

# A Better Measure of Gender Equality

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By Barbara Annis

“I don’t understand it! Every year we top the list of best places for working mothers. We offer virtually every work-life flexibility program—from compressed weeks and on- and off-ramp programs to childcare and paid time off. Our women executives are compensated as well as men and have access to women’s networks, mentoring programs, and leadership training.

“Yet, even with all this, women aren’t advancing here! We’re also losing some of our top women to competition and we don’t know why. We can’t seem to make or keep our targets for women in senior management even after stepping up our already aggressive recruitment programs. Performance appraisals and exit interviews aren’t telling us enough. What are we doing wrong?”

A chief diversity officer for a *Fortune* 100 company recently shared these sentiments with me while at her company’s strategic planning retreat. It’s not unusual and quite commonplace today to hear company leaders express frustration over their inability to attract, retain, and advance talented women.

What is not commonly heard are the real reasons women executives are not advancing and ultimately leaving. Seldom if ever is it because of the difficulties in balancing work and personal life, although many women will say that so as not to burn bridges. Work-flexibility programs help, but they don’t address the real challenges facing women at work—challenges, I believe, stem from how we define and practice gender equality.

From a social, legislative, and corporate policy standpoint, gender equality has come to mean that women should be treated the same as men with the same representation at all levels, the same opportunities, and equal pay. Accordingly, it has come to mean that women and men *are* the same—that they have the same skills and abilities and ultimately think and behave the same, or should!

Yet, most women today, toughing it out on the front lines of their careers, tend to define gender equality and gauge its presence quite differently. Although equal opportunity and equal pay continue to be highly valued (and rightly so), they express gender equality as the ability to bring their authentic selves to work and be equally valued for the difference in their ideas, decisions, and leadership, not the sameness.

Balancing work and personal life is a challenge, but a welcomed one when the “work” part of that equation is clicking—when companies have the intelligence to recognize and value what women can uniquely bring to the table.

Deloitte Canada and American Express are two such gender-intelligent companies that understand and value gender differences. Both are undergoing a cultural awakening of their own, and, as a result, are becoming magnets for talented, ambitious women.

## Accounting for Talent

Since the late 1990s, the accounting division of Deloitte Canada had experienced an average turnover rate of 27 percent among senior women and 10 percent among senior men. The assumption was that women were leaving for personal reasons and the exiting women perpetuated that myth by citing “personal” in

their exit interviews. This continuous turnover in women was costing Deloitte Canada over \$40 million a year. The company needed a breakthrough solution.

Post-exit interviews were conducted with a number of the women six months after their departure to uncover the real reasons behind their leaving Deloitte. We discovered that the majority of women who left the accounting division didn't quit for work-life balance issues but to accept positions with Deloitte's competitors or find accounting work in other industries.

Through the interviews, it became abundantly clear that women didn't feel they were valued at Deloitte, regardless of their level of commitment and quality of work. They felt excluded in what they described as a "masculine-dominated culture" that too often dismissed their ideas and undervalued their contribution. One question added to an employee engagement survey shed a bright light on the issue: When senior personnel was asked if they expected to make partner, only 8 percent of women thought they had a chance while 68 percent of men checked "yes."

The post-exit interviews sent shock waves through Deloitte Canada—Deloitte was losing talented women and, along with them, the breadth and depth of ideas needed to compete in an increasingly diverse marketplace.

Deloitte began to view partnership in a new light and was the first organization in its industry to focus on retaining women and men partners with less than full-time work commitments. In a little over two years, the turnover rate of women in the accounting division dropped from 27 to 11 percent.

"At Deloitte today, almost 22 percent of our leaders are women and our new Executive Team has a higher percentage of women in key roles than ever before, including two of our five national service leaders," says Jane Allen, Partner, and Chief Diversity Officer for Deloitte Canada. "And we're maintaining our momentum through continuous learning, like Gender Intelligence training."

### **"Are we being gender-intelligent about this?"**

When American Express examined its workforce at the end of 2008, it discovered that, while women constituted more than half of its employee base and held one out of every three of the company's top 500 positions, women were still under represented at its senior-most levels.

Through our diagnostic process of validating attitudes and general beliefs among managers and executives, the company discovered that, after 15 years of driving for gender equality, the numbers showed the gender balance and culture of its senior-most levels had not changed.

After attending a Gender Intelligence session along with the company's senior management, CEO Kenneth Chenault declared that increasing the company's understanding of the value of gender differences in communication, problem solving, and decision-making would take place at all levels of the organization and across all business units. Within two years, it was commonplace during strategic planning sessions and team meetings to hear men and women confirm the value of their decisions by asking, "Are we being gender-intelligent about this?"

Advancing Gender Intelligence throughout the organization required a deep and deliberate commitment on the part of the leadership at American Express. It worked! The company actually shifted its focus from

identifying and reporting on the barriers to women's advancement to promoting the number of innovative solutions rising out of gender-blended teams.

Says Jennifer Christie, Chief Diversity Officer & VP, Executive Recruitment, "Our Gender Intelligence program is critical to promoting an atmosphere of opportunity for women to reach the top-levels of the organization. This effort was driven, in large part, by Barbara's work and research, which helped us transform the way we collaborate, communicate, and innovate at American Express."

Deloitte Canada, American Express, and an increasing number of companies are discovering that quotas alone do not ensure better business results, but rather women and men understanding and valuing their different perspectives and working together to succeed in an increasingly diverse marketplace. This inclusion mindset, coupled with engaged leadership, is the true mark of a gender-intelligent organization, and proving to be a better measure of gender equality.