



# A BLUEPRINT FOR BALANCE.

Time to fix the broken windows.

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# FOREWORD

## ANN FRANCKE AND HEATHER MELVILLE



**Ann Francke MBA CMgr CCMi FIC**  
Chief Executive, CMI



**Heather Melville OBE CCMi**  
Chair of CMI Women

What a time it has been for campaigners for gender equality. In 2017 the #MeToo hashtag campaign became emblematic of the bravery of women in speaking out against injustice and, in doing so, opening the floodgates to the unseen, darker side of working culture. It was not for nothing that The Silence Breakers – the movement that asked women to speak out – won Time Magazine’s person of year.

One brave woman, Susan Fowler, the software engineer who lifted the lid on sexual harassment at Uber and inspired women to speak out against its poisonous culture, was the Financial Times’ Person of the Year; the previous year, it had been Donald Trump. Enough said. It’s clear that 2017 was a turning point, a year when one voice after another joined together to bring about change – and the momentum for that change continues. Already in 2018, the #TimesUp campaign sums up the sense that it’s time for real change.

Yet change cannot be achieved through words alone. Although women and men must continue to speak out, it takes practical action to challenge workplace cultures that stop women

thriving or failing to reach their full potential. That is why this report, and CMI’s associated Blueprint for Balance, focus on the practical ways in which managers and business leaders can accelerate gender inclusivity, and challenge the visible and invisible behaviours that stymie progress.

These are what we call organisations’ “broken windows”. These seemingly small symptoms of incivility in a workplace leave open the possibility of more serious violations. When small infractions remain unchallenged or invisible, an organisation can unwittingly perpetuate a culture that is not inclusive, hampering efforts to improve gender balance. By fixing these broken windows, organisations can start to build inclusive cultures where women, other minorities, and men, can thrive.

To accelerate that progress, our Broken Windows campaign helps men and women to recognise, acknowledge, and challenge, the smaller moments and behaviours in the workplace that ultimately lead to larger gender inequalities. Share your stories, in confidence, with us:  
[brokenwindows@managers.org.uk](mailto:brokenwindows@managers.org.uk)

This report highlights some gender balance best practice from world-class organisations. We make a series of proven, innovative and practical recommendations that leaders can learn from. We hope you find these inspirational and purposeful, and that they help you make 2018 the year for action.

# CMI WOMEN'S BLUEPRINT FOR BALANCE

SURVEY OF **856** MANAGERS

**53** IN-DEPTH MANAGER INTERVIEWS

**17** EMPLOYER BEST PRACTICE CONVERSATIONS

This report charts employers' current approaches to achieving gender balance and showcases the best-in-class practices that are starting to achieve real change.

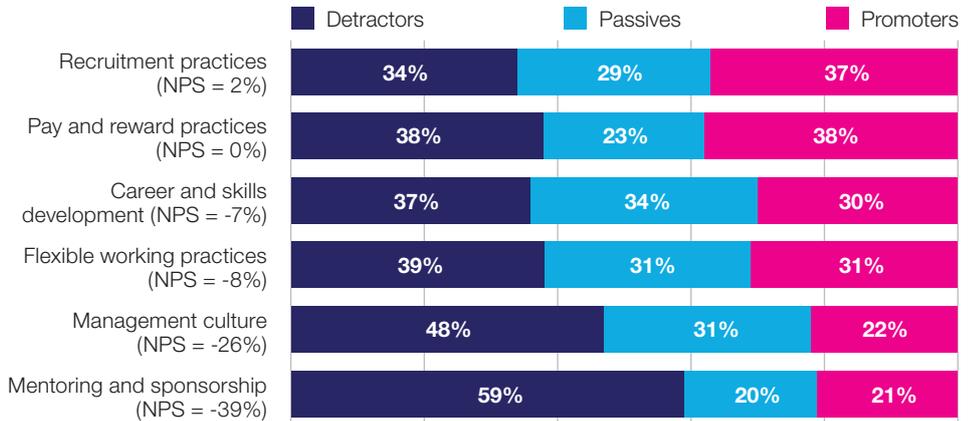
But it shows that many organisations have much more to do, revealing the "broken windows" of gender bias that still – for far too many women – mar the reality of work.

We look at examples like Sky, where 39% of top leaders are now female. We explore the roles of senior leadership and line managers in transforming business culture, with an in-depth look at Deloitte which has achieved its highest-ever proportion of female partners. We also look at the return-to-work schemes of UBS, at the RAF's commitment to opening up opportunities for women, at Virgin Money's drive to close its gender pay gap with real-time management data on pay, and more examples.

## The Blueprint for Balance

The need for employers to learn from such exemplars of best practice is clear from our survey of managers across the UK. At most, only one third of managers give their employers top marks in any of the six categories of CMI Women's Blueprint for Balance.

## How far do your organisation's practices support gender balance?



## Fixing the "Broken Windows"

Employer practices are only part of the story. In many organisations, there remains a gap between rhetoric and reality, with female managers continuing to experience everyday sexism and bias in how their companies work.

Fixing these broken windows is the most urgent challenge facing any manager trying to support gender balance in their organisation.

81% OF MANAGERS HAVE SEEN 'BROKEN WINDOWS' BEHAVIOURS

**NPS ratings:** we applied the 'Net Promoter Score' approach to managers' ratings of their employers in these six key areas. Scores of nine or 10 are called Promoters; seven or eight are Passives; six or lower are Detractors. Detractors are deducted from Promoters to give the NPS.

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# KEY FINDINGS

## HOW EMPLOYERS ARE WORKING TO ACHIEVE GENDER BALANCE



### 1. LINE MANAGERS ARE KEY TO FIXING BROKEN WINDOWS

Line managers play a pivotal role in changing behaviour and creating balanced workplaces. Their actions are decisive in the success or failure of efforts to create balance. Yet many of the women we interviewed have seen their line managers block, not champion, change.

Without progress on the reality of line management behaviours, the rhetoric of senior leaders falls flat. Managers need to learn about the behaviours and practices that make a difference. They need to be empowered to call out bias and create change, while also being held to account for their impact.

“Lots of male and some female managers don’t seem to know they are being unfair or sexist. They need to learn about and understand how institutionalised sexism works and develop strategies to overcome it at a personal and corporate level”, said a middle manager in an engineering company in South East England.

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### 2. MAKING GENDER A BUSINESS ISSUE: THE CHALLENGE FOR LEADERS

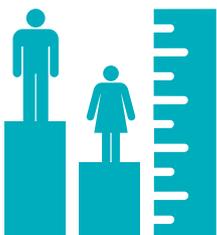
Our case study employers all credit senior leadership as essential to achieving change. Effective leaders make gender a business issue – core to how the organisation works – not a “women’s issue” that can be sidelined.

“Today, what is making a difference is all senior leadership talking and endeavouring to deliver the same line in a coherent way.”

*Air Vice-Marshal Warren James CBE, RAF*

Without vision, personal commitment, and linkage to strategic priorities, gender balance will remain out of reach. Yet our survey found that only 19% of junior and middle managers regard their senior leaders as being committed to gender balance – and senior leaders are in fact the tier of management least likely themselves to describe gender as a priority (42%).

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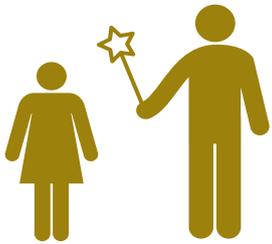
### 3. CREATE ACCOUNTABILITY: MEASURE IT, MANAGE IT

Companies like Sky and Virgin Money have set targets for gender balance and ensure transparency in tracking and reporting progress. Diversity and inclusion is part of performance management, tying financial rewards and consequences to behaviours and delivery of targets.

“If we set financial targets, there are repercussions, but there are no repercussions for missing gender balance targets.”

*A female head of Diversity and Inclusion in a professional services company.*

Use of metrics and targets is often lagging behind aspiration. Only 27% of managers report that their organisation has clear targets for gender balance.



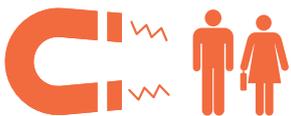
#### 4. BRINGING DIVERSITY TO LIFE: MAKING IT PERSONAL

At the same time as making gender a mainstream business issue, we found that effective executive leaders talked about deep personal motives underlying their commitment to gender balance. For instance, for male leaders that often related to a vision of the future for their daughters.

“As far as my girls are concerned, they can do anything. I want to make sure they are ready for work and that nothing is happening there that they can’t do.”

*A male executive in a FTSE 100 financial services company.*

It’s personal, genuine, relatable for other employees, and highly effective to engage others in bringing gender balance policies to life.



#### 5. BUILDING THE BUSINESS CASE: TALENT IS THE DRIVER

The most common driver for organisations focusing on gender balance is attracting and retaining the best talent (cited by 58% of managers), at a time when employers face growing competition for skilled people.

Programmes like the UBS Career Comeback programme attract women who have taken time out of work, helping the company tap into a wealth of talent.

“As all organisations struggle to find women to fill senior leadership roles, we think we have access to a new talent pool that with a bit of creative support can make a fabulous contribution to the business.”

*Carolanne Minashi, Global Head of Diversity & Inclusion at UBS.*



#### 6. THE JOB’S NOT DONE: TACKLING SECOND GENERATION BIAS

The overt discrimination of previous generations may not have completely disappeared. But the most common challenge now is “second-generation” gender bias: behaviours flowing from basic assumptions about working life or about the qualities required to succeed in leadership, which reflect masculine values and men’s life situations.

“[Discrimination has] gone underground. Views are now more masked and only rear their heads in passive, unobvious ways.”

*A female managing director in a FTSE 100 financial services company*

One female manager in a manufacturing company told us that “Women are still viewed as ‘admin’ in my organisation.”

And despite recent high profile gender debates in business and the media, some female managers told us that gender is at risk of becoming invisible as a business priority. One female leader told us of the dismissive attitude one male senior executive when talking about gender balance in their company: “Well, don’t you think we’ve done enough?”

# RECOMMENDATIONS FOR BALANCE

**Our recommendations highlight key actions for senior leaders, line managers and diversity specialists alike to change cultures, address the broken windows, and take action across the six areas of CMI Women's Blueprint for Business. See our full recommendations on pages 32 to 33.**

## FIXING THE BROKEN WINDOWS

- **Call out, challenge, change behaviours** – too many “broken windows” behaviours pass unchallenged. Make 2018 the year for action. Every manager has a role to play.
- **Share stories** – listen to the day-to-day experiences of women in your organisation. Share your experiences of broken windows to find the best ways of addressing them and evolve a more inclusive culture.
- **Match reality with rhetoric** – leaders and middle managers alike need to be aligned in their behaviour to change to make sure that policies and practices deliver real change.
- **Make it a business issue** – leaders need to make gender balance a bigger management priority. Measure it, set targets and report on progress. Empower line managers to make change, and make them accountable for their actions.
- **Reinforce the business case** – win the argument about whether enough has been done on gender by highlighting the business case for your organisation. Use the evidence that diversity delivers results and show how gender initiatives address key business needs, like helping to attract and retain talent or improving how far leadership teams reflect your customers.
- **Make change personal** – tap into people's emotional connections and motivations to accelerate progress towards gender balance. Leaders should open up about their personal motivations for promoting the gender agenda, as well as making the business case.
- **Work with men as change agents** – show how advances for women are advances for men too. Work with men to role model the behaviours needed to change cultures, like using flexible working for family reasons, to make those behaviours the norm and not the exception.

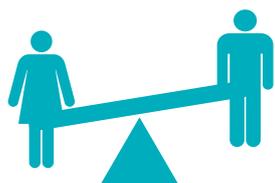
## TAKE ACTION

Head to [www.managers.org.uk/BrokenWindows](http://www.managers.org.uk/BrokenWindows) to:

- ➔ Access our Blueprint for Balance Tool where you can download best practice resources, benchmark your organisation and upload and share your resources to support the drive for diversity
- ➔ Sign up to CMI Women, CMI's network for managers who want to help us to drive gender balance in the workplace and create a world-class pipeline of women in management and leadership
- ➔ Find out how to take part in our CMI Women Broken Windows campaign which will identify the smaller, discriminatory and sometimes accidental behaviours that continue to exist in our culture and contribute to gender inequality.

Follow us on Twitter  
[@CMI\\_managers](https://twitter.com/CMI_managers)  
[#CMIWomen](https://twitter.com/CMIWomen)

# THE BLUEPRINT FOR BALANCE



## BALANCED RECRUITMENT

- Mandate diverse interview and selection panels for all roles, especially senior posts.
- Use blind CVs and insist on diverse candidate lists.
- Stop seeing career breaks as a shortcoming. Recognise the value of alternative skill sets and experience.



## PAY AND REWARDS

- Lead the way for gender balance by being transparent. Publish your pay gap and say how you will work to decrease this.
- Analyse your data and link progress to performance targets and rewards.
- Ensure maternity leave and flexible working is not considered a penalty in pay negotiations.



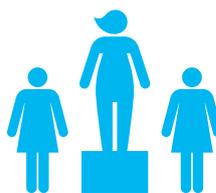
## FLEXIBLE WORKING

- Find managers at all levels who are role models for working flexibly for family reasons, especially men.
- Develop campaigns and training to make sure flexible working really works and doesn't create pitfalls for women. Focus on how it can enhance performance outcomes.
- Address the stigma around flexible working. Challenge presumptions based on the long hours culture.



## SKILLS AND CAREER DEVELOPMENT

- Tackle women's perceptions that they have less access to development opportunities by ensuring equal intake to leadership programmes.
- Tailor any women's leadership development programmes to the needs of the organisation. Be considerate about the language and promotion of single-sex programmes, and make sure they support inclusion rather than separateness, for instance by expanding women's networks to include men.
- Enhance return-to-work programmes for career-break returners. Use one in 10 of the new management and leadership Apprenticeships to support returners.



## MENTORING AND SPONSORSHIP

- Executive leadership teams should be tasked to sponsor at least one high-potential woman and track their progress.
- Support senior and middle managers in sponsoring female middle managers. Provide guidance on how to advocate for the person being sponsored.
- Support female team members in particular to become mentored and sponsored, whether by senior women or by men.



## PROMOTING LEADERSHIP EQUALITY

- Keep up momentum at senior levels by applying best practices and sustaining the focus on the talent pipeline.
- Target 50/50 balance. Why settle for less?
- Focus on culture by tackling broken windows, engaging men as agents of change, and making it personal.

# GENDER BALANCE: THE OPPORTUNITIES AND THE CHALLENGES

CMI and many others have set out in recent years the benefits of gender balance, as well as the scale of the challenges we still face to achieve it.

**What's the business case for action? Diverse teams deliver better results.**

A huge economic and social opportunity awaits if we create gender-balanced organisations.

Employers in the UK have to redouble efforts to recruit, develop and retain female managers if they are to create diverse and balanced organisations over the next decade. Right now, women outnumber men at junior levels, but too few make it through middle management and to the top of an organisation.

While 66% of entry-level management roles are occupied by women, this reduces to just 40% of women in middle management roles.<sup>5</sup> To achieve a 50/50 split of management jobs between men and women by 2024, the UK will need 1.5 million new female managers.<sup>6</sup>

Major inequalities also persist in pay. The latest analysis of management pay from CMI and XpertHR revealed that



**An 18% ROI premium** for gender-diverse leadership teams.<sup>1</sup>



Diversity could add **\$12 trillion annually to the global economy<sup>2</sup>** and **£150 billion a year to the UK economy<sup>3</sup> in 2025.**



Diverse companies are **21% more likely to out-perform competitors.**<sup>4</sup>

**By 2024, the UK needs 1.9 million new managers**



**To achieve equal numbers, 1.5 million of the new managers need to be women.**<sup>6</sup>

the gender pay gap for UK managers stands at 26.8%, with male managers on average out-earning female peers by £11,606 a year. The gap increases to £34,144 for director-level positions.<sup>7</sup> With government regulations driving new levels of transparency about pay, there is a renewed focus on closing the gap.

<sup>1</sup> Credit Suisse, The GS Gender 3000 (2014 and 2016)

<sup>2</sup> McKinsey Global Institute, The Power of Parity: How Advancing Women's Equality Can Add \$12 Trillion To Global Growth (2015)

<sup>3</sup> McKinsey Global Institute and McKinsey & Company United Kingdom, The Power of Parity: Advancing Women's Equality in the United Kingdom (2016)

<sup>4</sup> McKinsey, Delivering through Diversity (2018)

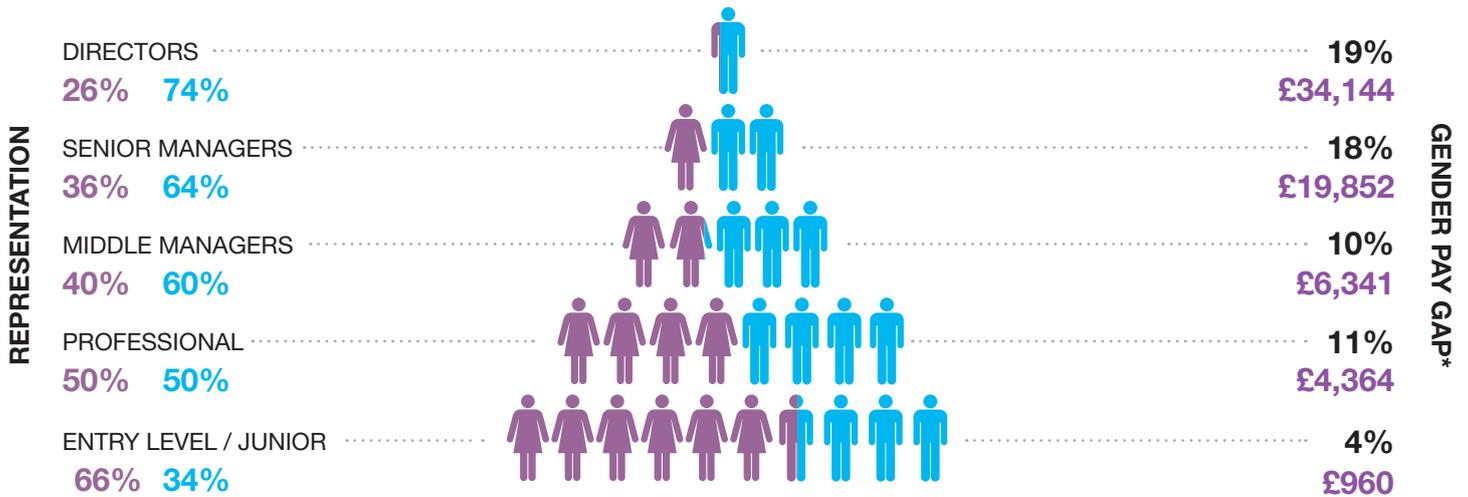
<sup>5</sup> Gender Pay Gap, CMI (2017) <http://www.managers.org.uk/campaigns/gender-salary-survey-2017>

<sup>6</sup> CMI analysis of UK Commission for Employment and Skills data, from Working Futures 2014-2024 (2016)

<sup>7</sup> Gender Pay Gap, CMI (2017) <http://www.managers.org.uk/campaigns/gender-salary-survey-2017>

# FEW WOMEN REACH THE TOP

Women don't just face a glass ceiling – it's a 'glass pyramid', with wider pay gaps for women the higher they reach.



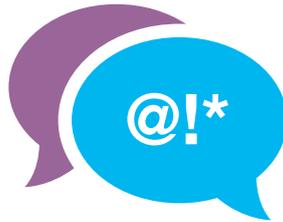
\*Because the pay gap between men and women at senior levels is far bigger than junior levels in real terms (not just percentage terms), it drives up the overall average to 26.8%.

## Broken Windows

CMI's research has also shown that gender discrimination is still rife in the workplace. 81% of managers have witnessed some form of gender discrimination or bias in the past year.<sup>8</sup> Women were more likely to have observed such behaviour (85% compared to 80%).

According to CMI's Creating Balanced Workplaces research in February 2017, when asked what behaviours they had personally witnessed in the past 12 months, half (50%) of managers pointed to gender bias in recruitment/promotion decisions, while 42% said they had seen inequality in pay and rewards. Over two-thirds of managers (69%) said they saw women struggling to make their views heard in meetings, and four in five (81%) said they had witnessed inappropriate remarks (such as comments with sexualised overtones masquerading as 'banter').

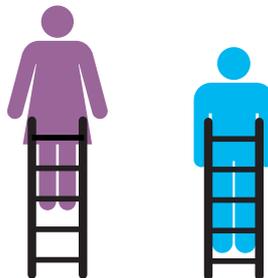
This report builds on these themes to provide more detailed insights into employers' action to address these challenges, the role of line managers, and the reality of change – or its absence – for women in management.



**85%** of women  
**80%** of men  
have witnessed inappropriate remarks



**83%** of women  
**62%** of men  
have witnessed women struggling to make their views heard in meetings



**62%** of women  
**42%** of men  
have witnessed gender bias in recruitment/promotion decisions



**61%** of women  
**31%** of men  
have witnessed gender bias in pay and rewards in the workplace

<sup>8</sup> Creating Balanced Workplaces, CMI (2017) <https://www.managers.org.uk/~media/Appius/Submissions/Creating-Balanced-Workplaces-Infographic.pdf>

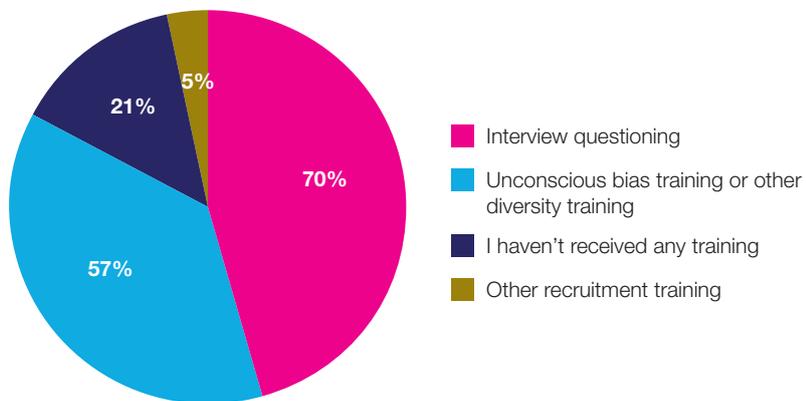
# 1. BALANCED RECRUITMENT

**As the first step in the employment cycle, recruitment is a critical area of focus for gender balance. Most managers regard their recruitment processes as fair but it's clear that adoption of leading practices to ensure real fairness and gender balance remains low. Supporting middle managers during the process is the key to balanced recruitment.**

Leading employers use a range of measures throughout the recruitment cycle to create balance. They include using gender-neutral job descriptions, blind-sifting applications, and insisting on diverse candidate lists.

Employer interviews also highlighted the need to think differently about the capabilities and experience needed for the job role: recognising that candidates may bring relevant skills from different contexts, or that sometimes the best hire is the person who will excel in the role in six months' time, not today. Strengths-based job descriptions paying particular attention to behaviours, rather than a checklist of competencies, can encourage more female applicants.

While these practices may take some time and effort to implement, identifying and attracting a gender-balanced candidate pool is essential for improving hiring rates of women.



**Figure 1:** Managers receiving training on balanced recruitment

Recruitment tops the list when managers score their organisations against the six areas of the Blueprint for Balance, with just over one third giving their organisation top marks for recruitment. But it's equally clear that many organisations could do much to improve their recruitment.

Fewer than half of managers (48%) say that they have diverse panels when recruiting candidates. And just under one in five (19%) of managers involved in recruitment report reviewing CVs without names or other gender identifiers.

Perhaps as a result, "that" 62% of women and 42% of men have witnessed gender bias in recruitment/promotion decisions.

More encouragingly, a large proportion of managers report having received training that can support gender-balanced recruitment, such as interview questioning (70%) or unconscious bias training (57%). However, just over one in five don't receive any training at all (see Figure 1).

## Confronting apathy

Individual managers need support from HR and leaders to make positive change, while also calling out apathetic attitudes to balanced recruitment. One female managing director in financial services cited management apathy as a block to hiring more women: “I hear them complaining ‘Oh my God, now we’ve got to make sure we’ve interviewed a woman.’ They are simply ticking a box.”



Harvey Nash, the global professional and executive service firm, always raise the question about balanced recruitment with clients. “We were talking to a female HR director at a large publically-quoted organisation and mentioned we do a lot of work around gender diversity,” says Nigel Parslow, Harvey Nash’s managing director. “Her response was that this had no consequence for her recruitment search. That was the end of that relationship.”

By contrast, another client in the technical industry has insisted on having at least one qualified woman on its list for any role for many years and as a result they now have more than 30% female technical staff. In

real terms, Parslow says that’s three to four times the national average in that space. “Their motto is positive action, not positive discrimination.”



## Sky’s focus on 50/50

As part of its strategy to achieve a 50/50 gender balance in their senior leadership team, Sky committed to 50/50 shortlists for all senior roles. This was supported by efforts to attract talented women through targeted marketing, along with a dedicated Women in Leadership Sponsorship & Development programme.

“Our biggest driver is to reflect UK society, so the right thing to do is aim for 50/50, which gives us a really clear goal” said Katrina Watson, an inclusion consultant at Sky. Through a business-led approach with leadership accountability and working in partnership with HR, Sky adopted a balanced recruitment process that included 50/50 short lists and diverse interview panels. This approach has seen female representation in their senior leadership team increase by a third, from 29% to 39%.

Middle managers also work with the recruitment team during the recruitment process to reinforce Sky’s commitment to gender balance.

“It’s getting the middle manager layer to engage in conversations about balanced recruitment,” said Watson. “This gets them thinking not just about how to replace a current role, but about the make-up of their team, what kind of skills would best support and enhance their current team instead of replacing like for like. It’s having a trickle effect; new managers coming up see that this is just how we hire at Sky.”



The Power of Talent

## Getting balanced recruitment right

When an individual leaves a team at short notice, middle managers can face a problem: find a quick replacement versus taking the time to pursue balanced recruitment. According to Rachael Hanley-Browne, head of leadership consulting at executive search firm Harvey Nash, balanced recruitment can take up to two to four weeks longer than traditional recruitment.

Harvey Nash is the only recruitment business to have earned National Equality Standard accreditation based on its efforts at meeting client demands for more diverse shortlists and contractors, particularly in the STEM space. “Our recruitment consultants are asking themselves if they are challenging clients to push them for the ‘real’ criteria for the role, if they are using fair processes in selection versus just looking for the ‘typical’ candidate,” says Hanley-Browne.

When recruiting for its own organisation, Harvey Nash applies the same best practice for gender balance as it does

with its clients, resulting in a diverse team, not only in terms of gender, but also age, race and ability. The firm follows a robust and fair recruitment process that relies on gender-neutral language in job descriptions, gender-balanced short-lists, and having candidates meet several team members to ensure there is a broad range of feedback on a candidate’s fit.

“We measure the gender balance on all of our internal searches,” says Hanley-Browne. “We look at how many women we’ve interviewed and appointed and discuss this internally at team meetings. We look for non-traditional evidence of competencies, such as experiences as a governor or finance committee member at a school.”

Adopting a broader view of experience and a longer-term perspective in finding the right fit are hallmarks of effective balanced recruitment. Bringing more women into the business is not enough to ensure a diverse and inclusive team. Offering a solid onboarding process that helps new people develop good connections and adapt to a new work context are also fundamental parts of Harvey Nash’s internal hiring practice.

## 2. PAY AND REWARDS: WE STILL NEED TO TALK ABOUT PAY

**The introduction in 2017 of regulations requiring large employers to report their gender pay gap has been transformational in instigating senior management conversations about pay and progression. The gender pay gap remains significant – but many employers are implementing coherent strategies for change.**

Leading organisations are already issuing information about their gender pay gap, including those we spoke to for this report. Deloitte first reported its gender pay gap in August 2015, reported again a year later, and was one of the first companies to report under the new regulations, in July 2017, showing a mean pay gap of 18.2%. Another early adopter was PwC: its 2017 Gender Pay Report reports a disclosable pay gap of 13.7%, down from 15.2% the year before.

Leading employers link their reported numbers clearly to strategies for change, which are typically wide reaching, recognising that the gender pay gap is an outcome of multiple factors including women leaving the workforce, being disengaged by poor company cultures, and failing to reach senior levels.

### **Pay transparency – a question of trust?**

While reporting regulations have triggered a reaction across corporate Britain, our managers' survey suggests we are still in the foothills of change.

Firstly, we see low levels of transparency. Only 13% state that their company

### **Equal pay or gender pay gap?**

Equal pay is straightforwardly about whether men and women are paid equally for equal or similar work. Less favourable treatment between men and women in pay and conditions has been illegal since the Equal Pay Act of 1970.

The gender pay gap, however, describes any difference between the average pay of all women and men in a group – such as those employed by a particular organisation. That's the focus of the new regulations, which require the publication of mean and median pay gaps for both salaries and bonuses.

As such, the gender pay gap reflects a number of factors, especially the relative lack of women in better-paid senior management jobs. A company could easily be in a situation where it pays women and men equally at every grade (that is, in compliance with equal pay law), but most of the women it employs are in junior roles while men dominate higher-paid management ranks. In that case, the company would still have a gender pay gap. For this reason, most employers currently have gender pay gaps.

reports internally on pay data by gender, while 8% personally know their organisation's gender pay gap. 23% are not at all confident that their own pay is the same or similar to others at the same level.

Secondly, the growth of the conversation about pay appears to have created significant doubts among managers about how fairly their organisations approach pay and reward.

Almost one in five (19%) of managers say they are 'not at all' confident that their own organisation even provides equal pay for men and women at the same level or role. Women were far less confident: 60% of men were "very confident" while only 34% of women were "very confident". This discrepancy in perspective was echoed in interviews.

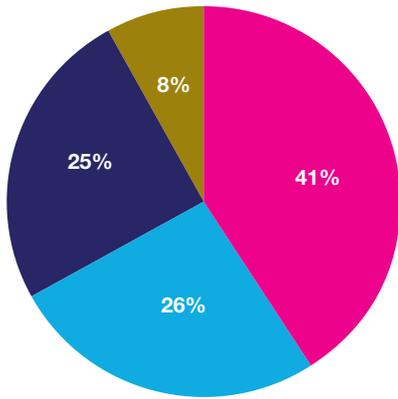
Fewer than half (44%) of female managers agree that managers have a fair approach with respect to gender in

discussions and decisions on pay and rewards. This contrasts with the perception of male managers, 67% of whom believe there is a fair approach.

While 41% of managers don't think their organisations have a gender pay gap (see Figure 2), this may be optimistic or reflect some confusion between the concepts of equal pay and the gender pay gap. Strikingly, only 8% of managers say that they know what their organisation's gender pay gap actually is. As the reporting regulations bed in, this number will surely rise.

The annual CMI/XpertHR analysis of management pay data for 2017 highlighted that an even bigger gender gap exist for bonus payments, as much as 46.9%. Perhaps as a result, 17% of women say they do not believe that men and women are equally likely to receive bonuses if they meet performance criteria, compared to just 5% of men.

■ I don't think my organisation has a gender pay gap
 ■ No
 ■ Don't know/not sure
 ■ Yes



**Figure 2:** Do managers know the gender pay gap of their organisations?

### Time to start talking

Talking about pay at work has traditionally been considered taboo or at least in poor taste. While pay transparency may be starting to break this long-standing silence, our interviews with women revealed ongoing challenges for women in requesting and receiving pay rises.

Unsupportive line managers were sometimes felt to be at fault. One female middle manager working in strategy was told by her boss that she could not do better than “meet expectations” on her performance review because she’d been on maternity leave. This meant she had no chance of a bonus. When she said she wanted to talk about how she could earn a pay rise, her manager simply rolled his eyes and refused to discuss it. “I was shocked, but what can you do?”

In some instances, policies and processes are blamed – rather than line managers. “I went to my boss to talk about my pay after a good performance review,” shared one female senior manager in financial services. “I was told, ‘we’re doing our best and recognise your potential, but the process is driven by HQ and we can’t get around it.’”

When women do become aware of pay discrepancies with men, they are unlikely to raise it for fear of the consequences. “When I became a manager of the team, I saw their compensation,” says a female senior manager in financial services. “One of my male direct reports, who had been a

peer, had been earning more than me – yet I got the promotion. I didn’t raise it because now, as the team leader, I’m being paid more, so I feel it’s being addressed. But pay still isn’t openly discussed. I did hear of one woman raising a freedom of information request for salaries. It was raised at the risk committee and she was deemed aggressive.”

Another senior female leader in strategy routinely found she was paid less than her male team members. “Apart from one exception, when I’ve had male direct reports, they’ve always been paid more than me. And I’m the boss! There is always a background story and reasons why.” She also did not raise the issue. “I wouldn’t wish for them to have less but it’s about fairness.” she says.

### Pay and returners

Financial penalties were also apparent

among women returners. “I was at this level when I went on maternity leave,” says one female senior engineer. “I’ve come back to the same level but took a huge pay cut as I went to four days – although I’m still working full time in reality,” she says.

Middle managers can sometimes take the lead on creating change by supporting return-to-work employees. As a female partner in professional services recalls: “When I returned to work after having my daughter I went part-time to four days a week. I asked my boss for a bonus to reflect all the extra days I did – i.e. five-and-a-half days a week. I was told however that bonuses are linked to technical hours in my contract and that the HR rules could not be broken. But my manager instead increased my salary to compensate for the extra work.”



## Tackling the gender pay gap the Virgin Money way

How organisations respond to their data on the gender pay gap is perhaps as strong an indicator of their commitment to gender equality as the data itself. Virgin Money was another early adopter of transparency and, led by CEO Jayne-Anne Gadhia, have been champions of gender balance in through the Women in Finance Charter.

In June 2017 Virgin Money reported a mean pay gap of 32.5% – a gap that had come down from 36% the year before. It’s working to close the gap with an approach that includes helping managers across the business understand the impact of their pay decisions.

Matt Elliott, people director at Virgin Money, is robust in his description of the bank’s gender pay gap. “It isn’t something we can accept,” he says.

Looking deeper at the data, Virgin Money discovered that it had far fewer men (27%) working in customer service or lower paid roles and a disproportionately high level of men (65%) in the best paid roles. The company took steps to both improve the

attractiveness of its employment offer to men at entry levels while bolstering its efforts to retain women in the business through programmes such as maternity mentoring. It has also made a commitment, when hiring externally, to match any flexible working arrangements in place with the previous employer, as a minimum offer.

The approach to pay also means confronting the numbers. Virgin Money enhanced its management decision-making tools, so that when line managers are considering allocating pay rises and bonuses, they have “real time data” and can immediately see the impact of their decisions on their gender pay gap. This visibility is helping managers become aware of any unconscious bias in decisions on pay, and it’s backed by transparency with employees, all of whom receive individualised letters about their pay, including their position within the market benchmark for their role.

Not only do line managers benefit from this insight but the tool rolls up to the top executive levels. “I review the break down at the executive committee level with the CEO,” said Elliott. “As a result of our approach we look at every grade level and person to ensure fairness, so there is a lot of transparency...”

# 3. SKILLS AND CAREER DEVELOPMENT

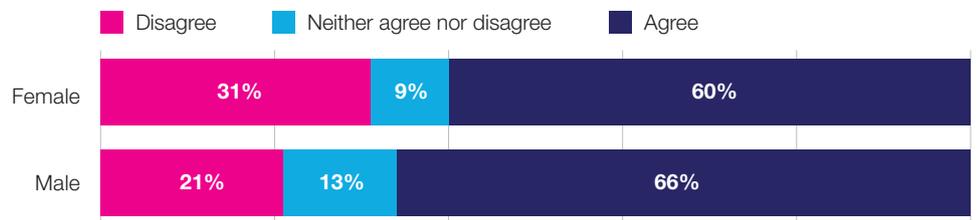
**The more senior the level of management, the rarer women become: so supporting women's skills and career progression is key. Employers need to ensure women participate in leadership development schemes; dedicated programmes, networks and innovative return-to-work schemes are also supporting career mobility.**

Our interviews highlighted that employers are focusing on ensuring that men and women participate in development opportunities. But our survey revealed differences between the sexes in their experiences.

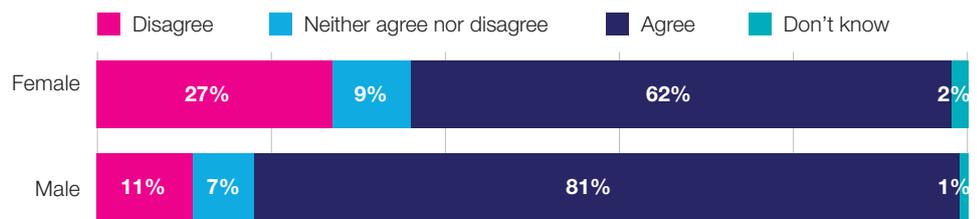
Women are more likely to disagree that they are happy with the development opportunities at their organisation: 31%, compared to 21% of men (see Figure 3).

And there are strong differences when asked if career development opportunities are equal for men and women. 27% of women disagreed with this, compared to just 11% of men (see Figure 4).

For the leading organisations we interviewed, the response to this challenge included ensuring gender balance in the uptake of their leadership development schemes, but also dedicated development activity for women: whether formal leadership programmes, or broader support networks.



**Figure 3:** I'm happy with the career and skills development opportunities I have in my organisation



**Figure 4:** Opportunities for career development/progression in my organisation are equal for men and women

*For many organisations, an important part of improving women's chances of career progression is to support women's networks.*

### **Leadership programmes for women**

The retailer Marks & Spencer engaged a leading university to help it understand why women were not progressing into more senior roles. It conducted 20 in-depth interviews with women as well as an open survey of 200 women, which revealed three key areas to focus on including better career planning, along with flexibility and inconsistency across the business; and perceptions of culture.

Building on this knowledge, M&S put together a mentoring and leadership programme for women. The company worked with leaders to help them think about who was in their leadership teams.

Says Simone Haywood, M&S's Head of Talent: "Colleagues across the business are seeing the benefits of creating a more inclusive workplace and we're in the process of rolling out a smarter working project to challenge the way people work and offer more freedom and flexibility."

### **Women's networks**

For many organisations, an important part of improving women's chances of career progression is to support women's networks. BlackRock is one such company (see over).

## **EXPERT VIEW**

### **Women's leadership development – missed opportunities**

*Dr. Ruth Sacks, University of Northumbria*

Have we done enough on gender? When it comes to leadership development, the answer is clearly no.

One of the key routes to greater gender equality is through leadership and management development programmes. There are women-only programmes, programmes created for professional groups or sectors, courses for men and women as well as conferences and a plethora of networking and social event groups. They can offer role models, case studies and Q&A sessions to share knowledge, experience and as well as challenge attitudes, understanding and awareness.

Many companies have internal women's networks which offer safe spaces to discuss challenges and difficulties experienced in the company as well as mentoring and coaching schemes. There are also cross-organisational, industry and sector specific groups which offer a more neutral context for such discussions and training.

These all increase awareness, maintain the conversations and debates about gender. After all, there is an assumption that if you don't speak about gender it's not a concern or issue.

Many of the leadership programmes for women focus on communication and presentation skills, self-confidence and those areas of knowledge in which women feel they have least confidence and competence such as finance, governance and networking. Some courses target women specifically looking to gain board level executive or non-executive roles.

Non-gender specific executive development programmes also often address these topics equally well, also including unconscious bias training or similar such topics. Women will delve deeper into certain issues when they are in a women only group. But when the more challenging topics such as bias, assumptions, language, attitude and meaning are addressed in mixed gender groups, skilled facilitators can encourage conversations which are challenging and generate better understanding, among both men and women, to support change.

These initiatives make a significant contribution to driving interest, engagement and actions to improve gender balance. The number of attendees, the frequency of events and the popularity of leadership development programmes are evidence of this. Each of the programmes or events will have an impact on the participating individuals and the network they create because of being involved in the development experience.

But have we done enough? In relation to leadership development, the answer is no.

It's not enough because rarely are there incentives or encouragement for participants to share their learning and understanding, or add value to their performance using their new perspectives, skills and knowledge if no-one appears to be interested: "I can't tell where my boss is on this", as one interviewee told us of her male line manager. This means that the ideas, strategies, cross departmental relationships and networks that are proposed and enthused over during the courses rarely transfer to organisation practice or implemented policy.

When women's leadership development seems not to have any real value to the men with whom the female participants work, its value is massively reduced. If creating a better gender balance is a business issue then learning and behaviour outcomes must have greater importance.



**BLACKROCK®**



**Deloitte.**

## BlackRock's Women's Initiative Network

Female leadership was in-built at asset manager BlackRock. Two of its eight original founders in the 1980s were women. But the firm recognised that this didn't mean the entire organisation was diverse and wanted to create more formal ways to connect and foster female talent. The acquisition of Barclays Global Investors (BGI) in 2009, offered a key opportunity. BGI, which had also been led by a female CEO, had a well-established Women's Initiative Network (WIN) with women who were deeply engaged in investing in each other's growth.

BlackRock soon appointed Kara Helander as global head of philanthropy and diversity. Helander was formerly the head of corporate social responsibility at BGI and had worked to enhance the scope and scale of WIN. Senior women from both legacy firms came together to create BlackRock WIN. They focused the network on attracting and retaining women, developing an inclusive culture, and keeping its activities business-focused. WIN grew quickly – soon there were chapters in every major office – and it became a catalyst to integrating cultures.

Part of the cultural integration was the inclusion of men as network members. Participating in WIN helped men become not only better managers of women, but also better fathers, according to reports from male members. The inclusion of men in the gender conversation at BlackRock expanded, where men were invited to sit on panels alongside women at WIN events. Mentorship roles, originally filled by senior women, also became filled by men. By engaging with WIN, many men reported 'lightbulb' moments of recognising unintentionally biased behaviour and began to more intentionally manage team dynamics and career advancement opportunities.

The Women's Leadership Forum (WLF) is a year-long leadership programme for senior women at the firm that complements other leadership programmes by focusing on specific challenges women face in advancing in the organisation. "We're working to continually have more diversity in key high leverage roles," says Jonathan McBride, Helander's successor. It has extended its Women's Leadership Forum to director level and is expanding the concept of the programme for a wider set of vice-presidents. "We're taking what worked for women and applying it across broader populations," says McBride.

## Deloitte's Women in Leadership programme

When Emma Codd took over as managing partner for talent at Deloitte UK, one of the first things she did was to spend time understanding what was holding women back. "We had a women's network and a target of 25% female partners, but we were seeing a steady decline in women joining us at entry level and were making slow progress towards our target," she explains.

Her analysis led to a detailed Women in Leadership action plan, including activities to increase the number of women the firm recruits, to ensure development opportunities are clearly available and to provide a working environment enabling women to balance a successful career with family life or other commitments outside the workplace.

Other key elements of the plan to help advance women included a return-to-work programme for individuals who have been out of professional services workforce for more than two years; coaching for primary carers returning from maternity/parental leave (and mandatory sessions for their line managers) about balancing career and family; and an advocacy-based sponsorship programme. Deloitte also offers flexible or agile working for all – see page 22 for more.

*“As soon as I was promoted, I fell pregnant and I then spent my whole middle stage of my career having two children. My career slowed down and it took me about three years to get promoted again, compared to my peers who did it in one-and-a-half years.”*



## Returning from career breaks

Parenthood is widely recognised as one of the most critical challenges facing women's career progression. But leading employers do not accept that it must mean women are condemned to fall behind their male peers as their careers progress.

One interviewee's experiences were typical of how parenthood can interrupt career progression. “As soon as I was promoted, I fell pregnant and I then spent my whole middle stage of my career having two children. My career slowed down and it took me about three years to get promoted again, compared to my peers who did it in one-and-a-half years.”

CMI has called for employers to draw on their Apprenticeship Levy funding to support returners, by dedicating one in ten Apprenticeships to parental returners. Leading employers meanwhile are actively working to support parents returning to the workplace, including those coming back from extended career breaks – like, for instance, UBS.

## Career comebacks at UBS

Swiss wealth manager and investment bank UBS has a unique proposition with its Career Comeback programme aimed at people who have taken a career break of a minimum of two years. Different to its programmes for UBS maternity returners, Career Comeback offers permanent positions and is aimed for those outside of UBS who, for whatever reason (but largely childcare related), took a career break.

“We're aiming for director and senior-level roles and we've found a huge wealth of talent that were operating at that level before taking a break, but are being overlooked by standard recruiting methods” says Carolanne Minashi, global head of diversity and inclusion at UBS. “As all organisations struggle to find women to fill senior leadership roles, we think we have access to a new talent pool that with a bit of creative support can make a fabulous contribution to the business.”

So far, its commitment to female returners is paying dividends with 100% retention after a one-year pilot. The programme has two offerings; a conventional 20 week internship-style programme offered in New York and a permanent-hire programme that runs in Zurich and London. “We wanted to start with both offerings in our pilot year to see which approach was the most effective.”

According to Minashi, UBS is the only financial services company currently

offering such a model for permanent roles: “Internships may lead to a real hire, but it's hard to find data on real conversion rates. We wanted to guarantee the best outcome. Two years later, we know both approaches have impact but our model for permanent roles makes a strong commitment from the outset for both our Hiring Managers and the candidates.”

Minashi understands the financial impact for women returners. Many organisations discount remuneration on these programmes and it can be hard to bring salary levels back in line, even if the internships lead to permanent roles. “We have a threshold of quality in skills and experience and we're aiming for director-level and senior roles,” she says. “We're not entertaining the idea of discounting pay. If people are coming at senior levels, we are paying them at senior levels.”

Restarting a career after a break period is not straightforward and challenged UBS's standard recruitment practices. “Algorithms don't work in this case,” says Minashi. Line managers and recruiters need training and support to help them look past the break and only at the skills competencies and life experience the candidate brings, candidates need a higher level of touch and a softer approach. We're mindful that this can be a nerve-wracking process and a confidence test for many returners. Even if we can't find a match for someone, we'll suggest other organisations for them.”

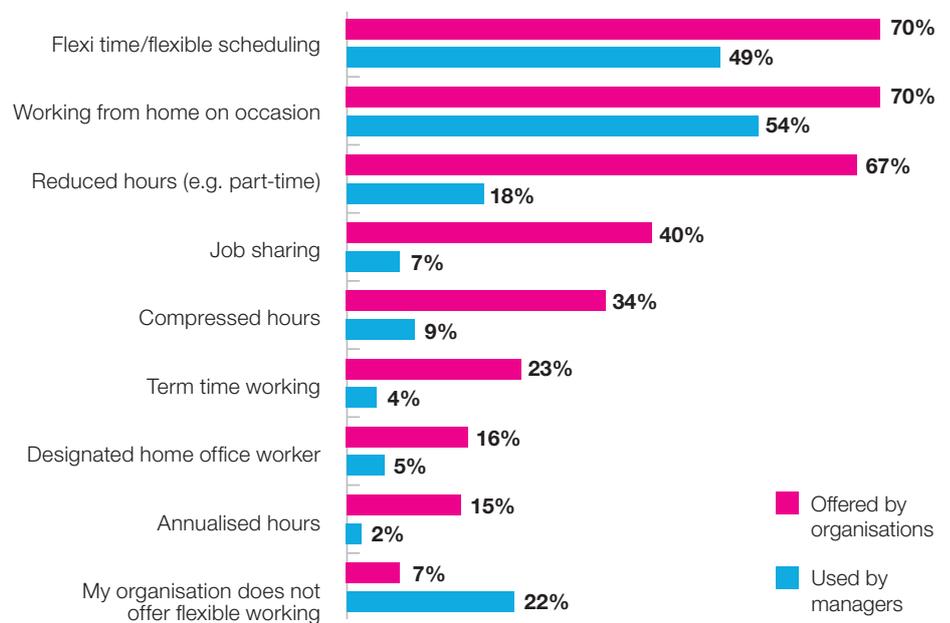
# 4. MAKING FLEXIBLE WORKING WORK FOR EVERYONE

**Flexible working is an important component of creating gender balance. The majority of managers regard it positively and enjoy its benefits, but leaders need to prevent any ‘stigma’ being associated with flexible work by finding role models to normalise its use for family reasons, especially by men.**

Flexible working can mean many things: working from home, working compressed hours, term-time hours, part-time or flexi-time working. It has become an umbrella term to describe all kinds of working outside traditional 9-to-5 office hours. However it’s defined, it’s widely regarded as an important way to improve gender balance, for two main reasons.

Firstly, allowing women to work flexibly – for family or non-family reasons – and produce the same output as non-flexible workers allows them to have the same opportunities for promotion. Secondly, and simultaneously, allowing men to work flexibly can make it easier for families to rebalance family duties.

Our survey found 78% of managers use some form of flexible working, with 70% using flexi-time, flexible scheduling or working from home on occasion (see Figure 5).



**Figure 5:** Types of flexible working

<sup>9</sup> Chung, H. & van der Horst, M. (2018) Women’s employment patterns after childbirth and the perceived access to and use of flexitime and teleworking. *Human Relations* 71(1): 47-72

Two-thirds of managers agree that flexible working has supported their career. This is particularly true for female managers (71%, compared to 57% among male managers).

Managers also endorse flexible working's benefits for organisations. Just under half (48%) believe that it makes for a more productive workforce. 64% agree that it creates a more family-friendly culture while just over a third (37%) agreed that flexible working creates a more gender-equal workforce.

Those managers who use flexi-time, working from home on occasion and job sharing were the most likely to give their organisation top marks on the question of whether its flexible working practices support gender diversity. These arrangements can be crucial in allowing women to stay in employment after childbirth.<sup>9</sup>

### Getting flexible working right: managers' challenges

Just over a quarter of managers report that their organisation experiences no challenges in implementing flexible working, but many did perceive challenges. Top of the list was making it harder to collaborate effectively (43%).

Flexible workers are also perceived as being more difficult to manage: one-third of managers state that it can be difficult to manage team members who work flexibly.

Only 13% identify a challenge of stigma associated with flexible working – though this splits 17% of women and just 10% of men. Our interviews add to recent academic research suggesting that “flexibility stigma” presents crucial pitfalls for organisations to avoid.<sup>10</sup>

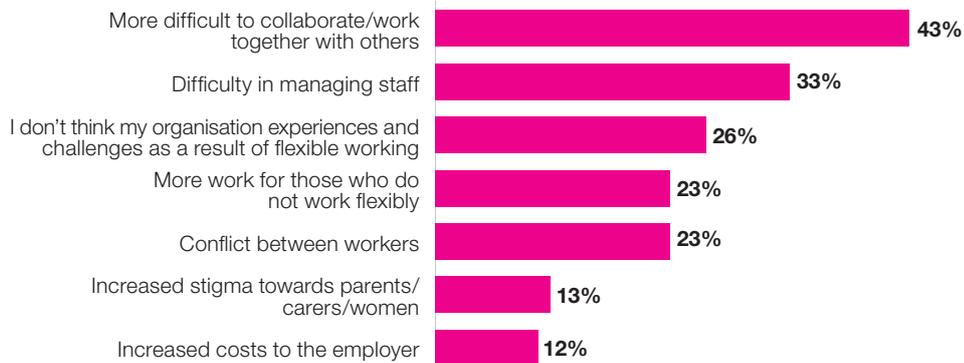


Figure 6: Perceived problems of flexible working

### Policy and practice of flexible working can often be at odds

Could flexible working generate effects that hold back, rather than advance, gender balance? There is increasing evidence of significant pitfalls that managers need to avoid.

While intended to support better work-life balance, flexible working can instead lead to longer working hours and overtime hours.<sup>11</sup> According to Dr Heejung Chung, University of Kent, there are three key reasons.<sup>12</sup>

First, to reciprocate for the favourable work arrangements “gifted” by their employers, workers expend greater effort, and increase their motivation and commitment, which leads them to work harder and/or longer hours. Where there is negative stigma towards flexible working (see below), workers may feel they have to work even harder to compensate.

Second, employers can increase work intensity through the back door when work becomes detached from fixed hours and more difficult to regulate in terms of hours worked. This is especially true when workers “voluntarily” work longer hours to meet demands at work or when there are incentives for workers to work harder.

Third, flexible working alongside the development of technology, and increased competition in today's workplaces can lead to “enabled intensification” and blurred boundaries,

where a culture of “working everywhere and all the time” develops.

So a culture of presenteeism can penalise both men and women for choosing to work flexibly. “Even though I'm 80% now, I don't just work four days a week,” said a female partner at a professional services firm.

### Challenging the “flexibility stigma”

Recent studies show one third of all workers identify a “flexibility stigma” attaching to workers who work flexibly – attitudes that flexible workers are less productive than full time colleagues and contribute less.<sup>13</sup>

The evidence suggests men may be more likely to feel that flexible workers are not as productive, but ‘flexibility stigma’ can affect both men and women. In a series of studies, researchers found men more likely to feel they were penalised for taking leave after the birth of a child and less likely to get pay rises or get promoted; while women who worked reduced hours were given less meaningful assignments.<sup>14</sup>

Those themes were borne out in our survey and interviews. The risks were particularly recognised by women. 37% of female managers felt that promotion prospects may be harmed by flexible working, compared to a quarter of men.

<sup>10</sup> Williams, J.C. (2013) The Flexibility Stigma. *Journal of Social Issues* 69(2)

<sup>11</sup> Lott, Y. and Chung, H. (2016) Gender discrepancies in the outcomes of schedule control on overtime hours and income in Germany. *European Sociological Review* 32(6): 752-765. Available at: <http://dx.doi.org/10.1093/esr/jcw032>

<sup>12</sup> Chung, H. (2017) Work Autonomy, Flexibility and Work-Life balance Final report. Canterbury, University of Kent. <http://wafproject.org/research-outputs/final-report/>

<sup>13</sup> Chung, H. (2017) Work Autonomy, Flexibility and Work-Life balance Final report. Canterbury, University of Kent. <http://wafproject.org/research-outputs/final-report/>

<sup>14</sup> Williams, J.C. (2013) The Flexibility Stigma. *Journal of Social Issues*, Vol 69, Issue 2.

One senior female working in technical risk management recounted how she had moved to a three-day week after returning from maternity leave but found it unsustainable. She was co-leading a strategic project and offered to take on additional responsibilities when her co-leader left the business. “My boss said, no way if you’re three days a week. I’ll only entertain it if you’re five days a week. I said 100% no, so he then said he’d put another person in between me and him, so I would be structurally demoted.”

“I felt like I had a gun to my head”, she told us. She returned to working four days. “I had to increase my hours to retain my position”.

Ensuring that flexible workers are not pressured into longer hours, or the subject of unfair stigma, is a key challenge for leaders and line managers at all levels.

## Promoting flexible working

Virgin Money has promoted flexible working by updating its technology to enable more employees to work remotely. It has also increased the number of men taking parental leave by matching parental leave pay and maternity pay.

It ensures flexibility is role-modelled at the highest levels and has adopted a policy of at least matching any flexible working arrangements that external hires have with their previous employers.



## Deloitte’s approach: rebranding flexibility as agility and taking Time Out

Generating a better work-life balance for employees and fostering a more family-friendly culture are of course not only benefits for women – they can benefit men just as much. Yet for some organisations there is clear evidence that men seem more reluctant to ask for flexible working than their female counterparts.

“We found that if you mentioned flexible working to many male colleagues, they connected it with women on maternity leave and notions of rigid schedules with slow career progression,” says Emma Codd, Managing Partner for Talent at Deloitte UK. “So Deloitte repositioned it as ‘Agile Working’, emphasising the positives.”

Deloitte’s agile working approach is based on three principles: open and honest communication, trust and respect, and judging only on output. When rolling it out, Emma was convinced about the importance of finding male role models. The firm focused on being clear that success was an arrangement that worked for both the individual and the firm; they also worked hard to find options that were

appealing to their people and also fitted with their business model.

They found that communication was key – “We ran a firmwide campaign where we filmed men leaving early or working from home with a sign that read #agileme... this is what I’m doing,” she says. This helped to reduce any flexibility stigma.

### Time Out

‘Time Out’ is a four-week block of unpaid extra leave that can be requested by any eligible employee each financial year.

The policy was designed to recognise that people are balancing commitments and interests outside of work, alongside demanding careers. “Time Out can be used for any number of reasons,” says Clare Rowe, Deloitte’s culture and inclusion lead. These could include: to spend time with family and friends; settle children into school; travel; volunteering; learn something new; or simply catching up with life. Importantly though, no reason needs to be given when employees request a Time Out.

A Time Out request is easy to make via an online form, and can be taken by anyone with more than a year’s service – but key to its success is that it must be taken at a time that suits both the employee and the business.

Most staff use Time Out during quiet periods in their practice and co-ordinate covering their work within their own teams. “The partners and our staff love it and think it’s the best thing we’ve done,” says Codd.

For one senior female associate director, Time Out allows her to stay connected to her family. “Most of my family is abroad. I used to spend my holiday entitlement travelling to see family and feeling guilty about not seeing my elderly parents enough. It meant holidays didn’t feel like rest. The magic four weeks’ uninterrupted leave is how it’s allowed me to structure the rest of the year. So, if I need a break, I can use my holiday allowance and know I’ll still have time for visiting my family.”

*Engaging middle managers is essential, as they are key leverage points for shifting the culture when it comes to flexible working.*

### Aligning policies and middle managers

Some organisations now automatically classify all jobs as flexible – but flexibility remains rare in management roles. Campaign group Timewise has highlighted that only 9.8% of jobs paying over £20,000 are advertised as flexible and CMI has backed calls for jobs to be advertised as ‘flexible by default’, creating a presumption in favour of flexibility.

Engaging middle managers is essential, as they are key leverage points for shifting the culture when it comes to flexible working.

“Line managers are hugely important,” says Emma Avignon, CEO of Mentore Consulting. “They are the prime motivators, inspirers and messengers. If you have a leader managing a team with no experience of how to hold conversations with individual team members on, say, agile working, you will be challenged to make your flexible working policy take hold.”

## EXPERT VIEW

### Flexible working: the expert view

*By Dr Heejung Chung, Reader in Sociology and Social Policy at the University of Kent's School of Social Policy, Sociology and Social Research*

Flexible working has gained attention as a way to enhance workers' work-life balance but also to increase companies performance outcomes. There is a general increase in the use of flexible working practices across European companies. Increasing numbers of countries now provide the right to request flexible working. The European Commission recently included this right as a part of their broader pillar of social rights on work-life balance.

Does flexible working help workers strike a better work-life balance? As shown in many interviews for this report, the ability to work flexibly provides some with the opportunity to remain at their job and in the labour market, especially when there is increased demand on individuals' time and energy. Flexible working has been shown, for example, to reduce significantly women's likelihood of reducing their working hours after the birth of a child<sup>15</sup>. There's further evidence that the ability to work flexibly reduces the chances of mothers dropping out of the labour market after the birth of their first child. Given that childbirth and the consequent women's withdrawal from the labour market is one of the most important causes of the persistent gender wage gap and the lack of women in top positions, providing women with better access to flexible working arrangements in their jobs may be key in achieving a more gender-balanced workforce. However, we know that there still exists many obstacles to flexible working. The workers who need them most are still unable to make use of it or may be afraid to take it up due to the possible repercussions.<sup>16</sup>

<sup>15</sup> Chung, H. & van der Horst, M. (2018) Women's employment patterns after childbirth and the perceived access to and use of flexitime and teleworking. *Human Relations* 71(1): 47-72

<sup>16</sup> Chung, H. (2018) Dualization and the access to occupational family-friendly working-time arrangements across Europe. *Social Policy and Administration* online first.

# 5. PROGRESS WITH MENTORING AND SPONSORSHIP

**Of all the interventions an organisation can make to improve its gender balance, mentoring and executive sponsorship can be among the most powerful. While mentoring prepares people to move up through confidence-building, adopting a focus on sponsorship can actively accelerate careers through personal development and career structuring.**

## Mentoring

73% of managers say that mentoring has benefited their career development. 45% report that their organisation offers formal mentoring programmes for managers, with 12% providing a programme specifically for women.

Harvey Nash ascribes its ability to retain women in part to its mentoring programme, which trains both mentors and mentees in the process. Rachael Hanley-Browne, the firm's head of leadership consulting, is herself a mentor and mentee, and her views are instructive: "When I completed the training programme, I was asked what kind of mentoring I wanted. I specifically requested someone very different to me. I wanted the view of a senior male in finance, someone who could round out my understanding of corporate finance, particularly around acquisitions."

Hanley-Browne had five sessions with the CFO, which she found very supportive and encouraging. She is now mentoring a member of the

executive search team who is about to go on maternity leave and, because it suited her mentee, she offered to continue their mentoring during maternity leave.

Virgin Money have put in place a programme to provide internal mentoring and coaching (including maternity mentoring), with 180 people participating so far. The matching process allows participants the option of expressing a preference for their mentor's gender, or for other diversity characteristics. It has been received, says People Director Matt Elliott, as "a really constructive step towards inclusion in the company."

## Adopt sponsorship to power progression

In addition to mentoring programmes, formal executive sponsorship would have powerful impact – adding more women to boards and senior roles than any other activity.

Executive sponsors actively supporting an individual in the organisation can advocate for, protect and fight for their career advancement. They introduce women to other executives with organisational clout and help to identify more challenging strategic assignments and assign women to critical posts.

Sponsorship can be especially important for women because it helps build social capital and influence in contexts where there are typically fewer of them

– particularly at leadership levels. One interviewee, a female senior manager in engineering talked about the strong support she had from her direct manager and an executive sponsor that has seen her advance and be nominated for a women's executive pipeline programme. One interviewee summed up the power of sponsorship: "The reason I got promoted each time was male sponsorship. I had three men in different parts of business advocating for me and a line manager who asked them to support my case for promotion while ensuring I had access to more challenging projects."

## Disconnect between benefit and adoption

Despite the documented success of executive sponsoring in improving gender balance, experience of it remains low. Only 6% of managers say they have ever been sponsored. And only 10% see it being used by senior managers to support junior female managers.

Our interviews also show that dedicated executive sponsorship tends to be individual, isolated and often invisible rather than a structured and transparent programme. More than three-quarters of respondents in our survey (77%) have not sponsored an employee or been sponsored. There also remains a lack of clarity on the differences between mentoring and sponsorship, with many managers still confusing the two.



### How to formalise executive sponsorship

BlackRock, the world’s largest asset manager, realised it needed something more than mentoring and has moved to formal executive sponsorship to support the advancement of women. “In looking at how we were moving talent through the organisation, we found there were subtle ways women weren’t getting the information or opportunities that they needed to progress in their careers,” says former global Head of Diversity & Inclusion at BlackRock, Kara Helander.

Rather than waiting for sponsorship relationships to emerge organically, BlackRock matched each participant with an executive sponsor who is a member of the Global Executive Committee (GEC). Helander: “When we went to the GEC with this idea, they said yes right away. We paired each woman on the WLF programme with an executive from a different line of business. We wanted there to be synergy, so not only was the female participant learning from the executive, but the GEC member was also gaining market insights and knowledge from the participant they were sponsoring.”

Training was provided for both the sponsor and the participant

being. “We trained them both in what their respective roles were, how to structure sponsoring sessions, set expectations and created the groundwork to help them get the most out of the relationship,” says Helander.

Both the participants and the sponsors felt accountable for making the sponsorship successful. In fact, Executive sponsors present their sponsorees to the GEC, sharing their strengths and raising their visibility with the leadership team.

The results of the executive sponsorship programme have been striking: more than 80% of participants have moved into new or expanded roles. Several have been named to key governance bodies for BlackRock, including the GEC and business and regional executive committees.

The benefits have been two-directional. “Our mostly male sponsors have emerged far more empathetic and aware of what it’s like to be in the seat of the person they’ve been sponsoring, understanding what it’s like to be a 35-year-old female,” says Jonathan McBride, BlackRock’s Global Head of Diversity & Inclusion. “It’s advancing their careers, too. We’ve even had executives start to ask to chair the women’s network after their sponsorship experience.”

## A PERSONAL TAKE ON EXECUTIVE SPONSORSHIP

In making progress toward improving gender balance, one industry has seemed particularly resistant to change: mining. Overall, the industry had a poor track record in attracting and promoting women. This, however, is changing. The global mining business Anglo American, which employs close to 90,000 people worldwide, now has three female non-executive directors on its board. This brings the board to almost 30% female, putting it well above the mining industry average of about 11%. The company is recognising gender diversity as a business imperative for better financial results, sustainable performance and safety in mining.

Executive sponsorship, led by Anglo American chief executive Mark Cutifani, is playing a central role in advancing women. Anik Michaud, group director of corporate relations, was appointed to the group management committee (GMC) in 2015, and has experienced the benefits first-hand. “I wouldn’t be remotely where I am without Mark’s support,” says Michaud. “He is my sponsor and mentor.” Her strong working relationship and sponsorship from Cutifani helped elevate the function of corporate relations to GMC level.

Since joining Anglo American in 2008, Michaud, originally a lawyer, has delivered a global rebrand, strategically restructured the corporate relations and office of the chief executive functions; developed the first internal engagement strategy including a global change management framework; and is now articulating Anglo American’s revamped and ambitious sustainability strategy.

Michaud’s impact on Anglo American’s business is reflected not only through her leadership of corporate relations, but importantly through her role in strategic decision-making and as a trusted advisor to CEO Mark Cutifani: “My challenge was to add value by bringing a different voice and angle to how we make policy and strategic decisions... I have never been a shrinking violet and I ask a lot of questions.”

Michaud is clear about the importance of executive sponsorship and its role in demonstrating the real value that diversity and inclusion can bring to an organisation. “We can never talk about diversity without talking about inclusion. If there is one thing I cannot stand, it is tokenism. The damage that does to the people who have the credibility to be where they are is incredible,” she says.

## 6. LEADERSHIP EQUALITY AND MANAGEMENT CULTURE

**Businesses focusing on balance in the boardroom are starting to achieve results. But longer term progress will continue to be undermined if employers fail to tackle bias in their cultures by fixing the “broken windows”.**

### **A picture of progress**

At the most senior levels of many of the UK’s leading organisations, there is now clear evidence of progress towards greater gender balance, including many of those we interviewed. RBS now has 35% women in its top three senior layers, and its pipeline top 5,000 roles are 44% female, reflecting 6% and 12% improvements since the company began its focus. At Sky, which has a 50/50 target, 39% of top leaders and 35% of all employees are female. The BBC workforce is 48% female with women now comprising 41% of leadership roles. Female representation at partner level for Deloitte has risen from 14% in 2014 to 19% in 2017.

For FTSE-listed businesses, there is also evidence of change. The Female FTSE Index, recorded a rise in the percentage of women on FTSE 100 boards to 27.7% in 2017. The proportion of new appointments going to women had reached the target of at least 1:3, meaning that “we could be within reach of 33% women on FTSE

100 boards by 2020 as long as the momentum is maintained”.<sup>17</sup> And in the FTSE 250, women now hold 22.8% of board roles.

However, challenges remain. For one, the proportion of women holding executive roles, as opposed to non-executive positions, is much lower: 9.8% in the FTSE 100 and 7.7% in the FTSE 250. This represents a critical challenge.

Beyond the FTSE, the picture remains similarly challenging. As shown on page 10, CMI/XpertHR analysis in 2017 found that only 26% of director level roles are held by women. The higher the management level, the lower the proportion of roles held by women.

The management pipeline remains broken. Fixing it in order to achieve change in leadership roles will, to a great extent, come about as a result of success in the other areas explored in this report: improved recruitment practices, support for skills and career progression, and effective mentoring and sponsorship.

But it also demands focused leadership, and a concerted effort to address culture and behaviour.

### **Gender is a business issue, not a women’s issue**

One of the themes to emerge from our interviews was that where organisations are having demonstrable success on gender balance, leaders had typically made it a business issue – core to how the organisation is managed – rather than an HR issue which might be too easily sidelined in the face of competing priorities.

That means a shift in focus. One organisation to have changed its approach is RBS. Marjorie Strachan, Global Head of Inclusion at the bank, exemplifies the change in mindset. “My background is in change management, not really in diversity or inclusion”, she told us. “RBS considers improving our diversity and creating a more inclusive bank to be a mainstream business issue; not negotiable and essential if we are to create a great place to work and serve our customers well. This can’t be done authentically without well defined outcomes and a robust plan to achieve them. Clear accountabilities and persistence is key.

For Sky too, a business approach means pulling together the factors needed for real change. “Business change happens when you have passionate business champions, budget and you work hand in hand with HR,” says Sky’s Director for Women in Leadership, Anna Cook.

<sup>17</sup> The Female FTSE Board Report 2017: Women on Boards: Back on Track? (2017) <https://www.cranfield.ac.uk/som/expertise/changing-world-of-work/gender-and-leadership/female-ftse-index>

To make sure gender is treated as a business issue requires a willingness to dig deep into organisational structure and culture. Organisations need to understand the sticking points where high-level strategies are not being executed. Metrics and targets must be set that enjoy the same level of organisational commitment as revenue, market share and customer satisfaction. Organisations should understand their internal data in detail, getting clear on what patterns are emerging that contribute to gender imbalance whilst making data visible at all levels, utilising transparency to encourage social accountability and mutual responsibility for gender balance.

Jamie Broderick, head of UK wealth management at UBS until his retirement at the end of 2017, articulated some of the challenges: “Gender advocacy is often not operational enough, so it’s hard actually to get traction. This is an ideological, social, and political problem, for sure, but it is also a business problem. I was tired of quick fixes for a long-term business problem, so I wanted to introduce a dimension that we could get traction on. I recalled a colleague’s comment in 2007, that if we’d started ten years ago, we’d be there by now. So we built a ten-year plan that gave us a real, tangible view on how many women we would have to hire, retain and promote, and in which departments, with whose accountability, over the course of the full ten years. And we stress-tested the plans so that we felt we knew what could derail the aspiration over those ten years.”

The team specifically wanted to better understand the “missing middle” phenomenon. “You can hire in senior women and improve the optics, create role models, but that just papers over the problem,” says Broderick. “The problem is that you need a culture that’s congenial to women, where they have career plans when we bring them in, so we’re looking longer term to build an environment where women can progress their careers.”

### Getting culture right means fixing the “broken windows”

Underpinning these leadership approaches is a focus on workplace culture and what is deemed acceptable behaviour, themes that ran through the majority of our interviews.

What we heard was that many women continue to feel excluded by day-to-day exchanges in the workplace, whether from their line manager or among colleagues. These behaviours were often low-level, and taken in isolation, might not seem to mean too much. But repeated again and again – as became clear in our interviews – they can systematically undermine efforts to create balance. Where small infractions remain unchallenged, invisible or minimised, an organisation can unwittingly perpetuate a culture that is not inclusive.

We compare these small, low-level infractions to the “broken windows” theory in policing: that failing to deal with petty misdemeanours undermines attempts to tackle what appear to be the bigger, higher-priority problems.

In gender balance terms, this sums up what we found in interview after

interview. Well-meaning leadership rhetoric collides with reality. Policies designed to create change fall short. Women continue to confront barriers to their progression. Why? Because of the failure to address the “broken windows”.

Interviewees told us of the invisible or unspoken expectations of gender stereotypes that made them aware of a gender imbalance in their organisations. One senior female interviewee in HR bluntly told us: “The advice I was given was, ‘don’t be the office bitch.’ There’s an assumption you’ll dial the call, get coffee, etc., and the men will let you do it.”

One survey respondent, a female junior manager in a large manufacturing organisation, simply told us that “women are still viewed as ‘admin’ in my organisation”.

Many women continued to be excluded from connecting with more senior men. “Every Tuesday in our team huddle, the most senior men will talk and there will be in-jokes and banter amongst the leaders. It tends to be quite masculine and excludes people who aren’t in that group,” shared a female senior leader.



### The RAF’s Face It, Fix It

The Royal Air Force recognises that retaining and advancing women requires more than policies to ensure regulatory compliance – it means changing the organisational culture. One key component was a foundational education programme called Face It, Fix It, specifically tailored to reflect the types of people and scenarios relevant in the RAF.

The programme, which is mandatory across the RAF, focused on how to create an inclusive work environment and address inappropriate behaviour, immediately and effectively. This served as a strong platform for clarity and mutual understanding about what constitutes unacceptable behaviour, which helps make it easier to spot and call out.

## How far do managers confront broken windows behaviour?

CMI research in 2017 found that 81% of managers had witnessed “broken windows” types of behaviours, from men talking over women in meetings, to taking credit for their work, to inappropriate comments.

Our latest survey found that while 46% say that managers ensure men and women receive equal ‘air time’ in meetings, only 25% said that managers actively champion gender initiatives. Only 23% visibly celebrate the achievements of women in the organisation. Barely more than one in ten – 13% – report that managers actively seek out and advocate for women for key projects, roles or promotions.

## Is gender becoming invisible?

Our interviews also revealed a sense among some women that gender is – despite the high profile business and media debates in recent months – becoming less, not more visible in their organisations. There may be several forces at work here. One female leader told us of the dismissive attitude of one male senior executive when talking about gender balance in their company: “Well, don’t you think we’ve done enough?”

Others reported managers proclaim that they ‘do not see gender, only people’. Others may feel the emphasis on gender has gone too far. As a senior female in a financial services firm said: “A lot of men feel there’s too much emphasis on doing things to help women – e.g. work from home, female leadership programmes, women’s networks. Every time something new for women comes up, it raises a wry smile,” she says.

According to one female managing director in financial services who reports to a C-suite level manager, “I can’t tell where my boss is on this. I’m involved with the diversity and inclusion council and during my performance review he asked ‘how is that going? That thing you do? What’s that thing you’re on?’ There’s zero interest.”



## Deloitte leaders delve deep

Professional services firm Deloitte is pursuing an action plan to tackle inappropriate behaviour and working practices around gender. This is underpinned by a tailored programme on inclusive leadership. “People were unaware of the impact of the seemingly innocent comments and banter that can create a climate that may not feel inclusive,” said Emma Codd, Deloitte’s managing partner for talent. “We were good at dealing with any formal issues and situations that were breaching employment contracts but we weren’t hearing about the constant undermining that can occur.”

The firm developed a Respect & Inclusion action plan and created a film called “Ask Yourself”, a thought-provoking video that brings to life the issues that the firm wanted to highlight. The leadership sessions included a series of

examples of the unintentional comments and insensitive banter that undermines women and other minorities.

Deloitte ran 90 leadership sessions for partners, requiring the executive team to go through the process first to signal this as an important priority. To date, more than 6,000 leaders have gone through this programme. “We have a model called the Deloitte Leader, which is about being the leader our people need us to be. There are seven principles that state who we are. Our view is, if this is not you, then this firm’s not for you,” explains Emma. There is a clear line and the firm will act against inappropriate behaviour. “We don’t want to let this fester, so we deal with it early. We’ve demoted and excited people because of their behaviour. People now feel protected to raise issues that are concerning them.”

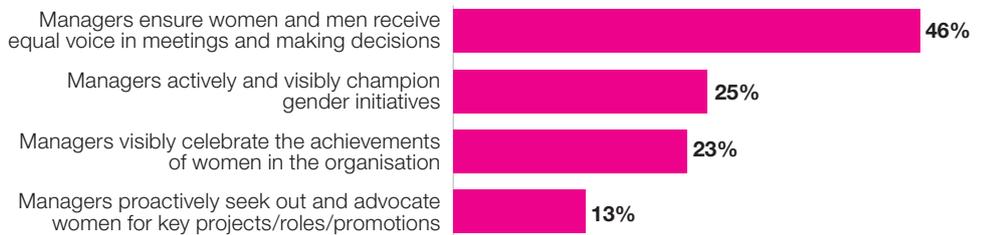


Figure 7: Perceptions of managers’ engagement with practices that encourage gender balance

## Keeping out of the limelight

We also found substantial doubts among individuals about their personal role in gender change. Many women are reluctant to be in a position where people might suspect tokenism. “I don’t want people to look at me and think I’m here because they needed to address the gender balance,” says one female sales manager. She wasn’t alone. A number of women did not want to identify with what they saw as ‘women’s initiatives’.

When establishing the Women’s Inspirational Network Group (WINGS)

in the RAF, Wing Commander Sarah Maskell heard a similar message: “Women were telling me, ‘we’ve spent all these years trying to blend in, so don’t make us stand out by setting up a women’s network.’”

Maskell worked around this and the geographic spread of women by setting up a virtual community group on social media. It now has more than 2,600 female members with a common bond of RAF service. “It’s a platform which is always open for women to discuss issues that are stopping them from progressing, as

well as to celebrate successes and showcase examples of talented women as role models.” Some women still resist participation, she says, “but I tell them ‘if you’re not at the table, you can’t hear what is going on or have your voice heard.’”

### Men as change agents

Working with men as change agents is a key plank of CMI Women’s strategy. It was also a recurrent theme in our interviews for this report. After all, given the gender imbalance in senior roles, the leaders with the power to accelerate progress are predominantly men.

The evidence suggests that many male managers (at least among CMI members) are receptive to this. Previous CMI research found that three quarters of male managers believe men have a responsibility to support women’s career development, while 70% say they actively champion gender balance.<sup>18</sup>

Men are also of course affected by gender issues themselves. “I made a career change and had to convince the organisation to take a chance on me,” said a male executive in financial services. “I was hired by women and the department I joined was run by women in a primarily male-dominated industry. I would not have been hired in a conventional all-male format. It made me think there is something about recognising talent in diverse formats that was really instructive.” This experience was the foundation of his personal commitment to gender balance and he is now one of his firm’s leading executives actively recruiting, developing and promoting women.

### Making it personal

Personal commitment and passion for equality was a common theme throughout our interview, for men and women alike. As Sky’s Anna Cook put it, “It’s the passion of people in the organisation that makes it happen.”

One man, also working in financial services, shared a personal motivation to serve on his firm’s diversity council. “I come from a matriarchal family and

was brought up by strong female role models.” As a father of two daughters, he is also motivated to drive change for them. “As far as my girls are concerned, they can do anything. I want to make sure they are ready for work and that nothing is happening there that they can’t do.” He is now rolling out Dads for Daughters Day, inspired by the UN’s HeforShe campaign, asking his peers to join him in pledging themselves to achieving greater gender equality in the workplace.

The potential positive impact of male role models sharing their personal commitments was reflected in a comment from a female senior manager in financial services, who noticed, “If a CEO has a daughter, then the gender pay gap closes.”

It was not only men who identified personal experience as the source of their motivation. “I grew up in a family where my mum worked and I always saw my mum as a professional woman and I was very proud of her. Mum brought me up to believe everyone is equal,” shared Rachael Hanley-Browne. For another female executive in financial services, juggling maintaining a successful professional career with raising a family led to her increased awareness of the restraints on women, both internally and externally imposed, and a desire to work on gender balance. “I have two daughters and I look at the future for them and the kind of lives they want and that’s reinforced my desire to help create a world around us that’s more balanced, where daughters and sons have equal opportunities.”

The leaders who had this personal connection were also the most effective at bringing along others with them and in generating impactful results that improved gender balance in their organisations. Culture is set from the top, so leveraging executives with personal motivations to promoting the gender agenda is necessary, though not sufficient, for creating change. Research confirms that middle managers can be effective change agents if they are clear on the intent from the top, and are

emotionally committed.<sup>19</sup> Leadership motivations need to be transparent and demonstrable to effectively engage middle managers.

<sup>18</sup> Creating Balanced Workplaces, CMI (2017) <https://www.managers.org.uk/~/-/media/Appius/Submissions/Creating-Balanced-Workplaces-Infographic.pdf>

<sup>19</sup> Balogun, J. (2003) From Blaming the Middle to Harnessing its Potential: Creating Change Intermediaries

<sup>20</sup> Rouleau, L. (2005) Micro-Practices of Strategic Sensemaking and Sensegiving: How Middle Managers Interpret and Sell Change Every Day

<sup>21</sup> Huy, Q. (2002) Emotional Balancing of Organizational Continuity and Radical Change: The Contribution of Middle Managers. *Administrative Science Quarterly*

*The RAF's intentional focus on advancing women has seen RAF board membership evolve to 40% female representation.*



## Engaging men in change: the RAF

The RAF made a strategic decision to engage men in its gender balance strategies. Rather than appointing a 'Women's Advocate', the RAF opted for a 'Gender Advocate'. Wing Commander Sarah Maskell, the RAF's diversity and inclusion lead, said she was determined that this vital advocate role was delivered by a senior male leader who would also recognise the intersectionality of their people. "Initially I had some push-back, particularly from women, who said 'oh, now we've lost another leadership position."

"Engaging men in driving forward our gender agenda is critical," says Maskell. "As a progressive employer we wanted to move away from the connotation that gender means women. Men have a gender, too." As a senior male leader who can model inclusive leadership and proactive advocacy of women, it helps advance both women and men. "Air Vice-Marshal Warren 'Bunny' James was the best candidate to do this."

Air Vice-Marshal James took on the role of gender advocate, alongside his full-time job, because he recognised it would take a senior

leader to get over the internal barriers to calling out inappropriate behaviours. "Setting a top-down example can make a difference," he says. "We have some very good role models and champions at different levels and ranks. I don't need to sell to them why we need women in service. Now is the time to walk the talk."

And the RAF is seeing progress, with its Diversity Team winning a European Diversity Award in 2016, for example. Its intentional focus on advancing women has seen RAF board membership evolve to 40% female representation. This is recent and deliberate, according to James. "We've adopted a conscious policy to advance and retain women where possible," he said.

He's aware of the future challenges. "We're seeing a problem with the pipeline for replacing these women at the higher levels. We have direct experience of the 'missing middle'. We have people leave in the middle of their careers due to the nature of services – it's a liability that you can be sent anywhere anytime. When it comes to stereotypes of having kids or caring for parents, we still see more women than men leave."

*Gender relations in the workplace can create inequalities and enable dominant groups to exercise power when it comes to defining the cultural and structural 'norms'.*

## EXPERT VIEW

### To get balance, you must see gender in a new light: the expert view

By Dr Jane Dennehy, Gender Hub

What is your gender? This frequently asked question has for many a simple answer – male or female. But biological identifiers do not address the complexities of the phenomenon that is gender.

Gender is a process that begins when we are born. The children's toys to which we assign masculine and feminine values are often where the social process first becomes obvious.

The constant drip of messages about how we should conform to certain assigned social roles can follow from the toy box to the workplace. Is there a connection between boys and tools that leads them towards engineering and building? Similarly, is there a connection between girls, dolls and kitchens that tells them domestic responsibilities will be their domain?

In the workplace occupational segregation, both vertically and horizontally is exemplified by the evidence which finds women dominating the three 'C' sectors – care (82%), clerking (77%) and cashiering (63%). In contrast men dominate skilled trades (90%) machine operatives (89%) and senior managers (77%). Apprenticeships are also supporting a gendered structure with girls dominating hairdressing (91%), health and social care (83%) and boys doing in construction (98%), IT and telecoms (90%).<sup>20</sup>

Gender relations in the workplace can create

inequalities and enable dominant groups to exercise power when it comes to defining the cultural and structural 'norms'.

Stepping away from the individual and focusing on gender relations can be a productive way of exploring how gender identities are formed and function. This can be a useful process for managers for the following reasons:

- It encourages people to think about different relationships at work, home and in wider society.
- It recognises everyone has a gender formed through lived experiences.
- It challenges us to recognise gender based stereotypes and their influence on maintaining certain patterns of inequality.

Within organisations, gendering processes can be instrumental in supporting a male-dominated culture that can talk about gender equality, but not take the active step to engage with the lived experiences of gender. Cultural change will stagnate unless we identify and call out the scripts that communicate a dress standard, language and set of behaviours, where masculine means manager and feminine means administration, where working long hours and being present is the only way to show commitment, and when silence and invisibility on gender inequalities is the informal approach to gender relations.

Seeing gender is a fundamental step in identifying and resolving inequalities. But by seeing and understanding gender, we can build a deeper knowledge of the intersectional of all the social constructions influencing an individual's identity at work and in life.

<sup>22</sup> Women in the Labour Market, ONS (2013) <http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/womeninthelabourmarket/2013-09-25>, and FE data library: apprenticeships, Data Service (2014). <http://www.thedataservice.org>

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# THE BLUEPRINT FOR BALANCE: ACTION STEPS

CMI Women's Blueprint for Balance defines the six key areas where leaders and organisations need to take action to create balanced workplaces.

The steps we outline below – drawing on the insights generated from this research – will help create a level playing field for female managers.

## Pay and reward

- All large organisations should publish their pay gap data ahead of the government's deadline of April 2018. The data will not change so there is no benefit to delaying. Putting aside the potential legal implications of failure to meet the regulations' requirements, the cost to the company's reputation in the eyes of its stakeholders – not least its employees – could be significant.
- Small or medium organisations should consider reporting their pay data. Become champions of transparency and balance.
- Inform and educate managers about the gender pay gap, the relationship to progression (or the lack of it) for women, and what the organisation will do about it.
- Use your gender pay analysis. Create detailed insights on bonus payments and pay by quartile. Find trends and to create a plan of action on your pay and promotion discrepancy. Analyse pay trends for parental or career break returners, an area where many women's remuneration falls. Show how you will close your gender pay gap, and by when.
- Link your pay gap progress to reward and business targets for senior leaders and HR.

## Flexible working

- Ditch presenteeism and the long hours culture. Embrace cultures of open and honest communication, trust, respect and management by output.
- Treat flexible working like a business problem. Assess where you're doing well and not so well. Assess both attitudes and practices, including day-to-day experiences of flexible working, for both women and men.
- Understand your internal data on flexible working in detail. Get clear on what patterns contribute to gender imbalance, like why certain departments may approve flexible working requests less than others. Make data visible at all levels and use it to define meaningful action plans.
- Middle managers play a critical role in changing attitudes. They must be trained and supported to help their team members work flexibly. 'Barrier bosses' should be called out.
- Promote role models for flexible working at all levels. In particular identify men who use flexible working for family reasons to make this an accepted norm, not exceptional.
- Develop campaigns and training to show how flexible working works; enhance performance outcomes; reduce stigma; change manager and coworker perceptions; retain and

recruit female talent; and encourage the provision of flexible working to those in most need of it.

- Challenge myths and stigma by showing the evidence to challenge views like the idea that flexible workers have worse promotional prospects.
- Ensure the protection of flexible workers so that they do not have any discrimination in promotion processes, pay negotiations, and other career opportunities.

## Balanced recruitment

- Make gender-balanced recruitment a business issue. Use data to identify selection and appointment trends. Support recruiting managers but call out any unsupportive attitudes or behaviour.
- Be prepared to accept longer recruitment cycles, giving managers the extra time and investment needed to draw up gender-balanced lists. Ensure options for temporary backfill are available to minimise tendencies for hiring the usual suspects.
- Where using agencies, work with those committed to supporting balance.
- Apply balanced recruitment targets for as many roles and levels as possible.

- Consider referral incentives to support diverse recruitment.
- Avoid the ‘merit trap’. Research has shown that the more organisations see themselves as meritocracies, the more managers show greater bias toward men over equally qualified women. Review your definitions of merit and requirements for performance rating and promotions.
- Check for biased language and standards in job descriptions to ensure it’s not always the ‘best man for the job’.
- Incorporate blind applications and CVs, gender-neutral job descriptions, diverse candidate lists and interview panels in the recruitment process.
- Stop seeing career breaks as a shortcoming. Recognise the value of alternative skill sets and experience, and assess potential: the best appointment is sometimes the candidate who will excel in six months’ time.

### Skills and career development

- Address perceptions that women have less access to development opportunities by ensuring equal intake to leadership programmes.
- Tailor any women’s leadership development programmes to the needs of the organisation. Be considerate about the language and promotion of single-sex programmes, and make sure they support inclusion rather than separateness, for instance by expanding women’s networks to include men.
- Support the specific needs of women approaching or already in middle management to encourage retention and promotion through critical mid-career phases.
- Enhance return-to-work programmes for career-break returners.
- CMI has called for employers to use their Apprenticeship Levy funding to support parents returning to work. Look to use one in 10 of the new management and leadership Apprenticeships to support returners.

### Mentoring and sponsorship

- Task executive leadership teams to sponsor at least one high-potential woman and track their progress. Support senior and middle managers in sponsoring female middle managers.
- Make female high-potential candidates more visible to potential sponsors and create partnerships that will offer support and learning for both parties.
- Train both sponsors and sponsored individuals in how to make sponsorship work. Don’t assume it’s the same as mentoring. Ensure everyone understands the difference and outline how executives can personally advocate for the person being sponsored.
- Reinforce mentoring and sponsorship with tailored career support for individuals. Develop clear plans so each manager’s career path is clear to them and to the executives sponsoring them.
- Create meaningful ways of checking progress and holding both parties to account for following the sponsorship process. Track and promote the outcomes.

### Promoting leadership equality

- Keep up momentum at senior levels by applying best practices and sustaining the focus on the talent pipeline. Measure, set time bound targets and report on progress.
- Target 50/50 balance. Why settle for less?
- Fix the broken talent pipeline by understanding your internal data in detail, getting clear on what patterns are emerging that contribute to gender imbalance.
- Make data visible and use transparency to encourage social accountability and mutual responsibility for gender balance. Work with the data to shape meaningful action plans.
- Create consequential metrics to track progress, including: current seniority

gender mix and historical comparison to establish progress and pace; time in current role; average time in role by gender to help identify where women get stuck;

### Broken windows

The Blueprint only works if there is a culture that supports these action steps. Focus on culture by tackling broken windows, engaging men as agents of change, and making it personal. These cross-cutting points are set out on page 8 and 9.

## HELP BUILD THE BLUEPRINT

These insights are just the start.

The Blueprint for Balance is an innovative open source tool to promote diversity in the workplace. We want to create the most extensive and wide ranging collection of resources possible, and think this can only be made possible by contributions from the business community itself.

This way our resources, such as expert insights, statistics and examples from influential organisations, will continue to address gender equality in the workplace: by businesses, for businesses.

**Upload your insights to make your contribution at [www.managers.org.uk/cmi-women/blueprint-for-balance/upload](http://www.managers.org.uk/cmi-women/blueprint-for-balance/upload)**

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# RESEARCH METHODOLOGY

Our research set out to:

- identify new and validate the effectiveness of current practices
- generate organisational and individual insights on lessons learned
- enhance our understanding of the nature of the relationship between the policies and practices at an organisational level and how they come to life in the day-to-day experiences of individuals in ways which can support or hinder efforts at gender balance.

Our research was mixed-method and included:

- A survey of 856 managers on key topics relating to best practice in gender balance
- Semi-structured interviews with the Heads of Diversity and Inclusion in 17 organisations, many of which were approached on basis of being recognised on The Times Top 50 Employers for Women
- In-depth interviews with individuals who self-selected to participate in collaborative conversations to reflect on and interpret their experiences and share their insights and learnings about gender balance.

During our research, we found individuals were generally open and

willing to share their experiences, both good and bad. Yet we also found many individuals, primarily women, were deeply concerned about confidentiality, that in some way sharing their bad experiences could come back to them with negative consequences. We've taken due care to ensure we honour our commitment to confidentiality and have therefore anonymised many of the stories in this report. To us, this is another signal that real progress is stalling. Translating gender balance practices into better innovation and better performance, as well as an inclusive and supportive culture, appears elusive. Whilst our data shows positive changes in numbers and culture, a sense of discomfort in acknowledging and confronting unacceptable behaviour persists.

We acknowledge these are difficult topics to discuss and that we were giving space for our participants to share important and personal stories of gender (im)balance. And the findings, shaped by each conversation, are not wholly representative of any one individual or organisation and are of course subject to a degree of subjective interviewer's bias on the topics discussed. The very questions we asked influenced the answers we got. At the same time, we must acknowledge the role of intersectionality. Gender itself is a complex phenomenon. Add to that, ethnicity, age, religion, sexual orientation, ability, and an even more

complex picture emerges. However, our focus for this research was solely on gender, so we did not ask about other identifying characteristics nor factor this into our analysis. Most interviews were conducted by phone to manage the interference of other factors.

## Online survey

The survey was administered during the period 10 April to 16 May 2017 to managers in the UK. Participants were assured that their responses would be confidential and that their organisations would not be identified. The results from 856 respondents provides a valuable and unique picture of diversity practice with respect to female representation and practices. Companies were also grouped in data analysis according to gender, organisational employee size and managerial level.

## Net Promoter Score (NPS)

Managers scored their organisations' practices on supporting gender diversity on a scale of one to 10, resulting in three groups.

- Managers scoring a nine or a 10, were regarded as "promoters", viewing their organisation's practice as supporting gender diversity very well
- Those that scored a seven or an eight were regarded as passive

- 
- And, those who scored a six or lower were regarded as “detractors”, or rather that their organisation does not support gender diversity well.

The overall NPS shown in the Executive Summary, takes the percentage of promoters and subtracts the percentage of detractors.

### **Case studies**

Out of the 17 organisations we researched, 33% were listed in The Times top 50 Employers for Women. To enhance our research, we also engaged organisations who were clearly dedicated to improving gender balance as demonstrated by meeting the following criteria for best practice.

Representatives from these companies that had a specific remit for diversity and inclusion were invited to take part in case study interviews. Participants were asked about: their specific diversity and inclusion remit; the structure of the company in relation to diversity and inclusion; any specific gender diversity and inclusion projects; any projects related specifically to the female management pipeline. The interviews were transcribed and these transcriptions were used to write up the case studies seen in the report.

### **In-depth interviews**

The in-depth interviews with male and female managers intended to complement the interviews with diversity and inclusion leaders around

organisational policies and practices that support gender balance. The aim was to enhance understanding of the nature of the relationship between the policies and practices at an organisational level, and how they show up and impact on the day-to-day life of people working in the organisations.

The interviews were open-ended to allow participants to describe their organisational experiences in their own terms. However, we developed a series of broad discussion topics to facilitate the generation of comparable data.

Quotations from the online survey and interviews have undergone light editing for readability.

## About the Chartered Management Institute (CMI)

CMI is the only chartered professional body for management and leadership, dedicated to improving managers' skills and growing the number of qualified managers.

Our professional management qualifications span GCSE to PhD equivalents, including the unique Chartered Manager award, which increases earning potential and improves workplace performance.

CMI has led the way in developing a suite of trailblazing management apprenticeships with a 40-strong group of employers. These range from Level 3, team leader, through Level 5, operations manager, to the Chartered Manager Degree Apprenticeship. A Master's degree level apprenticeship is in development. CMI is a registered apprentice assessment organisation.

We provide employers and individual managers with access to the latest management thinking and with practical online support that helps them to embrace change, create high-performing teams and keep ahead of the curve.

With a member community of more than 157,000 managers and leaders, we promote high standards of ethical practice through our Professional Code of Conduct, and help managers to build their expertise through online networks, regional events and mentoring opportunities.

## CMI Women

CMI is at the forefront of driving gender balance in the workplace and aims to create world-class pipelines for women in management and leadership.

By 2024 the UK will need 1.5 million more female managers and CMI Women will help plug the gap. CMI Women inspires and supports women throughout their careers and provide organisations with a Blueprint for Balance so they can benefit from being a gender diverse organisation.

### About the research

Our report charts employers' current approaches to achieving gender balance and showcases the best-in-class practices that are starting to achieve real change. But it shows that many organisations have much more to do, revealing the "broken windows" of gender bias that still – for far too many women – mar the reality of work.

Visit [www.managers.org.uk/brokenwindows](http://www.managers.org.uk/brokenwindows) for the full report, case studies, framework for action and information on CMI Women.

Follow us on Twitter @CMI\_managers  
#CMIWomen

## Chartered Management Institute

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