

**Confidence? Communication? Culture change?  
What will it take to achieve gender balance in corporate leadership?**

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THE PAST MONTH has brought a welter of new research demonstrating why companies need better gender balance, especially at the top. First came a study from Catalyst, the US research and advisory body, showing that Fortune 500 companies with the most women on the board were more profitable and efficient than those with the fewest.

Next, McKinsey published a report, *Women Matter*, finding that European companies with the greatest gender diversity in influential leadership positions tended to perform better than their sector average on measures such as return on equity and share price growth.

Both studies pointed to a significant impact on financial performance when there was a critical mass of women at the top – at least 30 per cent – rather than just a “token” woman.

Finally, London Business School (LBS) launched research this month into the impact of gender on innovation in teams. It found that teams were most efficient and experimental when they had a 50:50 gender balance. “Neither men nor women flourish when they are in the minority in teams,” it said.

All of these studies reinforce the business case for companies doing a better job of retaining, motivating and promoting women. So what will it take to get more women into corporate leadership?

A familiar complaint from senior business people is that “there aren’t enough women” or “women don’t put themselves forward for promotion”. Yet, as Sej Butler of IBM explained at the LBS event, when women do apply for jobs they are often more successful. His role, as European Recruitment Manager for Global Business Services, is to find ways to get more women to apply.

The fact is that there are important differences between most men and most women that companies really need to get to grips with in order to make best use of their talented women.

One of these differences is that women tend to apply for jobs only if they feel they meet 100 per cent of the requirements, whereas men will apply if they think they meet 60 per cent. What's more, interviewers tend to set the bar higher for female than for male candidates – and women recruiters, in particular, are tougher on female candidates than male ones. These biases are usually unconscious, of course, but they are self-perpetuating.

Women often “externalise” their success, as Professor Susan Vinnicombe of Cranfield School of Management explained at a recent Institute of Directors conference on “Women as Leaders”. Instead of taking credit for their achievements, they will often say it was largely due to others - or even to luck. Of course some men do this too, but it tends to be a female trait.

Unless employers allow for these differences, and analyse whether their workplace is really attractive to women, from recruitment level up to the executive committee and board, they will continue to lose them.

How else can we bring about change? A recent survey by Aspire, a coaching and development firm for women leaders, shed some fascinating light on what needs to be done. Aspire questioned about 500 senior women and 100 senior men about success, leadership and what motivates them at work.

The female respondents said the main things women needed to do to reach senior roles were: to be more confident (59 per cent); to ask for what they want (51 per cent); and to lead change (50 per cent).

The men did not rate the confidence issue anything like as highly. The thing they considered most important was for *organisations* to change. They did, however, agree that women could reach the top by leading change.

I believe both of these things need to happen: women do need to have more confidence in their ability to take risks and to lead projects, teams and companies. At a recent event for MBA women, almost none saw themselves as becoming chief executives. Yet many wanted to set up their own business. What is that if not being a chief executive? So why not aspire to the top of a large company?

The reason, I suspect, why so few women see themselves leading large organisations is because there are so few women like themselves doing so. This is where the other finding from the online survey is important. It's likely that the men who took part were enlightened ones, otherwise they would not have bothered. Nonetheless, it is heartening to know there is a groundswell of male opinion out there that wants women to do better in their organisations and to use their difference to change what is usually still a very male-dominated culture inside large companies.

So women should draw confidence from knowing there is a lot of backing (often tacit) for different styles of leadership and corporate culture – balancing the best of male and female strengths.

But things will not shift if women are left to champion change against the prevailing culture without true commitment from the top. If that happens, women often take their abilities elsewhere.

This is why companies also have to change: by understanding the business case, by ensuring that senior and middle management are committed to it, and by reviewing and adjusting their recruitment, talent-spotting, promotion and reward systems to remove unintended bias. Putting a senior, widely respected executive in charge, and giving him or her a budget commensurate with the scale of change needed, can make a big difference. So can encouraging more open communication about these issues at work.

Samantha Collins, chief executive of Aspire, recommends we talk about “masculine” and “feminine” leadership traits, rather than “male” and “female” ones. After all, some women have stereotypically male traits – decisiveness, risk-taking, drive, focus – and some men have stereotypically female ones, such as empathy, honesty and a consensual style. The important point is that all these traits are valuable in leadership today. Gender balance will greatly increase the chances of having these complementary strengths round the executive table.

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