

The CEO of a company I work with stood up in front of his all-male Executive team recently and asked them: "So, how many of you would say you understand women?" Not a single person raised their hand. "Good, he said. That's why we're here."

Most companies would like to become more gender balanced at all levels, with women and men dancing together in a smooth and natural way. They have been trying for decades to attract, retain and promote more women. They have tried to grow their female customer bases. They are embarrassed by the all-male faces on the boardroom website, dancing to the tune of their own drummers. Most have gotten rid of the photos, but not the problem. Yet some companies have tried *really hard, for a really long time*. And almost everyone, male and female, is suffering from gender fatigue.

So what is going on? Most leadership teams remain 90% male, and most of the women that do make it to the top team are in support functions. They rarely get lead parts. It's high time to question how we have taught ourselves to dance, and whether the dance is worth all the dollars we've spent.

Why so much effort for so little result?

Because we have over-focused on kissing Cinderella awake from her slumber and inviting her to the ball. Nobody ever bothered checking to see if the prince can actually dance.

## A Whole New Dance

## 20th Century Revolution

The contraceptive pill just celebrated its 50th birthday. Its effects have been society shifting in scope and global in breadth. The result is that in country after country the percentage of women in the workforce has steadily increased, while birth rates have steadily declined. These changes may not have been sudden, but the world they created is different from any we have known before it. Like many technological breakthroughs, the real impact is only felt a half century after their invention.

## 21st Century Reality

So where are we today? In these early years of the third millennium, the roles of women have changed dramatically and the gender balance of our global economy is shifting below our feet:

- 1. In 2010, women became the majority of the US labor force (51%)
- 2. Women now represent 60% of university graduates in developed (and many developing) countries
- **3.** Women make most of the purchasing decisions in everything from cars and computers, to real estate and tourism. They also are majority of Internet users and dominate the leading social media websites.
- **4.** They start most of the new companies created each year in the US.



- **5.** The number of wealthy women in the U.S. is growing twice as fast as the number of wealthy men.
- **6.** Women represent more than 40 percent of all Americans with gross investable assets above \$600,000.
- **7.** Forty-five percent of American millionaires are women.
- 8. Sixty percent of high net worth women have earned their own fortunes.
- **9.** 80% of the jobs lost in the US in the current recession were lost by men. Three quarters of the jobs created in Europe since the year 2000 were filled by women.
- **10.** Fortune 500 Companies with more gender balanced leadership teams outperform their peers financially.

All of these factors unite to create a huge and unmet opportunity: the massive arrival of women into the same economic roles as men. A whole part of the human population has been (rather suddenly) added to the sum total of human potential, innovation and creativity—for the very first time. And this shift is often seen as interesting but not paradigm-shifting. Yet it has consequences.

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### Web, Women, Weather, World

The subject of women and gender has long been framed as an interesting but somewhat minor issue in the business world. It has been variously seen as a diversity issue, a Human Resource issue or an ethical debate about equality and equity. The growing economic, political and social consequences of women's changing roles have not always been very clear to the people currently in power. Yet I would suggest that the issue of gender in the 21st century represents a major political, economic and social discontinuity. I think of it as one of the 4 W's that is changing the lives of countries, companies and couples all over the planet:

- 1. **Web:** the technological revolution, the rise of the internet and the instantaneous inter-connection of people around the globe
- **2. Women:** the massive arrival of women into the economy and the resulting shift in gender roles and power, and the growth of the sum total of human intelligence
- **3. Weather:** the challenge of climate change and environmental sustainability
- **4. World:** the emergence of new global players and the reshuffling of economic and geopolitical power and influence

Getting these 4 W's right is key to unlocking huge opportunities and avoiding some of the biggest risks we have yet faced as a species. And getting them right will take the energy, understanding and commitment of both halves of the human population—the male and female.



# She Can Dance. Can He?

Why have companies worked so hard at improving the gender balance with such unsatisfactory results? Because the approach taken was to focus their efforts on the wrong part of the problem: women. It's time to stop asking "what's the matter with women that they aren't making it to the top?" and start asking "what's the matter with our organization if we can't recruit, retain, and promote the majority of the educated talent in the world today?"

## Stop Fixing Women

The first step is to stop fixing the women. Which also means questioning approaches that seek to help women dance, sound and act a bit more like... men. Companies everywhere have created women's networks, mentoring programs for women, assertiveness training and special leadership programs for women. Well-meaning, and probably useful in their day, but in this century, the issue isn't so much fixing the women as it is adapting organizational cultures and management styles to new talent and market realities. Women wouldn't need so much training if they were better and more appropriately managed.

It also means recognizing the sheer magnitude of the shift that has happened. Referring to a majority of your talent and a majority of your customers as a 'diversity' element is hardly a promising way of recognizing their majority hold on your business and your bottom line. It is also hard to then get your male managers to appreciate it either.



### It Takes Two to Tango

The only sustainable way forward is to involve both men and women in designing—and being accountable for—more gender balanced businesses. This requires understanding the benefits of balance. Men are unlikely to share power if they are not convinced that it will be useful.

## **Equal AND Different**

For the last 100 years or so, women have been fighting to be treated equally. In most well run organizations, that's exactly what most male managers are trying to do. And that is one of the strange obstacles we face moving forward. Women and men are not the same, and our futile efforts to try and treat them the same, in a spirit of equality, has led to an extremely effective way of getting them nudged out of the leadership.

## Maternity, Mobility and Meritocracy

Two examples illustrate the point. The first is around the issue of high-potential identification. Most large companies have fairly sophisticated ways of evaluating and grooming young talent for leadership and power. The system kicks off for managers in their early 30's, usually somewhere between 30 and 35. This is the time smart young things are asked to contribute maximum effort, travel anywhere, prove themselves, and demonstrate initiative, flexibility and devotion. Now, this system of identification is the same for everyone. Men and women are treated scrupulously the same.

But if anyone had tried to design a system to eliminate women from the leadership pool, they could not have come up with a more effective tool than that of identifying your future leaders in a window between 30 and 35 years of age. This is exactly the moment in life when most high-achieving,



ambitious professional women tend to get married and have children. And this is the very moment that companies (and most particularly all the professional services firms like law firms and consulting) choose to focus their up-or-out pressure. This is one example of the kind of systemic blindspots that no one sees, despite their huge and repetitive consequences.

A related issue is the strong belief in many organizations that they are healthy meritocracies. If people are good, most leaders believe, they will naturally rise to the top. The fact that in most organizations the number and percentages of women compared to men begins to drop off as soon as you track the gender balance up the management ladder does not put that assumption into question. It puts women into question.

One of the key things that many companies look for in their "meritocracies" is ambition. There is a strong, unspoken assumption that good leaders want to be leaders, want to be promoted and will fight for power. This underlies most performance evaluations and promotion decisions. Companies promote "hungry," ambitious people. And this is another way in which they very effectively—and totally unconsciously—exclude half the population from the game. Women are unlikely (in this generation and probably the next) to push for power. Does that mean they are not fit for it? Who ever actually proved that the thirst for power was the best guarantor of your ability to exercise it? Never before has this assumption seem so obviously ineffective, and more in need of updating.

## Get ALL Managers to Dance

So companies spend tons of money recruiting women they cannot retain, and more money trying to market products to women they don't understand. They organize special networks and developmental activities for women that often serve only to further marginalize them from the mainstream of the company. Women are happy because they can at least dance among themselves. And the men are happy because it confirms in their minds that the ladies still need dancing lessons.

## Make Dancing a Leadership Skill

What really *is* missing from this dance card is male dancing talent. Who has successfully taught managers to dance this new, 21st century dance? How many managers (male or female) know how to attract, retain and develop women as well as men? How many know how to manage mixed teams, or connect effectively with female customers?

21st century organizations will need to become more gender balanced if they want to survive. Every manager and every company will need to become gender "bilingual," able to dance fluently with both men and women, internally with employees and externally with consumers.

Just as globalization has required managers to become fluent in the cultures and languages of the Chinese, the Indians and the Brazilians, so will tomorrow's organization need to adapt to a century where the majority of talent is female, and a majority of purchasing decisions are made by women.

This means CEOs will need to get much more serious about sex.

Here's what is most shocking about this cynical "looking ahead" scenario— it is not shocking news to most of us.



# Reinventing Rhythm

So what's a nice company to do? Three simple steps will get you on the floor.

### 1. How Good Are You? Get a Reality Check

Too many companies think that gender has been "done." They have tried to promote some women and they have decided that many women can't, or don't want to "make personal choices." Get a systemic reality check on your statistics. If in 2010 you still have trouble attracting, retaining or promoting women, or you have only managed a single token female on your leadership team, it's time to be dusting off and updating some obsolete dance tunes.

### 2. Wanna Dance? Get Buy-In

Change your approach. Start with getting the leadership to agree that gender balance is a major 21st century management challenge. Usually, we find the Executive Teams are neither aligned nor accountable on these issues. And if they are, they often have no idea *how* to actually dance with women at work. Let them fight it out first, and learn to dance second.

### 3. HOW: Teach Them Their Paces

So if everyone agrees, it's time to move to actually learning the moves. This means understanding the magnitude of the shifts underway and what it is that both men and women need to learn about each other and their differences in order to mutually benefit from their complementary skills and styles. This is *not* about Mars and Venus, but it is about getting out of the deadlock of political correctness that has tried to eliminate sex from the workplace. Men and women differ in a myriad of interesting, fascinating and profitable ways. These differences open up huge blue oceans of opportunity: in all sectors, in all industries, in all countries.

# Getting the World to Waltz

Competitive advantage, progressiveness and resilience will go to those who dance best.

### **Companies:**

Many studies (see www.20-first.com) have demonstrated the link between better gender balance on corporate leadership teams and better bottom line results. The most profitable companies in the world are those that are more gender balanced than their competitors. Studies have also shown a particular resistance to stock market drops among companies that had more gender balance in management.

### **Countries:**

The happiest, greenest and most economically viable countries on the planet are up in the northernmost parts of Europe, in Scandinavia. They also happen to be some of the most gender balanced places in the world.

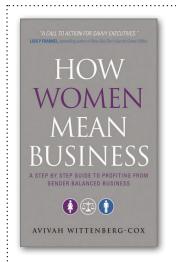
### **Couples:**

Finally, more gender balanced couples are increasingly the norm, where both halves of the couple share economic and social roles. And, at least among the educated, the rates of divorce are starting to fall. Gender balanced couples have also discovered the power of resilience and enhanced flexibility that has been so useful through this recession.

The advantages of learning to dance well together are obvious in a multitude of dimensions. Over the past century, women have dramatically increased their dancing repertoire. Over the next century, we hope the gentlemen will step up (and sit down) to the challenge of realizing they need to invite the lady to dance, and then not step on her feet. Our countries, companies and couples will be forever grateful. 3



# info



### **BUY THE BOOK**

Get more details or buy a copy of Avivah Wittenberg-Cox's <u>How Women Mean</u> Business.

### **ABOUT THE AUTHOR**

Avivah Wittenberg-Cox is CEO of 20-First. 20-First works with progressive companies interested in building gender "bilingual" organizations that capture the opportunities offered by the other half of the talent pool and the other half of the market—the female half. The firm's renowned Bilingual Leadership programs help executives—men and women—manage difference more effectively. Avivah is also the Founder and Honorary President of the European Professional Women's Network, and was a Visiting Coach at INSEAD. She is a popular speaker on leadership and gender issues across Europe and has had articles and interviews published in publications such as the *International Herald Tribune*, *The Financial Times* and *The Economist*. Canadian, French and Swiss, she lives in France with her husband and gender balanced children (a son and a daughter).

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