

Retaining Female Talent in the Workforce



April 2018



THE BUSINESS CASE

It's been twenty years since Steven Hankin of McKinsey & Company first coined the term, 'War for Talent,' yet many industries continue to wage all-out battles to recruit, hire, develop, and most importantly, retain the 'best and brightest' to ensure the vitality of their organizations.

At the time of this writing, the economy has been on a strong upward trend, characterized by a surplus of job creation and employment opportunities. Much has also been written about the impending wave of retirements as the Baby Boomer cohort reaches the traditional age range. The retirement rate has been somewhat slowed over the past few years due to the post-2008 recession; however, recent stock market gains and other economic improvements have given many the opportunity to retire. These conditions serve to highlight a company's need to secure and retain the human capital which can make the difference between simply surviving or thriving in today's competitive, evolving marketplace. With many Boomers occupying key leadership positions, the management exodus promises to be significant.

All agree that moving into this employment vacuum will be an influx of millennials and minorities, particularly women. The imperative now for organizations will be to understand how best to find, engage, and retain these professionals.

According to many accounts, women make up roughly half the workforce in the U.S.; however, the number who hold senior management and leadership positions continues to be disproportionately low compared to men.

In 2017, Catalyst, cited in their Women CEOs of the S&P 500 report, that there were only 26 or

5.2% of CEO positions held by females (Catalyst, 2018b). Catalyst also reported that only 26.5% of the executive/senior level official and manager positions were held by women at the same S&P 500 companies (Catalyst, 2018a).

The percentage of women running companies in the Fortune 500 also remains solidly in the single digits, although slightly higher than figures associated with the S&P 500 list. Of Fortune Magazine's 2017 Fortune 500 list, which ranks major U.S. private and public companies by their previous year's revenues, 32 companies, or 6.4% were run by women CEOs. While the number remains woefully low, it does represent the highest proportion seen so far in the 63-year history of the list (McGregor, 2017).

These results are certainly disappointing on multiple levels, not the least of which is that business results suffer.

Cold hard cash is being left on the table!



Looking at this question as early as 2004 in their study, “The Bottom Line: Connecting Corporate Performance and Gender Diversity,” Catalyst, a nonprofit organization that promotes inclusive workplaces for women, used two measures to examine financial performance:

Return on Equity (ROE) and Total Return to Shareholders (TRS).

After examining 353 companies that remained on the Fortune 500 list for four out of five years, between 1996 and 2000, Catalyst found:

- ▶ The group of companies with the highest representation of women on their senior management teams had a 35% higher ROE and a 34% higher TRS than companies with the lowest representation of women.

35%
ROE

34%
TRS

- ▶ Consumer discretionary, consumer staples, and financial services companies with the highest representation of women in senior management experienced a considerably higher ROE and TRS than companies with the lowest representation of women.

Entitled, ‘Is Gender Diversity Profitable?, Evidence from a Global Study’, the Peterson Institute for International Economics and Ernst and Young’s research of approximately 22,000 global publicly traded companies showed that having at least 30% of women in leadership positions, or in the C-Suite, added 6% to net profit margins.

A more recent study by McKinsey & Company (2015) produced similar findings.

A study from the University of Illinois at Chicago that looked at more than 500 American companies concluded that gender diversity was associated with increases in sales revenues, customers, and relative profits (Herring, 2009).

The costs (financial or otherwise) associated with voluntary turnover, irrespective of gender are not insignificant. When costs are taken into consideration associated with voluntary employee turnover, including: severance, recruitment, hiring, training, reduced productivity, lost opportunity costs, and others. Here is what voluntary turnover actually costs an organization (Borysenko, 2015):

- ▶ For entry-level employees, it costs between 30-50 percent of their annual salary to replace them
- ▶ For mid-level employees, it costs upwards of 150 percent of their annual salary to replace them
- ▶ For high-level or highly specialized employees, the cost can rise to 400 percent of their annual salary

Further, recent data suggests that more than half of the women who start out at Fortune 500 companies exit the organization before they reach the executive level (Catalyst, 2017).

Clearly, women have historically had, and continue to experience, difficulty rising to senior level positions or earning comparable salaries to men. So, what is going on? With women representing such a value to organizations and continuing to grow and enter the workforce in record numbers, why is women’s retention still an issue for so many companies?

Despite the recognition of the economic and competitive edge resulting from diversity, organizations are struggling to expand and retain talented women. More than ever, organizations must rethink their strategies for leveraging their talent through authentic commitment and effective execution of their talent management programs, especially as they relate to women.

The remainder of this paper describes well-documented retention challenges related to women, introduces the development of **WLH’s Rx for Retention Predictor Model™**, and offers a set of corresponding best practice retention strategies.



A BRIEF LITERATURE REVIEW

A robust base of knowledge has been compiled, consisting of factors that contribute to employee voluntary turnover based on decades of research. The list is lengthy and includes reasons such as perceived and actual compensation inequity, poor supervision or management, lack of coaching, feedback and development opportunities, lack of growth and career advancement opportunities, under-utilization of skills, lack of work-life balance, and incongruity between one's values and the organization's culture. Over the past 20 years, however, employers have recognized that drivers of employee turnover are nuanced for minorities, especially women, and have at their origin, a historical, unconscious, gender bias operating at the institutional and individual levels in the workplace. This is called "second-generation gender bias" and it refers to work cultures and practices that appear neutral and natural on their face, yet reflect masculine values and life situations of men who have been dominant in the development of traditional work settings.

While many organizational factors have been offered as reasons why women leave an employer or have difficulty ascending to leadership positions, it is fair to conclude that, in part, second-generation gender bias plays an insidious role. This bias can manifest itself in relatively easy-to-spot absences of substantive work-life balance programming, pay inequities, and scant advancement opportunities, and can ultimately send the implicit message that working mothers are less committed and less capable than their peers who are fathers. Research has examined this more closely and suggests that the act of leaving the workforce early to begin a family (the 'mommy track') has a significant negative impact on a woman's career, especially in the areas of compensation and attainment of leadership positions. Having a large gap in one's employment history makes it difficult to catch up with male counterparts on desirable organizational 'rewards' and can even materially impact a woman's ability to reenter the workforce (Hewlett & Buck Luce, 2005). In reality, studies have found that earnings

actually increase with the length of time a woman spends establishing her career before having her first child (EY and The Working Mother Research Institute, 2011).

A more recent line of inquiry has shown that because of these gaps in employment, women simply lack the time to develop the necessary networks, sponsorships, and mentoring relationships with those who would be able to help further their careers. Some suggest that this 'underinvestment in social capital' is even more important to a manager's advancement than skillful performance of traditional managerial tasks (Eagly & Carli, 2007).

Interestingly, a 2010 study by Catalyst found that having a mentor tended to benefit men more than women, even when women were mentored earlier and more often in their careers. This is due, in part, to men securing mentors in more senior positions and the tendency for male mentors to sponsor their mentees as well. This finding was presented in an HBR article entitled, "Why Men Still Get More Promotions than Women" (Ibarra, Carter, & Silva, 2010) where the authors suggest that high-potential women are over-mentored and under-sponsored. They correctly point out that all mentoring is not created equal. In short, a special type of mentor relationship exists called sponsorship, where the mentor goes well beyond providing feedback and advice and uses his or her influence with senior leadership to actively advocate for the mentee. This simply does not happen at the same rate for women as it does for their male counterparts.

Perhaps the most illustrative manifestation of second-generation gender bias can be seen in the challenge women face when attempting to develop a credible leadership style in an environment where most of the successful role models have traditionally been men. In short, the strategies and behaviors that have historically assisted men in furthering their careers may not be appealing and may even feel inauthentic for women. Behaving in an authoritative, ambitious, aggressive

Disturbingly, LeanIn.org and McKinsey & Company, in their Women in the Workforce 2016 study, reported that 33% of women believe that their gender will make it more difficult to receive a raise, promotion, or an opportunity to get ahead, versus only 12% of men.

and/or dominant manner in the workplace even today, is deemed less attractive in women. At the same time, behaving too 'communally' (e.g., helpful, friendly, sympathetic, sensitive, passive) is viewed as not very leader-like, and unfairly penalizes women, potentially jeopardizing career advancement opportunities.

This phenomenon known as a double bind was expertly explained and examined in the book, "Through the Labyrinth: The Truth About How Women Become Leaders" (Eagly & Carli, 2007) and by others (Ely & Rhode, 2010), and in the 2007 Catalyst research report, "The Double-Bind Dilemma for Women in Leadership: Damned if You Do, Doomed if You Don't." While this dilemma has certainly stunted women's careers over the years, there is support for the idea that male mentors and sponsors can be trained to recognize and manage such unconscious, gender-related biases (e.g., Smith & Johnson, 2016).

There is additional research that focuses on skills, behaviors, and traits that suggests many women find it difficult to speak about their accomplishments (Grant & Taylor, 2014), as well as lack strategic visioning skills (Ibarra & Obodaru,

2009) which many believe are commensurate with the attainment of senior management and leadership positions. Here again, the optimistic view provides that these skills can be developed (Smith & Johnson, 2016).

A recently introduced concept called, 'conscious inclusion,' defined as "building the desire, insight, and capacity of people to make decisions, do business, and to think and act with the conscious intent of including women in leadership" (2017, 7 Steps to Conscious Inclusion: A practical guide to accelerating more women into leadership, Manpower Group). This seems like a painfully obvious concept and one that organizations should embrace. Unfortunately, too often a lack of both organizational will and sustained focus are the culprits.

Nonetheless, it is very likely that some mix of the dynamics covered above are operating in your organization and impacting retention of high-performing women. Disentangling and understanding these factors to inform the design of strategies, programs, and actions can create a more gender-neutral work environment and will undoubtedly help retain your female talent and prove to be a competitive advantage.





WLH SOLUTION: R_x FOR RETENTION MODEL™

To advance our clients' understanding of the contributing factors to retain women in the workforce, WLH has undertaken programmatic research to develop and validate our **R_x for Retention Model™**. Based on exit interviews, data collected over numerous client engagements, as well as a comprehensive review of job satisfaction and retention literature, we developed a survey consisting of categories theorized to impact retention of women (e.g., manager-employee relationship, reward equity, career advancement opportunities).

SAMPLE SURVEY ITEM

I feel there is sufficient opportunity for me to advance in my organization at a rate that is satisfactory to me.

Our initial retention model originated while working with a large global company. This client's needs focused on the attraction, development, and retention of high-performing talent, particularly women. The broader study (2002) was executed and examined all employees; women and men, who were exceptional performers and left voluntarily.

Of particular interest, was a subpopulation group of 107 female high-performers and 162 female satisfactory performers (determined by the company's rating scheme) who had recently exited the organization voluntarily. A post-departure survey was administered electronically to those employees who had left during the previous six month time period. Correlational and factor analyses of the survey data revealed a seven-factor solution described below. Using multiple regression analysis, we examined the relative contribution of these factors in driving measures of job satisfaction and intention to stay. The factors below are listed in order of importance.

- ▶ Manager-Employee Relationship
- ▶ Meaningful Work
- ▶ Career Advancement
- ▶ Performance Management
- ▶ Training and Development
- ▶ Reward Equity
- ▶ Work-Life Balance

A closer look at the results suggested that, according to high performing women, the organization and individual managers were 'falling down' in some of the following areas:

- Maintaining a supportive work environment
- Leveraging the performance management process
- Rewarding and recognizing performance and contributions
- Finding and making growth opportunities and developmental assignments available
- Providing advancement opportunities
- Creating roles that present real job challenges and utilization of skills and expertise

Based on a subsequent qualitative analysis of corresponding post-departure exit interview data, the model was further refined, resulting in the creation of a larger corporate culture factor that included career advancement, reward equity, performance management, and work-life balance arrangements, as well as the creation of a separate coaching and supervision factor.

To test the reconfigured model, and to assess its generalizability beyond a single client in the workforce, we conducted a follow-up study which included 383 high-performing women representing multiple companies. Respondents for the reconstituted survey (model) study were solicited through various leadership networks such as WPO (a non-profit membership organization for women CEOs, Managing Directors, and others of privately held companies). Members of the Healthcare Businesswomen's Association (HBA) and women groups also participated. Focusing on why these women left their previous employer, the analysis of the survey data confirmed the stability of the model, with the emergence of a set of ten factors.

Coming into focus from the follow-up research was the criticality of organizations having clearly defined and relevant talent management programming, criteria, and consistent application and availability of opportunities and resources.



TABLE 1: DATA FROM WLH'S STUDY

Retaining High Performing Women: Factors and Lessons Learned

SURVEY ITEM	RESPONDENTS PERCEIVING GENDER INEQUALITY	RESPONDENTS NOT PERCEIVING GENDER INEQUALITY
Formal mentorship programs available...	31% agree	43% agree
Sufficient opportunity to advance at a satisfactory rate...	41% agree	66% agree
Reviews were conducive to performance improvement...	38% agree	75% agree
Policies and practices were applied consistently...	53% agree	75% agree
Career advancement criteria were clearly defined...	19% agree	57% agree

Source: WLH Consulting, 2017 (N=383)

The final set of ten retention factors that emerged from our research operate on three interdependent levels (Organizational; Manager-Employee Dyad; and Individual Employee). Each represent a set of well-defined levers available to a company's leaders, managers, and individual employees to create a more gender-neutral work environment in the service of retaining high-performing women.

ORGANIZATIONAL CULTURE AND PRACTICES

CORPORATE
CULTURE

TALENT
MANAGEMENT

TOTAL
REWARDS

FLEXIBLE WORK
ARRANGEMENTS

MANAGER-EMPLOYEE RELATIONSHIP "DYAD"

POSITIVE WORK
ENVIRONMENT

PERFORMANCE
MANAGEMENT

COACHING
& SUPERVISION

INDIVIDUAL FACTORS

WORK-LIFE
BALANCE

MEANINGFUL
WORK

CAREER
ADVANCEMENT



R_x FOR RETENTION MODEL™ FACTORS

ORGANIZATIONAL CULTURE AND PRACTICES

CORPORATE CULTURE

The values and behaviors that contribute to the unique social and psychological environment of an organization.

- How the organization conducts its business, treats its employees, customers, and the wider community
- Characterized by a set of clear espoused values (e.g., diversity, honesty, collaborative, respect, excellence)
- How power and information flow through its hierarchy
- Commitment of employees toward collective objectives
- Culture free of vestiges of second-generation gender bias

TALENT MANAGEMENT

Practices for attracting, selecting, managing, developing, and retaining employees (e.g., assessment, performance management, training, leadership development, career planning, succession planning).

- Creation and maintenance of an enterprise-wide strategy and mindset that places a premium on continuous learning and development
- Valid, reliable, and fairly-applied processes for assessing individuals' skills, abilities, and other attributes for purposes of performance management, identification of development, placement, and promotional opportunities
- Provision of consistent and effective supervision, goal setting, performance appraisal, coaching, and feedback support
- Accurate identification of developmental areas and equitable availability of relevant management and leadership development opportunities and experiences, including formal and informal mentorship and sponsorship programming
- Mentorship and sponsorship of women as they progress through their careers, particularly at pivotal decision points
- Transparent succession planning process and career progression paths, including clear and unequivocal criteria for advancement

TOTAL REWARDS

Rewards provided to employees for services, including both fixed and variable compensation, as well as other forms of recognition tied to performance.

- Fair and equitable total rewards (salary, profit sharing, bonuses, paid time off, pension and healthcare plans, development opportunities) in relation to ability and relative contribution to attract, motivate, and retain
- Effective mix and use of performance management, recognition, and reward systems
- Transparent systems in terms of reward criteria and allocation decisions

FLEXIBLE WORK ARRANGEMENTS

Alternate work arrangements or scheduling that departs from traditional working day/week format to allow employees to meet personal or family needs.

- Organizational awareness, concern, training, and programming focused on counterbalancing the demands of an employee's job with the demands of his/her personal life



R_x FOR RETENTION MODEL™ FACTORS

MANAGER-EMPLOYEE RELATIONSHIP “DYAD”

POSITIVE WORK ENVIRONMENT

A working alliance between a manager and an employee that creates a relationship characterized by effective communication and mutual trust.

- Two-way communication, mutual trust, and respect
- Open and accessible relationship that allows employee to discuss sensitive issues with her/his manager
- Provision of honest, regular, constructive performance feedback
- Provision of recognition for employee contributions

PERFORMANCE MANAGEMENT

Effective setting of goals, managing performance, and equitably rewarding and recognizing job performance.

- Conscientious leveraging of programs and processes that ensure effective goal setting, performance management, and administration of equitable rewards and recognition by one's manager.

COACHING AND SUPERVISION

Regular coaching and supervision for employees to empower, guide, and improve job performance and career advancement opportunities.

- Unwavering commitment to employee learning and development by one's manager
- Provision of guidance, direction, and instilling of confidence by one's manager
- Manager guidance in developing and navigating the roadmap to mentorship and sponsorship

INDIVIDUAL FACTORS

WORK-LIFE BALANCE

Extent to which an individual perceives the organization is supportive of balancing demands of the job with demands of her/his personal life.

- Work-Life integration policies and programs leveraged without stigma or negative consequences
- Presence of well-established flexible working options and programming (e.g., telecommuting, job sharing, part-time)

MEANINGFUL WORK AND ENGAGEMENT

Extent to which an individual perceives her/his job or position offering autonomy, meaningfulness, challenge, and effective use of skills.

- Sufficient autonomy, authority, flexibility, responsibility, and availability of resources and tools to do an effective job
- Challenging, stimulating work/assignments and growth opportunities

CAREER DEVELOPMENT AND ADVANCEMENT

Extent to which an individual perceives meaningful opportunities exist to advance her/his career and has support from one's manager to prepare for and pursue those opportunities.

- Clarity and commitment to specific skills, characteristics, and knowledge pertaining to desired career path and support from manager for achievement
- Ample opportunities to use and develop requisite skills, knowledge, and abilities to advance
- Availability of networking, mentoring, and sponsorship opportunities



THE R_x FOR RETENTION MODEL™ OFFERING

The Retention Risk Assessment Survey™ - based on WLH's Ten Factor Retention Model. The survey is used to assess organizational risk levels and identify specific factors of concern. The online survey can be administered to multiple respondent groups, including managers, senior leadership, and previously identified at-risk personnel (including high performing women). The Retention Risk Assessment Survey™ differs from other retention tools in the market as it allows an organization to proactively identify the retention risk factors and, more importantly, the individual manager behaviors which are contributing to the risk (e.g., inability of managers to hold effective career advancement/opportunity discussions).



The R_x for Retention Training Program™ - based on WLH's Ten Factor Retention Model, is a training program that focuses on developing managers and other organizational leaders in a number of critical areas, including:

- ▶ Understanding the factors that impact employee retention, particularly women
- ▶ Exploring the elements that contribute to a stronger and more productive manager-employee relationship leading to higher retention levels
- ▶ Identifying employees at risk of leaving the organization
- ▶ Practicing how to 're-recruit' at-risk employees and 'making a save'

As a result of the training, participants become more sensitive to factors that have the potential to negatively impact retention of women talent, including the complexity surrounding second-generation gender bias. Participants learn how to create more trusting and productive relationships with their female employees. They gain a greater understanding of the importance of maintaining a gender-neutral workplace by ensuring equal application of criteria in talent management activities such as assessment, performance management, allocation of rewards, provision for growth opportunities, career advancement, and promotion opportunities. We have included a sampling of recommendations that are covered in the **R_x for Retention Training Program™** in the Best Practices Section.

Consulting Support – WLH consultants are uniquely qualified to partner with your organizational leadership, i.e., Talent Management, Leadership Development, Diversity and Inclusion professionals. Our consultants have over 75 years of combined practical experience identifying needs, providing guidance, designing, and developing impactful retention solutions.





A CLIENT SUCCESS STORY

BACKGROUND

A leading global pharmaceutical company recognized that with its projected growth trajectory and workforce planning estimates, the need for retention of talent was reaching a critical level. Given the demographics in play, this was especially true for top female and minority talent across the organization.

"The approach that WLH took to help us identify drivers of retention, and assisting our managers and leaders to understand how to address them was the key to us turning around our situation. The R_x for Retention Training Program™ prepared our leaders for the important work of re-recruiting talent which led to a significant number of critical saves."

- Chief Talent Officer

THE APPROACH

After our initial consultation with the client, WLH administered our Retention Risk Assessment Survey™. The survey was used to assess the client's organizational risk levels and identify specific factors of concern. The survey was administered to over 200 female employees, including high performers and those identified as being at-risk for turnover. Also included were self-assessments by their managers. The Retention Risk Assessment Survey™ identified a set of risk factors and, as important, individual manager behaviors contributing to the risk. In this case, risk areas centered on a lack of clear criteria around a number of talent management processes, including performance management and an absence of robust and meaningful career advancement discussions. The survey data were instructive in pointing to those talent management practices that were either missing, sub-optimized, or not being applied consistently, as well as highlighting the importance associated with developing and maintaining a trusting manager-employee relationship.

In the next phase, WLH performed a thorough review and audit of the client's talent management practices and related programming. Recommendations were provided to redesign and improve the structure and administration of existing practices, as well as to develop new programming (e.g., mentorship program) targeted specifically for the development of women.

AT A GLANCE

BUSINESS CHALLENGE: Growth of business required the ability to retain critical talent, especially female leaders

AUDIENCE: At-risk female and minority employees and their managers

OFFERING AND SERVICES USED:

- ▶ Retention Risk Assessment Survey™
- ▶ R_x for Retention Training Program™
- ▶ R_x for Retention Consulting

IMPACT:

- ▶ Over 1,000 managers trained to identify and retain at-risk female and minority talent
- ▶ Improved retention rates/lower voluntary turnover of critical talent, including females and minorities, as a result of a significant number of "saves" or re-recruitment attempts (+20%)

As part of the overall solution, WLH rolled out its R_x for Retention Training Program™ to over 1,000 managers across the organization. This training further explored the elements contributing to a stronger and more trusting manager-employee relationship, recognizing signals that employees might be disengaging and in general, keeping an eye on factors that impact employee retention. Furthermore, the training included skill building and practice, specifically focused on how to 're-recruit' or 'make a save' for at-risk employees. This included how to structure and hold a re-recruitment conversation and improve discussions, i.e., those focused on career advancement and collaboration with one's employee on redesigning targeted development plans.



THE RESULTS

As a result of this engagement, our client experienced a number of desirable outcomes, including heightened awareness to the challenge, actual changes in behavior at the individual level, and meaningful business metrics including increased retention rates of critical talent. A more complete list of positive results is captured below:

- ▶ More than 1,000 managers were trained to identify and retain talent including females and minorities
- ▶ Improved retention rates/lower voluntary turnover of critical talent as a result of a significant number of 'saves' or re-recruitment attempts (+20%)
- ▶ Improved talent management programs, processes, and practices
- ▶ Consistent application of decision rules associated with talent management programming
- ▶ Introduction of new programming targeted specifically to women and minorities (e.g., mentorship program)
- ▶ Broad-based managerial support for strategy and focused approach to target female retention
- ▶ Higher employee engagement levels as measured by the organization's annual employee survey



BACKGROUND OF A SUCCESSFUL ENGAGEMENT

This client worked closely with WLH Consulting, Inc. to create and execute an approach to identify factors impacting retention of female and minority talent, drive awareness organizationally, and prepare managers and leaders to proactively address at-risk employees through re-recruitment efforts and substantive changes to talent management programming.

KEY COMPONENTS

- Gain support and sponsorship for the engagement from senior leadership
- Identify champions for the engagement from HR, Talent Management, Workforce Planning, and/or Communications
- Systematically and reliably solicit information from key organizational constituents regarding retention drivers using the Retention Risk Assessment Survey™
- Review data to identify and understand the most critical factors related to voluntary turnover of key women and minority talent
- Focus on the most critical factors that will impact retention
- Audit of talent management and related employment value proposition programming
- Redesign existing programming and/or develop and implement new programming (e.g., mentorship program)
- Train managers and leaders to be more sensitive to the drivers of retention, especially for women and minority talent; build skills in the identified critical areas (e.g., holding substantive career advancement discussions; providing useful feedback; re-recruiting at-risk talent); use of the R_v for Retention Training Program™
- Identify and track relevant measures/metrics; refine programming where and when necessary; re-train managers periodically
- Communicate activities, changes, and successes to broader organization (e.g., corporate intranet/website; newsletter)



RECOMMENDATIONS

Rounding out the **R_x for Retention Model™** is a set of recommendations for retaining women in the workplace. These were developed and refined through WLH's many client engagements, as well as from a robust review of available organizational research, thought leadership, and company success stories shared in the public domain. Recommendations are categorized by the model's ten factors, operating at the organizational, manager, and individual employee levels, and are contained in the **R_x for Retention Training Program™**.

ABBREVIATED RECOMMENDATIONS LIST

CORPORATE CULTURE

Develop a 'business case' to demonstrate why diversity, especially retention of high-performing women, is good for business and reflected in the bottom line

Raise awareness and understanding of the characteristics of second-generation gender bias and train male managers and leaders (sponsors, mentors, or otherwise) to recognize, manage, and eliminate unconscious bias tendencies

Hold male managers and leaders accountable for moving toward a gender-neutral work environment; serve as mentors and sponsors accountable for supporting, developing, advancing, and gaining promotions for their female employees

Develop clear criteria for advancement (e.g., competencies, experiences, past levels of responsibility) and ensure they are applied consistently

TALENT MANAGEMENT

Develop and maintain a gender-blind, valid, reliable process for assessing individuals' skills, abilities, and other attributes for purposes of performance management, identification of development opportunities, placement, and promotional opportunities

Over-represent talented women in talent reviews and succession slates, especially for senior positions

Train managers to be effective coaches; ensure they understand the criticality of this skill, as well as their accountability

Actively search out demanding assignments to prepare women for line management roles

TOTAL REWARDS

Design/refine reward systems to be transparent (clear standards, criteria for assessing job performance, and contributions to the organization).

Track administrative decisions regarding allocation of rewards to ensure there is no gender discrimination or disparate impact

Allow women who have significant parental responsibility more time to prove themselves for promotion; avoid 'up or out' career progression models





RECOMMENDATIONS

FLEXIBLE WORK ARRANGEMENTS

Ensure all employees have a clear understanding of the work-life balance component of the corporate culture and the organization's position and policy regarding flexible work arrangements; hold orientations, refreshers; and remove any stigma or concern of negative consequences

Design and develop creative work-life integration solutions (e.g., telecommuting, video-conferencing, job sharing, compressed work week, less travel, onsite child care, ramping down-reduced pay/hour roles during certain career points (e.g., until child enters preschool))

Encourage women and men to leverage work-life integration programming

Train managers to recognize and manage second-generation gender bias in the administration of work-life integration arrangements

POSITIVE WORK RELATIONSHIP

Train managers to maintain a positive work environment characterized by open, two-way communication; mutual respect; fairness; and the provision for honest and actionable feedback

Embed and actively promote the concept of a positive work environment in the company's Employment Value Proposition

PERFORMANCE MANAGEMENT

Train managers to leverage the performance management process (i.e., goal setting, appraisal of performance, coaching and feedback, and the allocation of rewards and recognition) in a gender-neutral fashion

Ensure managers understand performance and reward criteria fully and block out extraneous factors, including gender from decision making

COACHING & SUPERVISION

Train managers to provide formal supervision and formal and informal coaching and feedback to employees (e.g., understanding the finer points of the role, delegating with instruction, providing actionable feedback, ensuring alignment of work with larger organizational goals, identifying developmental opportunities and resources) in a gender-neutral fashion

WORK-LIFE BALANCE

Employees develop clear understanding of the work-life balance component of the corporate culture and the organization's position and policy regarding flexible work arrangements

Employees discuss and design mutually acceptable flexible work arrangements or plans with their managers

MEANINGFUL WORK & ENGAGEMENT

Employees volunteer for projects and assignments (e.g., task forces) that develop their skills and leverage their strengths

Employees seek out challenging assignments characterized by greater autonomy

Employees have access to sufficient resources to do an effective job

CAREER DEVELOPMENT & ADVANCEMENT

Employees learn how to effectively network inside and outside the organization and speak with confidence about their accomplishments

Employees take an active role in their career development (e.g., seeking out formal and informal learning and development opportunities, resources, and programming; actively promoting personal and departmental accomplishments)

Employees seek out and leverage existing mentorship and/or sponsorship programming

Employees volunteer for challenging stretch assignments that will take them out of their comfort zone; focus on general management and line experience, especially if interested in senior executive roles



CONCLUSION

There is an unequivocal, empirical link between women in organizational leadership roles and business results. As to this result, there is no debate any longer. Organizations that understand this relationship recognize the importance and urgency for having solidly formulated strategies and well-executed programming, policies, and practices to develop and retain talented women. As we have discussed, creating and maintaining a gender-neutral work environment, one free of second-generation gender bias, is a significant part of the equation. Certainly, much goes into creating such a workplace, but we have arrived at the point now where it warrants more than a flippant 'it would be a nice to have' comment. Competing effectively for female talent simply demands it.

The time is right now, fueled, in part, by the Me Too Movement, as well as investors' belief that diversity represented in an organization's senior ranks translates into even greater earnings possibilities. And, while there has been signs of slow and steady progress, the pace simply isn't fast enough.

Those who believed that all women needed was 'time in rank' to be promoted into senior level positions have been largely disappointed with the lack of women's career progress over the past 20 years. There was a time when researchers and organization leaders felt that the numbers of women executives would automatically continue to rise; that simply moving more women into senior positions would somehow make it easier for others to follow. Unfortunately, it appears that such an organic and natural course failed to unfold so seamlessly. Another approach is required.

Deliberate strategies are necessary to provide leadership opportunities for women and assist them in reaching senior and executive level positions. Real work needs to take place, starting with gaining an understanding of critical retention factors and the dynamic nature in which they interact at the organization, manager, and employee levels. With WLH's **Retention Risk Assessment Survey™** you will be able to reliably identify early signs of retention problems and, with the corresponding **R_x for Retention Training Program™**, begin to prepare the organization's leadership, managers and employees to take the necessary steps to create a gender-neutral work environment that will facilitate the development and retention of female talent. This work has begun.



REFERENCES

- Borysenko, K. (2015). What was management thinking: The high cost of turnover. Retrieved from <https://www.tnt.com/what-was-leadership-thinking-the-shockingly-high-cost-of-employee-turnover/> on January 10, 2018.
- Catalyst (2005). The Double-Bind Dilemma for Women in Leadership: Damned if You Do, Doomed if You Don't.
- Catalyst (2010). Mentoring: Necessary but Insufficient for Advancement.
- Catalyst (2004). The Bottom Line: Connecting Corporate Performance and Gender Diversity.
- Catalyst (2018a). Pyramid: Women in S&P 500 Companies.
- Catalyst (2018b). Women CEOs of the S&P 500. Retrieved from <http://www.catalyst.org/knowledge/women-ceos-sp-500>
- Eagly, A., & Carli, L.L. (2007). Women and the Labyrinth of Leadership. *Harvard Business Review*, 85, 62-71.
- Eagly, A. & Carli, L.L. (2007). *Through the Labyrinth: The Truth About How Women Become Leaders*. Harvard Business School Press.
- Ely, R.J. & Rhode, D.L. (2010). Women and leadership: Defining the challenges. Chapter 14 in *Handbook of Leadership Theory and Practice*, edited by Nitin Nohria and Rakesh Khurana. Harvard Business Press.
- EY & the Working Mother Research Institute (2011). What moms choose: The working mother report. Retrieved from <http://www.working-mother.com/research-institute/what-moms-choose-working-mother-report> on January 1, 2018.
- Grant, A.D. & Taylor, A. (2014). Communication essentials for female executives to develop leadership presence: Getting beyond the barriers of understanding accomplishment. *Business Horizons*, 57, 73-83.
- Herring, C. (2009). Does diversity pay? Race, gender and the business case for diversity. *American Sociological Review*, 74, 208-224.
- Hewlett, S.A., & Buck Luce, C. (2005). Off-ramps and on-ramps: Keeping talented women on the road to success. *Harvard Business Review*.
- Ibarra, H., Carter, N.M., & Silva, C. (2010). Why men still get more promotions than women. *Harvard Business Review*.
- Ibarra, H. & Obodaru, O. (2009). Women and the vision thing. *Harvard Business Review*.
- LeanIn.Org & McKinsey & Company (2016). *Women in the Workplace*.
- Manpower Group (2017). 7 Steps to Conscious Inclusion: A practical guide to accelerating more women into leadership.
- McGregor, J. (2017). The number of women CEOs in the Fortune 500 is at an all-time high - of 32. Retrieved from [Washingtonpost.com](http://www.washingtonpost.com)
- McKinsey & Company (2007). *Women matter: Gender Diversity, a Corporate Performance Driver*.
- McKinsey & Company (2015). *Diversity Matters*.
- Smith, D.G., & Johnson, W. B. (2016). Men can improve how they mentor women. Here's how. *Harvard Business Review*.
- The Peterson Institute for International Economics & EY's (2016). *Is Gender Diversity Profitable? Evidence from a Global Study*
- Wilcox, I. (2016). The diversity dearth in pharma, *Pharmaceutical Executive*, 36, 4.

AUTHOR



Wendy L. Heckelman, Ph.D., Founder and President

Dr. Wendy Heckelman leverages her more than twenty-five years of experience and expertise in cultural transformation, change management, human capital, and strategic implementation to address complex business performance challenges. She partners with CEOs and their teams to craft, execute, and track the performance of their strategies. Wendy uses a rigorous and scientific lens to diagnose business performance issues, challenges, and opportunities for organizational effectiveness. Wendy leads a team of experienced consultants who develop clear recommendations and custom solutions for each client engagement.


Please contact Wendy at: Wendy@wlhconsulting.com

ACKNOWLEDGEMENT:

I would like to thank members of the WLH Team for their contributions to the research and editing of this paper.

ABOUT WLH CONSULTING, INC.

WLH Consulting, Inc. ("WLH") offers customized consulting services and state-of-the-art learning interventions to organizations seeking to develop and execute more effective business strategies. We leverage our expertise in strategy development, business and organizational effectiveness, and human capital management to improve the overall performance of our clients. Our clients count on us to gain a deep understanding of their issues and desired results. WLH considers projects complete only when our clients' goals are met and when they are confident in their abilities to sustain positive change. WLH has a proven track record of offering consulting services and customized learning interventions for many global pharmaceutical companies, nationally recognized integrated delivery networks, and in other various industries.

 954-385-0770

 info@wlhconsulting.com

 www.wlhconsulting.com



WLH CONSULTING

The logo features the letters 'WLH' in a large, white, serif font, followed by the word 'CONSULTING' in a smaller, white, sans-serif font. A white right-pointing triangle is positioned to the right of the text. Below the text is a thin horizontal line.

www.wlhconsulting.com

info@wlhconsulting.com

954-385-0770