

Closing the gender gap and CREATING A GENDER EQUAL RECOVERY

INTRODUCTION

The combined impact of COVID-19 and gender inequality has increased the gender gap by a generation and represents an unrealised \$13 trillion opportunity globally. The way we work is fundamentally changing for many. This will either accentuate the gender gap or could be the catalyst for a gender-equal recovery that leads to significant social and economic benefits for all. However, critical to closing the gender gap will be an insight-driven, intentional approach to developing talent for gender equity.

Our WDI Consulting snap-shot examines the most recent data on the drivers of gender inequity and shares our gender intelligent insights to enable progression towards a gender balanced pipeline.

THE UNREALISED ECONOMIC VALUE OF GENDER EQUALITY IS SIGNIFICANT

+\$13 trillion

The global value of achieving best-in-region gender-parity improvements by 2030 could lead to \$13 trillion of incremental GDP ¹

+\$123 billion

In profits is on offer if companies with less than 33% women on their executive committee performed as well as those with 33% or more ²

> 10 x

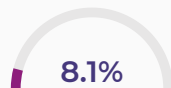
higher net profit margin FTSE 350 companies with >33% women on their Executive Committee versus those which are all-male ³

WOMEN REMAIN UNDER-REPRESENTED IN SENIOR AND LEADERSHIP ROLES

Slow progress globally



MDs and CEOs are women ⁴



Female CEOs (41) in the Fortune 500, including 2 black women serving as CEOs for the first time ⁵

FTSE 350 indicators show a decline in progress ^{2, 3}



Women account for only 5% of CEOs in FTSE 350 companies



Men still account for nearly 85% of all executives on company main board



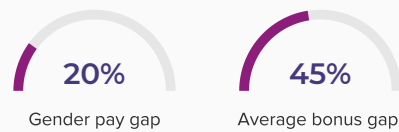
Men now make up 78% of all Executive Committee roles and women 22%

Gender parity for executive committees is now forecasted to be achieved in 2036.

In 2020 Britain there are more CEO's in the FTSE 100 called Peter (6) than there are female CEO's (5).

Gender pay gap ⁶

Over 3 years to June 2021 the gender pay gap has remained broadly static.



THE PRESSURE TO ACCELERATE GENDER EQUALITY IS BEING AMPLIFIED

Regulatory ⁷

- Nasdaq (USA) will require all companies listed on its US exchange to have, or explain why they do not have, at least two diverse directors.
- FCA (UK) are currently reviewing their listing framework.

Shareholder ⁸

- Shareholder activists are now advocating for gender equality focus to tackle sexual harassment.

Governmental ⁹

- £49 billion per year of Government contracts are now assessed on their 'social value' contribution which includes workforce inequality.

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If we rely on what we have today, we will get stuck. It was not easy to get to where we are today. To go further, we need to imagine something different.

JEAN-LAURENT BONNAFÉ

CARER TAX AND MENTAL HEALTH CRISIS

COVID-19 is priming significant workforce change and detrimentally impacting women

1.8 x

Women's jobs more vulnerable than men's ¹

41% of global workforce to consider leaving current employer within the next year ¹⁰

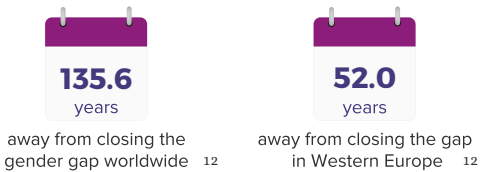
54% overall job losses are women, yet they make up 39% of the global employment ¹

54% of senior level women have consistently felt exhausted during COVID-19 versus 41% senior level men ¹¹

Burnout is sighted as a significant reason for women downshifting in the pandemic and increases disproportionately for different groups of women: ¹¹

- Black mothers are twice as likely, and Latina mothers are 1.6 times more likely, than white mothers to be responsible for all childcare and housework.
- LGBTQ+ women are almost twice as likely as employees overall to cite mental health as one of their biggest challenges during COVID-19.
- Women with disabilities are more likely than other groups of women, to feel stressed, burned out, and exhausted.

TO SHAPE A GENDER EQUAL RECOVERY, WE NEED A GENDER INTELLIGENT APPROACH



The World Economic Forum data is stark. To accelerate towards a gender-equal recovery requires organisations to imagine something different. This means re-evaluating the gender gap solutions of the past and adopting innovative approaches in order to create gender equity in the future.

To protect the progress that has been made in gender equality, organisations need to nurture existing talent and further develop their talent for the future through a gender intelligent approach.

A gender intelligent approach applies insights into gender inequalities to dismantle the barriers experienced by women leaders, and those marginalised due to their gender, including the trans and non-binary communities.

PERSISTENT ORGANISATIONAL CHALLENGES TO ACHIEVING GENDER EQUITY

CHALLENGE 1: The way we work is rapidly changing for many

Women, carers and minorities are most at risk

- **Hybrid working:** more than 50% of employees want to work from home for 3 or more days per week. ¹⁶
 - Women have an increased preference for hybrid and remote working. ¹⁷
 - Black office workers are more likely than white workers to say they prefer remote work. ¹⁸
- The **Double Shift** means women do an average of 75% of the world's total unpaid care work. This is leading to a 'downshift' that could put women's careers back by half a decade. ^{13, 11}
- In 8 growth career sectors identified as the **Jobs of Tomorrow** women are significantly under-represented in 3 areas (Cloud computing, Engineering, Data and AI), and only have gender parity in 2 (People & Culture and Content Production). ¹²
- Increasing occupational **Gender Segregation** is evident: the job switching gender gap is higher in sectors where women are under-represented. ¹²

OUR RESPONSE TO CHALLENGE 1

-  **Develop equity based talent pipelines that respond to the significant challenges faced by women and different intersectional experiences. Prioritise L&D resources for under-represented groups based on their needs.**
-  **Inclusive leadership traits need to be role modelled to reflect new and diverse ways of working. For example, compassionate leadership and effective allyship are vital to the thriving of a diverse workforce.**
-  **Address the 'presence disparity' by reversing the trend of shrinking networks triggered by COVID-19. Focus on rebuilding social capital in distributed and hybrid workplaces to enhance the visibility of women and under-represented groups and reduce the risk to talent pipelines.**

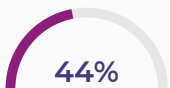
CHALLENGE 2: The broken rung to promotion is still holding women back

Data shows that women's career trajectory frequently stalls in mid-stage impacting progression, promotions and earnings:

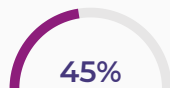
- Men are 40% more likely than women to be promoted to manager positions (UK).¹⁹
- For every 100 men promoted to manager, there are only 86 women (USA).²⁰

The reasons why are complex and the causes include:¹⁵

- Unspoken cultural norms subtly disadvantage or discourage women.
- Women and men experience a 'large divergence' in their career paths in the years following childbirth.¹⁴
- Expectation bias towards women impacts negatively on careers.
- Witnessing bias against other women discourages some women from seeking promotion.
- Child care, potentially difficult choices and compromises cast a long shadow and an increased 'mental load'.
- An unentitled mindset creates a reluctance to negotiate pay increases and promotion (see data below).



women feel less entitled to pay rises and promotions compared to male colleagues



have never asked for a pay rise compared to only 34% of men

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We have a problem with women in leadership across the board. This leadership gap - this problem of not enough women in leadership - is running really deep and it's in every industry. My answer is we have to understand the stereotype assumptions that hold women back.

SHERYL SANDBERG

OUR RESPONSE TO CHALLENGE 2



De-bias the recognition, reward and promotion process to ensure transparency of the talent pipeline and recruitment processes and address the under-recognised challenges of intersectionality.



Address the stereotypes behind the unentitled mindset through gender intelligent leadership development that debunks myths around women's ambition, parenthood impact, earning power, risk aptitude and imposter phenomenon.



Enable diverse talent to better leverage their networks and connections and offer strategies to overcome the exclusive unwritten social norms they face.

CHALLENGE 3: A blindspot to the value of gender intelligent solutions

If organisations want to close the gender pay gap, create a more gender equal recovery and avoid further erosion of their talent pipeline, there is no better time to reimagine new pathways toward gender equity.

Women have first-hand experience of the cultures in which they operate and what is needed to make them more inclusive; yet their voices go unheard. The myths and problems that keep women stuck are outdated so innovative gender intelligent solutions are now needed.

Gender intelligent solutions tap into the innate talents of women and those impacted by gender bias enabling all people to thrive.

OUR RESPONSE TO CHALLENGE 3

On the following page, we have identified insights to accelerate talent development through a gender intelligent lens. Applying these insights inspires and enables exceptional talent to overcome gender barriers and thrive as authentic and inclusive leaders.

OUR INSIGHTS TO GENDER EQUITY



Leverage Purpose because it drives career ambition and organisational loyalty:

- Women look to their legacy early in their careers.
- A mismatched organisational and personal purpose leads to churn of diverse talent.
- Purpose and fulfilment drives career ambition for senior roles.



Maximise Connection because it makes or breaks careers:

- Unwritten social norms exclude diverse leaders from high value networks.
- Under-represented talent want solutions to address the discomfort of visibility but not at the expense of their authenticity.
- Building and not leveraging networks reduces social capital.



Inspire Transformation because change is either a burden or a beacon:

- Being 'the only' or in the minority means you become an agent of change by default.
- Being a change agent, and having courageous conversations involves women and minority leaders overcoming significant stereotyping.
- Authentic, inspiring and diverse role models integrate change leadership into their core style.



Embed Inclusion because it empowers the culture makers of the future:

- The culture makers, who create inclusive work environments are more likely to be women.
- Gender equity paves the way for greater inclusion.
- Inclusive leaders enable future generations of talent to thrive.

Our insights underpin our gender equity leadership programme that has engaged participants from 13 countries across the private and public sector. Participants enrolled in our four module programme accelerate their career progression through our online multimedia classroom, network and integrated executive coaching (individual and group) experience.

Our WDI Consulting Gender Equity Programme is designed to address the challenges organisations face and advance a gender equal recovery. Clients return to us year on year because it leads to tangible business results.

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