

Driving Gender Diversity at the Top: 2019 & Beyond



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Foreword

By Helen Lamprell, General Counsel and External Affairs Director, Vodafone UK

Many UK businesses have made rapid progress in achieving greater diversity in the c-suite over the last decade, achieving the government backed Hampton-Alexander Review target of 33% senior leadership roles being filled by women. However, over half of all FTSE companies are still to reach the target.

So, what do those companies who have hit the target have in common and what can those who are not there yet learn from them? An important element in driving leadership diversity is about pulling others up alongside you and I hope that through this report we can do just that.

Vodafone has spoken to senior business leaders across the UK – from both companies who have hit the target, and those who haven't. We found that those with greater diversity at a senior level

shared a number of cultural trends that were not as evident in those who hadn't. These include a proactive approach to mentoring and role models, visibility of the leadership team and a positive approach to flexible working, often being role modelled by the executive team.

Here at Vodafone UK, we have met our initial target of 30% of women in senior roles earlier than planned so we are raising our target to 40% of women in senior positions by 2030. We will continue to work hard to achieve gender equality across all roles and levels within our organisation.

I hope the findings are useful for all organisations looking to drive gender diversity and open up more senior leadership opportunities for women.



Methodology

With a desire to explore some of the reasons why UK companies who have reached the **33% government target ahead of time**, Vodafone commissioned YouGov to survey **2,000 senior decision makers in the UK across both companies who have reached the target, and those still below it in order to identify key patterns and trends.**

This report also contains quotes from the following senior leaders who all work for companies that have hit the target:

Helen Lamprell, General Counsel and Director of External Affairs, Vodafone UK
Margaret Heffernan, TED Speaker and five times CEO

John Godfrey, Corporate Affairs Director, Legal & General Group

Karen Blackett OBE, UK Country Manager at WPP. Chairwoman, MediaCom UK & Ireland

Natasha Christie-Miller, CEO & President, Ascential Intelligence (a division of Ascential plc).

Sophie Dekkers, Director of Scheduling at EasyJet

Expert panel

Helen Lamprell, General Counsel and Director of External Affairs, Vodafone UK

“Having mentors and sponsors is so important. Women in particular are often very focused on the task at hand. They’re very good at getting on with things but sometimes don’t focus on their own career development, so having an active person who can intervene on that is really beneficial”.

Karen Blackett OBE, UK Country Manager at WPP. Chairwoman, MediaCom UK & Ireland. Government’s race equality business champion

“I am so tired of diversity being seen as a problem that exists in companies rather than it being seen as a solution, I don’t understand why more businesses don’t get it, because it’s about future-proofing your business”.

John Godfrey, Corporate Affairs Director, Legal & General Group

“We have an open door policy amongst the senior management, which we find is very effective and means that a lot of good ideas percolate upwards. If you don’t have that policy, people might have good ideas but be nervous about raising them”.

Natasha Christie-Miller, CEO and President, Ascential Intelligence (a division of Ascential plc)

“It’s about being in the room. Having access to management and leadership teaches people. In businesses where there isn’t gender equality, access is often given to people that are similar to those in power, meaning women often aren’t invited into the room”.

Sophie Dekkers, Director of Scheduling at EasyJet

“I don’t think it’s about quotas. Once you start putting quotas in, people won’t believe they’ve got the role on their own merit. It’s really important that we equip women to be the best they possibly can be in the roles they want to do without it being artificially staged”.



Exec summary

The correlation between female presence on the board and financial performance has been well documented in both business and academic research. In the UK, the government has set a target for FTSE 350 companies to achieve 33% women at a senior leadership level.

In this report we outline three key levers companies have used to future-proof their organisations and promote gender balance at senior levels.

Mentoring and role models

Role models and mentors are essential to nurture female ambition. In companies where women make up more than 30% of senior leadership teams, mentoring takes many forms from speed-mentoring to active sponsorship. Evidence from our research shows that this sits within a broader culture of support across the organisation. Our experts advise prioritising mentoring in an employee’s job description and ensure that mentee success reflects well upon the mentor.

Visibility of the executive team

Companies with more gender balanced executive teams reported regularly seeing the board and having interaction with them where knowledge flowed both ways. This isn’t just about shared space - it’s also about shared time and being approachable. Our experts advise on how to make open plan offices work best, balancing time for deep focus alongside windows for open communication.

Banishing Flexism

Flexibility is a growing demand not just from parents, but from those with elderly relatives and those who want a more balanced work life set-up. Whilst many companies have flexible working policies, companies over the target report that senior leaders are vocal about their commitments outside of work, sending the message that it should be accepted, even encouraged.

What we found

Office culture pointers to drive gender diversity at the top

In this section:



Role models
& mentors



Visibility of the
executive team

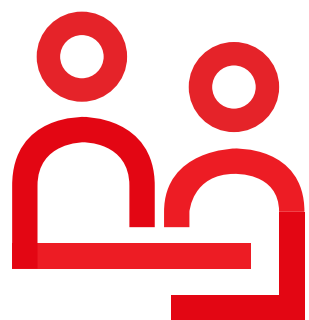


Banishing 'flexism'



Additional findings





Role models and mentors

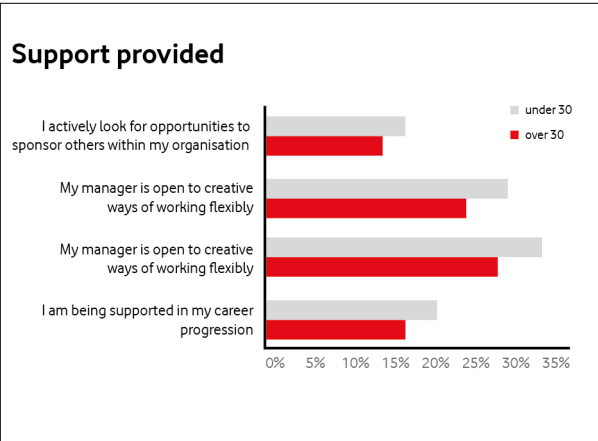
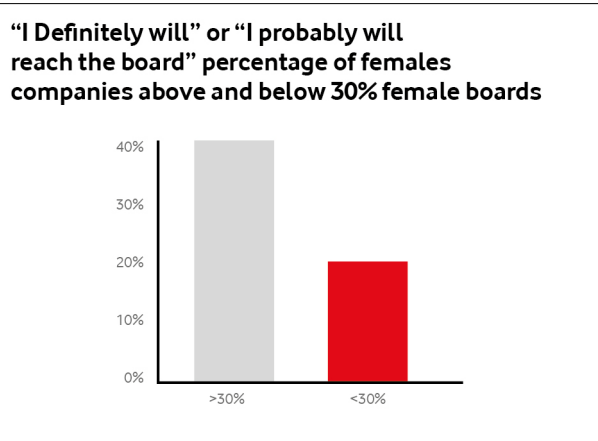
Coaching and mentoring are known to improve employee retention and are the crucial component to empowering women towards leadership. “Mentors gave me the opportunity to step back and assess what I was going to do next or whether I was talking to the right people in the organisation to progress my career,” explains Helen Lamprell, “particularly at a point where I was very busy with young children and was super busy at work, I was really getting on with my job and wasn’t thinking about my career.”

The Vodafone ‘Driving Gender Diversity at the Top: 2019 & Beyond’ study found that companies who have met a 30% target are more likely to foster ambition through coaching and mentoring schemes: 25% at companies over target are actively mentoring others, and of those that aren’t mentoring 15% are actively looking to do so.

The more conversations managers have with their employees, the more engaged their employees become. As Vodafone’s study has

found (see graph), 38% of female employees in companies over the target, with exposure to senior mentors, believe they will make it to the board themselves. Whilst 21% of women working in companies under target think they’ll reach board level. That’s a difference of 17%. And yet our expert panel note that despite the importance of cultivating this supportive work environment, in most organisations, mentoring won’t feature on an employee’s job description.

When looking at indicators that reflect a supportive office culture, the companies who have over 30% women in leadership roles also came out top across a variety of factors suggesting that dialogue between employees and their managers in these organisations is open and nurturing. For example, 28% say their manager is open to creative ways of working flexibly (compared to 23% at companies under 30%). Whilst 32% say they have freedom to try out a work set-up that suits their needs (compared to 27% at companies under 30%).



Role models & mentoring: What works

Active sponsorship: For Helen Lamprell, this is something companies need to look at more: “It’s where you really actively progress someone’s career and you are responsible for someone’s development. It’s different from mentoring but can be very useful.” According to Julia Taylor Kennedy and Pooja Jain-Link in the Harvard Business Review: ‘A sponsor uses their organisational capital, both publicly and behind closed doors, to push for their protégé’s promotion and work on stretch assignments to set them apart from peers.’ It could be as simple as always inviting the ‘sponsee’ to comment in a meeting.

Speed mentoring: One issue around mentoring is finding the time to dedicate to it. Speed mentoring is something which NABS, the advertising and media industry support organisation, uses to circumvent the time constraints of today’s offices. Based on speed-dating this allows

employees to meet ten or more different mentors in one evening. This could lead to a deeper one-to-one formal mentoring set-up if the chemistry is right, or a more informal, less intense form of knowledge exchange. Ten minutes with the right person can often spark inspiration or help to unlock a challenge at work.

Reverse mentoring: KPMG who have over 30% women in senior roles have recently launched a reverse mentoring scheme to drive diversity learnings beyond gender alone. The scheme pairs partners with black heritage colleagues, so those working at more senior levels can truly understand the challenges those from diverse backgrounds face in the workplace. Instead of being focused on career progression, the firm describe this as ‘mentoring with a bit of a twist - more about improving diversity and inclusion within teams, offices, and the overall firm.’



Visibility of the executive team

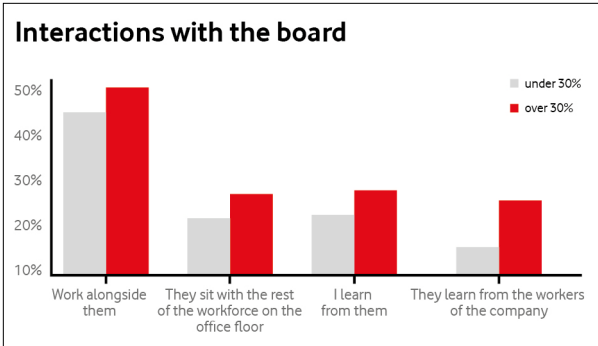
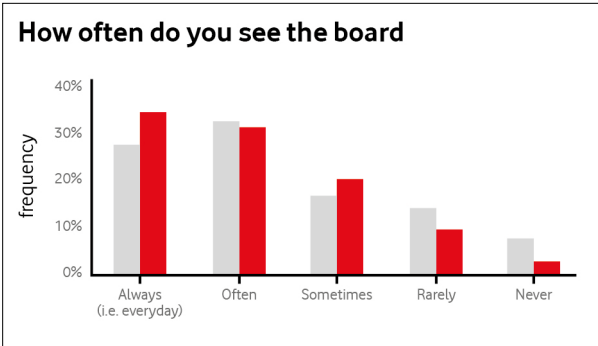
Interplay between the executive team and the wider team is crucial to pitching board level within employees' sights. Companies over the target show a higher interaction with the board, indicating less hierarchy and a culture of collaboration across seniority.

One key component is physically seeing board members within the organisation. The data in the study backs this up. 66% of those at companies over 30% say they see board members always or often. At companies who are below, 22% say they see the board rarely or never.

Simply having staff work in open plan spaces isn't enough. The approachability of the executive team is also essential. The report found that at companies with higher rates of females in leadership, 28% say they learn from those on the board, and vice versa: 26% say that the board learn from the wider staff. Comparatively, at businesses with lower gender diversity, only 16% think those working on the board learn from others. "We think open leadership is important and it's great to see this come out in the study.

Leaders need to be role models, and to be a role model you need to be visible," says Helen Lamprell. "We encourage people to interact quite directly with us and we get some quite interesting questions coming through. I wouldn't change that; people come with their ideas or if they have an issue, and it keeps me fresh and close to things."

However, in today's culture of hyper productivity and self-optimisation, high achievers may be visible in their organisations but may not be coming across open and approachable. Pop culture loves to project the myth of the CEO. For example, the former CEO at Yahoo, was famed for her 130-hour weeks, and habits of taking naps at her desk and taking 'strategic showers.' According to the New York Magazine, she would be dismissive of people who "want eight hours of sleep a night, three meals a day." These stories, real or imagined send a powerful message that senior positions require inhuman sacrifice and are out of reach for most. It's important to promote the human side to life at the top so when employees look to the board they see something aspirational.



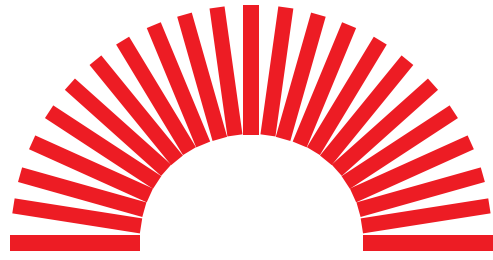
Visibility: What works

Plant power: Open plan office spaces offer hyper visibility which can feel too exposed. Recent research has found that creating corners and intimate break-out spaces within the design is essential to foster trust needed to build relationships across seniority. Recent research from Cardiff University's School of Psychology has shown that aesthetically pleasing workplaces can help create trust within organisations. According to lead researcher, Marlon Nieuwenhuis, incorporating plants is said to produce a 15% increase in productivity.

Quiet time: Harvard researcher Leslie Perlow developed 'Quiet Time' to counter constant interruptions with an IT company she was researching. Visibility is important, but having time is crucial in being approachable to employees.

Perlow introduced two periods during the day with no interruptions: 8am to 11am and 3pm to 5pm. The rest of the day the interruptions could continue as normal. Her research shows how productivity increased as a result of this intervention: 59% in the morning interruption-free zone and 65% from 3 to 5pm.

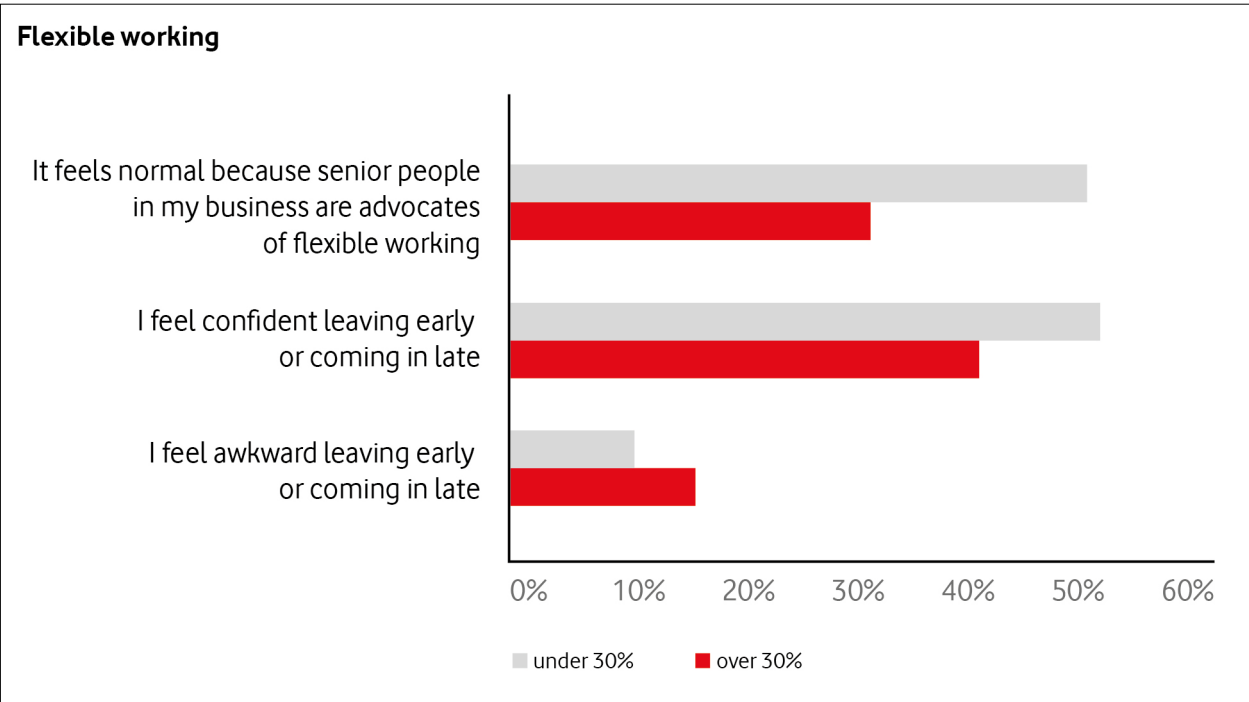
Coding caves: Workplace design consultant John Ferrigan talks of "coding caves" for bouts of highly focused work. He was reported in Fast Company explaining how the design would work: "If you're going to go in there and work, you can't take a call on your phone, you can't talk to anyone, or have music playing. You go in there, it's focus and head-down to get work done." Bouts of focus then free up time and mental space to be in a more open and communicative mode.



Banishing ‘flexism’

Vodafone’s report has found that companies with more women on the board are open to imaginative ways of working and embrace flexible working (as opposed to stigmatising it – now known as ‘flexism’). Beyond having a flexible working policy in place, the study shows that employees also need to see this put into practice and, crucially, it needs to be modelled from the top.

This came out very strongly in the findings. Almost half (49%) of employees working at companies with more than 30% women on the board say that flexible working feels normal because the senior team are advocates themselves. This is compared to just 30% of employees working at businesses with less than 30% of women in exec teams.



Despite the importance of regulations and standardisation within big corporations, there is still an opportunity for flexibility. As expert TED speaker and five times CEO Margaret Heffernan advocates, it’s about trial and error: “Executive heads of department often think that they have less power or freedom than they actually do. It’s about saying, ‘Let me just try some experiments and see if anybody stops me.’” This offers different types of people a place at the board table, it may not just be about having commitments outside work. It may also be about an individual’s natural rhythm, some don’t perform best in the confines of a traditional 9-5 day.”



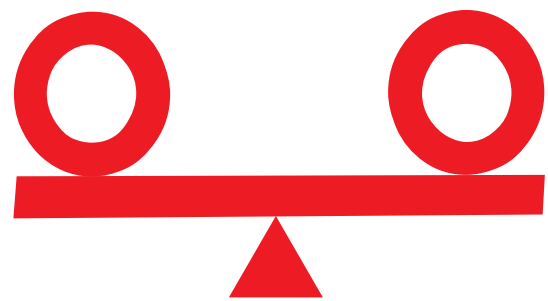
Flex: What works

Sophie Dekkers, Director of Scheduling at EasyJet: “The key to making bespoke set-ups work in large organisations is about having the right systems and support in place. At EasyJet we have 24/7 IT support, laptops to enable us to work wherever we are, as well as remote access to the network – which is vital as a pan-European business.”

Karen Blackett OBE, UK Country Manager at WPP. Chairwoman, MediaCom UK & Ireland. Government’s race equality business champion: “At MediaCom we introduced something called Project Blend, which is about understanding the eight most important factors in somebody’s life. Some of that might be work related, it could be exercise and

fitness or effective child care. You then have a conversation with your manager about your performance across those eight criteria, because it’s about you as an individual bringing your best self to work.”

John Godfrey, Corporate Affairs Director, Legal & General Group: “We are supporters of both flexible working and agile working. It’s interesting when I look at our senior colleagues across the seven business divisions, four are headed by women and two of those women were appointed whilst on maternity leave. That isn’t flexible working as such, but it tells you about our attitude which says that we want the right people and we’ll structure the job around their requirements.”



Additional findings

Bridging the perception gap

The study found a surprising gap between the perception and reality of what life is like at board level. Overall, stress (33%), balance versus family life (33%), workplace politics (32%), excess meetings (31%) and time pressure (26%) are viewed as the worst things about being on the board by non-board level respondents. But for each of these, the response from those on the board itself, shows that the reality is not as pronounced.

The results also showed, for example, that for women who aren't on the board, 36% perceive balance versus family life to be the worst thing about working at executive level. However, only 25% of women on the board actually said this was an issue.

“One of the reasons one sometimes hears for the lack of women coming forward to promote themselves and push themselves for senior positions is their concern that life becomes more stressful and inflexible at the top of an organisation,” says John Godfrey, Corporate Affairs Director, Legal & General Group. “I don't think that is actually true. Stress is usually caused when people don't feel in control of their circumstances, so it can be just as stressful right at the bottom of an organisation as it is half way up or right at the top.”

The more a company is able to role model the more human, balanced life of those in senior leadership positions, the more chance there is to redress this misrepresentation.



Nurturing the 55+

Overall, younger people feel much more supported in their careers than those in the over 55+ bracket and this is exacerbated for women over 55. It's important to guide and coach junior staff to develop the future talent pool, but the know-how and insight of the over 55s must be harnessed too. Particular now that working lives are being extended and the rapid advance of

new technology is set to render many of this generation's skills obsolete.

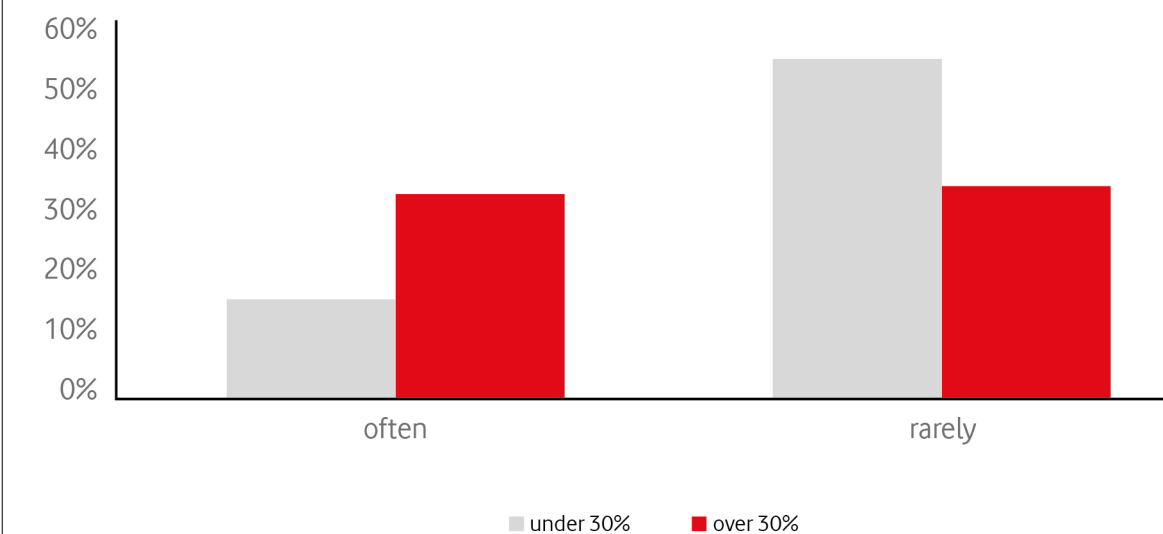
Championing diversity

Even if businesses aren't at 33% yet, what steps as a company are people taking to get towards it? Vodafone's study found that those over a 30% target are much more likely to talk about gender equality often (32%).

Support by over and under 55



How often does your company talk about gender equality



Key take-outs

Make time to nurture:

Prioritise mentoring in your staff's job descriptions.
Ensure that mentee success reflects well upon the mentor too.

Carve out conversation spaces:

Open plan offices are full of distractions, create a range of spaces for flexible activities during the day.

Promote the human side to life at the top:

When employees look to the board they want to see something aspirational, not a painful work ethic and a lifetime of sacrifices.

The affable leader:

Visibility of the Executive team isn't just about shared space it's also about shared time and being approachable.

Model it from the top:

Flexible working needs to be about the walk not just the talk - across all levels of the organisation. Getting the policy in place is just the beginning.

Be imaginative:

People feel more constrained than they actually are in practice.
So think about the best time for work and design the day around that.

Talk about it:

Be honest about where you are on the journey but remember setting targets is crucial, if you are measuring diversity it becomes a focus.

[1] KSA group survey 2019, analysis of over 1mn small or medium sized UK companies

[2] Forbes Insights Global Diversity and Inclusion: Fostering Innovation Through a Diverse Workforce 2017

[3] ONS data 2016.

[4] Gallop How Millennials Want to Work and Live, 2017

[5] The Workforce View in Europe 2019



