



# How Women Mean Business

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FOR DECADES, COMPETENT AND AMBITIOUS WOMEN HAVE BEEN POURING INTO THE WORKFORCE, acquiring skills and qualifications, and becoming the majority of today’s talent. In parallel, women’s buying power is now about \$20 trillion of global consumer spending annually.

Still, few companies truly understand those who have become their talent and their customers. Vodafone Chairman Sir John Bond has a simple assessment of this situation: “It’s bad for business.” Businesses which don’t “get” women are unlikely to see lasting success in the 21<sup>st</sup> century.

## Why Gender Balance

Time and again, studies show significant improvements in decision-making quality within more gender-balanced leadership teams. Women clearly bring new perspectives and skills to the table.

While old-fashioned (male) bosses can see women as problematic, sharper leaders are keen to shape business culture and working practices so that talent thrives. This benefits not just women – many men now embrace work that enables them to give their best to employers, families and other commitments.

Beyond better decision-making and talent retention, companies need to evaluate how they do their marketing. Often the implicit view has been that men





buy everything. Not to reach women consumers and end-users effectively risks large-scale loss of business.

Finally, investors know that gender balance improves the bottom line. Companies that fail to advance women risk the ire of the market, concerned about a satisfactory return on their principal investment, their talent.

Many companies don't realise how badly they are doing. Having been a consultant around gender balance for almost two decades, I've found most men are well-meaning and progressive, but fall short of appreciating gender balance as a business priority that requires attention, focus, and vigilance.

## From Why to How

*Knowing* it needs to be done, however, is very different from *doing it*. Doing it requires that certain key steps be taken and certain cul-de-sacs avoided.

It's critical that senior leaders are convinced that gender balance is a business priority because they will have to counter scepticism and lethargy. But if leaders follow some basic guidelines, use effective indicators, and sustain their commitment, they can create much more effective businesses.

## From Glass Ceilings to Gender Asbestos

According to the "glass ceiling" metaphor, women are joining and advancing in companies in record numbers and then are suddenly blocked from the upper reaches of responsibility. This interpretation has led to decades of research about what women are doing or not doing and what they should change, strengthen, or repackage in order to break through. The underlying

question is "what is wrong with women that they are not making it to the top?" The results are initiatives to fix the women, or to "help" them.

In fact, there is no glass ceiling. The problem is more endemic, and the truth, more sobering. I call it *gender asbestos*. In every company, the number of women relative to men drops at almost every management layer. This is true in every sector, in every country. The question is not what is wrong with women – it is what is wrong with companies?

The work now is to understand the nature of asbestos and to rid the company of its toxicity, wall by wall. Because gender asbestos affects everyone and everything – performance, consumer understanding, shareholder relations, talent management, product development, etc. – it is a universal issue.

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Companies can manage the journey from imbalance to balance in four simple stages: Audit, Awareness, Align, and Sustain.

## AUDIT

Instead of launching action plans, companies should step back and analyse the starting point, through a thorough gender Audit, which has three pillars:

- **What's the Balance?** Conduct a complete analysis of a company's current situation, qualitatively and quantitatively, concerning every aspect of the gender issue, including the legacy of past efforts.
- **What Do Others Do?** Consider the pros and cons of benchmarking what other companies have done and how to build on best practice.
- **What Do We Say?** Look at questions of image and reputation, including what has been communicated on the issue.

By the end of the Audit Phase, a company can effectively frame the gender issue in business terms and bring data to the leadership team for debate and action planning.

## AWARENESS

The leadership team must first build its own awareness of the gender balance issue. Leaders can review the facts and data, analyse them in light of its strategic direction, and define how urgent and relevant the issue is for business. Ultimately there needs to be an aligned team, capable of defining a sustainable action plan. From there, the process moves downward in the organisation. There are four components to the Awareness Phase:

- **Why Should Business Care?** Line up the Audit against a company's business strategy. In comparing the two, senior executives can analyse whether gender is a lever for their business and if so, how.
- **Leading Gender Bilingual** There needs to be a similar level of awareness in the rest of the company's leadership. How do you implement a gender initiative in a variety of markets, business units and cultures around the globe?
- **Working Gender Bilingual:** It is then necessary to cascade gender bilingualism, and the associated skills, across all managers.
- **The Action Plan:** By the end of this phase, management will have become fluent in the opportunities of gender bilingualism. They can craft an action plan that will be relevant, fact-based, and designed by the leaders who are responsible for its success.

The Awareness phase creates leadership teams who are convinced and convincing about the gender-balance business case.

## ALIGN

The Alignment Phase anchors these shifts into the management mindset – and awareness about gender into the processes and systems of the company. Here there are three focus areas:

- **Training:** Targeted gender training can help different functions maximise gender-balance benefits and facilitate understanding of how each contributes to balance overall.
- **Talent:** HR should establish a policy framework and then review recruitment, retention, and team formation.

- **Market:** Marketing should address customer analyses and segmentation, product issues, and communications.

The Alignment Phase ends with systems and policies that effectively support gender-balance objectives.

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## SUSTAIN

The time required for a gender-balance shift depends on the strategic urgency and relevance of the change. Indra Nooyi, Chairman and CEO of PepsiCo, estimates her organisation would take one to two decades. Gerald Lema at Baxter, Asia, achieved gender balance in four years; Bob Elton at BC Hydro in Canada in six. Whatever goals and timings you have set, ensure that you maintain the momentum built up in the previous phases. It requires continual attention to communication, measurement and rewards.

Leaders will surely develop their own methods of implementation, based on starting points, goals, and timing. Some will focus on retention. Others will change their marketing approach. Some will embrace a mixed approach.

Done right, gender-balance initiatives can help businesses avoid costly mistakes and enable them to build strong foundations for vibrant, creative organisations that fully capture the promise of the 21<sup>st</sup> century. ♦

