Reinventing the Company in the Digital Age
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A Gender Power Shift in the Making

Alison Maitland

The author Alison Maitland examines the subtle shift away from the Western male domination that characterized much of the last centuries. She explains that this shift is manifesting itself in many different ways: the feminization of leadership styles, the decline of hierarchy and trust and the rise of soft power, the importance of female purchasing power, the disruptive impact of the internet on business models, the shift of economic power from West to East, and the change in roles and attitudes (especially men’s) towards work and family life. Companies that wish to thrive in the future would do well to take action on these trends, as the gender power shift that is starting to happen in twenty-first-century companies will be an indisputable triumph for economic and social progress if it enables women at every level to realize their true potential.
Soft Power

The decline of hierarchy and the rise of the networked organization demand new ways of leading. The global shift of economic power away from the West also necessitates a rethink of culturally dominant leadership styles. Companies need to develop soft power in their leaders – the ability to attract followers and get things done through persuasion rather than coercion. Soft power involves listening and actively seeking out people and perspectives that are different. Such behavior, combined with more traditional requirements such as decisiveness, will better prepare leaders to respond to the disruptive forces of the digital era.

Work Autonomy

A growing number of companies across many sectors are responding to the digital revolution and demographic shifts by undertaking a wholesale shift in work styles and management culture. Rivals risk trailing in the wake of these pioneers. Progressive work practices give people much more autonomy over how they meet their objectives. This can boost productivity and cut costs for businesses while enabling individuals to achieve more balanced lives, contributing to a greener economy. There is a big battle ahead to make sure that technology is our servant, not our master.

Transparency

There is nowhere to hide in global business today. To respond to high levels of scrutiny and ubiquitous social media, companies need to be proactive, not reactive. Even the tech giants are discovering the need to volunteer information up front, rather than wait to be pressured into disclosing it. Transparency is a powerful stimulus to achieving the elusive goal of heterogeneous leadership teams. Collecting the evidence – for example, where women are at every level of the organization compared to men - is an essential first step. Calculating the risk of losing that talent, and acting to stop that loss, can then follow.

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Key Features for the Company of the Future:
Here we are, well into the second decade of the twenty-first century, and the vexed topic of gender in corporate life is commanding more serious attention than ever before. Much of this focuses on why, so many years on from equality legislation, women have still not achieved parity with men at the top of the business world. A growing number of governments have opted to enforce better gender balance on company boards through quotas, while others resist legislation in favour of a high-pressure mixture of cajoling and praise.

This spotlight on the top of big businesses is obscuring signs of a subtle shift away from the Western male domination that characterised the nineteenth and twentieth centuries. It is showing up in many different ways: the feminization of leadership styles, the importance of female purchasing power, the disruptive impact of the internet on business models, the shift of economic power from West to East, and the change in men’s roles and attitudes towards work and family life. Companies ignore these trends at their peril.
How Can This Be?

The figures that dominate the headlines reveal one part of the picture, and it is unquestionably important. Around the world, the low number of women on large company boards, and in CEO and chair roles, remains striking. This is frequently documented and commented upon in advanced economies such as the US, UK and Australia. The Gender Map™ produced by Data Morphosis, a workforce analytics software firm, has recently gone further, surveying 14,500 companies worldwide and finding that women represent on average only 11% of board directors.

The number of female chief executives of Fortune 500 companies is 5%. Only 4% of chair people of the boards of Europe’s largest publicly quoted companies are women. The executive committees of big companies—usually a better reflection than boards of what corporate culture is like—offer an equally dismal scene: women hold 17% of senior management roles in America’s 100 largest companies, according to 20-first, a gender consultancy firm. The equivalent figures for Europe and Asia are just 11% and 4%.

In terms of a gender power struggle, therefore, it is very one-sided. It is moreover bizarre, given that women make up nearly half the workforce in most advanced economies. The headlines also highlight the persistent pay gap between men and women, including senior managers. Campaigns run internationally via the internet, such as The Everyday Sexism Project, demonstrate graphically that harassment and belittlement continue to be part of women’s experiences, both inside and outside work.

But there are other, less remarked-on, aspects to the picture that signal a shift is under way. Not the least of these is the very urgency that this issue commands, and the voices that have joined the calls for change.

Business and Economic Imperatives

To start with, the global “business case” for gender-balanced leadership, which my co-author and I set out comprehensively in our book *Why Women Mean Business* in 2008, is becoming widely acknowledged in the corporate world. Women are half the population, more than half of university graduates, and dominate consumer spending. There is plentiful evidence to support the
common-sense observation that having both genders properly represented in corporate leadership should improve performance.

Research initiated by organizations such as Catalyst and McKinsey—demonstrating better financial outcomes for companies with more women on boards and in senior teams—has been reinforced by more recent studies. The Credit Suisse Research Institute, for example, examined 2,400 companies worldwide and found in 2012 that investors would fare better holding shares in those with at least one woman on the board than companies with no female directors. Over a six-year period, the share prices of companies with a market capitalization of more than $10 billion, and with female directors, outperformed counterparts with no women on their boards by 26%. In a fresh analysis of 3,000 companies published in 2014, the institute found that more balanced boards and senior management teams were both associated with higher returns on equity, higher price/book valuations and superior stock price performance.

Given that the business case has taken firm root, many proponents of gender balance argue that it is now time to move on and focus instead on the deep-rooted cultural obstacles in the way of progress. Adam Quinton, a former banker who now invests in and advises early-stage female-led companies, captures this sense of frustration by saying: “In answer to questions like ‘What is the business case for women on boards?’ I have taken to replying: ‘I don’t understand the question. Please tell me the business case to have men on boards.’”

Economic realities are meanwhile bringing broader recognition among governments that economic potential is dependent on women fulfilling their potential in the labour force. Women’s growing dominance of the educated talent pool cannot be ignored. OECD projections, based on current trends, show that women will account for two out of three graduates across advanced economies in 2020.

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Governments from Norway to France, India and the United Arab Emirates have been forcing the “gender agenda” with quotas to increase the number of women on corporate boards in the interests of competitiveness. Even Japan, one of the most conservative of advanced economies when it comes to gender roles, has woken up to the importance of greater female participation in the workforce. In 2014, the Japanese prime minister announced plans to improve
women’s career opportunities, saying that output could rise by 16% if they were able to work as much as men.

The growing adoption of quotas around the world has led CEOs in all regions to view “diversity in our leadership ranks” as a hot-button challenge that they must address. In sectors where skills are scarce, such as engineering and IT, companies are recognising they must fight for the brightest and best talent and do whatever it takes to keep it—including stimulating schoolgirls’ interest in computer programming, and adapting work patterns and career paths to women’s needs and lifecycles.

More companies are using targets internally to push women’s advancement, in the same way they would address any other business need. A few have set a higher standard by stating their policies publicly. They include Deutsche Telekom, the first major German company to take such a step, which decided on a quota of 30% for women in middle and senior management by the end of 2015. In the UK, Lloyds Banking Group announced a target of 40% female representation among the bank’s top 5,000 jobs by 2020—up from 28% in 2014.

In all of these cases, it is men in power who are finally opening the door, after decades of hard campaigning by women. For a long time, the debate about gender equality was confined to women. Over the past decade, and the past five years in particular, senior men have started to take responsibility for leading change. It was a male minister for trade and industry, Ansgar Gabrielsen, who pushed through 40% gender quotas on Norwegian boards, to an initially hostile reception from business and politicians. He was convinced the economy would benefit if it made better use of its massive investment in educating women by ensuring they were able to rise to serve on boards in the same way as men. Today, gender-balanced boards are “business as usual” in Norway.

In the cases of Deutsche Telekom and Lloyds Banking Group, male CEOs acknowledged they must make a stand to let more women into positions of power. This sends a clear message to their peers.

Men’s leadership here is essential. Another good example comes from Australia, where Elizabeth Broderick, the sex discrimination commissioner, persuaded a group of CEOs and business leaders to establish Male Champions of Change to press their fellow bosses to improve on their generally poor record of promoting women. One of the group, Andrew Stevens, managing director of IBM Australia, made clear he was prepared to
do battle because it was so important to “stay ahead of the curve” on talent. “I tell people that we shouldn’t rest until we reach census levels—50/50,” he said. “When I see hesitation or resistance, I know I’m onto something—I find it energising!”

Mainstream investors have been curiously slow to pick up on the business benefits of gender balance. But in 2013 an influential investor voice told his fellow men to wake up to their self-interest, since women were the key to America’s future prosperity. Warren Buffett, billionaire chairman of Berkshire Hathaway, wrote in *Fortune* magazine: “The closer that America comes to fully employing the talents of all its citizens, the greater its output of goods and services will be.” Buffett is supporting efforts by the UK-based 30% Club (regrettably not “50% Club”) to persuade shareholders to demand more women on US boards. The Club, led by Helena Morrissey and backed by well-known chairmen, has now garnered support for its international cause from leading investment groups such as BlackRock and Pimco. A number of products, such as the Barclays Women in Leadership Total Return Index, has meanwhile been launched to track and invest in female-led companies or companies with mixed-gender boards.

Another important argument for gender balance at the top is to reflect society and respond better to market trends and customer needs. Female consumer power is immense. An oft-quoted statistic from Michael J. Silverstein and Kate Sayre is that women globally control at least $20 trillion of consumer spending per year. In their book *Women Want More*, they say that, while some people see economic and social developments in China and India as the most important of the early twenty-first century, “we believe that the emergence of a whole new social and economic order, which can accurately be labeled a female economy—in every country and every arena—is an even more significant upheaval.”

Their is one of a growing number of books telling companies how better to market to women. Putting more women in decision-making roles is an important step to improving the ability of business to adapt to a changing marketplace. Having senior men talk about this persuasively—and more importantly take action—is a breakthrough that points the way to shared leadership becoming the norm in successful businesses in the twenty-first century.

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The Decline of Hierarchy and Trust and the Rise of Soft Power

So far, I have been talking about the top echelons of big business. However, the very notion of power residing only at the top is under challenge. Technological and social changes are breaking down traditional hierarchies
and distributing power more widely both within companies and between them and their networks of external partners.

Businesses depend on a growing “contingent” workforce of external contractors and freelancers. New and smaller businesses often consist mainly of peers collaborating with each other, with very little if any hierarchy. These trends are set to continue as work becomes increasingly portable and people experiment with more autonomous ways of working. Dave Aron of Gartner CIO Research Group predicts the rapid growth of “clusters”—self-governed groups of professionals with a range of skills who are hired by businesses to work long-term on projects and operations. “I would project that by 2020, 30% of work will be performed by permanently employed, self-managed clusters,” he wrote in Harvard Business Review.¹³

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The shift away from massive standalone corporate structures will undermine the link between status and position in a hierarchy. Status will instead rely increasingly on unique skills and talents, or the ability to connect people, or being an inspiring leader. “The whole approach to the new world of work is that you need to be a personal leader,” Gonnie Been, manager of corporate communication and social innovation at Microsoft Netherlands, says in *Future Work*, which I co-authored with Peter Thomson. “You need to lead your own life rather than being controlled by the boss as in the past, and if you’re able to do that you are able to lead others.”¹⁴

The democratization of work environments runs parallel to a decline in trust in traditional authority figures. People are more likely to trust experts, or to put their faith in their peers. Trust in the CEO is at 43%, while trust in academics stands at 67% and trust in “a person like yourself” at 62%.¹⁵

This poses a challenge for leaders of traditional corporations. Those with their fingers on the pulse know they need to encourage a greater diversity of leadership styles. Many are grappling with how to do this, but there is growing recognition that achieving gender balance is part of the solution.

The reputation of business remains damaged by the great recession of 2008, especially for those organizations most closely linked to the financial crisis. António Horta-Osório, CEO of Lloyds Banking Group, sees a direct link between restoring trust and changing the gender mix in the bank’s leadership ranks. Preparing to announce the 40% target for women in senior management, along with measures to support smaller businesses and homebuyers, he said: “The reputational impact of the financial crisis
upon the banking industry’s stature has been immense. Rebuilding a sound reputation founded on the highest standards of responsible behaviour is key to the industry’s long-term success. But words alone are not enough to change public perception and regain trust. We must be able to provide meaningful commitments and allow ourselves to be independently measured against those.”

In the twentieth century, the exercise of hard power was much lauded in business—think of “Neutron” Jack Welch and his practice of firing the lowest performing 10% of managers each year at General Electric. Soft power—persuading people to do what you want by attracting and coopting them, rather than coercing them—is a concept developed by Joseph Nye, University Distinguished Service Professor at Harvard, in relation to world politics. It is now making headway in the business world, with a growing emphasis in leadership development on the ability to listen, to seek out other perspectives, and to “earn” followers, alongside standard leadership traits such as resilience and decisiveness.

The rise of soft power will make leaders more effective, and it will open the door more widely to women. On the first point, research shows that teams perform less well on assigned tasks when led by people who equate leadership with power, dominate discussion, and discount the contributions of other team members. Experiments have found that the psychological effect of power on a team leader had a negative impact on team performance.16

On the second point, studies suggest a feminization of leadership as demand grows for skills suited to flatter, more democratic organizations and the preferences of younger generations. “Emotional intelligence, people skills, and flexibility, traditionally regarded as more feminine leadership skills, will be particularly highly valued,” says one report.17 Over 80% of the senior executives who were surveyed agreed that tomorrow’s leaders would need a different style to motivate people. “Women managers … are more participative in their leadership style,” says Professor Cliff Oswick, head of the Faculty of Management at Cass Business School. “They have a sensitivity to risk, they’re less hyper-competitive, and all those things align themselves with a more democratic, participative workplace.”18

This participative style, which of course is not confined to the female sex, is also linked to more productive teamwork. Women on average are known to score higher than men on social perceptiveness—correctly reading emotions. A study into the “collective intelligence” of teams—their ability to solve puzzles and problems—unexpectedly found that gender mix played a

Women are leading the way in reshaping how jobs are done, including at senior levels
big part. The researchers were looking to see if a team’s collective intelligence equated to the average of the IQs of its members. IQ turned out not to be a key factor. However, the teams with more women had higher scores, demonstrating a stronger collective ability to solve the problems and achieve the goals.\textsuperscript{19}

Teams are more collectively intelligent if their members are, on average, more socially perceptive, Thomas W. Malone, director of MIT’s Center for Collective Intelligence, told the magazine \textit{Strategy + Business}. Higher performing teams also allow everyone to participate rather than being dominated by one or two people.

“We’re in the middle of a period of very significant change in the role of women in the workplace,” said Malone. “There may be some unsuspected advantages of having more women involved in more working groups… I think that there is a very bright future for women in business relative to what the expectations for women in business were, say, 30 years ago.”\textsuperscript{20}

\textit{Technology and the Rise of Choice}

Emoderation is a global agency that manages social media for brands such as HSBC, LEGO Group, MTV and Sprint. Six of the seven-strong management team of this technology-enabled business are women, including CEO Tamara Littleton, who founded the company in 2002. It is staffed by 370 online moderators and community managers around the world, most of whom work virtually from their homes, and it has developed a reputation for high-quality customer service and a supportive working culture.

Littleton sees both female and male entrepreneurs leading a shift in the way that businesses are run. “I think the role of the CEO is changing,” she says. “I’ve noticed much more of an empathy for people and a real focus on communication. It may be down to the changes in the digital era and the rise of social media but there is a sea change towards getting the right culture. Get the culture right and the rest will follow. It’s likely that the enhanced focus on people, communication and culture is an environment where women thrive. That’s certainly our experience at Emoderation.”\textsuperscript{21}

Technology is putting more power into the hands of knowledge workers, many of whom have greater choice than ever before about how, where and when they work. People with skills that are in demand also have more choices about who to work for, or with. Large companies can no longer assume that workers will just accept standard conditions of employment or traditional working patterns.

Women are leading the way in reshaping how jobs are done, including at senior levels. They dominate an annual UK list\textsuperscript{22} of 50 senior people—including CEOs, managing directors, finance directors and partners in professional service firms—fulfilling these roles while working less than
a standard five-day week. Technology enables them to keep in touch and flex their working pattern, but it takes courage, communication and careful time management to make it happen, especially in organizations and professions with conservative work cultures. These leaders are busting the myth that holding down a top job requires body-and-soul commitment to the corporation, and the sacrifice of personal life. While most of the role models are women, there are growing numbers of senior men breaking the traditional work mold too.

Women are also finding alternative leadership roles outside the big corporate world through which they can make an impact and shape their working lives. In the US, the number of women-owned firms grew at 1.5 times the national average between 2007 and 2014, according to a study commissioned by American Express OPEN. These businesses now account for 30% of all enterprises. Barriers to female entrepreneurship, especially high-growth ventures, remain significant. Female-owned enterprises in the US tend to employ only a few people, and collectively contribute only about 4% of all business revenues.

Technology is breaking down barriers here, however, just as it is in the corporate arena. Julie Deane had a budget of just £600 when she founded The Cambridge Satchel Company with her mother from her kitchen table in the summer holidays of 2008 to raise school fees for her children. Over the next few years, by learning and spreading the word via the web, she gained celebrity backing and an international market for her brand, as well as awards for fast-growth entrepreneurship. The company now employs over 100 people and recently attracted $21m in venture capital for further expansion.

Women face even bigger obstacles to entrepreneurship in developing countries, including a lack of access to technology. Nearly 35% fewer women than men in South Asia, the Middle East and North Africa have internet access. Nonetheless, there are inspiring cases of women using technology to break into new business territory. One example is Yasmine El-Mehairy, co-founder of SuperMama, an Egyptian portal offering expert advice for women about pregnancy and motherhood. Having held IT jobs with big companies, she used her savings to start the site in 2011, driven by her desire to make a difference. The website quickly gained visitor numbers and revenue through advertising, sponsorship and product placement, and has won competitions for entrepreneurship.

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Women have a range of reasons for seeking influence in the economy outside traditional big business. In some cases, it may be their only option. They may also ultimately earn more this way: a study by Barclays on unlocking the female economy found that the gender pay gap was reversed for wealthy entrepreneurs and business owners, with men trailing behind their female counterparts. “This suggests that women will tend to achieve greater financial success in an environment that is purely market-driven, rather than a more traditional job in which pay must be negotiated,” the study says.

There also seems to be a link between entrepreneurship and well-being, especially for women. In its 2013 report, the Global Entrepreneurship Monitor found that entrepreneurs generally showed higher rates of subjective well-being than people not involved in starting up, or owning and managing, a business. “Interestingly, female entrepreneurs in innovation-driven economies exhibit on average a higher degree of subjective well-being than males,” it says. Innovation economies include Japan, South Korea, France, Germany, Sweden, Switzerland, the UK, Canada, and the US. “These results are exploratory but show initial evidence that for women, being an entrepreneur is correlated with more subjective well-being.”

What are the implications for traditional male-led corporations? Adapt or disappear may be a good way to describe it. “The massive monolithic company is in danger of extinction, not because it can’t compete in the marketplace but because it can’t compete for talent,” argues Sharon Vosmek, CEO of Astia, a California-based organization that supports high-growth, female-led firms with a network of angel investors, expert advisers, and an investment fund. “Women have too many choices to want to go and work for an all-white male company. Things have changed in relation to technology and how the market works. Small businesses can be global at a very early stage compared with 10 years ago. If large corporations want to be in that war for talent, they have to be something different from the large, white, male, fairly homogenous environments of the past, where people come from a specific economic, educational and family background.”

The evidence suggests it would make sense for investors to pay more attention to the gender composition of the management team when it comes to funding a growing business, just as it makes sense to do so when investing in big companies. An in-depth study by Dow Jones VentureSource shows that venture-backed companies’ odds for success increase with more female executives at vice president and director level. Another study by Illuminate Ventures reveals that high-tech companies built by women use capital more efficiently than the norm. “More than ever before, women are influencing the face of business,” it says. “They are on the cusp of becoming a leading entrepreneurial force in technology.”
Few venture capitalists (VCs) have yet jumped in, however. Women entrepreneurs are “an under-appreciated opportunity,” says Adam Quinton. Explaining his own pro-female investment stance, he says “there is what economists would call a market failure ... the level of interest in those opportunities is not appropriately correlated with the chances and degree of success.” He adds that male domination of early-stage capital providers—angel investors and venture capitalists—is the problem. “It likely means the VC community is not as innovative as it likes to think it is.”

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Lessons From the Rising Economies

The shift in global economic power from the West to the East and South makes it imperative to look at how women fare in business and what effective leadership looks like in these regions of the world.

Globally, women hold 24% of senior management roles, according to Grant Thornton’s International Business Report, which surveys mid-market businesses around the world. But this masks big differences between countries, and within regions. Women hold much greater sway in Eastern Europe and Southeast Asia than in most Western economies. Russia tops the table with women in 43% of senior roles, followed by Indonesia, the Philippines, the Baltic States, Thailand and China. By contrast, the US (where women occupy only 22% of senior roles), Spain (also 22%), India (14%) and Japan (9%) are among the bottom 10 of the 45 countries surveyed.

Women hold much greater sway in Eastern Europe and Southeast Asia than in most Western economies. Russia tops the table with women in 43% of senior roles

The growing economic importance of Asia and other regions poses a challenge for international businesses as they develop future leaders. Do they continue to promote people into leadership who display typical Western (and particularly US) traits such as overt self-confidence, assertiveness and individualism? Do they deliberately look for non-Western styles? Or do they seek a middle way, encouraging the best of different cultural and individual styles, and above all adaptability and appreciation of the “other”?

There is a link here with the rise of soft power and the emphasis on collective, rather than individual, achievement of results. In her book Lean In, Sheryl Sandberg, the California-based chief operating officer of Facebook, urges women to be more openly ambitious to get to the top. But this kind
of message does not necessarily resonate in other parts of the world in the way it does in America. According to Jane Horan, a Singapore-based expert in cross-cultural leadership and author of *How Asian Women Lead*, “presence—or leadership—appears differently in Japan, China, India and the United States. It is subjective, culturally specific and shaped through words. Using tentative or hedging language such as ‘I think’ or ‘I’m not certain but …’ does not instill confidence with American managers—but indirectness is often the lingua franca of business in Asia.”

The statistics on female entrepreneurship around the world also warn us not to make assumptions about advanced versus developing economies. In most regions, female early-stage entrepreneurship rates are lower than male rates. But women in sub-Saharan Africa are setting up businesses on a par with men. In Ghana, Nigeria and Zambia, there are even more female- than male-run early-stage businesses. Other countries where women are equal entrepreneurs with men are Brazil, Indonesia, the Philippines, Thailand, Russia, and Switzerland.

Investors in Silicon Valley, where only 5% of venture-backed companies have women CEOs, could learn from the experience of microlending to female businesses in Africa. With her Astia network of 5,000 experts around the world, half of whom are women, Sharon Vosmek has sought to emulate the microloan system of peer and community involvement and evaluation to decide which businesses to back. “This provides a more robust set of measures than the traditional venture capital model of four guys around a table trying to decide the risk of a business based on gut instinct and their fairly homogenous experience or exposure,” she says. “We have found ways to eliminate biases and reduce blind spots by engaging a larger community. Our pipeline of investable women-led companies is abundant and there’s a great opportunity to drive female entrepreneurship by learning from emerging economies.”

### Shared Responsibility at Work and Home

If the future looks more promising than the past for women in business—and for businesses that adapt to women—there is a parallel opportunity for men. With greater power-sharing at work comes greater sharing of responsibility for children and the home. Companies have typically regarded “gender issues” as
“women’s issues.” That was always a mistake, but now the pressure is increasing on businesses to acknowledge that men have caring responsibilities too.

The model of male breadwinner and female caregiver is fast disappearing in many countries. A record 40% of US households with children under 18 have mothers who are the sole or primary source of income for the family. Of these, 37% are married women earning more than their partners, and 63% are single mothers. A similar trend in the UK finds that almost one in three working mothers with dependent children are now the primary breadwinners for their families.

The merging, or reversal, of traditional gender roles has major implications for business and society. Work-life conflict used to be seen primarily as a problem for women. But research reveals that employed fathers in dual-earning couples are now more likely than mothers to experience such conflict. There are ways for employers to reduce this, enabling both men and women to manage work and home life more effectively. A study by the US Families and Work Institute found that high job pressure increased the likelihood of work-life conflict, but that men who had greater autonomy at work, and more support from their supervisors, were less likely to experience it.

If more men are able to play their full role as fathers, it will be good for women’s progress, and thus for economic competitiveness. Moreover, shared parenting and earning is the best thing for the family. Adrienne Burgess, joint chief executive of the UK’s Fatherhood Institute, says the participation of fathers at home takes pressure off mothers, helping them to parent more positively, while strong relationships between father and child are linked to positive outcomes for children, such as higher educational achievement and lower criminality and substance misuse. In other words, when families benefit from a sharing of power and responsibility between women and men, societies benefit too.

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Accelerating the Shift

I have argued that there is a gender power shift in the making. But it is happening more slowly than is necessary to benefit both individual men and women and the business world. I therefore conclude with some proposals to speed up the culture change that will propel women into shared leadership with men.

— Speaking Out Together
More male leaders need to take responsibility for driving change—and women must help them by welcoming them into the debate. Many events and conferences about women in leadership are still organized and attended almost
exclusively by women. Change will not happen without men being accountable too. Many men would like to see gender parity but do not feel part of the conversation, or do not see how they are part of the solution. Connecting male and female business networks is one important step, since it is an uncomfortable truth that people tend to look out for those whom they know and with whom they feel most familiar.

In persuading others of the need for change, committed business leaders need to draw on more than “the business case.” They should speak from the heart, and explain their own conviction in personal terms. They should also seek out and listen to the real-life experiences of women in their organizations. It is much more powerful not only to understand the data, but also to be able to connect with the human consequences of the discrimination, deliberate or unintentional, that women continue to face.

− **Active Intervention**

Because leaders have typically been male, the image of the leader is still often associated with stereotypically male attributes. There is a prevalent view in many companies that the “ideal worker” is someone who is always available and present. Studies show that hidden bias against female job candidates—by both men and women—is deeply ingrained and persistent.

Many big companies have instituted “unconscious bias” training to raise awareness and try to eliminate these tendencies that work against women. Other active interventions are needed, including quotas or targets, to force change where resistance is greatest.

This requires a shift in thinking. Why settle for targets of 25% or 30%, when women are half the population? Why not 50-50, all the way through from graduate hires to the executive board? Companies should demand that their search firms look more widely and deeply, and that their recruitment teams and interview panels mirror the reality of the modern workforce. Only with persistent pressure will they find, and keep, the new leaders and the different perspectives they need for future success.

The shift in thinking has to extend, too, to working patterns and career paths. What does success look like in a company? Is it predicated on serving time, demonstrating “commitment” by putting in long hours, and following the traditional unbroken career path taken by corporate men in the twentieth century? If so, there’s a serious risk that the best talent will go elsewhere. Today’s most progressive companies are not treating flexibility as the exception—they are regarding it as the norm, for everyone.

− **Transparency**

It is hard to make further progress without knowing where women are—and where they are not—inside an organization. Without clear data that no one
can dispute, the arguments for action may not be taken seriously. Collecting the evidence is the first step. Calculating the very real risk of losing (or failing to make best use of) the talent that is available must then be the follow-up. Transparency is a powerful stimulus to change.

Technology, combined with human creativity, is enabling new applications of transparency. The Gender Map™ mentioned at the start of the chapter allows users to compare economies and industry sectors (consumer services and utilities are best for women, while oil and gas and basic materials are worst) and to check the composition of the board of any one of 14,500 companies around the world with a couple of clicks.

However, large-scale comparisons are typically limited to data that is already publicly available. To make real headway, transparency needs to include the gender split at all levels in a company, as well as information about pay rates and how promotions are decided. The problem is that this information, if collected at all, is often tightly protected. So a shift to greater transparency depends on a few courageous companies in each sector taking the lead.

Social media are playing a growing role as companies are “named and shamed” for having few or no women in their senior teams or boards. Yet the workforce and leadership of the tech sector itself is still heavily male-dominated. In mid-2014, Google published its data on women and ethnic minorities after pressure from activists, saying that it had to do better. In a blog post, the company admitted: “We’ve always been reluctant to publish numbers about the diversity of our workforce at Google. We now realize we were wrong, and that it’s time to be candid about the issues.” Other leading tech companies fell into line and published too.

Tackling the Biggest Divides
I have argued that the spotlight that shines on the composition of boards and top teams in the world’s biggest companies is a narrow one by which to grasp the full state of gender and power in twenty-first-century business. I have demonstrated the increasing influence of women across the changing business landscape, and the imperative facing companies and governments to ensure that women can play their full part in the economy.

It all started with the fight for equality. In the ensuing years, however, companies have focused their “gender diversity” efforts increasingly on what is described as top talent—the boardroom and the pipeline to the executive suite. While this is understandable, it has distracted attention from even bigger gender divides.
Gender segregation of jobs remains a major stumbling block to equality. Millions of women are concentrated in low-paid and often insecure “support” jobs such as cleaning, caring, and catering. Frances O’Grady, the first woman to head the British Trades Union Congress, has raised this as a serious moral issue, saying: “I sometimes wonder what it says about our economy and society when the skill of repairing a car is considered many times more valuable than that of caring for a child.”

There are other vast divides, too, such as the lack of internet access faced by many women in the developing world. Some 200 million fewer women than men are online today. In many regions, this gender gap amplifies existing inequalities between the sexes.

Such divides present challenges as well as opportunities for governments, societies, and companies to address together—through investment in higher skills, persuasion, and imaginative breakthroughs. By giving women financial and educational opportunities, societies and economies derive great benefits.

Achieving balance in positions of power and influence across the business world, and across the world more widely, is an essential step forward. Ultimately, however, the gender power shift that is starting to happen in twenty-first-century companies will be an indisputable triumph for economic and social progress if it enables women at every level to rise to their true potential.
Notes

1 <http://gendergap.com/gender-map>


8 Interview with author


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Interview with author

"Women at the Wheel: Do Female Executives Drive Start-up Success?" (Dow Jones VentureSource)


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<http://www.modernfatherhood.org/blog/earning-mothers-or-caring-fathers-why-convergent-gender-roles-are-best-for-families>


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