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Inspire is a community that attracts and empowers more women to take on leadership roles within the financial advice profession.



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Gender Equality

Gender equality means employees can access and enjoy the same rewards, resources and opportunities regardless of whether they are a woman or a man.

However, in today's large organisations as women climb up the corporate ladder their numbers decrease dramatically. Whilst the statistics vary slightly around the world, this is an extremely consistent pattern.

At the lowest levels of large organisations, more than half of the employees are female, but as you move through each successively higher level, the representation of women steadily falls.

At the CEO level, worldwide, there are only around 6% who are women.

Extensive research in a Harvard Business Review article of 7,280 business leaders with Zenger/Folkman consultants shows where women are better suited to leadership positions, they are better than men at empathy – sensing the thoughts and feelings of others and responding in an appropriate way. They value reciprocal relationships more highly than men do. In a world that favours leadership based on skills of personal interaction rather than on authority, women have a head start.

The majority of people I talk with make the assumption that women will excel at nurturing competencies such as developing others; inspiring and motivating; relationship building; collaboration and teamwork. Although these areas are displayed higher in women, those competencies with the largest positive differences in women are initiative, integrity, honesty and a drive for results, which are not nurturing competencies.

These competencies highlight that women are seen as more effective in getting things done, being role models and delivering results. These skills describe leaders who take on difficult challenges, ensure that people act with integrity, and who simply achieve results in challenging situations.

As a separate issue there are the structural problems involved with women having children. In Brigid Schulte's book "Overwhelmed", she describes some of the double-standards mothers' face in the workplace. Research has found that pregnant women are perceived as "less authoritative and more irrational, regardless of their actual performance".

Mothers are often seen as less committed to work than non-mothers. Fathers, meanwhile, are not only viewed as equally competent as men without children, but also significantly more committed to work. As a result, while mothers are often penalised for their family commitments, fathers tend to be "recommended for

management training more than men without children". Researchers describe this as the "motherhood penalty" and "fatherhood bonus". This is without even considering some of the complications of parental leave and child care, which disproportionately affects female workers.

If research clearly indicates that there are more women with relevant post graduate qualifications and women are also better suited to leadership positions, why don't more companies have greater numbers of women at the helm?

Part of the problem, perhaps, is the fact that men are disproportionately in leadership positions and are also unlikely to think gender discrimination exists, yet two-thirds of women say gender discrimination still exists. Fewer than half of men say the same.

As Sheryl Sandberg and Adam Grant pointed out, when male executives speak up, they receive 10% higher competence ratings; when female executives do the same, their ratings from their peers are 14% lower. Similarly, when male employees offer ideas, they receive higher performance evaluations; when women offer the same ideas, managers' perceptions of their performance remain unchanged.

When there are so few women in positions of power, and research indicating that a high percentage of men don't acknowledge the reality of gender discrimination, gender discrimination persists.

Businesses will benefit by successfully attracting both men and women to their workforce. It's now an established fact that organisations with the most gender diversity outperform those with the least.

There are many corporations who are publically acknowledging the benefits that women in leadership positions add and they are taking action to ensure greater gender balance in leadership positions. Attitudes are changing slowly, it won't happen overnight, more organisations will eventually recognise the advantages that women can add at a higher level, adding greater gender diversity in leadership positions, hopefully, not too far in the future.

I would also like to commend ANZ who last month announced new initiatives to support women employees through greater superannuation contributions. A great leadership step in the right direction. Let's hope others will follow.