Effective Leadership Development Strategies at Pivotal Points for Women

CHIEF HUMAN RESOURCES
OFFICERS AND SENIOR
HR LEADERS SPEAK

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Chief Human Resources Officers and Senior HR Leaders Speak

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Executive Summary

Human Resources and senior leaders play a critical role in activating change across the full leadership pipeline, particularly at key leadership junctures. Through our research, we examined the representation of women across leadership levels, seeking to uncover pivotal points and practices that might supercharge the advancement of women. Our goal is to provide guidance for effective talent management practices that will result in increased retention and progression of women at those pivotal points.

What emerged is a picture of a stalled engine for change in the advancement of women. We also found clear markers pointing to the most effective programs and practices to disrupt the current leadership journey and reignite that engine.

1   **Progress in the effort to increase the representation of women at each level of the leadership pipeline has stalled.** While most HR leaders perceive we are in a better place today than in the past in terms of the overall representation of women in leadership, there is agreement that there is still a long way to go and significant barriers persist.

2   **Change will only happen when CHROs <u>and</u> senior leaders display the courage to disrupt organizational culture and individual minds.** This is a pivotal moment for Human Resources officers to double down on the interventions that are most effective in closing the parity gap and ushering in change.

3   **Specific approaches are more effective than others in advancing women and underrepresented groups into leadership.** Where there has been progress in increasing the representation of women, several programs are noted as being most effective. These include programs related to pay equity, exposure to senior leadership, and systematic programs to individually develop women and place them into stretch and critical path roles.

4   **Critical leadership junctures require special care.** The shift from individual contributor to manager requires engaging women early and often, understanding an individual's drivers and aspirations, and challenging women with honest feedback and stretch assignments early in their careers, including placement into operational roles. The shift from VP to SVP deserves a different kind of attention, including providing differentiated development opportunities and pivotal experiences, and developing a sponsorship program.

Introduction

Even this far into the new millennium, it still makes headlines when the new CEO of a Fortune 500 company is a woman, the first openly gay woman is named as CEO, or a company with a woman CEO then names a woman to the CFO role.[1] While high-profile appointments feed the sense that there has been progress in recent years, the share of women CEOs in Fortune 500 organizations dropped by 25 percent in 2018,[2] and the number of women CEOs has stubbornly hovered around 5 percent for the last five years. At the board level, there has been progress; however, according to estimates from the Committee for Economic Development (CED), at the current rate it will still take 75 years to reach gender parity in the board room.[3]

The stalled journey to parity for CEO and board roles mirrors the journey of the broader workforce—at the current rate of progress globally, the World Economic Forum's Global Gender Gap report indicates parity is another 217 years away.[4] The trend line is comparable across virtually all industries, with little advancement in recent years despite heightened organizational efforts. The backdrop of a war for talent, the #metoo movement, and an almost universal recognition that diverse leadership teams, boards, and workforces generally deliver better business performance has only intensified those efforts.

Advancing the leadership of women and other underrepresented groups is a business imperative. What isn't often discussed is the courage required of numerous stakeholders to effect this change—courage to disrupt "the way we've done things around here," to intervene in the face of pressure and pushback, and to shine a light on disparity in big and small ways. In Korn Ferry's rigorous and comprehensive research on competencies crucial to successful leadership, courage is defined as "stepping up to address difficult issues, saying what needs to be said."[5]

According to Jane Stevenson, vice chair, Board & CEO Services, at Korn Ferry, "When HR and business leaders are aligned in fostering and demonstrating the courage needed to ensure gender diversity outcomes, it makes a critical difference. It is essential to build momentum through personal example, highlighting the successful actions of others and, when needed, 'throwing a penalty flag' if the path to equity is blocked." Along with a highly developed talent management ecosystem of policies, practices, and partnerships with business leaders that recognize the value of inclusiveness, HR leaders have an opportunity to embody the courage required to shorten the equity journey for women and underrepresented groups.

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1   Respectively: in the case of Michelle Gass at Kohl's, Beth Ford at Land O'Lakes, and Mary Barra, CEO, and Dhivya Suryadevara, CFO, at General Motors.

2   Valentina Zarya,"The Share of Female CEOs in the Fortune 500 Dropped by 25% in 2018," *Fortune,* May 21, 2018.

3   "More Women on Corporate Boards," Committee for Economic Development, November 12, 2014.

4   Sue Duke, "The Key to Closing the Gender Gap? Putting More Women in Charge," World Economic Forum, November 2, 2017.

5   For more information on Korn Ferry's competency work, please see: FYI (For Your Improvement) or visit the Korn Ferry Institute at https://www.kornferry.com/institute.

For this report, we build upon the work done in two related research projects: Korn Ferry's Women CEOs Speak, funded, in part, by a grant from The Rockefeller Foundation (see box below), and the forthcoming *Filling the Pipeline: What Companies Can Do to Get More Women into the C-suite and on Corporate Boards*, guided by a subcommittee of Trustees of CED of The Conference Board. Together, those two reports seek to find improvements to efforts to increase the representation of women in leadership, particularly at the C-suite and CEO levels. This joint research broadens the aperture to the full leadership pipeline and seeks to:

- examine why, despite the focus and efforts of so many well-meaning executives, the underrepresentation of women in corporate leadership roles continues;

- identify the critical points where a stronger intervention by HR leaders is required to evoke change;

- determine which specific leadership development approaches and elements are most effective in the development of women as leaders, especially at two of the most critical junctures: the initial move to management and the transition from midlevel (VP) to senior executive leadership (SVP); and

- share leading practices of several organizations that have been successful in increasing the number of women in their organization's pipeline.

To explore these areas, we engaged sitting CHROs and senior HR leaders around the world via discussions, interviews, and a survey. We were also privileged to tap the collective wisdom of CHROs and senior HR leaders who are members of The Conference Board CHRO Councils, as well as the clients of Korn Ferry. We augmented our findings with an examination of current data and literature on leadership development approaches. For additional detail, please see *About This Study* on page 24.

Women CEOs Speak

When roughly 95 percent of Fortune 1000 CEOs are men, what can organizations learn from the women that advanced to the helm?

Korn Ferry, funded by the Rockefeller Foundation's 100x25 campaign, interviewed 57 women who are either current or previous CEOs of the country's largest public and private companies and put the majority through a science-based psychological assessment. "We didn't want to just focus on why more women are not CEOs, we wanted to focus on their common success factors," says Jane Stevenson, global leader for CEO succession at Korn Ferry, who led the study.

While this can feel like an intractable issue, there are both organizational and highly targeted strategies that can influence progress. But unless a company intentionally invests in the development of its women employees, it is nearly impossible for them to ascend to the corporate ladder's highest rungs.

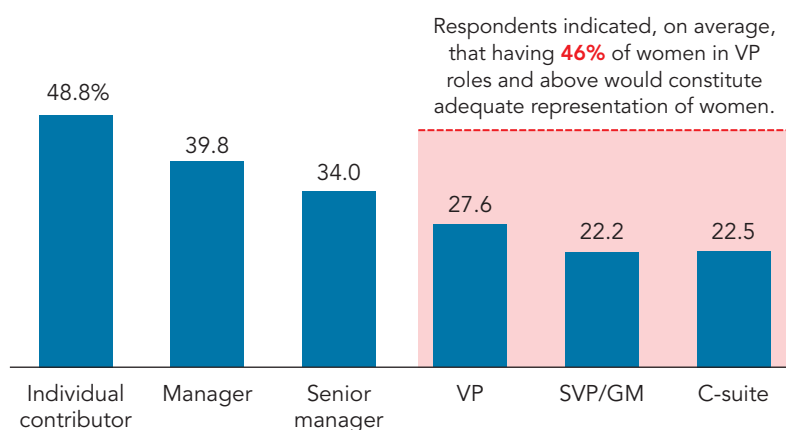See Korn Ferry, *Women CEOs Speak* report and #WomenCEOsSpeak podcast series.

A Stalled Engine of Change

Many HR leaders have stepped into a lead role in driving the advancement of women in their organizations. While there is agreement that there has been positive movement to this end, there is still a long way to go on the journey. Over 60 percent of respondents to our survey believe that the representation of women in leadership positions has improved over the past five years, yet 66 percent also believe that the representation of women in their company remains "somewhat inadequate" or "inadequate." Representation of women at the individual contributor level was rated as "somewhat adequate," with increasingly poor representation at higher levels of leadership.

Chart 1

Percentage of women at every level of leadership

Respondents indicated, on average, that having **46%** of women in VP roles and above would constitute adequate representation of women.

Level	Percentage
Individual contributor	48.8%
Manager	39.8
Senior manager	34.0
VP	27.6
SVP/GM	22.2
C-suite	22.5

Source: Korn Ferry, The Conference Board

When it comes to "adequate" representation, where are the goal posts? Our respondents indicated, on average, that having 46 percent of women in VP roles and higher would constitute adequate representation. Paradigm for Parity (P4P), a coalition of business leaders dedicated to addressing the leadership gender gap in corporate America, advocates for 50/50 candidate slates; however, targets must be created that are credible and actionable in an organization—the most dynamic level of change that an organization can bear. Without this, aligning and creating movement will be even more challenging.

There are data on the minimum representation, or "tipping point," necessary to begin realizing the business benefits of gender diversity. The 30% Club named itself based on the determination that the baseline for business impact of women's representation on boards is at three members of a 10-member board, or 30 percent.[6] Similarly, a Peterson Institute study found that, for profitable firms, a move from no female leaders to 30 percent representation led to a 15 percent increase in net revenue margin.[7]

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6   The 30% Club launched in 2010 in the United Kingdom and has since expanded to 11 additional chapters: Turkey, Australia, the United States, Hong Kong, Ireland, Italy, Malaysia, Southern Africa, Canada, and the Gulf Cooperation Council (GCC, which includes Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain, and Oman).

7   Marcus Noland, Tyler Moran, and Barbara Kotschwar,"Is Gender Diversity Profitable? Evidence from a Global Survey," Peterson Institute for International Economics, Working Paper No. 16-3, February 2016.

According to the McKinsey *Diversity Matters* report, 22 percent is considered the tipping point, and as gender diversity grows, so does the correlation with performance.[8]

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AN INDUSTRY VIEW

Differences in Representation of Women in Leadership

Our research revealed that, while some industries like health care have higher representation of women in leadership positions, most industries have challenges, and the trend line across the entire leadership pipeline is virtually the same. Extraction and manufacturing have the fewest women and are least successful in advancing women.

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8   Vivian Hunt, Dennis Layton, and Sara Prince, *Diversity Matters,* McKinsey & Company, 2 February 2015.

Making Progress in Fits and Starts

Senior HR leaders oversee the programs and approaches expected to enable the advancement of women leaders. However, these very leaders express skepticism about the effectiveness—and progress—of advancement efforts.

At a September 2018 joint meeting of The Conference Board Chief Human Resources Officers Councils I and II and the Senior HR Executives Council, approximately 40 CHROs and senior HR leaders discussed the challenges of advancing women leaders. We captured their input via live polls. While 40 percent "agreed" or "strongly agreed" that the leadership pipeline has become increasingly diverse, they remain concerned that more progress has not been made, despite focused efforts and good intentions.

Here's what they told us about the interventions they have taken to advance women leaders:

- Two-thirds of attendees indicated that there are programs in place at their organizations to support the advancement of women.

- Almost three-quarters told us that their managers have received guidelines and are held accountable for gender diversity.

- Half of attendees felt that women are receiving the right level of support at their organizations.

- Almost two-thirds said that they tie leadership development to succession planning.

- Almost two-thirds noted the most significant decline in the number of women at their organizations occurs at the senior manager level.

- Only one-quarter of attendees thought that their approach to increasing the representation of women is "effective"; no one responded that their approach is "very effective."

When asked about the developmental experiences critical for successful leaders, particularly women leaders, attendees told us these are the most critical:

- International exposure and job rotations.

- Customer-facing roles.

- Operations, line-of-business experience.

- Strategic projects; change initiatives.

- P&L experience.

- Exposure to senior leaders and boards.

Attendees also told us that the most important competencies for advancement are analytical ability, critical thinking, and interpersonal and communication skills.

When asked for reasons why progress has been so slow, attendees shared what they believe are top barriers:

- Hiring manager mindset and bias (conscious or unconscious).

- Higher expectations for female candidates. Men are promoted on future potential, whereas women are promoted after performance.

- Fewer opportunities early in career and for advancement in business line, operational, and international roles.

- Insufficient programs to help integrate the demands of work and life, where women are more deeply affected.

- Some women remove themselves from consideration for certain roles because they perceive it will disproportionately impact their personal lives.

- A culture in which failure is a career "death knell."

- Lack of mentors, sponsors, and champions.

- Lack of leader accountability for results.

These barriers render organizations unable to retain high-performing, talented women, resulting in a further depleted pipeline. Several attendees commented that, as difficult as it is for women to succeed overall, it is even tougher for women of color and members of the LGBTQ community.

Accelerating the Advancement of Women: HR As a Key Activator

This is a pivotal moment for Human Resources leaders to disrupt the status quo and take a strong position in enabling transformation, focusing on the program elements that move the needle. Gaining alignment and coordinating as a senior team are required to ensure that when a pause or action is taken, support will follow. This is necessary to be effective in disrupting the systems and practices that are deeply engrained throughout the talent cycle. Accelerated change requires a systemic shift, with senior leaders as key change agents.

What the Most Successful Companies Are Doing: Signposts and Guardrails for the Journey

Among respondents whose organizations have successfully made progress in increasing the representation of women, the following approaches were noted as most effective:

1 Monitoring and ensuring pay equity across men and women in leadership roles.

2 Programs that provide senior women leaders regular exposure to the CEO and senior executive team.

3 Recognition programs promoting successful women leaders as role models.

4 Placement programs to put women leaders into "stretch" roles in business line, finance, or operations jobs.

5 Individualized development plans for women leaders.

The main difference between what successful companies are doing and the overall response pool is that successful companies are focused on ensuring women have opportunities to gain experience and exposure to operational roles. This exposes women to fundamental aspects of the business, such as how the organization makes money, how product decisions are made, and how to manage a profit and loss center. These experiences build a track record relevant to important business outcomes—and higher levels of leadership. These experiences are important for men as well, but women tend to be less likely to come by them organically. Greater responsibility is on the organization to intentionally and systematically ensure that women—particularly high-potential women— have the same access to critical roles.

Among large companies (revenue of US$10 billion or more) that are also successful in increasing the number of women in the pipeline, two additional key differentiators emerge: their top-rated strategy is having a "standing corporate Task Force or committee dedicated to improving the number of women in leadership roles," and they also placed more emphasis on the value of having dedicated recruiting teams for both internal and external candidate selection. In addition, these organizations stressed that having dedicated sponsors for women leaders provides important additional focus.

Table 1

Effectiveness of program elements that advance women for successful companies*

(N=291)

EFFECTIVE PRACTICES	Overall ranking	n=	Successful companies ranking	n=	Successful companies with $10 billion+ ranking	n=
Monitoring and ensuring pay equity across men and women in leadership roles	1	237	1	133	2	47
Programs to provide senior female leaders regular exposure to the CEO and Executive Team	2	165	2	101	4	37
Recognition programs promoting successful female leaders as role models	3	167	3	98	3	34
Individualized development plans for female leaders	4	198	5	116	8	40
Coaching program (job effectiveness advice) for female HIPOs and leaders	5	193	T6	108	T10	38
Mentorship program (career advice) for female HIPOs and leaders	6	179	8	102	14	38
Placement programs to put female leaders into stretch roles in business line, finance, or operations jobs	7	142	4	91	6	34
Dedicated recruiting team to identify qualified external female candidates for open leadership positions	T8	117	T6	66	5	18
Explicit program to identify female candidates for leadership roles within talent review processes	T8	170	9	94	T10	37
C-level leaders and Board members assigned as mentors to senior female leaders	10	137	10	78	13	27
Programs to provide senior female leaders regular exposure to the organization's Board of Directors	11	141	13	82	15	25
Standing corporate Task Force or Committee dedicated to improving the number of women in leadership roles	12	130	11	78	1	31
Sponsorship Program (career champions) for female HIPOs and Leaders	13	130	12	74	T10	33
Dedicated internal recruiting team to identify female candidates for open leadership positions	14	119	14	66	7	20
C-level leaders and Board members assigned as sponsors ("career champions") senior female leaders	15	107	15	63	9	22
Work re-entry program for female HIPOs and leaders returning to the workforce	16	99	16	58	16	19

* We defined "successful companies" as those that were rated by respondents as "successful" or "very successful" at improving the number of women in leadership roles.
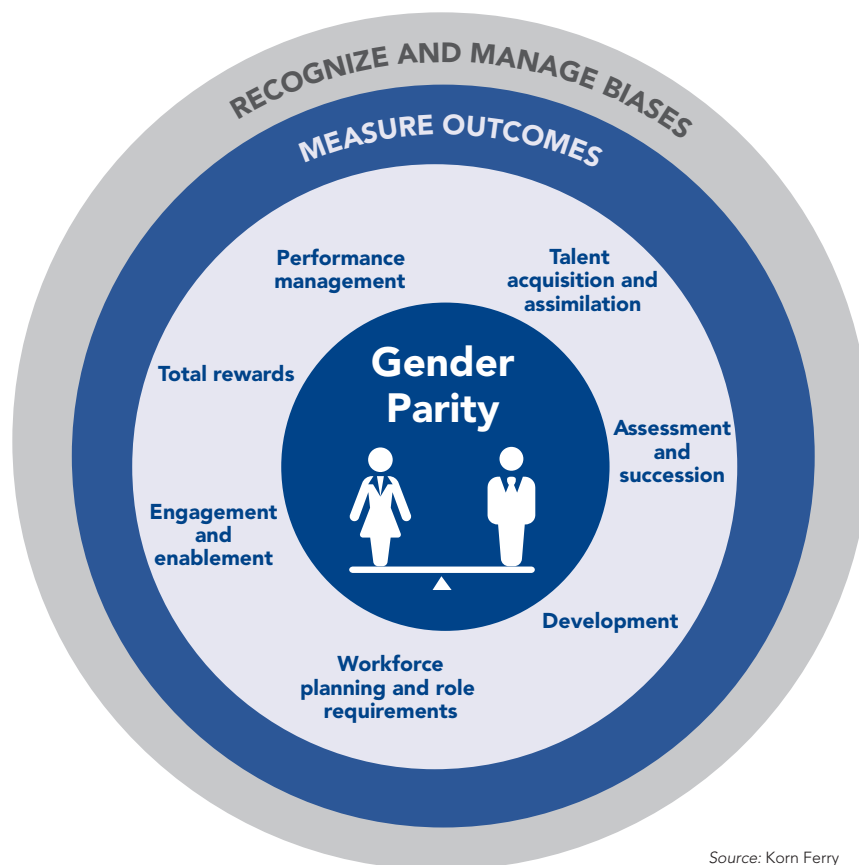
T = tie

n = Number of respondents that use the practice. The response rate varied for each practice. Rankings are determined by averaging the response-rated effectiveness.

Source: Korn Ferry, The Conference Board

On the surface, the programs and practices identified as most effective are not necessarily novel, when considered individually. Few would argue that programs and practices alone can equal progress, particularly when aimed at such an intractable challenge. And they can even work against each other at times and lead to unintended consequences in other areas, if there is misalignment of policy to execution. Organizations that are experiencing greater success focus as much on ensuring success of the ecosystem as a whole as they do on the individual elements. The programs and practices are interconnected and bolstered with the requisite implementation, monitoring, and process for holding people accountable to lead.

Behaviors and accountabilities throughout the talent lifecycle work together to power meaningful change

RECOGNIZE AND MANAGE BIASES

MEASURE OUTCOMES

Gender Parity

Performance management

Talent acquisition and assimilation

Total rewards

Assessment and succession

Engagement and enablement

Development

Workforce planning and role requirements

Source: Korn Ferry

This requires HR leaders to continue to activate change by deepening their understanding of women's employee experience—key to unlocking what engages or disengages them—as well as taking clear positions on inclusion issues and intervening real-time with steadfast conviction.

Not a One-Size-Fits-All Approach: Critical Leadership Junctures Require Special Care

Based on our survey of almost 300 senior HR leaders, the decrease in the number of women is most sharply seen at two points in the leadership pipeline: the shift from individual contributor to manager and the ascension from VP to SVP.[9]

The percentage of women decreases at every level up to the SVP/general manager level, where representation remains largely the same as that seen in the C-suite. The largest decrease in the number of women occurs from the individual contributor to manager levels, where representation drops by more than 10 percentage points. The other critical juncture for women is from the VP to the SVP level. Responses from our study show that CHROs and senior HR leaders feel that women are most inadequately represented at the SVP level.

Increasing representation of women in manager roles

While specific experiences differ across organizations, it is clear that cultures that foster or ignore discriminatory behavior or fail to engage women in professional development are at high risk of losing top talent early in their careers. Through Korn Ferry research, research done by The Conference Board about Millennial women leaders, and conversations during this project, a consistent story emerges of the significant impact early experiences have on a woman's career choices, including a propensity to leave for an organization known to provide a better environment and greater opportunities for women.

To tackle early career inclusivity hurdles, HR leaders are positioned to activate change, hold managers accountable to engage women leaders, and work with the organization to de-bias early support systems. Specific actions to take include:

Engage women early and openly. Organizations can assess for leadership potential early, based on inherent traits and drivers that remain relatively consistent over time. They can double down on ensuring women get more exposure to core business functions early, especially in operations and finance. And it is important that organizations hold leaders accountable for open, transparent conversations about the potential they see in these women, as all too often women find out after leaving that their organization had seen great potential in them.

Finally, managers and mentors can produce a near-immediate impact by understanding and focusing on common talent development shortfalls that disproportionately affect women. The experience of successful women leaders and the research confirm that mentors—those that are genuinely invested in the women's success—play a key role in women's early careers, providing them with the guidance and direct feedback they will need to perform well and advance. It is important that mentors help women navigate through challenges and setbacks (e.g., lost clients, missed promotions) so they may emerge stronger than before.

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9   See *About This Study* on page 24 for more information about this survey.

Challenge women with stretch assignments early in their careers. Ensure that leaders, including managers and mentors, are coaching women on operational and financial issues, as women often are coached more on leadership and communication skills and less on how the business operates and makes money. Be bold about stretch assignments for women and intentional with job rotations and experiences that are pivotal to succeeding at higher levels of management. Get in front of common roadblocks—for example, by encouraging these experiences for women early in their careers, providing logistical and financial support for relocations and showing visible examples of women who have done it. In addition, be attuned to how job transfers affect working spouses, and proactively accommodate professional needs.

Managers, mentors, and sponsors can provide access to executives and to high-visibility projects (such as merger negotiations, strategic planning projects, and CEO-level research) within the organization and outside of it. HR can enable the leaders to check biases when considering opportunities based on potential versus solely on experience and performance. HR can also actively encourage women, as opposed to passively waiting for them to raise their hands or failing to explore the reasons why an opportunity was declined. Women executives often cite various points in their careers when they were strongly encouraged to take an opportunity by someone who recognized their potential, opportunities that in hindsight were essential in their subsequent progression to senior leadership. When these critical experiences are missed, so are opportunities to broaden perspectives, increase confidence, and potentially build relationships with later-career sponsors or champions.

Foster an inclusive climate. Any other efforts to increase representation will be undermined if discrimination is not clearly and swiftly rectified. Evaluate team composition, working conditions and expectations, and other structural issues that may provide opportunities for harassment or protection from it. Adopt sexual harassment training that is more focused on positive behavior than simply compliance. Gender balance in leadership is also understood to mitigate harassment of all sorts—and prioritizing greater gender balance in leadership can have a cascading effect, as role models in leadership positions are important in the recruitment and retention of talented women seeking an environment where women progress.

Beyond addressing conscious bias, companies must identify and address blind spots. HR needs to ensure managers and other leaders are trained, equipped, and held accountable to actively disrupt unconscious bias—at every key talent decision moment.

Check assumptions and encourage transparent conversations. Women are often assumed to leave a company or remain in individual contributor roles because of family obligations or aversion to risk. But in conversations with women executives, a different story is told—of women often leaving to do something else, such as start a business. Others cite aspirations to leadership and a need to be continually challenged. A common assumption is that a woman will want to "ease back in" after maternity leave. While that is true for some, and organizations need to have options for women to successfully transition back in that manner, for others it is the antithesis of what they desire. Diving in with a challenging role that engages them fully is the best approach for some women. But how can leaders know what is motivating certain decisions or what might be most appealing to an individual? Ask them.

There are many ways companies can encourage women early in their careers to make bold moves while balancing personal tradeoffs at home. Organizations having the greatest success recognize that there is not a one- (or two- or three-) size-fits-all approach and are open to a range of creative solutions.

KEY QUESTIONS TO ACTIVATE CHANGE

- Do women early in their careers see the organization as a place where they can thrive? Do they have women role models at the higher levels of leadership to which they aspire?

- Does the employee value proposition clearly articulate a commitment to diversity? How does inclusion fit into it?

- Are talent decisions being made with intention toward inclusion and diversity? Is there a control mechanism in place to monitor for bias and intervene when necessary?

Moving from VP to SVP roles

Our study also found that a challenge persists for women beyond the VP level; at the SVP level, they are the least adequately represented. This is the critical point from leader to senior executive leader and potentially in the pipeline for the C-suite. How can organizations help more women make this transition? Strengthening the pipeline of talent from entry level through VP is important—through fostering an inclusive culture and encouraging critical experiences early, as discussed above. But supporting women at this juncture to SVP requires additional targeted actions, including:

Provide differentiated development opportunities and pivotal experiences. At this stage in the leadership journey, women leaders need more personalized experiences to advance in their chosen direction. Enterprise leadership experience, sponsors, and simulations can help prepare women leaders for the next level.

When considering the VP level of leaders, organizations should consider whether their women and men leaders have benefited from the same proportion of board and external relations exposure, as well as operations and finance experience. The organization should be transparent with women in succession planning, and senior leaders need to continue to check assumptions—a lack of self-promotion or history of turning down roles does not reflect level of ambition.

Our research tells us that other elements critical to development at this juncture include relationships with the right (in level and fit) mentors and sponsors, opportunities to lead through important business challenges, and opportunities to gain experiences in different business functions. While these are also important to men, organizations should be aware that these opportunities seem to be offered less often to women and should be expressly discussed at the C-suite level and the transparently with women. Guidelines must be in place to hold leaders accountable for supporting women with what they need at this level.

KEY QUESTIONS TO ACTIVATE CHANGE

- What experiences are provided to leaders at the vice president level? Is our organization intentional about ensuring that both women and men have opportunities to participate in personalized leadership experiences to help them advance to the next level?

- Are key successors getting visibility to decision makers? Does the board have exposure to them?

- Do we offer sponsorship opportunities to help all leaders advance?

- Are our succession planning efforts inclusive? Do we make any unfair assumptions about qualification or ambition, especially in women leaders?

How can organizations better support women in advancing from the VP to SVP levels?

Develop a sponsorship program. Sponsor relationships are important for men and women, but men tend to collect sponsors organically, while women often have less access or are less prepared to ask for this type of relationship. And sponsors are not always well-equipped to understand unique aspects of effectively advocating for women leaders. Connect women to sponsors who understand their business and can provide advocacy for advancement.

Continue to challenge women with stretch assignments and personalized leadership experiences. Pivotal leadership experiences, such as taking on global responsibilities, leading a business line, and contributing to a turnaround or expansion, must be offered to (and accepted by) women for them to make it to the top. Offer these experiences to talented women and encourage them to accept the challenge, while providing support along the way.

Closing Thoughts

In this report, we have tried to show that while gender parity progress has stalled, the diminishing percentage of women leaders in the pipeline at increasingly higher levels of leadership seen in most organizations need not be an insurmountable problem. It is not only possible to successfully address this issue, as our examples below can attest, it is also critically important to do so. Our goal here is to articulate the systemic and practical issues that need to be addressed, to suggest the practical tactics that can make a tangible difference in preparing women for leadership at all levels, and to provide the specific actions business leaders can take to make the future organization a more inclusive and representative place—whether for themselves or their wives, daughters, or colleagues. We want to provide the data that CHROs, senior HR leaders, and business leaders need to act courageously in those settings where the application of espoused organizational values meets the systemic biases and institutional patterns that preclude greater progress.

Of the many ideas and suggestions we heard, we think that these 10 ought to be at the core of any successful strategy to increase the representation of women leaders at any level:

1   Engage and identify high-potential women early and openly to reinforce the pipeline.

2   Challenge women with stretch assignments early in their careers.

3   Check assumptions, and encourage honest and transparent conversations.

4   Provide high-potential women with more exposure to senior leadership and boards.

5   Implement programs monitoring pay equity.

6   Create recognition programs that promote successful women leaders as role models.

7   Develop a sponsorship program.

8   Provide personalized leadership experiences with programs to help integrate the demands of work and life.

9   Provide high-potential women with P&L experience.

10   Enable managers to be change agents, and hold them accountable for progress.

We thank the many women and men who shared their insights, their challenges and their triumphs and who were instrumental in making this report possible. At the end of the day, we are encouraged—we have seen these success stories first-hand, and we have faith that we will see great leaps forward in the number of women prepared to be successful and meet every leadership challenge that awaits in the brave new world before us.

The following pages include lessons learned from companies that have been successful in increasing the representation of women.

John Deere
Global consumer shifts create impetus for change

The 181-year-old equipment manufacturer John Deere grew from humble roots in Illinois to a nearly $30 billion global organization, and its challenges are common to companies that have experienced rapid globalization and diversification.

In Latin America, in particular, more women have become landowners and farmers, a major disruption of the norm in the region. It became a financial imperative that the Latin America business, a 13,000-employee operation spanning three countries, have a leadership team that promoted—and a workforce that reflected—the diversity of its consumers. To do this, the company needed to develop a culture that appealed to a more diverse workforce.

According to Wellington Silverio, Deere's director of human resources for Latin America, "Agri-biz is very traditional from a human inclusion perspective." Deere had a pervasive 'old school' culture, with tenure averaging around 25 years, and deep familial roots. While the company had started thinking about D&I a decade ago, until recently it wasn't prepared for what it really took to make the culture change. "So, in the beginning, we started with a strong focus on education from a cultural point of view," says Silverio. The first focus area for creating change was developing a cultural awareness, including:

- appointing a new head of D&I position in Latin America—the first of its kind to exist outside of the company's presence in the United States;

- creating and launching a comprehensive D&I program across its Latin American operations;

- developing cultural awareness trainings for more than 150 managers and other leaders;

- leading workshops specific to supporting women in business; and

- driving initiatives to set into motion overarching culture shifts.

The company immediately began to see positive change: in the subsequent selection process, women filled almost a third of production vacancies in this male-dominated field, and in many business units, intern classes reached a 50-50 gender ratio, creating an equitable pipeline for future hires. These impressive early outcomes demonstrate the power of big bold moves with ownership and engagement at the local level.

McCormick & Company, Inc.
Igniting women leaders through engaging managers

Over the past decade, McCormick, a US-based company in the flavor industry with over $4.8 billion in sales, has expanded through acquisition and product innovation, experiencing tremendous sales growth. As the company expanded, it observed a lack of representation of women leaders at director levels and above and sought to increase the representation, performance, and advancement of midlevel women worldwide. McCormick began the Ignite program in 2016 to optimize this valuable but underleveraged source of talent and to enable them to contribute more to the long-term growth of the business. The initial cohort of women participants each took an assessment to measure potential and attended an in-residence program centered on building skills and behaviors that specifically address some of the hidden forces women face regarding advancement barriers—among them leadership influence, political savvy, adaptability and agility, strategic direction, executive communication, and more.

The key to the Ignite program is the engagement and enablement of managers, creating a shared responsibility for growth. The participants and their managers participated in a guided one-on-one dialogue that provided tools for both the managers and participants to support more specific developmental feedback, access to networks, and access to key experiences that create the opportunities for advancement for these women leaders.

At McCormick, this program has been a game-changer. "Directly engaging managers in this setting allows them to see and hear what challenges their female direct reports are facing. Together, they can develop an action plan to overcome them," says Alex Rizzuto, vice president, Global Talent Management, at McCormick. If, for instance, more visibility with a broader range of stakeholders is needed, the manager can help construct a relationship map that covers who they know, who they need to know, and how to get to know them. "Access to influence and exposure within the organization is critical," says Rizzuto, "and women need their manager's awareness and support to make that happen."

Two years later, McCormick is pleased with the number of promotions and expanded responsibilities of those women who have completed the Ignite program, and the organization is progressing towards its established Purpose-Led Performance goal to achieve 50 percent women in leadership positions by 2025.

Barilla
Sustained progress starting at the top

Barilla Group, a manufacturer of pasta and sauces headquartered in Parma, Italy, faced a choice in 2013, after a controversial interview of a company executive on a local Italian radio station. A crisis ensued, and Barilla faced unprecedented negative reactions and a call for a boycott of the brand.

Barilla's CEO and its leadership team realized it was time for deep soul-searching about the company's purpose, values, and aspirations, and, together, they committed to learning more about *all* possible inclusion blind spots. They immediately:

- created a chief diversity officer role, reporting directly to the CEO;
- created a global diversity and inclusion board, and among its external members, recruited a previous critic—civil rights activist David Mixner;
- developed a company-wide D&I survey to measure progress and to recognize continued improvement opportunities;
- conducted a company-wide assessment to uncover the prevailing skills gaps, raise awareness among the workforce, and build a strong business case for D&I;
- started eight different employee resource groups;
- designed and delivered D&I training;
- implemented accountability structures; and
- publicly committed to 2020 goals, including achieving:
  - 85 percent positive responses from employees stating that leaders are committed to D&I;
  - 40 percent women in leadership; and
  - 95 percent positive responses from employees reporting that they have the flexibility they need.

Early D&I programs are often designed to address a specific issue such as PR or compliance, instead of addressing issues of greatest relevance and value to the organization—and those programs struggle to generate sustained engagement. To drive real change, Barilla "needed to find the right entry points," says Kristen Anderson, chief diversity officer. "We knew that if we started out pushing a message that people couldn't relate to, or a local country culture says is nonexistent, we wouldn't get a lot of engagement."

Barilla is already realizing progress, with women in leadership positions increased from 28 percent in 2014 to 35 percent in 2018, and it has received multiple recognitions, including "Best Places to Work for LGBT Equality" and "Most Improved Player for D&I" (from The Huffington Post), and an I&C (Inclusive & Creative) Disruptor's award from advertising industry trade magazine *Campaign US* for its digital video series "While the Water Boils"—featuring host LGBT Internet personality Hannah Hart talking with a diverse suite of guests about their passions.

The Port Authority of New York & New Jersey
Putting a stake in the ground

The executive leadership team of The Port Authority of New York & New Jersey recognized the business imperative of driving greater diversity into the organization's leadership ranks and pipeline—and that their commitment was critical—but also acknowledged the hard work would be in its meaningful execution. Without clear, bold objectives and firm accountability structures to follow through, change would come slowly.

With hiring and promotion decisions, this meant establishing concrete expectations and metrics around building diverse teams and holding leaders accountable. In 2018, shortly after his arrival, the executive director put a stake in the ground, expecting candidate slates to include significant numbers of highly qualified women and historically underrepresented talent, and ensured a present and continual focus on leaders restlessly working to achieve an overall goal of 40 percent women and diverse teams in the leadership ranks. A transparent review of each leader's progress is part of every monthly senior staff meeting. Leaders are also required to ensure a diverse hiring or promotion review panel.

Human Resources teams assist, when needed, in building slates of qualified, diverse talent. "If those slates don't meet our established diversity metrics, they generally pulled back and we start over," according to Mary Lee Hannell, chief human capital officer. "We're willing to interrupt the process and sacrifice time to fill to ensure we are considering a diverse group of qualified candidates."

Driving change has not been easy. In working through resistance and by engaging managers, the organization invests heavily in raising awareness of bias and offers training and tools to advance inclusive behaviors. And it continues to experiment with additional approaches and tools, such as blinded resumes and AI to pinpoint bias in talent practices. But "most important is reinforcing the message that the organization is not compromising quality," said Hannell. "We insist on highly qualified candidates and no 'tokenism' because we know holding firm to this works" in building diverse leadership teams and pipelines.

About This Study

This report synthesizes the learnings from a survey of, and discussions with, CHROs and senior HR leaders, and a literature review. A discussion was held with 40 members of The Conference Board CHRO Councils, consisting of sitting CHROs and senior HR leaders, at a gathering in New York City in September 2018. In addition to that discussion, 236 HR leaders and 55 other business leaders responded to a survey of best practices and effective programs in October 2018. After the survey closed, a webcast was held with members of The Conference Board HR Councils and survey respondents to gather more detail. In addition, we interviewed HR leaders at four companies. Finally, a literature review was conducted to draw from previous work in this space. Limitations of this study include: most respondents to our HR survey are women located in North America; and the scope of this study is limited to HR practices and does not include views and opinions of workers (men or women) outside the HR function.

About the Authors

Beatrice Grech-Cumbo is a senior client partner at Korn Ferry and leads the firm's Advancing Women Worldwide practice. She is responsible for infusing research, including the Korn Ferry/Rockefeller *Foundation Women CEOs Speak* study, and experience across the firm's assessment and succession, talent acquisition, leader development, rewards and benefits, and organizational strategy practices, into the firm's solutions for clients committed to improving gender diversity in their leadership pipelines. Previously, she led Korn Ferry's Leadership Development practice for North America, working with global clients on end-to-end solutions to improve capabilities and respond to demands and shifts of businesses.

Grech-Cumbo has served as a strategic business consultant with Aon Hewitt, A.T. Kearney, and Deloitte Consulting, working with a wide variety of clients in manufacturing, retail, technology services, transportation, higher education industries and governmental agencies. She has facilitated transformation and assisted clients with growth and restructuring initiatives. As North America talent practice leader for Aon Hewitt Consulting, she focused on business strategy, as well as client delivery, and led the Organizational Performance & Implementation practice. In addition to consulting, Grech-Cumbo served as senior vice president of global talent with Walmart, leading a team that strategically managed and developed the world's largest private workforce. She was responsible for building the capabilities of associates at all levels to ensure that Walmart had a highly qualified and high performing pool of talent, able to deliver on the business strategy. She spent over three years with Magnequench Inc. (MQI) as the chief human resource and administrative officer, reporting to the CEO, where she was also responsible for the operations of two U.S. manufacturing facilities, as well as labor negotiations for the represented workforces.

Shannon Hassler is a principal with Korn Ferry's Advancing Women Worldwide team, focused on accelerating greater gender balance in senior leadership pipelines. Hassler is driving the expansion of the *Women CEOs Speak* research and furthering the firm's work with client organizations in releasing the full power and potential of their female talent. She is a frequent speaker on women in leadership. Hassler's background in talent acquisition and talent advisory services has focused on executive teams, across higher education, manufacturing, business services, and technology.

She has worked with clients in recruiting and succession planning for financial officers and other senior leaders, as well as in assessment, diversity and inclusion, and board effectiveness. Hassler has also managed internal practice teams, specializing in financial officers, CEOs, and board services.

Amanda Popiela is a researcher, human capital, for The Conference Board. She contributes to research and dissemination in a variety of topic areas including diversity and inclusion, employee engagement, and leadership development. Amanda has co-authored numerous research reports, including *Global Leadership Forecast 2018*; T*he Future of Work: Frontline Challenges in an Era of Digital Transformation*; *Divergent Views/Common Ground: The Leadership Perspectives of C-suite Executives and Millennial Leaders*; *DNA of Engagement: Moments that Matter throughout the Employee Lifecycle*; *Determining the Business Impact of Employee Engagement*; and *Mental Health and Well-being in the Workplace: What Works and Why It Makes Business Sense*.

Rebecca L. Ray, PhD, is executive vice president, human capital, at The Conference Board. She leads the US Human Capital Center and is responsible for the overall quality and continuing integration of our research and engagement efforts across research, Councils, and Conferences in support of our members. She created the monthly **Human Capital Watch**™ webcast series, which explores current issues, research, and practitioner successes in the field of human capital. She created the Senior Fellows program in human capital with some of the profession's most acclaimed former practitioners who now bring their expertise in support of members of The Conference Board. She is executive director of The Engagement Institute™, a research community of practice she created with Deloitte Consulting and Mercer Sirota, with concurrent groups of executives in the United States, Europe, and Asia Pacific. Rebecca is a frequent speaker at professional as well as company-sponsored conferences and business briefings around the world as well as a guest in business media. She taught at Oxford and New York Universities, led a consulting practice offering leadership assessment and development services to Fortune 500 companies and top-tier professional services firms, and held executive positions with talent management responsibilities at several marquee firms. She was named "Chief Learning Officer of the Year" by *Chief Learning Officer* magazine and one of the "Top 100 People in Leadership Development" by Warren Bennis's *Leadership Excellence* magazine. She received her PhD from New York University and is the author of numerous articles and books, including her coauthored works, *Measuring Leadership Development* (McGraw-Hill, 2012), *Measuring the Success of Leadership Development* (ATD, 2015), and *Measuring the Success of Employee Engagement* (ATD, 2016).

Acknowledgments

Related Resources

The Conference Board

23 Truths about Leadership Development

22 Truths about Diversity and Inclusion

25 Truths about Women's Leadership

Inclusion + Innovation: Leveraging Diversity of Thought to Generate Business Growth

Defining and Measuring Inclusion

Global Leadership Forecast 2018: 25 Research Insights to Fuel Your People Strategy
(webcast and report)

24 Truths about Women's Leadership: Insights from the 2018 Women's
Leadership Conference

Korn Ferry

Reimagining Talent Management

Sparking Action: There's never been a better time to focus on diversity

Women CEOs Speak report and related resources, including a podcast series

Australian Women CEOs Speak report