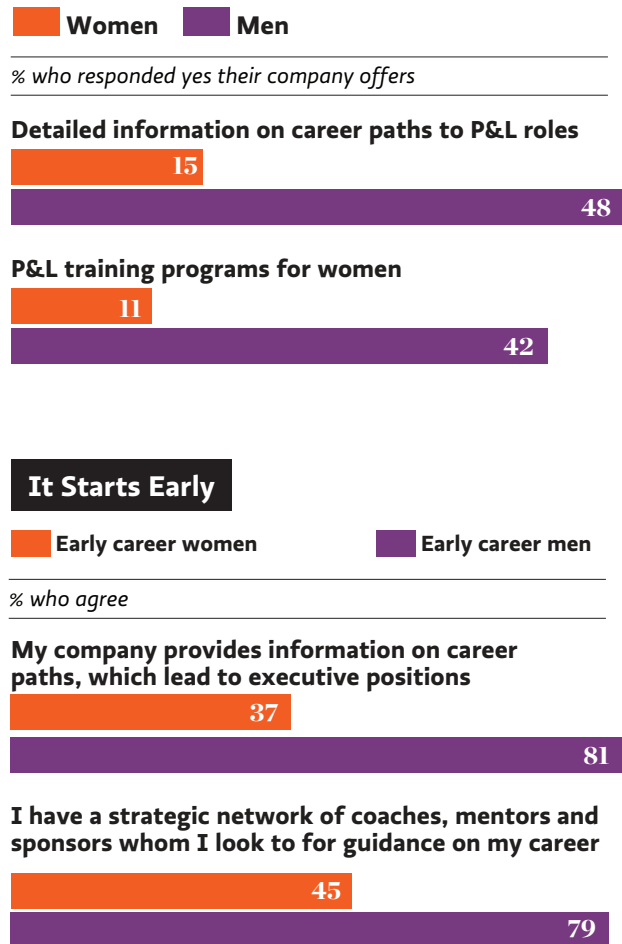
Awareness/Knowledge Gap

KEY DATA FINDINGS

Perceptions



Knowledge of Advancement Programs



- 77% of women say a **top barrier to gender equity** is lack of information on how to advance
- 78% of women without P&L experience cited their own **lack of understanding of P&L career paths** as top obstacle

- 74% of women agree they understand what's needed to advance in their company, but **only 37% said their company provided information about career paths**
- 28% of women vs. 53% of men **participated in a leadership development program** in the past 24 months

- 39% of women vs. 54% of men **had a career discussion with their mentor** in the past 24 months
- 14% of women vs. 46% of men have been **encouraged to consider P&L roles**



Awareness/Knowledge Gap

OUR RESPONDENTS TELL US



Processes for identifying high potentials and succession planning are not transparent

“It’s not always clear what the advancement opportunities really are. Senior positions don’t get posted. You kind of hear about opportunities informally when people know who they want.”

SENIOR LEVEL

Few women executives had a long view of where they wanted to go with their careers. It was more common that they focused on hard work and raising their hands to take on challenges

“Men don’t feel like they need to know everything before going for a different opportunity, but women often do. We second-guess our capabilities.”

SENIOR-LEVEL WOMAN

Finding out about open jobs often depends more on relationships and personal initiative than posting. There is still a perception, especially by women, that it’s who you know, not what you know

“Managers may not be telling people what skills are needed to pull them up and prepare them for success.”

EARLY CAREER



Calculated risk-taking and knowing when to ask permission versus when to act are essential skills for leadership

“There is no clear written path or checklist. It is very subjective.”

MID-CAREER WOMAN

Gaining broad knowledge of the business beyond one’s core area of expertise was identified as a key experience for those aspiring to leadership

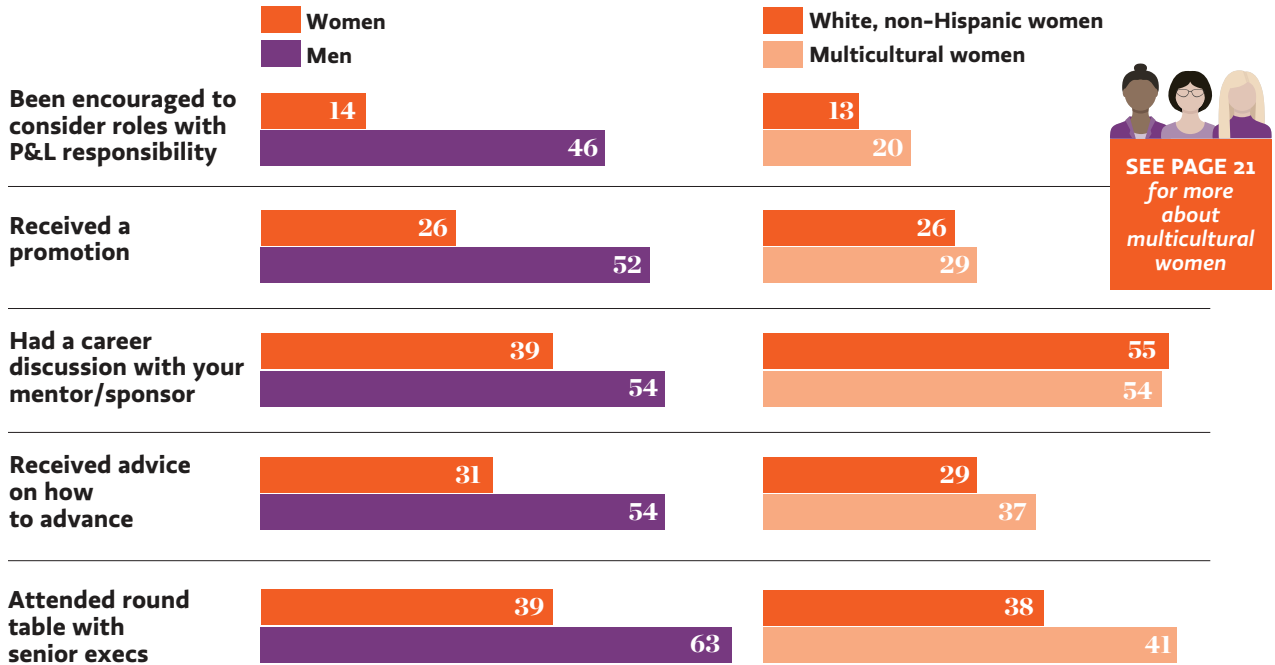


Relationship Capital Gap

KEY DATA FINDINGS

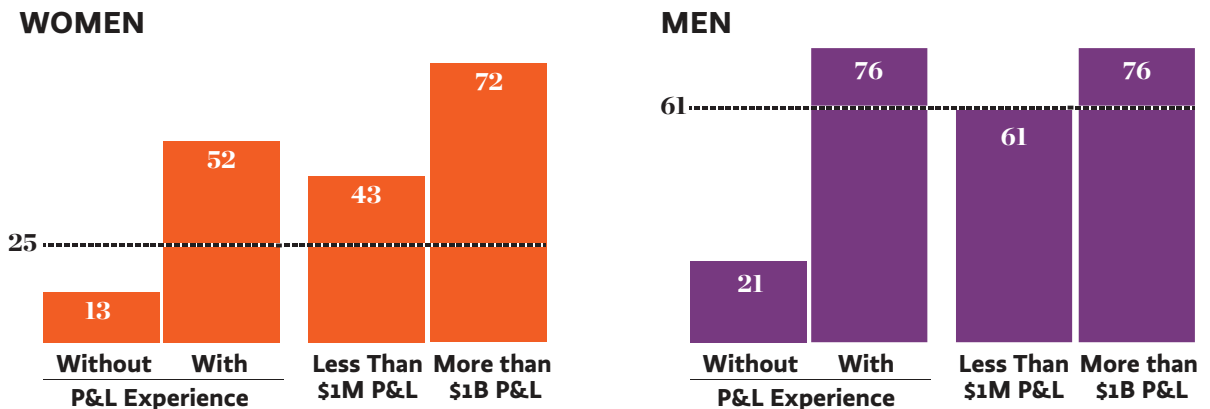
Positive Reinforcement/Support

In the past 24 months, % who had the following



Encouragement Matters

% who were encouraged to seek out opportunities with P&L responsibilities





Relationship Capital Gap

KEY DATA FINDINGS

Mentoring/Sponsorship Gaps Across Industries

% who said their company offers a formal sponsorship program for women (total – both men and women)

Accounting

24

Financial Services

33

Consumer Goods/Manufacturing

20

Federal/State Government

13

Healthcare

10

Insurance

13

Management Consulting/Professional Services

23

Life Science/Pharma

13

Non-profit

5

Technology

51

- **41%** of women vs. **62%** of men have a strategic network of coaches, sponsors and mentors
- Exposure through sponsorship, stretch assignments and cross-functional roles were key factors in learning about and acquiring leadership opportunities
- Women with P&L responsibility are more likely to have a strategic network than women without (**55% vs. 34%**)
- Men are **three times as likely to have been encouraged** to consider a P&L role and **twice as likely to have received a promotion** in the past 24 months

- **56%** of women executives had a career discussion with a mentor/sponsor vs. **66%** of men executives
- **78%** of women who were encouraged to consider P&L roles agreed they had the necessary skills for a P&L role vs. **40%** of women who were not encouraged
- **80%** of women who were encouraged to consider P&L roles felt they would be successful in the role vs. **51%** of women who were not encouraged
- Multicultural women are **more likely than white women** to be encouraged to consider P&L roles



SEE PAGE 21 for more about multicultural women



Relationship Capital Gap

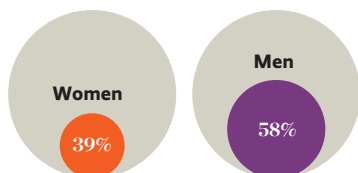
KEY DATA FINDINGS

Across Industries and Job Functions

In the past 24 months, % who received the following:

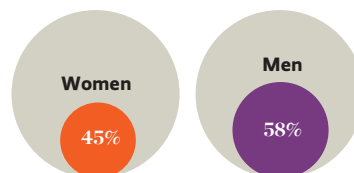
ADVICE FROM MENTORS/SPONSORS

Received advice on how to advance



| | Women | Men |
|---------------------------------|-------|-----|
| Consumer Goods/Manufacturing | 36 | 55 |
| Finance | 37 | 53 |
| Financial Services | 45 | 63 |
| HR | 45 | 76 |
| IT | 50 | 66 |
| Legal | 21 | 43 |
| Mgmt. Consulting/Prof. Services | 39 | 56 |
| Manufacturing | 35 | 51 |
| Marketing/PR/Communications | 34 | 69 |
| Sales | 35 | 38 |
| Technology | 48 | 72 |

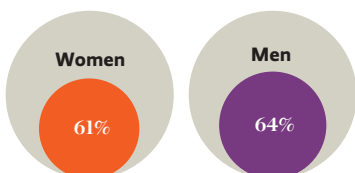
Had a career discussion with your mentor/sponsor



| | Women | Men |
|---------------------------------|-------|-----|
| Consumer Goods/Manufacturing | 48 | 57 |
| Finance | 38 | 57 |
| Financial Services | 49 | 62 |
| HR | 52 | 59 |
| IT | 54 | 66 |
| Legal | 30 | 50 |
| Mgmt. Consulting/Prof. Services | 44 | 60 |
| Manufacturing | 37 | 51 |
| Marketing/PR/Communications | 49 | 63 |
| Sales | 43 | 45 |
| Technology | 51 | 67 |

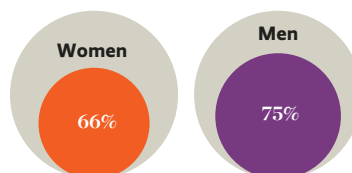
GUIDANCE FROM MANAGERS

Had a career discussion with your manager



| | Women | Men |
|---------------------------------|-------|-----|
| Consumer Goods/Manufacturing | 62 | 58 |
| Finance | 60 | 69 |
| Financial Services | 66 | 78 |
| HR | 58 | 65 |
| IT | 73 | 72 |
| Legal | 55 | 43 |
| Mgmt. Consulting/Prof. Services | 55 | 56 |
| Manufacturing | 50 | 60 |
| Marketing/PR/Communications | 58 | 63 |
| Sales | 61 | 64 |
| Technology | 69 | 74 |

Been given feedback on how to improve performance



| | Women | Men |
|---------------------------------|-------|-----|
| Consumer Goods/Manufacturing | 68 | 72 |
| Finance | 65 | 74 |
| Financial Services | 66 | 77 |
| HR | 70 | 78 |
| IT | 71 | 79 |
| Legal | 51 | 64 |
| Mgmt. Consulting/Prof. Services | 69 | 80 |
| Manufacturing | 61 | 73 |
| Marketing/PR/Communications | 69 | 74 |
| Sales | 62 | 70 |
| Technology | 75 | 81 |



Relationship Capital Gap

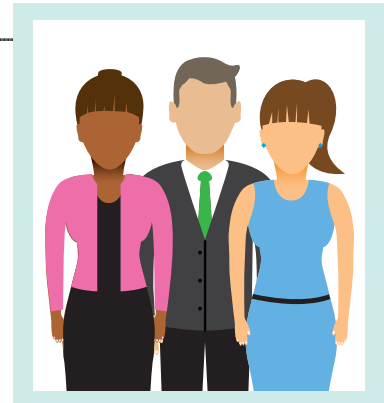
OUR RESPONDENTS TELL US

Relationships are key to finding advancement opportunities

Strategic networks teach the unwritten rules of the corporate culture

Mentors are invaluable in providing advice and support

One's advancement is often disrupted when a supportive manager moves on



"I see mentorship as high-touch. Sponsorship can occur more at a distance. Mentorship takes a more intimate role, and you need all three: one who knows the business well, someone who knows the organization well and someone who keeps it real who can say to you, 'You know in that meeting, you were not at your best.' Or it helps you readjust your attitude at times."

SENIOR-LEVEL WOMAN

There are many job opportunities, but learning about them depends on who is in your network and how connected your manager is

Some companies have robust job-posting systems, but learning about opportunities depends more on relationships and personal initiative

More and more, employees are in charge of their own careers and must create their own strategic networks. They must be visible to people across the enterprise so that when opportunities arise, their names are offered up in conversation

Mentors provide invaluable advice and support in many areas—business acumen, communication skills, leadership skills, promoting visibility, coaching on difficult situations, mapping out a career path, work/life challenges and providing a confidential sounding board

As people advance, they have fewer mentors

Most promotions and new positions come through connections or people they know rather than the job-posting process or formal job applications

Employee resource groups (ERGs) help build relationships, broaden business knowledge and gain visibility. As women advance, the ERG shifts from a resource for personal development to a leadership opportunity to develop others

To reach the highest levels, you need a sponsor who advocates for you when you are not in the room. They "pull you up" by opening doors, encouraging stretch assignments, promoting visibility and advocating for you at critical times

"People have the secret decoder ring, but they aren't going to tell you what is in it. You have to be pretty attuned to politics and relationships."

MID CAREER

"You can go from any client-facing to HR role and get back to client-facing if you have someone supporting you and have a good personal brand."

EARLY CAREER

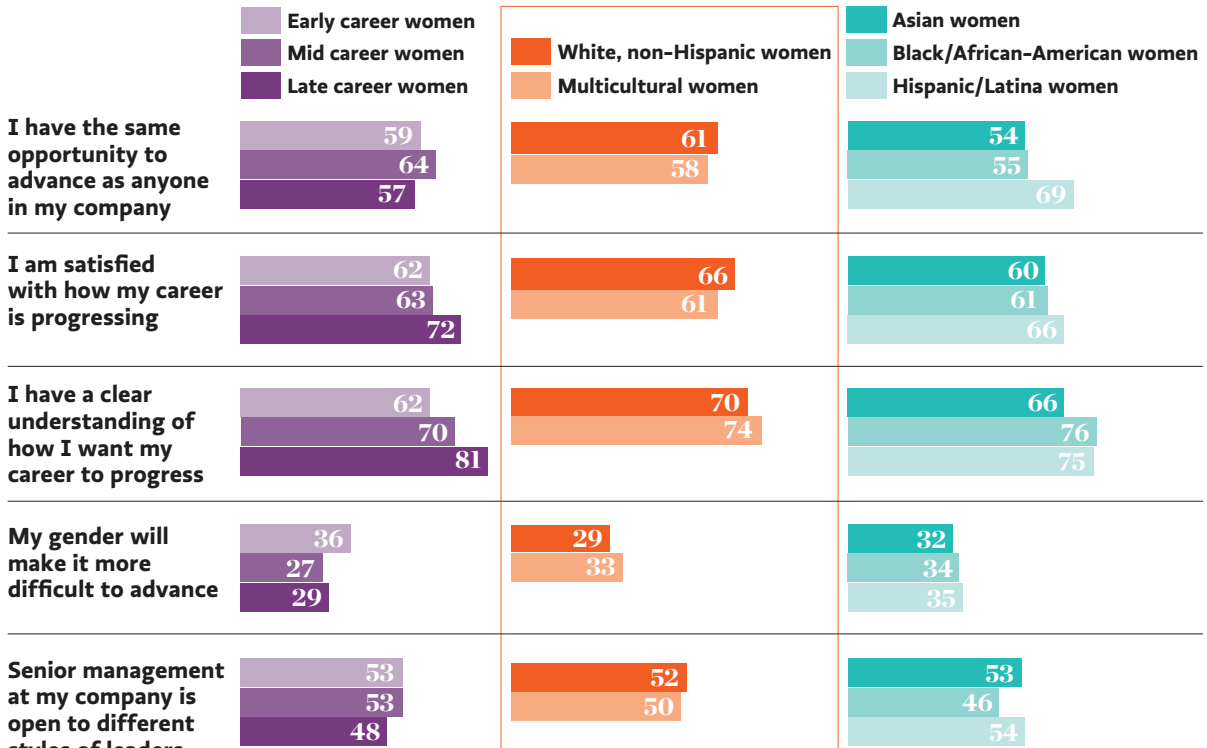


Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Different aspirations at different times

% who agree



SEE PAGE 21 for more about multicultural women

Unsure of Career Advancement

Women Men

Unsure or satisfied with current level



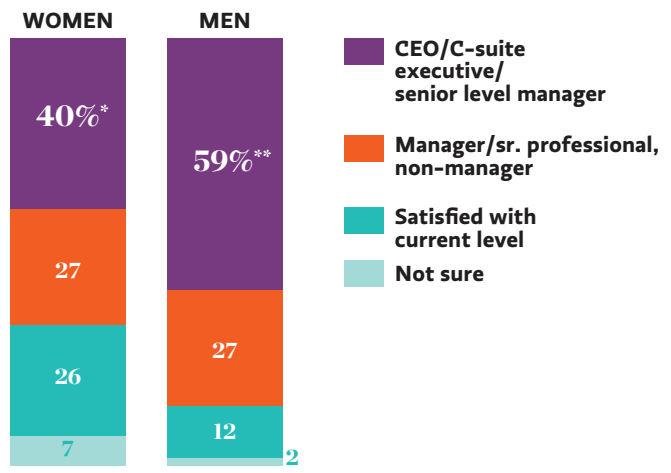


Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Who wants to be CEO?

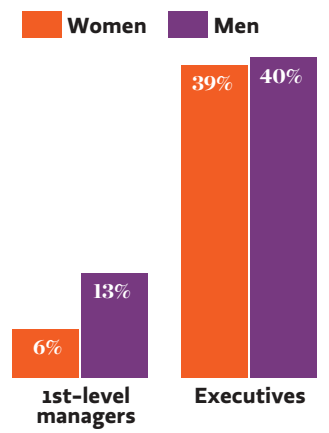
What is the highest level to which you aspire in your career?



* 42% of women who work at companies with less than 1,000 employees; 38% of women who work at companies with 10k or more

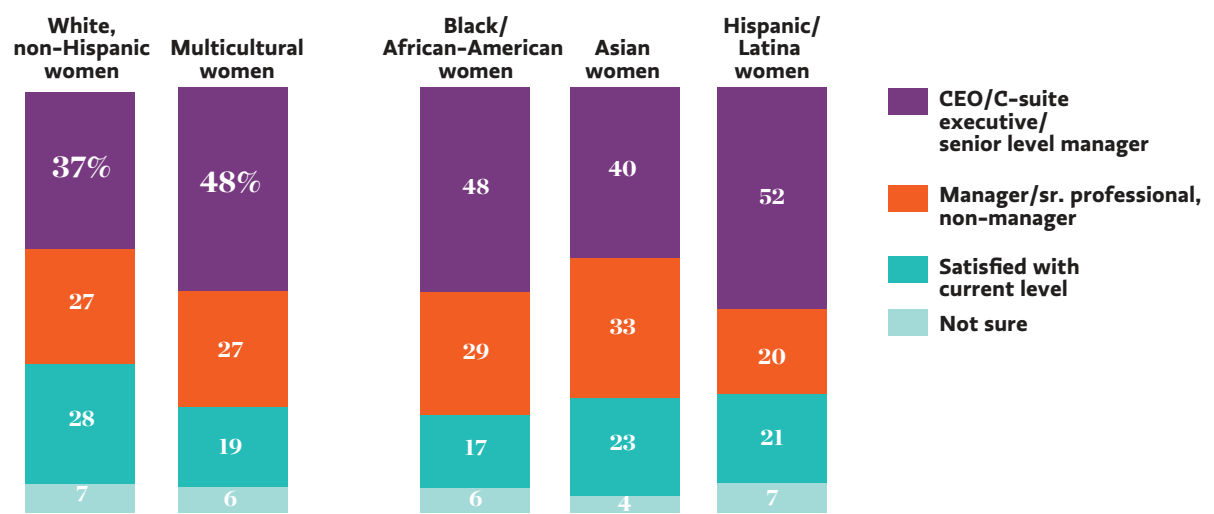
** 63% of men who work at companies with less than 1,000 employees; 55% of women who work at companies with 10k or more

% who aspire to CEO



Multicultural women have higher aspirations

What is the highest level you aspire to in your career?



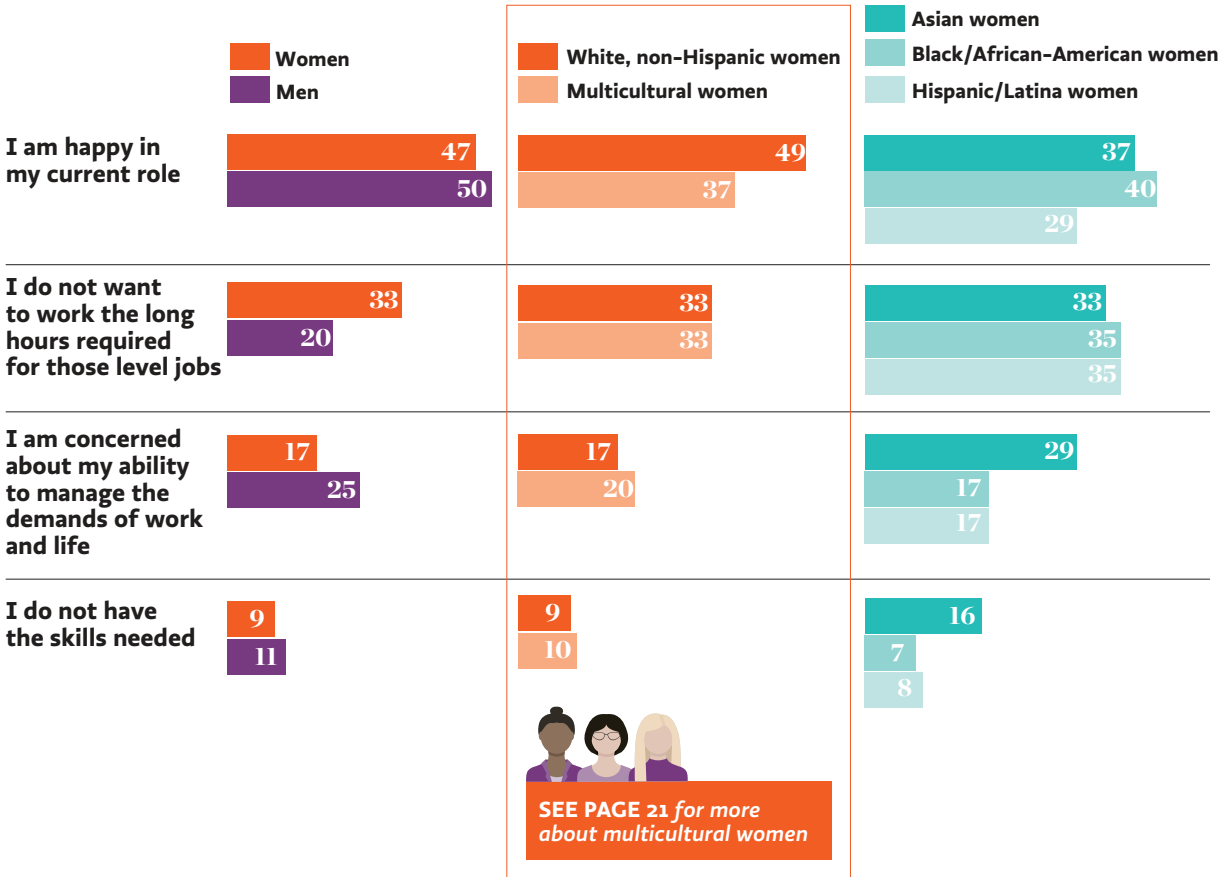


Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

What's keeping them from trying

Primary reasons you are not interested in being a CEO, C-suite member, executive or senior manager





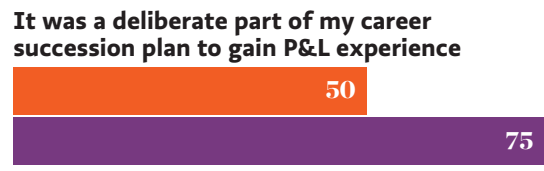
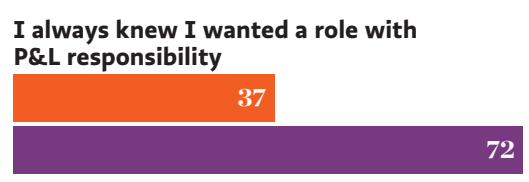
Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Path to P&L

% with P&L experience who agree

- Women
- Men



Women with P&L get more support

% who have experienced the following in the past 24 months

Been encouraged to consider roles with P&L responsibility



Women with P&L have better job experiences

% who agree

I am satisfied with how my career is progressing



My job is challenging



Aspire to senior positions with P&L experience

What is the highest level to which you aspire in your career?

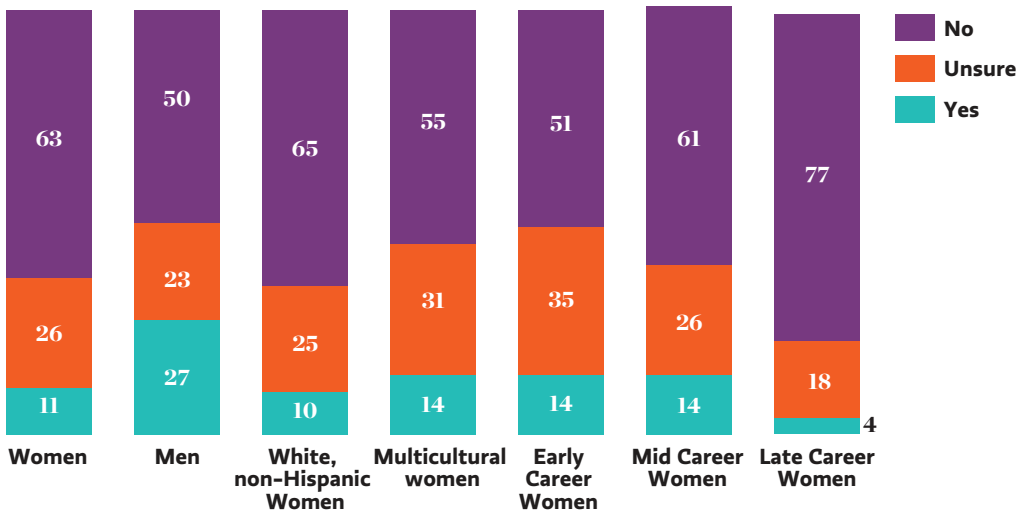




Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Are you interested in a role that has P&L responsibility?

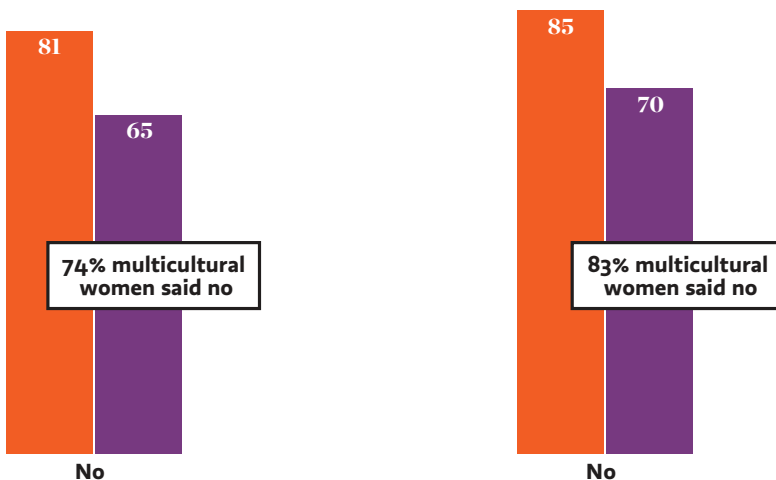


Responses only for those who did not have P&L experience

Women Men

Have you expressed your interest in P&L to your manager or mentor/sponsor?

Has your manager or mentor/sponsor encouraged you to pursue a P&L position?

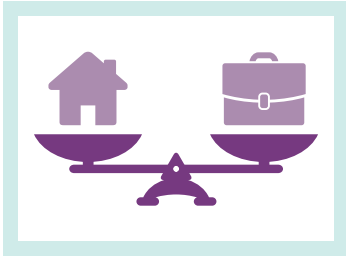


Their manager is the most likely person to tell and to encourage them



Career Aspiration/Risk-Taking Gap

OUR RESPONDENTS TELL US



Leaders made work/life tradeoffs to continue to advance their careers. Success factors include manager support, availability of flexible work options, work/life policies and results/productivity focus

Leaders felt that for high performers with proven track records and visibility, there were periods when it was possible to slow down for family reasons and then accelerate again on the advancement track. However, the few exceptional people who make it to CEO have to make more tradeoffs

High performers observe early in their careers that there are few top leadership positions and limited opportunities for advancing to feeder positions unless they have a senior leader identify their capabilities and pull them up

Performance-management systems with forced rankings discourage talented individuals

Being able to visualize yourself in the role is key—6% of female first-level managers aspire to be CEO vs. 39% of female executives

- Men were twice as likely as women to aspire to CEO (**20% vs. 9%**)

- **40%** of women want to be executives compared to **59%** of men

- Women are much more likely to receive advice early in their career. For example, in the past 24 months, **62%** of early-career women had career discussions with their managers vs. **45%** of late-career women. For early-career women, **16%** were encouraged to consider P&L responsibilities vs. **8%** of late-career women

- Multicultural women are **more than twice as likely to aspire to be CEO** and less likely to be satisfied with their current level than white women

- Black and Hispanic women are more likely to aspire to CEO than Asian women

- **14%** of women were encouraged to consider P&L roles in the past 24 months vs. **46%** of men



Culture Gap

KEY DATA FINDINGS

P&L Experience

% with P&L experience

Women

31

4.9 avg years in P&L position

\$94.8K personal income*

74% white, not of Hispanic origin/
26% multicultural

Top two industries:
Other, Healthcare

Men

71

5.3 avg years in P&L position

\$145.1K avg. personal income**

85% white, not of Hispanic origin/
15% multicultural

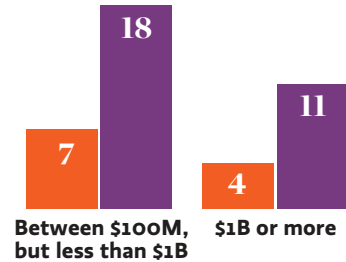
Top two industries:
Technology, Other

*Avg. income women with no P&L experience: \$76.4k

** Avg. income men with no P&L experience: \$109.2K

Size of P&L

Women Men



Importance of P&L

Our focus-group participants agreed that business and financial acumen are critical skills for leaders and those aspiring to leadership. Those in matrix organizations express frustration with having responsibility for results without control over inputs. Some commented that it is possible to acquire valuable analytical skills in roles other than P&L, and virtually all agreed technology skills are critical

WHAT THEY SAID ABOUT P&L

“To make business decisions based on projections and trends, you have to be able to analyze what has happened in the past and make good predictions and decisions for the future.” MID-CAREER WOMAN

“P&L is highly important, but deep-business knowledge also is critical. Can you hold your own?” MULTICULTURAL WOMAN

“I liked having P&L ownership because success is clearly defined.” MID-CAREER WOMAN

“Create more opportunities for people from different parts of the business to get P&L exposure and experience in rotational and stretch assignments for those aspiring to take on any leadership roles.” SENIOR-LEVEL WOMAN

“Having an understanding outside our own part of the business is really important. Earlier in my career, my manager suggested I ask people to lunch to learn about what they do and learn more about other opportunities.” EARLY-CAREER WOMAN



Culture Gap

KEY DATA FINDINGS

What Gets in the Way?

% selecting

Never held a P&L role, interested or unsure of interest

Women
Men

Lack of training



Lack of information on available jobs



Lack of understanding about the career path for P&L responsibility



Male-dominated culture



Bias about my gender



White, Non-Hispanic Women
Multicultural Women

Lack of a sponsor



Lack of a mentor



Stereotypes about who would do well in a P&L role



SEE PAGE 21
for more
about
multicultural
women



Culture Gap

KEY DATA FINDINGS

What Slows Women's Progress

80% of women who aspire to senior executive positions agree that P&L experience is critical for company executives

YET ONLY:

| | |
|-------------|--|
| 62%* | agree they would be successful in a P&L role |
| 45%* | agree they need P&L experience for their career goals |
| 28%* | have been encouraged to get P&L experience |
| 28%* | agree their company provides information on P&L career paths |
| 26%* | agree they know how to get P&L experience |

* Percentages are for women who aspire to senior manager roles – not all women

What Slows Multicultural Women's Progress

48% of multicultural women aspire to senior executive positions

75% of multicultural women agree P&L experience is a critical skill for company executives

YET ONLY:

| | |
|-------------|--|
| 52%* | agree they would be successful in a P&L role |
| 44%* | agree they need P&L experience for their career goals |
| 32%* | agree their company provides information on P&L career paths |
| 29%* | have been encouraged to get P&L experience |
| 28%* | agree they know how to get P&L experience |

* Percentages are for all multicultural women, regardless of experience



SEE PAGE 21 for more about multicultural women

- The **top obstacles for women** cited by survey respondents were lack of training, lack of information about jobs, and understanding career path
- C-suite men see lack of skills/training, lack of role models and stress as being larger obstacles than do C-suite women

- **51%** of women vs. **69%** of men agree senior management is open to different styles of leaders
- Men were **more than twice as likely to have P&L experience**, and their average income was significantly higher than women's



Culture Gap

OUR RESPONDENTS TELL US

Lack of diverse leaders discourages younger talent from joining companies

“I think the bar is higher for women of color, even more than white women. We have to work harder. It keeps coming back. There is a real difference in expectations.”

MULTICULTURAL WOMAN

Unconscious bias is alive and well

Women feel there is a different performance standard for them. Women feel they have to be more qualified and demonstrate they already can do the job. This is even more true for multicultural women

Success often depends on one’s immediate manager. If senior leadership doesn’t believe strongly in the business case for diversity, this trickles down to lower levels of management

Soft skills, such as emotional intelligence, collaboration and relationship management, are seen as essential for leadership but may not always be top of mind

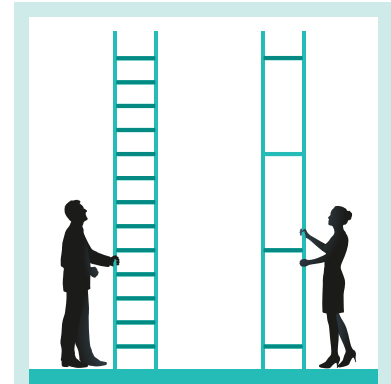
Companies may be losing valuable talent from lack of a clear process or clear communications

Employees see fewer gender differences among younger Millennial talent than in Gen X and Baby-Boomer groups

The old boys’ club still exists and impacts hiring and promotion decisions, access to valuable informal socializing, sexual harassment, mentoring and sponsorship, and forming relationships based on common interests

“Travel is an obstacle and whether I want to move. Everything here is headquarters-centric and there is nowhere else to advance.”

SENIOR-LEVEL WOMAN



“There are unwritten rules. You have to know that you’re in a game, and you have to choose how you’re going to play.”

MULTICULTURAL WOMAN

Many women and people of color have demonstrated management and leadership skills in their communities, but these are not recognized when they are recruited or after they have been in the workplace

continued on next page



Culture Gap

OUR RESPONDENTS TELL US

Women want to be judged on their results without preconceptions about their personal lives. Several women have husbands who downshifted their careers to support the acceleration of the wife's career. Others had extensive paid help

“There is a moment that is really hard for women and families. But if you can just help women get past that pain point, they can move forward. It’s important,”

SENIOR-LEVEL WOMAN

“When I had my first child, a month later I had a work trip and didn’t feel like I was ready. I went to my boss and said I couldn’t really leave my son. My boss said to just take your son, take your nanny, do whatever you need to do. I never really considered leaving after that because it feels like a partnership.”

SENIOR-LEVEL WOMAN

Work/life policies are not sufficient if they aren’t part of the culture and are inconsistently applied

Multicultural Women (MCW)



(WMRI plans a more in-depth look at what's keeping multicultural women from the top in 2020).

6% of MCW were executives, the same percentage as white women, but MCW were **more likely** to be part of their company's **C-suite** (81% vs. 75% white women)

MCW were **2x as likely as white women to work in IT**

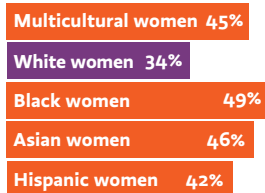
MCW were almost **30% more likely to begin their career in sales** ▶ (45% vs. 35% white women)

MCW were **twice as likely to aspire to be a CEO** ▶ (17% vs. 7% white women)

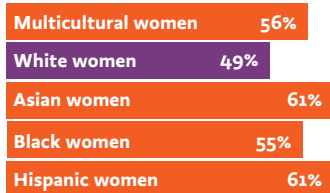
P&L

MCW were 20% more likely to have P&L experience (36% vs. 30% white women)

MCW were **more likely** to say they always knew they wanted a P&L role



MCW were **more deliberate** about making P&L a part of their career plan



MCW who had P&L experience were almost **20% more likely** to say they had been encouraged to take P&L roles



MCW who left a P&L role were almost twice as likely to return



MCW who never worked in P&L were **40% more interested** in a P&L role



- However, 28% said they didn't know how to get the experience

MCW were more likely to say stereotypes about who would do well in a P&L role was an obstacle



MCW were **almost 2x as likely** to express interest in a P&L role to their manager, mentor or sponsor



Results based on 488 multicultural women (104 Asian, 232 black, 100 Hispanic, 52 other)
 Career Breakdown: 39% Early, 36% Mid, 24% Late
 Avg. Age: 37.9 (slightly younger than white women, who were 42.1.)

C-Suite Profiles

Cary Grace

CEO, Global Retirement & Investment, Aon



HER STORY

Growing up in an inclusive community gave Cary Grace confidence to explore what is possible. Born on a U.S. naval base in Quantico, Virginia, she was the second of four children of a dentist and operating-room nurse. Her father left the Navy, and the family was among the early residents of the nation's first planned housing community by The Rouse Company in Columbia, Maryland, where life was designed around self-contained villages.

"I really grew up in a community dedicated to fostering the best in human values," says Grace. "I had a very strong feeling of inclusion and people thinking about how to be their best selves."

Her experiences helped her pursue a career in business after receiving an MBA from the Kellogg School of Business at Northwestern University. "Early on, I wanted to be an architect because I like to build things

and am good with numbers," she says. "But finance was an even better combination of those skills. I wanted to make enough money to pay my bills. I didn't have a specific aspiration to be a CEO, but I also didn't think anything would hinder me."

Married with two children (daughter Elly, 19, is a college freshman and son, Jack, 16, is a high-school sophomore), Grace and her husband, John, have relocated four times to support her career.

BARRIERS TO SUCCESS

"I had to work harder and differently early in my career," she says. She notes that when she was in her 20s, she was interested in private equity and had the right skills. "They came back and said, 'We just don't have women in the business.' So I thought, 'If I can't do that, I'll go do something similar.' I went into asset management, but there weren't lots of senior women role models. It was hard."

WHAT PULLED HER UP

Her childhood helped her learn to value collaboration and other people's opinions. "I was always open to advice and help and have had a strong network that has changed over the years. You want different advice at different points in your career."

In her earlier career at Bank of America, the CEO and other C-suite sponsors moved her into a major P&L job. "They supported me tremendously and showed me how my skill sets were accretive to the business," she says.

HER BEST ADVICE

There isn't one specific path to get to the C-suite. Women should focus on hard skills, such as learning a function, and soft skills, such as how to influence and lead people. It's important for women to take risks and figure out what they really enjoy doing. For organizations, she is heartened by the openness around discussing the lack of diversity at the top and advocates a top-down leadership commitment, with public communications and support. She also urges organizations to emphasize sponsorship and to look for unintentional hurdles in talent development.

It's important for women to take risks and figure out what they really enjoy doing.

C-Suite Profiles

Salene Hitchcock-Gear

President, Prudential Life Insurance and Prudential Advisors



HER STORY

Salene Hitchcock-Gear grew up in an all-female household in Detroit, where she and her older sister were raised by her single mom and grandmother. Her lower-middle-class community was mostly African American, but she attended Catholic schools, which were almost all Hispanic. Her mom, who worked for a cancer foundation, emphasized education, and college was always in the plan.

Hitchcock-Gear wanted to be an architect, “but the nuns told me I couldn’t draw.” After majoring in communications at the University of Michigan, she decided to go to law school “to change the world,” as she says. But early in her career as a lawyer, she was hired by MetLife and realized she could

have more personal impact in insurance. As her career progressed, she had three children—daughter Gabrielle, 28, is now in medical school; son Jordan, 26, is working on a film-production career; and son Noah, 21, is in college.

BARRIERS TO SUCCESS

Hitchcock-Gear had no real career plan. “I couldn’t have told you what a CEO was most of my life. I had no aspirations to be a CEO at all. One thing just led to another,” she says. Although she had supportive bosses, no one really steered her.

She believes that her race and gender may have played into the lack of organized support and career planning. “No one steered me to P&L,” she says. “The

absence of guidance speaks for itself. I said yes to a lot of things that I suspect would be different now.”

WHAT PULLED HER UP

Hitchcock-Gear pulled herself up. “I am always trying to figure out what we are doing, how does this work, how can we make it better,” she says. “I have a level of inquisitiveness that got me into jobs where I had more responsibilities.”

HER BEST ADVICE

She encourages women to say yes to opportunities even if they don’t think they are ready. “Our male counterparts do that all the time,” she says. “It is not easy to raise your hand and think you will fail, but don’t talk yourself out of it because you don’t know every detail.” For multicultural women, especially black women, she notes: “Never underestimate the power of race in a room or a cultural dynamic. You might assume your skills will get you somewhere. But it is really about having allies you trust who will give you actual feedback.”

“It is not easy to raise your hand and think you will fail, but don’t talk yourself out of it because you don’t know every detail.”

C-Suite Profiles

John Bruno

Chief Operations Officer, Aon plc

Chief Executive Officer, Data & Analytic Services



HIS STORY

Growing up as the youngest of four (and a “late-in-life” baby for older parents) in an Italian-American family in New Jersey, Bruno had a blue-collar suburban life. He started college but was distracted by his mom’s bout with cancer and his growing desire to be an entrepreneur. He left school and started two tech companies with mixed results that shaped his professional life. “I met a lot of technical people who were doing amazing things, but they didn’t know how to talk with clients and drive change,” Bruno recalls. “I loved living at that intersection and working closely with both.”

He met his wife, Carol, when they both were 18 and married her seven years later. They have two sons: Michael, 25, who is pursuing his doctorate in chiropractic kinesiology and A.J. (Anthony), 20, a college student at Syracuse University.

Bruno has worked for several different companies in increasingly senior roles of responsibility, including UPS, NCR Corporation, Cisco, Goldman Sachs and Merrill Lynch. He joined Aon in 2014.

BARRIERS TO SUCCESS

Bruno says he hasn’t had many obstacles but observed many women in his field (technology and operations) have had a more difficult path. He recalls earlier in his career at another company, there was a concerted effort to

move women into leadership across technology and operations, “but they did them an unintentional disservice because they didn’t have the right background. They stepped into the lion’s den. There were a lot of men vying for these positions, but the women were surgically placed there.” In a later position with a different company, when he was in charge and saw that a woman was to be his head of engineering, his first reaction was wrong. “I had my doubts and she proved to be one of the best engineers I ever met. It really opened my eyes to my own unconscious bias, and I didn’t like it.”

WHAT PULLED HIM UP

He worked for an exceptional woman leader who made the investment to address unconscious bias and he had extensive support at every job from his leadership, men and women, with opportunities to expand and demonstrate his own leadership. He also had a stay-at-home wife and didn’t have to worry about picking his children up from school, and the many other issues working parents face. “It’s

been easier for men,” he says, “but things are changing.”

HIS BEST ADVICE

P&L leadership, he says, is crucial and gender-agnostic. He believes the best leaders get P&L and functional experience so they understand the challenges and success strategies of both. For women, he says “take risks and take on new roles. Men that have 10 or 20% of what it takes will go for a new role. Women want to know 90% of what it will take. I have worked really hard to ensure the women in my organization take career risks and feel safe doing so.”

Bruno urges companies to push group sponsorship in addition to individual mentorship. “We all do a lot of 1:1 mentoring and then we put people out in the wild on their own. We measure everything, but we don’t measure the effectiveness a group of leaders sponsoring select individuals leveraging the wisdom of the entire leadership team.” He also speaks highly of taking unconscious bias training as a group versus as an individual. “The storytelling and sharing is powerful.”

“Take risks and take on new roles. Men that have 10 or 20% of what it takes will go for a new role. Women want to know 90% of what it will take.”

C-Suite Profiles

Kristyn Cook-Turner

Senior VP, Agency and Marketing

State Farm Insurance



HER STORY

The oldest of three girls, Cook-Turner grew up in a small town in Pennsylvania, where her dad was a high school wrestling coach and driver's education teacher, and her mom was a social worker. After 17 years of doing what they loved, her parents wanted to create greater opportunities for the family. They put all of their savings into a State Farm insurance agency and her dad became a State Farm agent.

"The State Farm mission is to help people manage the risks of everyday life, recover from the unexpected and realize their dreams, which aligns with my parents' values as well as mine," says Cook-Turner.

Sports were important to her and she played college basketball at Syracuse University. "Participating in sports helped me develop foundational leadership skills," she says. "For exam-

ple, I learned that winning is important, but sometimes when you don't win, learning is just as important. Change is constant and you have to be adaptable." She always knew she wanted to strive to achieve her very best and maximize her potential.

BARRIERS TO SUCCESS

Cook-Turner began her career at State Farm in various sales and marketing positions before moving into P&L leadership positions. "Initially, I was focused on building skills and experiences rather than a career trajectory, and that was OK with me," she says. She sometimes found herself in situations where women were the minority, yet having confidence in herself was essential. In her current role, she focuses on lifting other women up around her through mentoring, leading by example and helping them build confidence in their skills and abilities.

WHAT PULLED HER UP

Two types of mentors helped her as she developed as a leader: those who advised on building skill sets and those who provided a safe place where she could ask questions. "Feedback is not as plentiful as it should be in organizations. As you move up the career ladder, you need people who will tell you the truth."

HER BEST ADVICE

Cook-Turner urges women to consider starting in sales or having a sales role at some point. "The earlier you can gain sales experience, the better," she says. "It teaches you so many fundamentals around leadership." She also encourages women to be flexible. "Let your career go where it takes you. Don't be too rigid by thinking you must reach a certain level or realize a particular experience." For companies, she believes intentional recruitment and succession plans for diversity are crucial as well as understanding the root cause of what's keeping women from certain roles, such as lack of sponsorship and mentoring.

"Let your career go where it takes you. Don't be too rigid by thinking you must reach a certain level or realize a particular experience."

Recommendations for **Closing the Gaps**



AWARENESS/KNOWLEDGE GAP

Transparency in Succession Planning

Identify and communicate the difference between staff and line roles and how they impact career paths

Make succession planning a critical and visible top-of-the-house activity monitored by senior leaders and HR

- Create organization charts clearly delineating P&L positions and feeder positions and make sure these are monitored and understood by all senior leaders, especially HR leaders
- Require diversified slates for all open senior-level positions, especially P&L and feeder positions, both from internal and external sources
- If an assessment of candidate potential is part of the identification process, ensure a gender-neutral definition and understanding of potential is in place and communicated to prospective managers/supervisors and candidates

Tie a portion of the compensation of senior leaders directly to their impact on bringing diversity into the succession planning process

Transparency in Career Planning and Professional Development

Recognize that exposure to P&L-related jobs is critical for advancement to senior levels

Identify those jobs and their feeder positions (one level below)

- Review all job descriptions and postings in this category for implicit bias, barriers to entry (such as unnecessary experience requirements) and the use of inclusive language
- Be thoughtful and creative in delineating job qualifications to avoid widespread assumptions that may disenfranchise women from becoming candidates
- Ensure these jobs qualify for flexible work hours

Create more opportunities for people from different parts of the business to get P&L exposure and experience through rotational and stretch assignments

Regularly update and publish organization charts at senior levels to ensure awareness of the hierarchy and incumbency of senior-level jobs

Identify and communicate the difference between staff and line roles and how they impact career paths

Recognize that career paths are frequently non-linear, especially for women balancing work and growing families; commit to honoring identified female talent on those career paths with appropriate recognition and succession planning

Monitor the career plans of women identified as high potential, accompanied by honest performance evaluations and career planning

Identify high-potential women to both themselves and potential managers/supervisors to ensure follow-up

Recommendations for Closing the Gaps



RELATIONSHIP CAPITAL GAP

Help women find mentors who can provide different types of advice and support over time, emphasizing P&L-related experience where possible

Provide opportunities for social networking and exposure to influential senior leaders not dependent on gender-stereotyped activities or interests, such as sporting events

Provide opportunities for high-potential women to work in multiple areas to gain experience and exposure to senior leaders

Encourage women to job shadow senior P&L leaders (male and female) to demystify what they do and build knowledge and relationships.

Transparency in Sponsorship

Hold senior leaders accountable for identifying high-potential women, especially multicultural women, as protégés and providing them with visibility, stretch assignments and mentoring at critical points in their career

- Appropriately compensate the sponsoring behavior of senior leaders with salary and bonus for increasing the pool of women prepared for senior leadership
- Consider establishing a formal sponsorship program for identified high-potential women

Encourage all mentors and sponsors of women protégés to envision themselves in more senior-level roles and expand any narrow definitions of “readiness” they currently hold



CAREER ASPIRATION/RISK-TAKING GAP

Use the company’s communications networks to provide visibility to women leaders who have successfully reached senior levels while raising a family and create opportunities for conversations with these women along with early and mid-career employees

Leverage the heightened aspirations and self-confidence of multicultural women by ensuring they are carefully considered for P&L and feeder positions

Recommendations for **Closing the Gaps**



CULTURE GAP

Develop your unique business case for diversity

Get the CEO on board by demonstrating the value women bring to the business. Consistently include the CEO's support for women's advancement in internal and external messaging

Devote time and resources at the senior level to customizing and communicating the positive aspects of the business case for diversity unique to your company

Ensure the company's widespread communication and acceptance of the positive business case for diversity at senior levels

- Establish and communicate at senior levels a clear, metrics-driven framework to increase the pool of women candidates for P&L and feeder positions, accompanied by goals tied to performance reviews and compensation for senior leaders

Accountability

- Hold senior leaders accountable for results in diverse succession planning and talent development as well as in finance and operations
- Hold senior leaders in HR accountable for creating and communicating consistent processes to ensure diversity in succession planning, talent development, and rewards and recognition for the company, but especially at senior levels
- Hold senior leaders in HR accountable for ensuring hiring managers for P&L and feeder positions have implicit-bias training

Mandate the consideration of diverse slates of qualified women candidates for every open P&L and feeder position

- Establish regular monitoring system to ensure compliance with mandate

Engage and enlist the support of all white, male senior leaders to commit to examining actions of their own that may contribute to an old-boys-club environment

Incorporate a broad, inclusive range of perspectives and styles within your defined leadership competencies

Examine compensation and promotion histories of male and female talent for and in comparable positions

Work/life and flexible work policies

- Use existing work/life and flexibility policies and build a supportive culture to enable employees to fully utilize these benefits without fear of a negative reflection on performance and permanent career derailment
- Minimize inconsistent access to work/life policies and flexible work practices between departments and managers through training and accountability
- Use CEOs and other senior executives who work flexibly as role models



For support implementing these recommendations, contact lisa.fraser@diversitybestpractices.com and jamie.phillips@cultureatwork.com

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