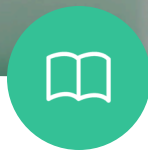


EVERWISE



E-BOOK



# Talent Crisis: Non Diverse Leadership

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# The business case for gender diversity is well established and understood.

Despite senior level commitment to this issue, actions taken are not seen as sufficient by most employees, and progress has been insufficient.

## NON DIVERSE LEADERSHIP

The business case for gender diversity has been well established; there's ample evidence of the benefits that accrue to an organization's pace of innovation and bottom line. In addition, increasing competition for great talent makes supporting women in leadership a business imperative.

Yet progress towards more gender balance in leadership ranks is slow. Globally, there are few women who hold leadership positions in the most powerful nations. In the US, women are underrepresented at all levels of the workforce and are less likely to advance or be hired from the outside into senior leadership positions.

Despite commitment from the boardroom and C-suite, the gender gap isn't closing quickly. One recent study suggests that it will take more than a century for the top ranks of US corporations to reach gender parity.

Clearly new approaches are needed.

This eBook reviews the benefits of gender diversity and explores the current state of women in leadership programming as well as barriers inhibiting progress. We also outline traditional approaches to address the issues and offer some alternatives.

# The diversity dividend

# 5x

Inclusive organizations are 3.3x more likely to report they're high performing and 5x more likely to report they're agile

Gender diversity is a hot topic today. Many Silicon Valley technology companies have been quite vocal about the importance of increasing opportunities for women. Apple, Intel and countless other organizations have announced significant funding commitments to improving gender balance and there are tremendous efforts being made to increase, for example, the number of women entering (and staying in) engineering fields such as software programming.

Besides being 'the right thing to do', gender parity has a number of benefits.

## **Financial benefits**

Gender diverse companies are 15% more likely to outperform the industry. One study finds that, in the United Kingdom, for example, for every 10 percent increase in gender diversity, the bottom line (earnings before interest and taxes) grew by 3.5 percent.<sup>1</sup>

## **Organizational performance**

Companies with gender-balanced boards of directors show a 16% higher return on sales and 26% higher return on invested capital.<sup>2</sup>

## **Innovation**

Inclusive organizations are 75% more likely to implement marketable employee ideas<sup>3</sup> and five times more likely to be agile.<sup>4</sup> Annual philanthropic company contributions are 28 times higher in companies with gender-diverse boards.<sup>5</sup>

Whether the data suggest correlation or causality - the central point remains the same: market share will shift toward more diverse organizations.

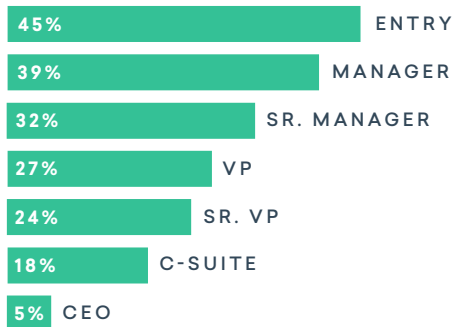
<sup>1</sup> [Why diversity matters](#) (2015) McKinsey

<sup>2</sup> [The Bottom Line: Corporate Performance and Women's Representation on Boards](#) (2008) Catalyst

<sup>3</sup> [Innovation, Diversity and Market Growth](#) (2013) Center for Talent Innovation

# Examining the gender gap

Percentage of women represented at different levels:



In the US, women continue to be underrepresented at all levels. A recent study showed that gender balance steadily slipped from 46% at entry level to just over half of that (24%) amongst senior vice presidents. Fewer than one in five C-suite executives are women.<sup>7</sup>

The trend continues to the very top of the organization: one in five of public company board members and just one in 20 CEOs are women. In 2015, 100% of new public company CEOs were men.

Compared to women, almost twice as many men are hired from the outside as directors—and more than three times as many are hired as SVPs. And women appear not to advance as quickly as men; 30% more men than women receive promotions.

CEO commitment to gender diversity is at an all-time high but less than half of companies are following up with sufficient action. Companies have announced eight- and nine-figure commitments to improving gender parity and these have helped to fund exceptional programs. In many cases, though, these efforts are focused “up the funnel” - helping support women earlier in their careers, e.g., as they’re contemplating entering under-represented fields such as engineering.

<sup>4</sup> [Diversity & Inclusion: An Analysis of the Current Landscape](#) (2013) Bersin

<sup>5</sup> [Gender and Corporate Social Responsibility: It's a Matter of Sustainability](#) (2011) Catalyst

<sup>6</sup> [17 Truths about Women's Leadership: Insights from the 12th Annual Women's Leadership Conference](#) (2016) CEB

<sup>7</sup> [Women in the Workplace](#) (2016) McKinsey & LeanIn.org

# Why the lack of progress

At the rate of progress of the past three years, it will take **more than 100 years** for the upper reaches of US corporations to achieve gender parity

The barriers to gender parity are complex; they include unconscious bias, lack of female role models, insufficient support structures and networks, lack of access to senior leaders, inadequate feedback, lack of skill development and a lack of acquired diversity in the workplace.

Traditional solutions have some common shortcomings.

## **Same solutions, same results**

Forceful solutions can make things worse, not better. Required diversity training to drive bias awareness, hiring tests in recruitment and grievance systems can actually have a negative impact on diversity.<sup>8</sup>

## **Lack of skill building**

Many programs for women help them to connect and expand their network but fail to provide opportunities for women to accelerate development of crucial skills needed to succeed in leadership levels.<sup>9</sup>

## **Women only**

Women-only programs can be very valuable as they create safe spaces for unfiltered dialog and align around shared affinity, understanding and experience. Often, though, they underutilize the power of men to sponsor and support women, and the ability to change underlying bias.<sup>10</sup>

## **Insufficient feedback**

Women, unlike men, don't get adequate feedback from their managers. The same is true in many women's programs - they lack the feedback mechanisms required to help participants measure progress made against key development goals.

## **Inconsistent investment**

Investment in women in leadership programs varies dramatically; half of organizations make little to no significant investment. Even organizations that invest significantly in one year can slash budgets in the next.

<sup>8</sup> [Why Diversity Programs Fail](#) (2016) Harvard Business Review

<sup>9</sup> [Fostering women leaders: A fitness test for your top team](#) (2015) McKinsey

<sup>10</sup> [Women in business: Turning promise into practice](#) (2016) Grant Thornton

We look at diversity in two dimensions. Two-dimensional (2D) diversity describes leadership that exhibits at least three kinds of both:

- *Inherent diversity*: gender, race, age, religious background, socioeconomic background, sexual orientation, disability, nationality
- *Acquired diversity*: cultural fluency, generational savvy, gender smarts, social media skills, cross-functional knowledge, global mindset, military experience, language skills

To fully reap the benefits of diversity, organizations need to move beyond inherent diversity to acquired diversity.

At the rate of progress of the past three years, it will take more than 100 years for the upper reaches of US corporations to achieve gender parity.<sup>11</sup>

<sup>11</sup> [Women in the Workplace \(2016\)](#) McKinsey & LeanIn.org

# Narrowing the gender gap

In a study, mentoring increased the percentage of women among managers by up to 24% in five years

The most effective women in leadership programs aim to address the underlying barriers to success for women in leadership. Some key elements include:

## **Enabling skill building**

Effective programs go beyond convening, creating, and broadening networks. They help women build the skills they need including resilience, grit, and confidence.

## **Engaging managers in the solution**

Instead of attempting to force them into compliance, managers are engaged in solving the problem - by sponsoring or mentoring emerging women leaders.

## **Including men**

Including men in women's programs leverages their power and actively engages them, helping to create more understanding of the challenges faced by women.

## **Enabling feedback**

Ongoing feedback from mentors and peers helps women hone their skills and improve performance.

## **Integrating the experience**

Learning should be a seamless, integrated experience leveraging experts, content, and materials sourced from and recommended by external communities, other employees and experts.<sup>12</sup>

## **Scalability**

Scalable programs allow for broader impact - many of the most impactful programs are only available to a small minority of the target population each year.

How to get started? Address three key success factors for supporting female leaders:

- Continuous learning
- Fostering connection
- Empowering women

<sup>12</sup> [Global Human Capital Trends \(2016\)](#) Deloitte

# Factor 1: Continuous learning

Women are  
**20% less likely** than men  
to say their manager often  
gives them difficult  
feedback that improves  
their performance

## **Enable skill building**

Beyond convening and connecting women, the most effective women's programs enable participants to acquire the skills most needed in the workplace, including resilience, grit, and confidence. Many social programs lack the ability to practice and increase these skills.

### *Try this instead*

Provide theories and concepts through bite-sized content, enable practice in simulations and take the learning into the workplace through guided on-the-job activities and job aids.

## **Learn on the job**

Classroom training or conferences often take women leaders away from their teams for extended periods, minimizing visibility and connection to the work environment.

### *Try this instead*

Break classroom or conference portions into shorter segments, minimizing time away, and guide on-the-job learning.

## **Hardwire feedback**

Women are 20% less likely to get improvement-oriented feedback. Most approaches fail to hardwire constructive feedback.

### *Try this instead*

Make feedback from the manager, mentor and peer group an established part of the program to provide vital personalized insights.



# Factor 2: Fostering connections

# 51%

of women in senior management interact with a company leader at least once a week, compared to 62% of men

## **Give role models**

Role models are crucial<sup>13</sup> but women are half as likely as men to have role models of the same gender. Most programs source mentors and other role models internally and, often, organizations simply don't have gender-diverse leadership.

### *Try this instead*

Broaden your focus outside the organization to provide access to women role models that can help inspire future leaders.

## **Provide mentors**

Women see mentors as their top source of support. Formal mentoring has been shown to have significantly higher value than informal mentoring,<sup>9</sup> but most organizations don't know how to provide such experiences at scale.

### *Try this instead*

Provide formal, facilitated mentoring with experienced, motivated mentors inside and outside the organization.

## **Create mixed networks**

Creating social support networks including men and women provides balanced support to counteract the mostly female networks women naturally create.<sup>12</sup> Most ERGs and women's networks only include women.

### *Try this instead*

Establish and nurture peer groups that include men and women in similar business situations.

<sup>13</sup> [One Is Enough: Why There Aren't More Women Executives](#) (2015) The Wall Street Journal

# Factor 3:

## Empowering women

"Companies that want to take advantage of the significant benefits of a balanced leadership team need to get the facts and track their progress."

Joelle K. Jay, Ph.D.

### **Personalize learning**

Most development programs don't allow for adequate personalization, inhibiting participants from having agency in how, when and what they learn.

#### *Try this instead*

Provide mentors and peer group support to establish learning goals. Use smart technology for personalized recommendations of learning.

### **Use data**

Organizations often shy away from measuring gender diversity in leadership, but without data, improvements cannot be made.<sup>13</sup>

#### *Try this instead*

Measure what works to increase women in leadership and use these insights to improve.

### **Integrate**

Even highly sophisticated programs for women in leadership containing all the right elements fail to make substantial improvements because they are not sufficiently integrated.

#### *Try this instead*

An integrated learning platform that incorporates guided and experiential learning, curated content, goal setting and ongoing feedback supports a personalized learning journey for the professional - connecting concepts and theories, guided on the job applications and valuable social connections with mentors and peer groups for optimal results.

# About Everwise

The Everwise enterprise social learning platform is a completely new approach to scalable and effective talent development. Everwise connects professionals to the people and resources they need to thrive at every stage of their career.

Everwise extends beyond traditional content-driven solutions which, while scalable, are largely ineffective on their own.

The Everwise personalized learning experience:

- Encourages action-oriented learning that supports skill mastery on-the-job
- Connects professionals with mentors, peer groups and communities of practice to facilitate true social learning
- Curates expert content and customized missions that keep them learning while on-the-job


We're trusted by some of the most progressive companies in the world such as:



If you'd like to find out more about implementing a successful mentoring program in your organization, please learn more at:

 [www.geteverwise.com](http://www.geteverwise.com)

 [hello@geteverwise.com](mailto:hello@geteverwise.com)

 (888) 734-0011