

## Women in Leadership Research: Top 5 Findings

*Though interest in advancing women to C-level positions remains high, only 12% of organizations have achieved gender parity in C-level roles.*

*The number one barrier is inadequate management of the leadership pipeline.*

### KEY FINDINGS

- **70% of companies have a C-suite with 25% or fewer women.**
- **Only one-third of companies have women currently being groomed for executive roles.**
- **The number one factor holding women back from C-suite roles is a lack of succession management for the leadership pipeline.**
- **Smaller companies are better at achieving gender parity than their larger counterparts.**
- **High-performing organizations have different cultural philosophies about women in leadership.**

Source: 2016 Brandon Hall Group Women in Leadership Study (n=420)

## Summary

Gender equality has long been a challenge of organizations worldwide, and in spite of awareness efforts and education, a challenging environment still exists for women leaders in the workplace.

In Brandon Hall Group's 2016 Women in Leadership Study, only 12% of responding organizations said they are seeing gender parity when it comes to C-level executive roles, even though 97% of respondents say that the interest in having women advance to

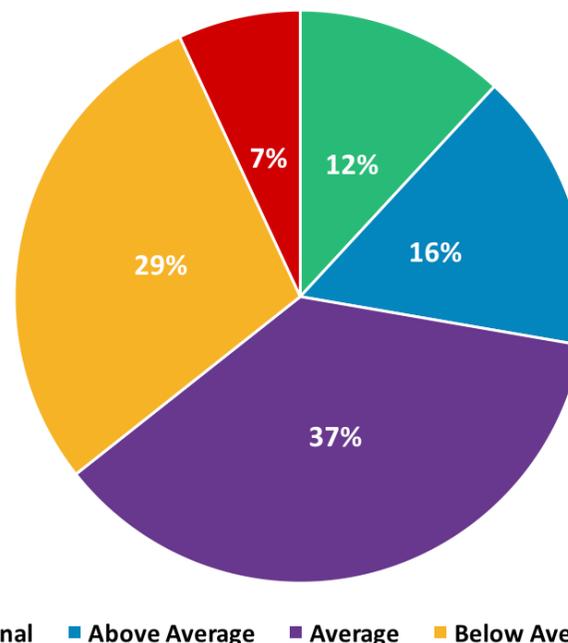
executive positions, including CEO, has remained the same or increased in the past few years.

Three times as many organizations have none or few women in C-level roles than have at least an equal number of men and women in those positions.

With diversity and inclusion being a critical initiative for many companies, one element of that is creating a culture and atmosphere for women to advance to, and excel in, leadership positions. However, this is not without challenges. As we see with much of our research across learning, talent, and HR, the key issues can only be addressed when the problem is clearly identified.

We believe that a diverse leadership team is key to organizational success, even though the data shows there is limited representation in the current state. Throughout this report you will find data that outlines the current state of gender parity, systemic issues that prevent advancement, and opportunities to improve existing practices.

**Figure 1** The Maturity of Gender Parity in Today's Organizations



**Exceptional:** We have at least an equal number of women and men leaders in C-level positions and recognize the business value of parity

**Above Average:** We do not yet have parity between men and women leaders in the C-Suite, but the ratio has continuously improved over the last 3 years or so and parity is a business priority

**Average:** We have more men than women in C-suite positions but are focusing on actions to significantly improve parity quickly

**Below Average:** We have very few women in C-suite positions and those who are there have gotten there by happenstance and we do not necessarily see the business value of gaining parity

**Poor:** We do not have any women in C-suite positions and are not prioritizing gender parity at all at this time

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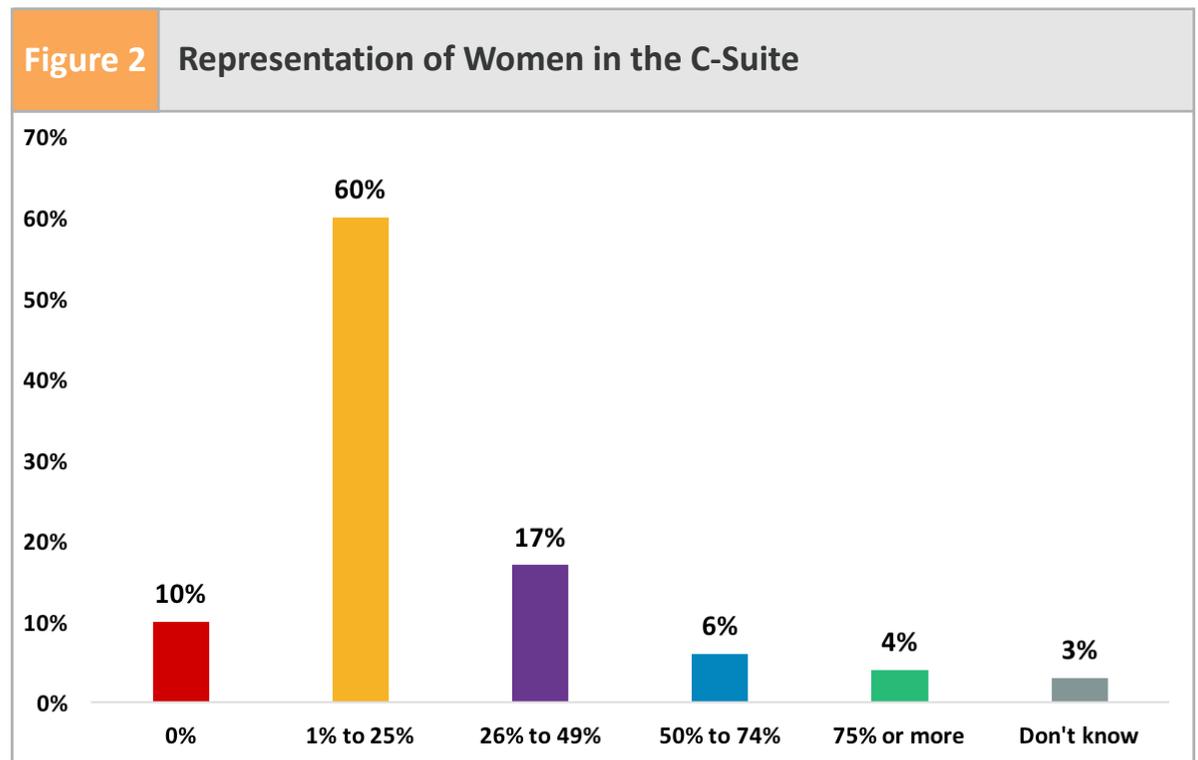
## TOP 5 FINDINGS

### 1. 70% of Companies Have a C-Suite Featuring 25% or Fewer Women

As with any core organizational initiative, the direction must come from the leaders at the top. How this group models behaviors and decision-making is crucial for determining the direction of any initiative, including those concerning gender equity. This includes everything from social responsibility to CEO choice. The data shows that just 14% of companies have a woman serving as the Chief Executive Officer, and only 9% are strongly considering a woman as the immediate successor to the current CEO.

In the C-suite as a whole, results are similar:

Despite making up about half the workforce, women are consistently underrepresented in the upper echelons of organizational leadership. Most companies have between 1% and 25% representation, which is a far cry from the level of parity that is needed. This is echoed by the succession planning piece of the equation: only one-third of companies have one or more women being groomed for executive roles.



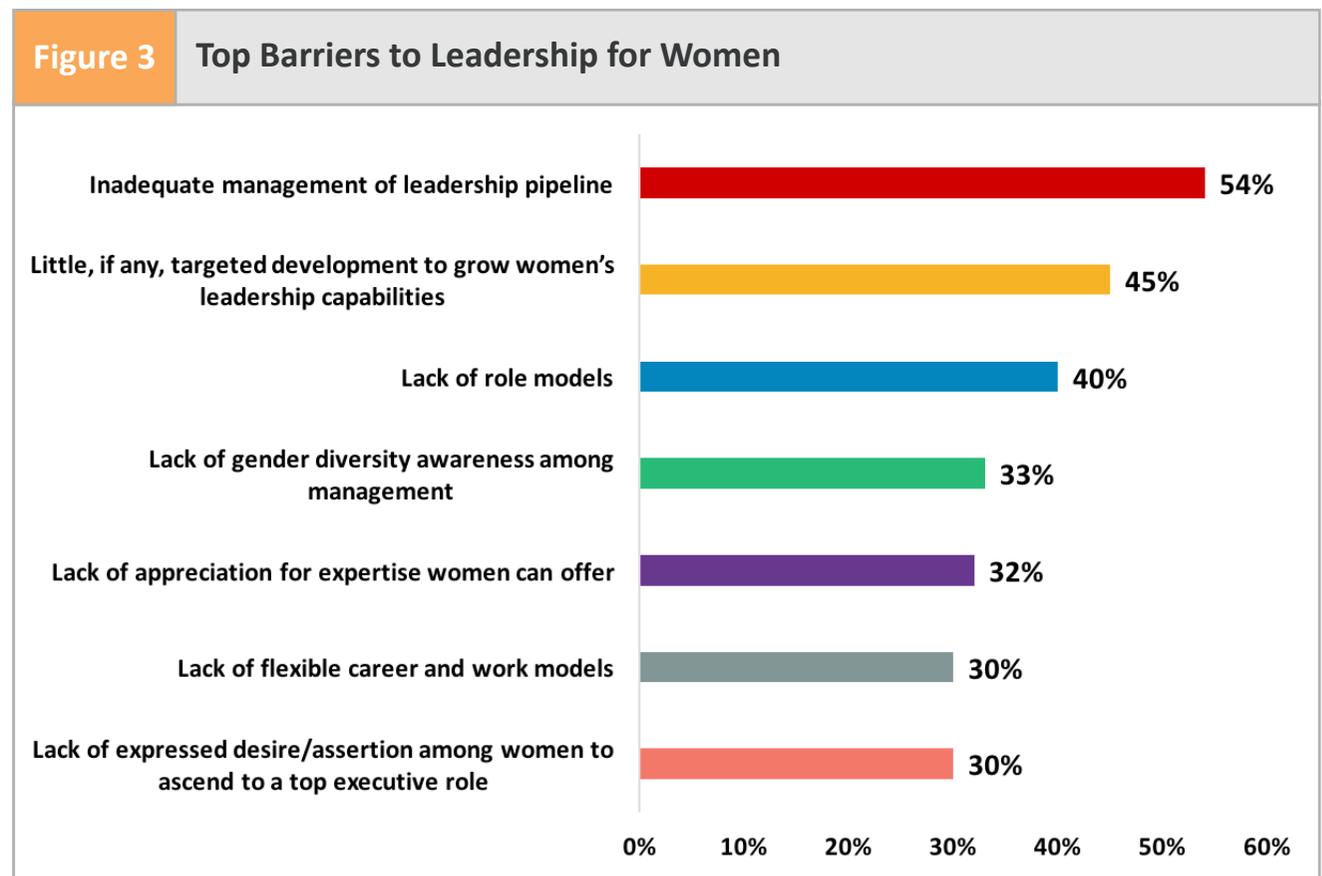
Source: 2016 Brandon Hall Group Women in Leadership Study (n=420)

## 2. Culture and Processes Lead to Systemic Barriers to Success

For the 88% of companies that have not yet achieved an equitable playing field, it appears that there are significant, systemic barriers to success. The following graphic highlights the problems identified from most to least common.

The top three areas stand out, and they represent significant barriers to success for women:

- Inadequate management of leadership pipeline.** Just over half of companies believe that the biggest issue facing the advancement of women is simply inattention. It is likely that every organization has a capable female leader somewhere within its ranks—it is another matter entirely to believe that the organization is set up in such a way to support, encourage, and ensure her successful preparation for senior leadership roles. This was the top response for large and mid-size organizations.
- Little, if any, targeted development to grow women’s leadership capabilities.** 45% of organizations are not offering or supporting targeted development opportunities for



Source: 2016 Brandon Hall Group Women in Leadership Study (n=420)

women. While we know that leadership development has been adopted by many organizations, the programs do not intentionally target women for development and advancement. Whether by overt or inadvertent exclusion, this is leading to a lack of representation of women in higher-ranking positions. This was the most common issue for small organizations with fewer than 1,000 employees.

- **Lack of role models.** Four in 10 companies believe that a lack of role models is to blame for low utilization of women in C-level positions. It's no surprise that this is a contributor, since just 14% of companies have a female CEO and there is low penetration in the C-suite as well.

The root cause underlying these various issues is a lack of coordinated effort. Companies that focus on diversity, gender equality, and creating equal opportunities are going to see the benefits of this approach. However, without the proper effort and intention, these and other issues will continue to limit performance.

### 3. Methods Aimed at Developing Women Leaders are Under-Utilized

Despite the issues facing those women that aspire to leadership roles, there are opportunities for growing these individuals into strong organizational leaders. The most encouraging piece of this research revolves around the ways companies are making efforts to improve gender parity and the utilization of women in senior leadership positions. However, in many cases they are not used widely, they are not blended with more effective methods, and they are not supported by top management and organizational culture. That said, for companies that are trying to eliminate the gender disparity, this list provides a menu with great options to prioritize the growth and development of female leaders.

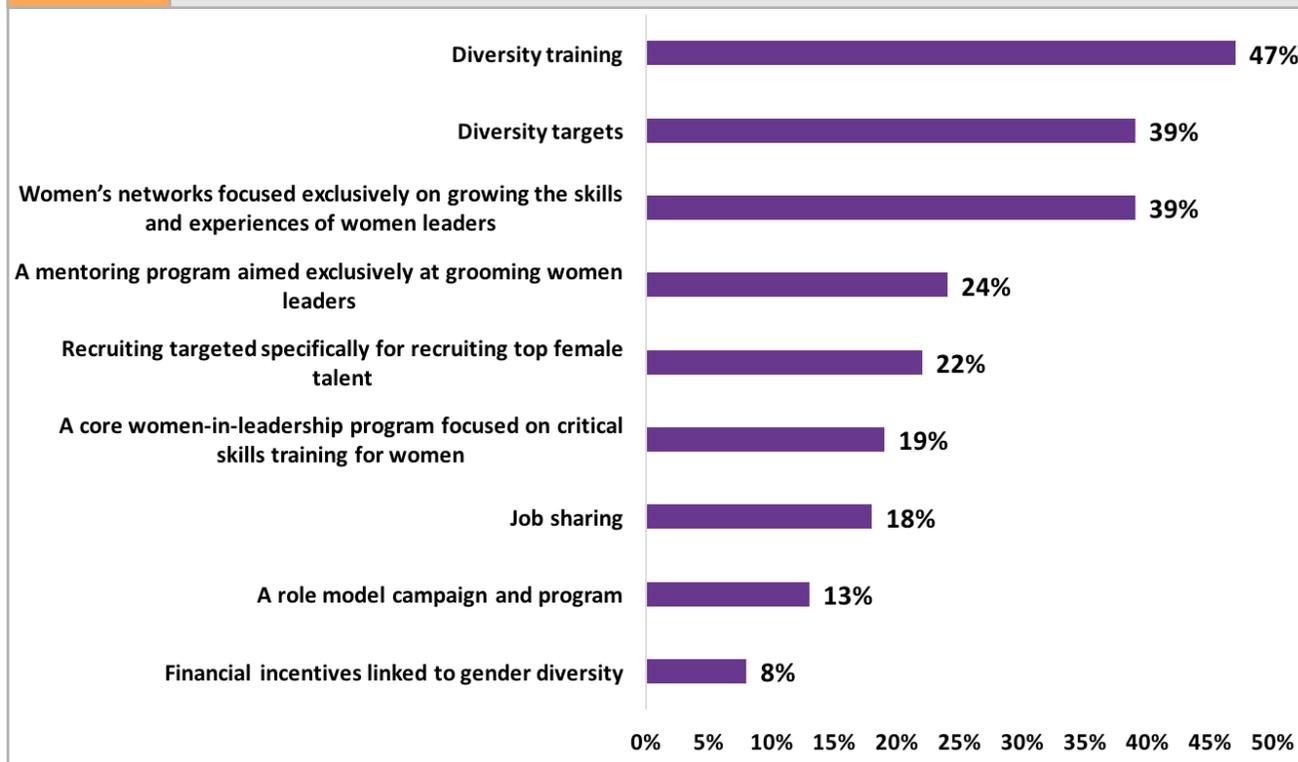
At the top end of the spectrum, nearly 50% of companies offer diversity training to help employees understand the value of a diverse workforce. However, as we move down the list, we see that the majority of firms are not making use of many strategies for advancing women through the ranks, even though many of these programs and initiatives are not resource-intensive.

For example, creating a women’s network for sharing best practices and support is an easy way to start paving the way for women to take on higher levels of leadership responsibility. Another great idea that is used by just 13% of companies is using role models to do internal marketing campaigns to brand the company as a place that women can develop themselves and advance to higher levels of achievement. Neither of those options require significant time or resources, but they can be more effective than traditional diversity training.

Some companies even use special tactics to raise awareness of the women that are interested in climbing the executive ladder. The most common method is through simple networking groups (53%). About one-third of companies create a special diversity and inclusion group dedicated to women leaders as a way to support the aspirations of this segment of the workforce. Again, this is relatively easy: it only involves laying the foundation and creating an environment where this type of community can flourish.

**Figure 4**

### Methods Targeted Exclusively for Developing Women Leaders

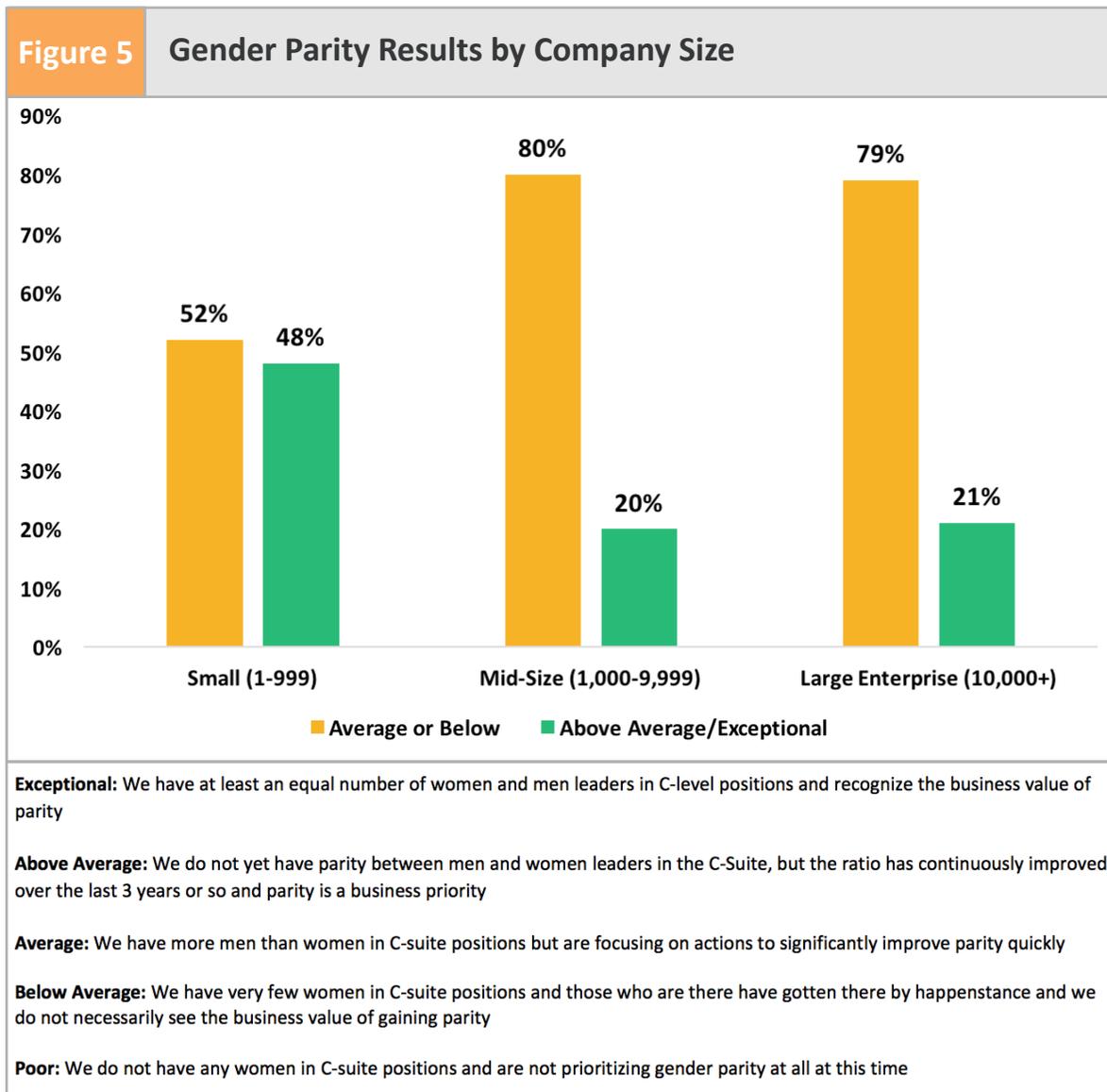


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## 4. Smaller Firms Are More Likely to Achieve Gender Parity

Large organizations are more likely to offer opportunities for targeting women leaders than smaller firms, but apparently it's not enough to make a difference. When asked about the level of gender equality, small companies were more than twice as likely to score above average or exceptional than their larger counterparts.

This table offers insights in general terms, but this is also a challenge specifically at the CEO level as well. Small companies have a woman in the CEO slot 29% of the time, but only 8% of large firms have females serving as a chief executive officer. Mid-size firms fall in at 12%.



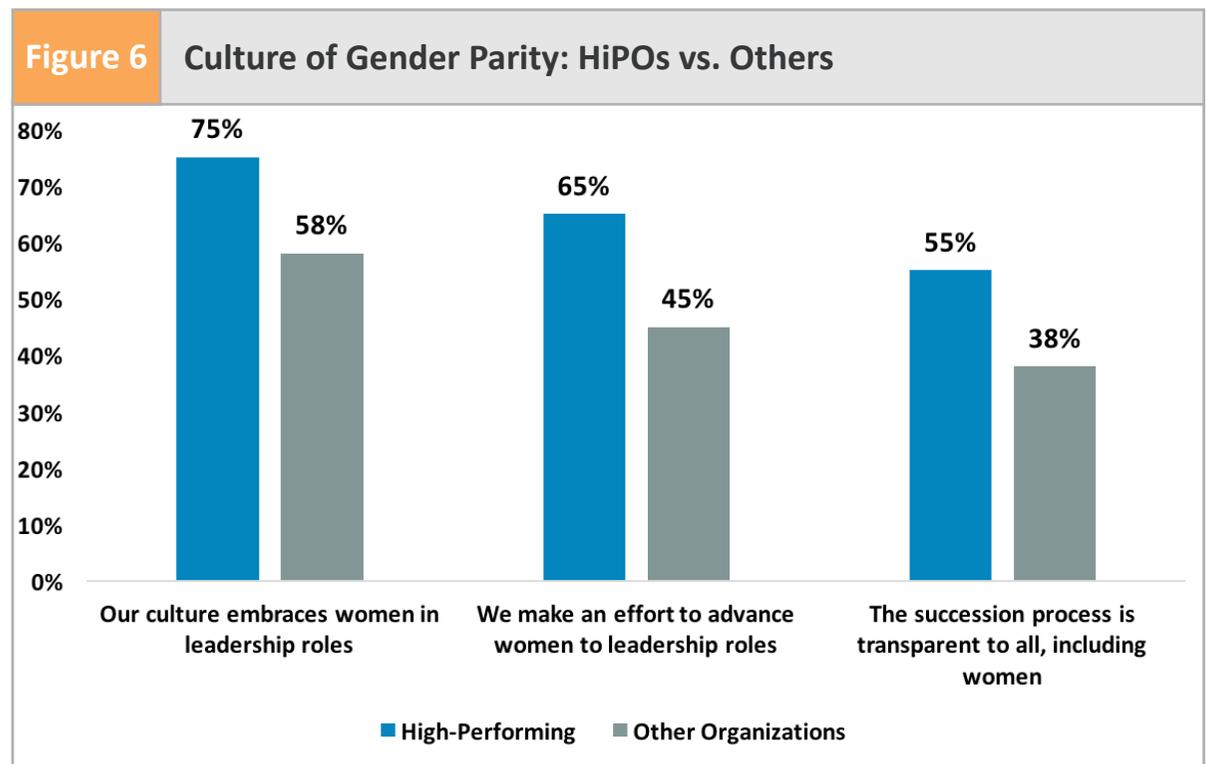
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## 5. High-Performing Organizations Have Different Cultural and Philosophical Views

Other than process-driven issues, we also see perception playing a major role in the advancement of women in the workplace. Many of the questions we asked companies about philosophies and approaches pointed to underlying factors causing many of the issues we have explored here.

But there is a definite split when it comes to high-performing organizations and the rest of the pack. High-performing organizations (HiPOs) are shown through survey results to see overall improvement across these criteria: employee engagement, customer satisfaction, voluntary turnover, organizational revenue/performance, and organizational productivity. Consider the following contrast between the HiPO group and the average firm.

In some cases, there is a 20-point or higher spread differentiating this group from its peers. These types of belief systems and cultural norms not only shape the way it treats its pipeline of female leaders -- it shapes the organization and its performance as a whole. The processes themselves can't be corrected without significant attention to these belief systems and philosophies that drive everyday decisions.



Source: 2016 Brandon Hall Group Women in Leadership Study (n=420)

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