Women and the City

How employers can attract and retain female talent for the future
Introduction

The City is the home to some of the brightest talent in the UK. It is also the place which has seen employers go to extraordinary efforts to ensure that within that talent pool, women are equally represented and nurtured through their early careers.

Despite all of this investment, the number of women progressing to senior positions in the City remains stubbornly low.

A 2015 study by the Financial Times found that among the top employers only one in five women filled senior roles. Among banks and the big four accountancy firms just 16% MD level posts and partner positions were held by women. Meanwhile an earlier study, Shifting The Needle, carried out by 30% Club and supported by McKinsey found that men were ten times more likely to be promoted to partner position in law firms and four times more likely to be promoted in accountancy firms.

One of the biggest influences on the career trajectory of women comes in the form of motherhood. The fact that becoming a parent reshapes the way women look at their job, career and relationship with their employer is well understood. There is not, however, the same level of knowledge around the factors that impact women's decisions earlier in their careers.

What might influence a woman to consider moving away from a career track which may have led to a senior management role?

Exploring these factors was the focus of research which we recently conducted among 651 female City workers aged between 21 and 35 years old.

What we found is that the absence of women in senior positions is not simply down to a lack of supportive policy. The real issue is that in many organisations, the culture, nature of female role models and expectations around the way women will work are out of step with what women really want as a mother and employee.

Critically, these factors come into play right at the opening stages of a woman’s career, shaping their view of parenthood in the workplace much earlier than when they choose to have a family.

This report presents our research findings in four priority areas in order to help City employers hone their approach to nurturing and retaining female talent.

Geraldine Gallacher
Managing Director, Executive Coaching Consultancy
The Research

When it comes to attracting and nurturing female talent in the City there is no shortage of targeted initiatives among employers. However the shortage of women in top jobs continues, with many talented women actively choosing to opt out of a leadership career.

There are four areas employers need to focus on in order to overcome this problem.

One of the most striking findings of our research is the extent to which City employers start losing the fight to retain women early on in their careers.

Of the women we canvassed just four in ten (39%) said the prospect of staying with their organisation for a further five years was exciting or fulfilling and just over half (52%) said they ‘do not’ or ‘are not sure’ if they want to progress to senior management.

While one in five of these women say they never had the ambition to progress to a senior role it is clear that once women get to experience the reality of a career with their new employer, they don’t always like what they see; just over two thirds of women (70%) don’t think they will remain with their organisation for more than five years.

While management style and culture emerge as strong themes when asked what their organisation could do to help develop their careers, so too does training and personal development.

Bearing in mind that excellent professional training is in the top three criteria for choosing to join and stay at a company, perceived shortcomings in promotion or career diversification opportunities could be affecting ambition and loyalty.

Women recalibrate their career expectations very early on

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“I’ve seen what the lives of senior management are like – they don’t have them.”
There’s a shortfall in positive female role models

Role models play a critical part in inspiring and supporting young women as their career develops.

Despite their importance, our research found that there aren’t enough positive female role models in the senior ranks with whom younger women can identify. This isn’t simply about successfully balancing the demands of leadership responsibility and motherhood, but points to a much broader issue; a lack of women who seem real, have a balanced interesting life, unashamedly and publicly take time to spend with the people that matter, as well as being impressive and successful at work.

There are very few women in senior roles who are married and have families. Evidence that the two are possible is very important.

Just 25% of the young women we spoke to said that all or many senior women in their organisation are good role models, compared with 50% who said many or all of the male leaders were positive role models.

This is despite the fact female leaders are seen to have the same top two characteristics of drive and confidence as men. The research, however, suggests female leaders are relatively more driven and motivated than men, which indicates that to achieve seniority women need to display even more determination than their male counterparts.

The problem with female role models appears to be less about the ability to lead effectively but more to do this in a way where they maintain a balance between home and work.

Our survey found that the single most admired characteristic of senior women is success in achieving a balanced life, with 49% of the women we surveyed saying that demonstrating a good work-life balance is one of their top three most admired characteristics.

But with 26% of women saying they think if they remain in their organisation it will take too much of their life or they can’t see how it could work if they have children, it is clear there are not enough senior women showing this is possible. Indeed 86% of those asked believed that being a mother holds back a woman’s career.

Female leaders are also more likely to be seen as being lonely or stressed (albeit only by 15%) whereas these characteristics weren’t associated with male leaders. When you put all these factors together it is possible to see why female aspirations may be dampered.

Most Admired Characteristics of Senior Females (the percentage rating these in their top three qualities)

- Showing how work can be balanced with other commitments / interests: 69%
- Working hard: 64%
- Being self-assured and happy with who they are: 43%
- Inspiring: 40%
- Not afraid to show vulnerabilities; don’t pretend it’s easy or have all the answers: 32%
- Focused on quality of work not presenteeism: 26%
- Open and sharing: 24%

This is definitely a male orientated business and harder for women to succeed.

There needs to be clear communication on how specific work-life choices will impact your career.

Culture is fatally undermining policy designed to retain and promote women

The response by many organisations which have faced up to the female talent exodus has been to invest in an impressive array of policies to smooth the transition into becoming a working mother.

Our research shows however, that there is a substantial disconnect between the vision organisations have to empower working mothers to balance career and family and the reality of what women need to do to pursue or even just maintain their career.

This is brought into acute relief when you look at the qualities which women think senior managers value (see table below right) which, taken together presents a picture of a business superhero who, if they are not dropping everything to deliver on client work, are throwing themselves into new business and networking.

What is clear is that when it comes to career and being a parent, managers in organisations continue to either ask the impossible or simply sideline them, failing to give the opportunity to focus and do well in one area, which might keep their career on track.

Not only that, many of the women we spoke to said that despite being interested in doing the same job but working more flexibly, they do not believe it will be possible for their job function, or they are concerned at the stigma attached to flexible working and the impact this may have on their career prospects.

Lastly, just under half of women (46%) think that a return to work after children will result in fewer opportunities being offered to them. This is largely because they feel their interest has been prejudged, with 60% saying they believe colleagues will assume they are less serious about their career if they return to work after having a baby.

Which of these do you think senior managers or partners value the most? (max three could be chosen)

| Networking / relationship skills | 56% |
| Self-promotion/ visibility | 54% |
| Driving new sales/business | 53% |
| Extraordinary commitment | 49% |
| Long hours in the office | 25% |
| High levels of influence | 35% |
| Other | 14% |
Men must play a role in co-parenting in order for women to succeed

Over four-fifths (86%) of women we canvassed in the research believe being a mother is a hindrance, compared to just 5% who think being a father holds back a man’s career.

Many women feel mothers are just written off, with 40% saying they think there would be fewer opportunities open to them and 62% believe colleagues would be worried about the impact on them. In addition 60% of women say people just assume mothers are less serious about their career, which we know is often far from the case.

Although the newly launched legislation surrounding shared parental leave is an attractive option for two-thirds (63%) of young women the overwhelming majority (94%) see barriers to achieving this. Most of these barriers are practical and require a change in culture to ensure men feel comfortable making a request, with 53% stating father’s concerns/attitude and reaction from peers could act as a barrier and prevent many fathers from taking up their shared leave entitlement.

In addition 37% of these City women feel they won’t be able to make use of the shared parental leave to which they are legally entitled due to the financial constraint of companies not offering men the same enhanced paternity pay. This highlights the need for organisations to consider offering and promoting enhanced paternity pay for men to help to level the playing field for women.

Anticipated reactions from colleagues if returning from work after a child

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Worried about the impact on them</td>
<td>62%</td>
</tr>
<tr>
<td>Assume I was less serious about my career</td>
<td>60%</td>
</tr>
<tr>
<td>Have fewer opportunities offered to me</td>
<td>46%</td>
</tr>
<tr>
<td>They would be supportive and encouraging</td>
<td>37%</td>
</tr>
<tr>
<td>They’d be surprised I was continuing</td>
<td>15%</td>
</tr>
<tr>
<td>No difference</td>
<td>13%</td>
</tr>
</tbody>
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Insight

**Diverse leadership styles a key success factor**

One area we explored in our research was the different way male and female leaders were perceived by up-and-coming female employees.

While the top characteristics for men and women – ‘driven’ and ‘confident’ – were the same, there was a broader difference in the secondary descriptors attributed to each gender.

**Male leaders** were described as ‘in control’ and ‘demanding’. They were also seen as more ‘task-orientated’, ‘informal’ and ‘likeable’.

**Female leaders** were described as ‘motivated’ and ‘focussed’. They were also seen as more ‘inspiring’, ‘collaborative’ ‘nurturing’ and ‘empathetic’.

As an increasing body of research from the likes of McKinsey and others suggests that organisations not only need female leaders but ‘feminine’ leadership skills in order to succeed commercially, it is clear that the dominance of ‘masculine’ leadership styles represents a deep problem which goes beyond simply ‘not having enough women’.

Our research supports the idea that young women want an alternative style of leadership from managers and role models – and the lack of it is a problem in the eyes of the next generation of female talent.

This has two implications for organisations. The first is that a lack of diverse leadership styles will continue to prevent the progression of female talent up the ranks unless it is addressed. The second is that the attributes of female leaders need to be recognised as strengths rather than expecting women to take on more traditional male leadership traits in order to fit in to their organisation.
The Agenda for change / conclusion

Our research points to five specific actions City employers need to consider in order to improve their ability to retain the upcoming generation of females in their organisations.

1. Start conversations early on with women

Starting conversations early on will help organisations understand in greater detail how they need to support women from the moment they join through to motherhood. Although young women may be resistant to female only leadership programmes, they need to be made aware of their relevance and invited to participate in their content design. Organisations which intervene early with career initiatives for women will be better placed to retain their female talent.

2. Understand the role models women want

The role models young women look up to are those that balance their lives. They follow the experiences of those women, just ahead of them in age and experience, when they return to work after having a child and the success of their return has an impact on their beliefs about how feasible it is for them. It is vital that organisations recognize that how they treat their returning mothers is having a knock-on effect on their younger female talent. Returning mothers and particularly flexible workers need to be show-cased over more senior females who may be seen to have “sacrificed too much” to get to the top.

3. Focus on culture change to make policy work

A third priority for organisations is to acknowledge that without changing the attitudes of managers and leaders, the engrained culture will continue to undermine progress towards accommodating mothers returning to work. City employers need to educate managers around why female talent matters to the business, how to approach conversations with women planning a family and returning to work and, in some cases, provide coaching support to help with that behaviour change. The overriding issue requiring an attitudinal shift is towards enabling a more flexible approach to work.

4. Recognise and value the contribution of female leaders

Much is made of the importance of having more diversity at the top. Promoting women who exhibit the same leadership characteristics as their male counterparts such as confidence, drive and focus will not result in a more diverse team. Looking to promote those traits which females demonstrate such as “collaborative, empathetic and nurturing” would more successfully ensure diversity.

5. Help working fathers play a fuller role as parents

Women’s career choices are made in conjunction with their partners. If it is only financially feasible for women to take paid time off work to look after their child then couples will continue to split care-giving and bread-winning down gender lines.

The take up of Shared Parental Leave will increase when it is financially viable for men to use it and also when the company culture moves towards accepting that all employees want to have a rich family life. Men may face more stigma than women when it comes to requesting parental leave. By matching enhanced benefits for men, companies are making a bold statement about gender equality. However offering it and encouraging it are two very different things.

Methodology

The report was commissioned by the Executive Coaching Consultancy to help understand and quantify any issues in the progression, motivation and aspirations of Generation Y Women in the City.

Insight was gathered via a quantitative online survey of 651 women working in the City, aged between 21-35, in April/May 2015.

About ECC

The Executive Coaching Consultancy first launched in 1994 as one of the first dedicated executive coaching providers, and has since coached over 3,000 women through the maternity transition as well as over 700 managers. We also offer Paternity Coaching in response to the shift towards men taking a more hands-on role in parenting.

Our team of specialist coaching professionals work alongside market-leading organisations to improve retention and develop their diversity strategies. We are renowned for supporting businesses to retain their female talent.

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