

Women on Boards

Unleashing the mighty middle



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Foreword by Sir Terry Morgan CBE



This report represents an opportunity – an opportunity for industry to be strengthened by an untapped resource, waiting to bring a new balance to the boardroom.

The value of a diverse workforce at every layer of business is recognised as a vital contributor to business performance, innovation and progress. Business leaders are looking now, more than ever, at the practical ways to drive the change we need. This report will help businesses to do just that.

Following extensive research in many industries, the report identifies the challenges built into the plumbing of business. It articulates the different stages of a career lifecycle, highlighting where additional awareness, support and bespoke initiatives will help unlock a pipeline of diverse talent. Embedding these activities across industry will help

us increase the number of women in business at all levels and improve the cognitive diversity of our organisations.

We will all benefit from this. In construction we have one of the steepest mountains to climb. Only 11% of people in this industry are women and few young women are studying maths and science in the UK, with a view to joining the industry in the future.

We must take action within our organisations, to support emerging talent, to promote female role models and to inspire the next generation to see the opportunities available to them. This way, our industries will all benefit from the talents of a gender-balanced workforce in the future – from entry level, to the board.

A handwritten signature in black ink, reading "Terry Morgan". The signature is written in a cursive, flowing style.

Sir Terry Morgan CBE
Chairman Crossrail

Preface

Life starts at near parity – 105:100 to be precise. That’s the current proportion of males to females at birth in the UK. Women are half the population as potential customers for your company’s products or services. But women are still a tiny minority at top decision-making levels. Is lack of female talent a constraint on your business performance?

Progress has been made: the Davies Report in 2011 set ambitious targets for listed companies; last year’s Review showed they had been met and set more headline targets. The UK Corporate Governance Code requires companies to provide targets, progress reports and commentaries in their Annual Reports.

Yet Cranfield’s latest ‘Female FTSE Report’ noted that although the percentage of women on FTSE 100 boards had increased to 26%, only 10% of roles on those boards were in C-suite or operation roles.

Both reports expressed concern about the lack of women’s progress in executive roles and through the pipeline. Appointing women to non-exec or support roles at the top of FTSE organisations is worthy, but really is it just ‘gaming the system’ and ticking the boxes?

Existing targets will be hard enough to meet - and real progress will be unsustainable - unless we know more about the pipeline and do something to fix the plumbing. We set out to find the common obstacles and examples of best practice at all levels for women from entry to senior management, across a broad cross-section of enterprises, not just the FTSE.

We have gathered a wealth of data over the course of the report, we will share with you some fascinating insights and examples of what has worked well across the career lifecycle for women.

Executive summary

Firstly: a big ‘thank you’ to all of you who took part in ‘Women on Boards – Fixing the Pipeline’. We have researched 38 enterprises and had feedback from 140 people. We have a wealth of data and some fascinating insights to share.

The mighty middle

The first point is that so much focus has been on the top of organisations: senior women who are on a board, an executive committee, or about to make that transition. It became clear to us that this was actually symptoms- not the cause. The real issues are not at a senior level, but in the ‘mighty middle’. Hence our report is ‘Women on Boards – Unleashing the mighty middle’.

No silver bullet

The bad news is that there is no single fix to ensure that women will progress successfully through your organisation. The approach has to be systemic. It is not just the sponsorship at the top that creates an environment in which women (and everyone else), can thrive, but each and every transition point in their career lifecycle.

The good news is that most businesses and organisations are already pursuing a number of actions, processes, and policies that

they can build on. Those who are really successful also use their existing employee data to align – join up the dots – on everything so that they can measure the value of a healthy gender balance throughout their organisations.

The Career Lifecycle

The lifecycle that women embark on during their careers can act as a prompt or audit: what you are already doing at each stage – and what more you could do – to support women through the critical transitions. This is especially so at the midpoint of the cycle, which usually collides with decisions about the next move up the career ladder and raising a family.

We have identified seven career lifecycle points and the policies/processes/development that can be put in place to ease women through each transition.

Our report expands on each stage of the career lifecycle and we share practices from the companies we researched. We also have a case study from an organisation that has created a culture where not only women thrive- but all employees are set up for success.

Methodology



**ORGANISATIONS
WORKED WITH**



EXECUTIVES INTERVIEWED
(CEOs, Chairmen, Finance Directors,
HR Directors, Operational Directors)



**PARTICIPANTS RETURNED
SURVEY FEEDBACK**



AIRLINE



CHARITIES



DEFENCE



ENERGY



LEISURE



PUBLIC SECTOR



**SERVICE
PROVIDER**



TELECOMS

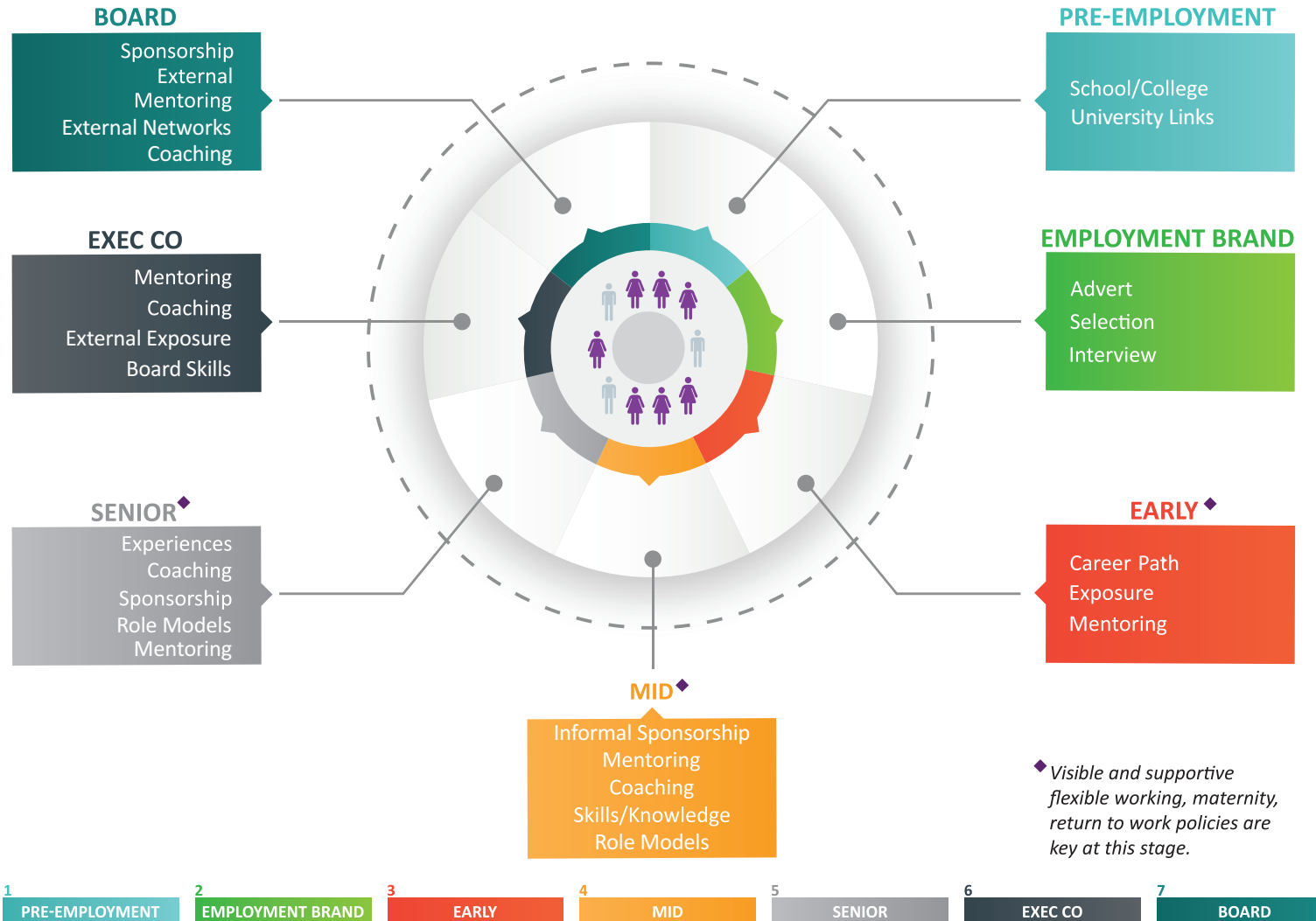


TRANSPORT



The Career Lifecycle

CAREER LIFECYCLE - Process and development ©





PRE-EMPLOYMENT

Let's start at the very beginning!

Challenging perceptions of roles that can be carried out by not only men, but women too. Many organisations, especially those that in future will recruit students with a STEM background are working with

schools (some junior), colleges and universities to change the dynamic and perception of their industry/sector, e.g. Engineering.

What can you do?

- Work with your targeted schools to build curriculum games
- Build social and environmental awareness into engineering projects
- Assign female apprentices/graduates to schools to build up a relationship and attend career events
- Send young women role models to university events
- Run life skill events for young women at colleges/universities (e.g. leadership, team working, self awareness)

“STEM capture – secondary school, if not primary. There is a foundation; *smallpeice*, specifically to bring young people into STEM: specifically girls into engineering. We support by designing courses – programmes.” CEO ENGINEERING

“To encourage women into the nuclear industry it is a perception also from the parents. How do they encourage their daughters to go into this sector? Even in engineering there is a lack of female lecturers.” CEO ENGINEERING



EMPLOYMENT BRAND

Sending the right external messages

What does your employment brand say about your organisation?

Does it give any clues to its culture?

Is it gender-biased towards men?

Have you reviewed how you source, interview and retain external female candidates?

What can you do?

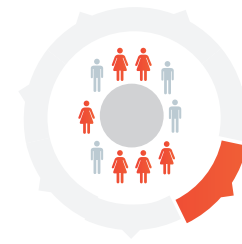
- Re-visit your job adverts. Review the wording: is it gender-neutral? (there are tools that can check this out)? Would a woman naturally want to apply for the role?
- Review shortlist criteria. How do you select candidates? Is there a case for using blind CVs (e.g. no name, no gender). How do you interview candidates? All male or a mix of male and female interviewers?
- Visibly support diversity events e.g. International Women's Day, Pride.
- Review work areas – if on construction/manufacturing/engineering. Are they female-friendly e.g. female toilet/changing facilities, lunch/coffee areas?

“In terms of searching for a Finance Director, we made sure that women were on the short list. However, it was hard and we had to send the headhunters back three or four times to make sure that there was a healthy gender balance.” CEO ENGINEERING

“Recently brought in blind recruitment as before it was seen as ‘jobs for the boys’. HR also sit on the panels now and the recruitment process is seen as much fairer.” CEO ENGINEERING

“We are involved in ‘Women into construction’ to help contractors find women in multitudes of trades. This gets women “job ready” and when vacancies come up, they can take them.” HRD TRANSPORT & CONSTRUCTION

“Now looking at competences to make sure not gender-biased, but based on values which are more female-based, these were developed with all our organisation. 1500 people took part in doing this e.g. created pictures and words of what they wanted the values to look like.” HRD INFRASTRUCTURE COMPANY



EARLY

Guidance from an early start

Our findings showed that the first tranche of attrition happens around 3-5 years into a person's career. At this stage, there was no perceivable difference between men and women, however, if the

intake of women was lower in the first place it means that even fewer women will progress through the organisation in the future.

What can you do?

- Assign mentors
- Have clear career paths with examples of women who have moved through and up the organisation.
- Recognise and reward more collaborative behaviours in the apprentice/graduate communities.
- Start to build confidence. Give women at this stage exposure to senior leaders, shadowing, assignments, small informal network meetings e.g. brown-bag lunches to share experience.

“The apprentices that stand out currently are women. I looked at the best graduates to shadow me and be on the exec. Out of the pool I looked at there were six women and one man. It is changing.” CEO ENGINEERING



MID

Take care of the mighty middle

The mid-point in the career lifecycle can be the longest part of a career and may last several decades. During this time, major decisions in work and family life will be taken, and moving up the career ladder may be put on hold as family becomes the priority (from childcare to parent care). It may take double the effort to make the leap out of this comfort zone to take on the challenges of senior

roles. However, there will be a wealth of talented women at this level, who, given the right level of support and nurturing, are more than ready to take the next leap.

It is a key priority to support women to build and grow in confidence at this stage so that they can transition into executive positions.

What can you do?

- Informal sponsorship
- Mentoring
- Coaching
- Role models
- Skills/knowledge refresh
- Career discussions/workshops
- Build confidence and resilience

Visible and applied policies are key:

- Maternity/paternity
- Maternity support
- Flexible working
- Back to work

“We encourage women to apply for promotion, and support their preparation to step up, including through executive coaching.” HEAD OF HR PUBLIC SECTOR

“If I’d had self-belief earlier in my career, it would have been helpful. I stayed in a role for seven years because of a lack of it.” DISTRIBUTION DIRECTOR – LEISURE CO

“Women role models would help, people to look up to who demonstrate outward confidence but have the human touch. Some are quite intimidating. They need to be credible in the job, but also human, normal, approachable – and get it.” CUSTOMER DIRECTOR – LEISURE CO



SENIOR

A major transition

The leap from mid-point to senior position is a crucial transition. It is likely to be the first time that someone has total authority and is taking full responsibility and accountability for decisions made. This

transition can be make or break. A high level of support is needed to help build and maintain resilience to ensure that women thrive at this level in order to progress to executive committee.

What can you do?

- External networks
- Mentoring
- Coaching
- Informal Sponsorship
- Exposure to the next level up the organisation
- Board-level skills and knowledge

“How do you prepare women for board roles, learn as you go?”

DISTRIBUTION DIRECTOR – LEISURE CO



EXEC CO

It's lonely at the top!

There was overwhelming evidence in our research that women found when they arrived at the executive committee level they were the sole woman. In rare instances, where a couple of their colleagues

at this level were women, they felt that this changed the dynamic and general openness of the team they were operating in. This helped change employees' perception of the organisation.

What can you do?

- External mentoring
- External exposure – networks, representation
- Coaching
- Board skills
- Sustaining confidence and resilience



BOARD

The holy grail or not!

The board awaits. The position can be daunting. It is highly visible, internally and externally, with shareholder pressure as an extra bonus. In the public sector, every decision can be scrutinised, with

judgment challenged at every turn. What does it take to stay on top and to thrive?

What can you do?

- Prepare people for their Board responsibilities
- Mentoring by the senior NED
- Mentoring by an external chair or CEO
- Coaching
- Sustain confidence and resilience

Case Study - Sodexo

427,000



PEOPLE EMPLOYED
WORLDWIDE

80



COUNTRIES

100m



CONSUMERS
EACH DAY

Introduction

Sodexo is a global service provider employing 427,000 people worldwide, working in 80 countries, serving 100 million consumers each day.

We were given the opportunity to interview five employees from the UK and Ireland and were struck at how enthusiastically they talked about the work that Sodexo is doing across diversity and inclusion, with gender-balance a key pillar of a plan called 'Better Tomorrow'.

Sodexo views the right gender-balance as a business imperative, with gender-diversity reflecting the consumers that it serves. It

places gender-equality and the advancement of women at the heart of its economic, social and environmental development.

Sodexo is able to prove that the right gender-mix in the workplace increases business performance and results. In 2014 it carried out an internal gender-balance study involving 50,000 managers. The research revealed that teams with a gender-balanced management delivered the best financial performance, employee engagement, brand awareness and client retention over three years. A recent update published earlier this year showed that over a five-year period, operating margins were up 8%, client retention up 9% and employee engagement increased by 14%.

The approach

"Gender-diversity is embedded in every policy – tactically and strategically." Megan Horsburgh, Diversity & Inclusion Director UK & I.

Targets: Sodexo has targets based on its internal research. Its goal is that, by 2025, at least 40% of senior leaders will be women. To ensure that senior leaders understand how much Sodexo values this goal, it will be linked to 10% of annual bonus. Already 50% of board-members and 32% of senior executives are women.

Employee Policies: All policies ensure gender-balance is built into them. From recruitment, maternity, flexible working and return to work.

Development enablers: There is a strong emphasis on development. Women are supported to build their confidence through the use of leadership programmes, mentoring, mentoring circles, coaching. There is also an established women's network, SWIFt (Sodexo Women's International Forum for Talent) established by the CEO. The UK & I region also has a Women Work network which is striving for gender balance. The Women Work network sources role models, publishes podcasts, and highlights opportunities, not just in the normal female roles, but unusual roles across traditionally male dominated areas such as facilities management and security.

Culture: Sodexo is clear that gender-balance is not just about women. It believes that if it has the right mix it will create a truly open environment where everyone can thrive. The global senior leadership is passionate about getting it right from both an intellectual and values perspective. Members of the leadership team don't just talk about it but take positive action, are externally visible in their commitment, support activities such as International Women's Day and the early publication of gender pay-gap data in

“I believe you need three things: A business case, engagement of heads and hearts and translation into practical application.”

Megan Horsburgh

the UK. In the region, the male CEO of the Healthcare segment, the HR Director and female CEO of the Justice business are regular speakers on the topic, sharing their personal experiences and also Sodexo's approach.

Conclusion

This transformation did not just happen overnight. Major change started to happen in 2009 when SWIFt was established by the CEO. There have been nine years of focus on gender-balance and it continues to evolve. It is not easy. “I believe you need three things: a business case, engagement of heads and hearts, and translation into practical application.” Megan Horsburgh.

It is clearly working with impressive increases in operating margins, client retention, employee retention, safety and employee engagement over a five-year period.

Confidence & Resilience

‘Two sides of the same coin’

We want to put a spotlight on a self-blocker and a self-enabler. Remarkably, 98% of the women we interviewed indicated that at some stage their lack of self-confidence had inhibited their career ambitions or knocked their self-belief. On the other hand, their grit, focus and determination had got them to where they are today. Confidence and resilience come with experience, but organisations can intervene to speed up this process.

“I used to lack confidence, I used to self-analyse. How do you build confidence and self-belief in women?” - Director of Customer, Airline. We fully appreciate that what follows can enhance anyone’s career but it is especially relevant for women.

Confidence

- Develop leadership skills early in the career lifecycle.
- Give stretch assignments and projects ensuring that support is built throughout them.
- Build a coaching culture through line managers.
- Provide women with clear feedback that helps them to build their own confidence and achieve higher performance.

- Map out career paths along the career lifecycle and what is expected at each stage.
- Provide aspirational internal mentors and access, internally, to high-achieving women.
- Provide individual access to coaching at each critical transition stage in the career lifecycle.

Resilience

In the early stages of the career lifecycle, ensure that women are aware of their own behaviours, personality and impact. That they understand their stress levels, what triggers them and how to manage them.

- Create a clear sense of purpose around the career lifecycle by mapping out career paths and stages along the way.
- Share stories from other women in the organisation that have faced adversity, overcome it and what their coping mechanisms are.
- Develop change-management leadership skills, how to flex and move with change.
- Provide access to coaching to help re-frame situations, meet challenges and overcome them.

Conclusions

Overall: there is no quick fix—no silver bullet—to progress women through organisations to board level. The approach must be systemic and looked at through the career lifecycle, the transitions made at each stage, and the challenges faced. Organisations need to support women through each stage, particularly in mid-career.

Specifically:

Start early

Intervene early: organisations need to influence at school, college, and university level, particularly for STEM.

Support those critical career transitions

Increase support at these stages: first leadership role; return to work from maternity; mid-career; first board position.

Focus on the mighty middle

Develop career paths with women at this level. Provide ‘stretch’ projects that challenge them - but ensure that they are supported throughout. Provide mentoring and coaching.

Build confidence and resilience

Even the highest-achieving women experience significant dips in confidence. Be alert to this and equip women with the tools and knowledge to regain confidence and build resilience.

Review regularly

Appraise what you have in place at frequent intervals and review against the career lifecycle.

Celebrate!

Celebrate high-achieving women – encourage them to share their stories.

The authors of Women on Boards



John Keary

John has nearly two decades experience of senior executive coaching. He has worked worldwide and seen first hand how easy or difficult it is for women to progress their careers in different cultures. In the UK, his clients are increasingly women – now nearly 50:50. Outside of coaching, he has a strong interest in business history and is a published author.



Rosemary Harper

Rosemary has over twenty years experience as a senior executive team and individual coach. Over the years she has coached women and men from just about every industry sector and most major regions of the world. She formed Keary Harper LLP with John Keary in 2000. Prior to becoming a coach she had a senior level career in industry, and was the first woman Director in BAE Systems PLC.



Kim Reid

Kim is an Executive Coach who has worked as a senior leader with BAE Systems and British Airways. She has over 12 years coaching experience gained in her previous positions as Group HRD, HRD, Head of Leadership Development and more recently as an Executive Coach in her own coaching business Yarwood Reid & Co. Kim truly believes in coaching as a dynamic form of development to support people in reaching their potential and increasing their performance. She has a focus in working with women to support them through their career life cycle leadership transitions.

