CWCF WOMEN'S LEADERSHIP LAB

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COLORADO WOMEN'S CHAMBER FOUNDATION
ADVANCING WOMEN IN WORK

COLORADO WOMEN'S CHAMBER of COMMERCE

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REPORT COMMISSIONED BY

COLORADO WOMEN'S CHAMBER OF COMMERCE

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COLORADO WOMEN'S CHAMBER FOUNDATION
ADVANCING WOMEN IN WORK

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PREFACE

Though society has made great strides in the world of work in recent years, women still face historic hurdles.

As recent as 1980, women were still required to have a male cosigner on a business loan. Fast forward four decades later and half of the working population is still challenged to advance to the highest levels of leadership. Today, women make up only 19% of C-suite executives and remain underrepresented at every level.

At the height of the COVID-19 pandemic, the workforce lost two million women during “The Great Shecession.” It became painfully apparent that workplace policies were not equitably sufficient to sustain working women who tend to also be caregivers to others. Companies strained to stay afloat amid a health crisis and experts say these deficits will be felt for many years.

For employers to make up for decades of unequal treatment in the workplace and the entrepreneurial field, it’s necessary to evaluate the specific and often nuanced challenges that women and, in particular, women of color face in the workplace.

Diversity initiatives represented with a variety of weighty acronyms (DEI, DEIB, JEDI, IDEA) have been an intense focus of many organizations in recent years. However you spell it, evaluating diversity, equity, inclusion, belonging, and justice is not only the right thing to do to address generational inequities but it can also drive critical business outcomes. These outcomes include increased market share, increased revenue, and other competitive advantages in the market, which support talent recruitment and retention.

The Colorado business landscape has an opportunity to thrive with a renewed dedication to making business work for all. Now is the time to evaluate past inequities, enact new equitable policies, and promote diversity in a thoughtful, meaningful way to benefit individuals, businesses, and society.

The Colorado Women’s Chamber Foundation Women’s Leadership Lab 2022-2023 cohort of female leaders present these findings, which are the results of a year-long inquiry into six common issues facing women in work, and recommendations for action.

INTRODUCTION //

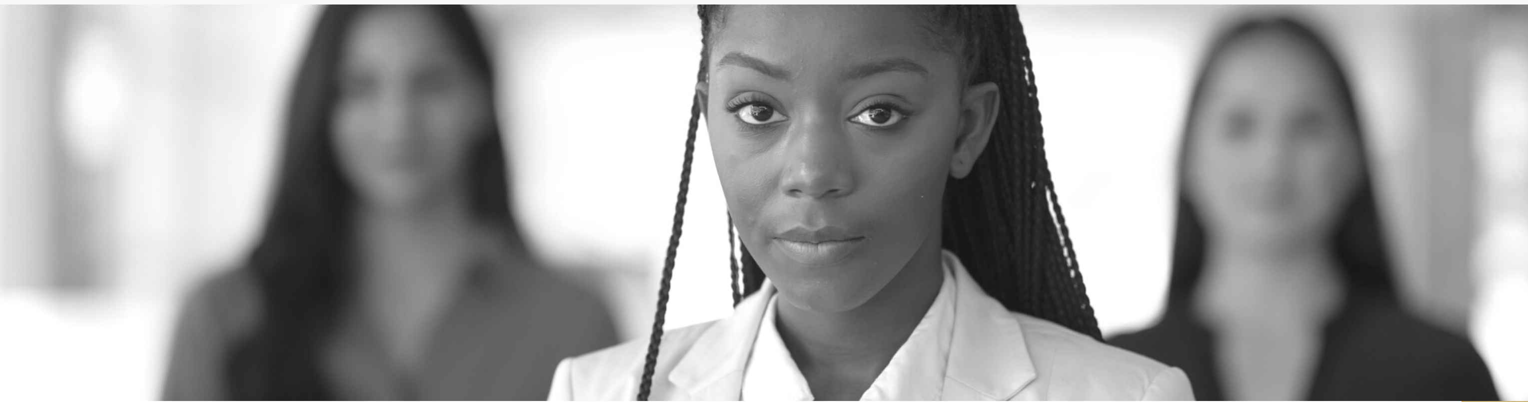
HOW ORGANIZATIONS REDLINE WOMEN FROM C-SUITE ROLES

Women have historically worked in the home, or both in the home and workplace. This narrative, although progressive, remains the same: Women are significantly underpaid and undervalued despite consistent evidence that women outperform their male counterparts. Women are also under-promoted despite their profound commitment to and investment in the workplace.

While there has been progress, from the first woman CEO of a Fortune 500 company in 1972 (Katharine Graham) to the 2009 appointment of the first African-American woman CEO of a Fortune 500 company (Ursula Burns), the seething reality is that corporations still have not eradicated the barriers that women face in advancing to the highest level of leadership and decision-making: the C-suite.

In 2022, nearly 75% of women between the ages of 25-54 are employed, the vast majority (84%) in full-time positions.[1] Yet only 19% are members of the C-Suite, and of that group, only 5% of women are CEOs.[2] For women of color, the representation pool is even smaller: only 4% are members of the C-suite, and less than 2% lead organizations as CEOs.[3] This is a profound gap in representation, which highlights the disturbing disparity of women in the workplace.

What's contributing to these disparities when it comes to women holding leadership positions? One concept to consider is redlining: The discriminatory practice of systematically limiting access to capital for specific people based on race and ethnicity. The same concept is in practice today when we look at the divisions that exist between men and women around access to opportunity and barriers that impede advancement to the C-suite.



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Redlining has been used in the human resource system for years, typically referring to pay inequity, which impacts women. This study aims to broaden the definition of redlining used by corporations to restrict how far women can advance in their leadership journeys.

Redlining at the highest levels of leadership leads to inequitable representation of women within the C-suite, and also in leadership of organizations through board positions. Simone Ross, a Black woman and the CEO of the Colorado Women's Chamber of Commerce attributes this inequity, particularly for women of color, to "the implicit bias of what people think you are capable of, stereotypes, racism, sexism, and prejudice. Where you start the race is further behind based on one's personal network, whether she is a mother/caretaker, and one's socioeconomic status."

The absence of representation of women in C-suite roles negatively impacts corporations in direct and profound ways. Talent pipelines, promotional opportunities, equality in responsibilities and experience, workplace culture, revenue growth, and long-term organizational outcomes are all influenced when women hold positions of authority within the C-suite. The enrichment of organizations that include women in C-suite roles has shown substantial qualitative and quantitative success.

At first glance, there is a positive and meaningful trajectory of women making advancements toward equality. This outcome would be logically sound, given the proven benefits of recruiting and developing women to hold leadership roles. However, research reflects an alarming reality: As of 2019, women were thought to be 99.5 years away from reaching global gender parity. After the pandemic, the World Economic Forum announced that the gap had widened to an astonishing 135.6 years in 2021.[4] Diversity and equity in leadership are essential to create a fair playing field for women in business and society. Organizations have the power to make a substantial contribution to level global gender disparity by methodically and intentionally moving to improve the representation of women in C-suite roles and board appointments.

RESEARCH QUESTION // HOW ORGANIZATIONS REDLINE WOMEN FROM C-SUITE ROLES

How are corporations contributing to global gender parity? Corporations have a momentous impact on the economy (up to 72% of GDP[5]) and on society, affecting the health of households, communities, the environment, advancements in technology, politics, and social justice. With such influence, corporations have the fiduciary duty to lead and transmogrify deficits in gender equality.

This study questions whether corporations are using this influence to reduce the deficit in gender equity. With the power to hire, recruit, retrain, and develop women, as well as appoint women to board positions, are corporations actively leveling the playing field for women, or using redlining practices and behaviors to increase the deficit in gender equity?

In the workplace, why are women consistently overlooked for promotions despite outperforming their male counterparts?[6] What could corporations change about their current promotional or leadership-identifying processes to be more inclusive of women, and abandon the gender bias status quo that keeps women behind the red line? What institutional, cultural, structural and behavioral norms should be modified within corporations to begin to close the gender gap in leadership opportunities? What steps need to be taken to achieve true gender equality at the highest levels of leadership by 2038, radically adjusted from the current projections of 2158?

ARE WE WILLING TO WAIT OVER 5 GENERATIONS FOR EQUALITY?

METHODOLOGY & RESULTS

Data for this inquiry was collected through interviews and surveys of women who serve in or are aspiring to serve in C-suite roles across a variety of industries. The aim is to understand their lived experience in corporate advancement. The perspectives of men with decision-making influence toward leadership advancement were also collected and analyzed. Through these inquiries, we identified contributing factors.

We also reviewed current studies and literature to better understand the practices, policies, and behaviors that corporations use to prevent women from advancing to the C-suite, or from earning board appointments. This included data analysis on the current progression of achieving gender equality in leadership. Available data was compiled to identify: 1) challenges women face in promotions where a correlation is found between inequitable value and measurement of performance; 2) the role of perception and bias in the false narrative that women lack leadership potential; and 3) the impact of organizational policies and culture in promoting gender biases and/or stifling the advancement of women.

Findings revealed that most of the obstacles women face in their leadership advancement were a result of gender bias, discriminatory practices, and/or policies related to traditional societal roles women fulfill. The results highlight distinct challenges perpetuated by organizations in recruiting, developing, and promoting women into C-suite roles. This research suggests that the issues lie in unintentional, intentional, and neutral institutional and structural sources of discrimination and biased stereotypes.

Of the women interviewed in roles that ranged from senior executive to the C-suite, 40% were women of color. This comprises a holistic view of women in leadership roles, who are knocking on the door of the C-suite, are currently in C-suite roles, or have held the role recently. Interviewees reported various challenges that delayed their progression or minimized their support structure to progress to higher levels of leadership.

RESULTS >>

METHODOLOGY & RESULTS

Interviewees reported various challenges that delayed their progression or minimized their support structure to progress to higher levels of leadership.

Roles with varying degrees of responsibility including management of people and fiscal responsibility were the hardest promotion opportunities to achieve.

100% of the women

of color in C-suite roles reported receiving feedback that their presentation of their authentic selves held them back or that they needed to change for their role or company.

80% of women

who currently held a position within the C-suite reported a lack of diversity in the panel who interviewed them.

73% of women

interviewed felt they were perceived to lack the applicable skills or qualifications required for the promotion.

40% of women

stated that they have been discriminated against in their role due to gender.

30% of women

reported having full support from leaders in their current role.

82% of women

in senior executive leadership and C-suite roles reported having to alter either their personality and/or appearance to facilitate growth in their career.

64% of women

reported not having any form of career development planning through their organization.

Interviews revealed a correlation between opportunities and perception bias, performance, and the diversity tax, a stereotype-based bias that continues to stunt women's advancement in the workplace. They also shed light on how internal discriminatory practices within organizations contribute to the gender parity gap.

Many of the discriminatory practices within organizations that pose barriers are related to role congruency prejudice, a perceived inconsistency between women's gender roles and leadership roles. This practice is a foundational obstacle in advancing women, especially women of color, into positions of leadership. Organizations attribute leadership, competence, and decision-making with descriptors such as assertiveness, competitiveness, ambition, and risk. These, tied into descriptions that stereotypical schemas correlate with men, advance role congruity prejudice. Within this subjective bias, women find their competence doubted or scrutinized. Their successes are attributed to luck or external support, while failures are attributed to ability.

Simone Ross, a Black woman and the CEO of the Colorado Women's Chamber of Commerce, spoke about the reality of role congruency prejudice when she recalled sitting in a public area interviewing a white woman. A man walked by and wished Ross luck, assuming that she was the interviewee. These examples of microassault are all too common for Ross. "Society does not view women, especially women of color, as credible leaders. Your competency is always checked, over and over, especially mid-career. Your competency is judged by what you wear, your makeup, and the height of your heels." This is further complicated by the "implicit bias, racism, sexism, and objectification that happen to women trying to get invited to the party based on competence." Women of color have a unique, ambiguous experience with role-congruent prejudices as they battle both gender and racial biases.

Women often receive higher performance ratings than male employees, but receive 8% lower ratings for potential than men. We found that women employees on average were 14% less likely to be promoted than their male colleagues.[7] Sandy Lewis, retired CIO of a large telecommunications organization and a woman of color, shared, "The perception was that I wasn't qualified for the title, even though I was doing the job." When women are evaluated on performance and potential, they often challenge normalized perceptions and societal beliefs about the traits that make effective organizational leaders. Joe Garcia, chancellor of the Colorado Community College System, and former Lt. Governor of Colorado addressed this potential bias. "Women are often not considered for these roles because they have not done the job before, whereas men are selected for these roles without the experience under the pretense of potential," said Garcia.

Vanecia Kerr is a Black woman and the chief impact officer of Mile High United Way, a non-profit organization that serves marginalized families and BIPOC businesses. Kerr's ascent to an executive role required a departure from the large, global corporation where she worked previously for 18 years. Despite her tenure and varied experience working across departments and in several roles, a leadership position eluded her. Kerr emphasized that for women to advance, "someone has to be willing to take a chance on you. I needed someone willing to take a chance on me."

Organizations must implement a deliberate and aggressive strategy to dismantle prejudices and demolish institutional and structural policies that redline women out of leadership. This strategy must acknowledge the consequential behaviors that have kept women, and especially women of color out of the C-suite, and identify why and how these behaviors can be modified to promote more gender equity across the C-suite. Organizations should evaluate and eradicate the policies and procedures that are preventing all women, but especially women of color, from advancing. Organizations can build a strategy around the following recommendations:

Organizational Culture

Organizations have built cultures that are not sustainable for the development of women and women of color. Cultural reform is needed with an emphasis on effective, ongoing opportunities to modify behaviors. Behavioral modification starts with the leadership team. To impact culture, focus on behavior modification training surrounding conscious and unconscious biases, intersectionality, cultural competence, and antiracism. The focus of these programs must shift from simplistic diversity training to creating social accountability.

Organizational Institutional Structures

Boards with women are 25% more likely to have above-average profitability than [8] companies in the fourth quartile; boards with women of color outperform others in the fourth quartile by 36% in profitability. Beyond profitability, the overall health of an organization benefits from diverse representation. This representation is required to support the engagement and reinforcement of an unbiased institutional structure. An external diversity practitioner should review institutional policies and practices, including pay and performance evaluations, and restructure institutional-level practices and behaviors through a diversity, equity, and inclusion lens.

Integrative Career Path Planning Programs

Mentor programs effectively develop careers for prototypical male leadership, but they have been proven less effective for women, and even less constructive for women of color. Remove traditional selection criteria and embed these programs early in women's careers to form an integrative and holistic model. These programs should be focused on talent development and enhancement, and importantly the coveted P&L experience that women are often not afforded early in their career for future C-suite candidacy. Mentorship models should shift to sponsorship at mid-career. The value of sponsorship is critical to shifting the dynamic. Chief Brand Officer at SSA Group Shannon Fitzgerald shared, "For my first executive position, it was actually a group of male executives that saw my potential before I saw it myself."

Repair and Restructure Organizational Talent Streams

In assessing talent streams and interview panel decisions, the inherent risk and blind side resulting in redlining women candidates for senior leadership and C-suite roles must be acknowledged. Within this dynamic, those decision-makers are prone to unconscious and collective information bias. Interview results determined that four in five C-suite candidates did not interview with a panel for their current role. Incorporate bias training for recruitment teams and your interview panel through an external diversity practitioner for senior leadership roles. The practitioner should additionally sit in on the interviews and selection panels to facilitate discussions and support the team in resolving potential bias. An external party is key to counteract the potential risk of groupthink along with other biases that may be inherent in panels.

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PAY EQUITY

2023 marks 60 years since Congress passed the Equal Pay Act, which protects individuals of all sexes against wage discrimination. Despite this legislation, the gender wage gap persists in every single state and has not narrowed in the past two decades, especially for salaried/exempt positions where women do similar work when compared to their male counterparts. The gender pay gap is present in workplaces ranging from Fortune 500 companies to major sports leagues. According to the World Economic Forum (March 2022), due to COVID-19 and other factors, global gender parity is at least 135.6 years from reality. Women in Colorado stand to achieve pay equity sooner than the global estimates but are still decades away from equal pay. Based on current trends, women in Colorado will not achieve pay equity until 2057 (Status of Women Data).

Critically, data shows that organizations with policies in place that narrow the gender wage gap fare significantly better than others considering public perception, revenue, talent retention, and talent attraction (Harvard Business Review). This study presents commonsense solutions to enable organizations to achieve pay equity quicker, and as a result, increase revenue and employee satisfaction.

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In 2022, women made about 82 cents for every dollar earned by a white non-Hispanic man, according to the National Women's Law Center. This disparity is even more stark for women of color. Compared to the per-dollar earnings of white non-Hispanic men, Black women make 62 cents, Native American women make 57 cents and Latina women make 54 cents for every dollar a white man earns. At this rate, $964,000 will go unearned by Black women over the course of their careers. For Latina women, that figure tops out at $1.2 million dollars.

Federal and state laws have been enacted to address this problem. In addition to the Equal Pay Act, states have taken steps to address persistent inequities in pay. Colorado is among the leaders in this effort. For example:

- Colorado became the first state to require employers to include in every job posting the actual hourly or salary compensation, or range of compensation, for the position, as well as the benefits available. [Colorado S.B. 19-085 (2019 Session), https://leg.colorado.gov/sites/default/files/2019a_085_signed.pdf].
- Colorado law prohibits employers from seeking job applicants' wage rate history or relying on their salary history to determine a job applicant's pay. [Colorado S.B. 19-085 (2019 Session), https://leg.colorado.gov/sites/default/files/2019a_085_signed.pdf].
- Colorado law protects the right of all employees to inquire about, disclose, compare, or discuss their pay. [Colorado S.B. 19-085 (2019 Session), https://leg.colorado.gov/sites/default/files/2019a_085_signed.pdf].

These efforts are critical to level the playing field for working women and to provide actions for recourse when employee rights are violated. Organizations need to take action to more fully address the gender wage gap and support Colorado women in achieving pay equity quicker.

Women in Colorado still face inequities that often prevent them from reaching their full potential and earning the same salary as their male counterparts. Since the Status of Women in the State was published in 2004, the gender wage gap in Colorado has narrowed (a higher percentage of women have bachelor's degrees); However, a larger share of women live in poverty. Colorado ranks in the top third of states in the nation for women's employment and earnings, and for poverty and opportunity. Even with the positive trends brought on by the new legislation, women in Colorado will still not achieve pay equity until 2057.

Colorado earned a B grade for women's employment and earnings, which has remained the same since the 2004 Status of Women in the States report. Colorado's B- grade for women's poverty and opportunity has dropped since 2004. Women in Colorado aged 16 and older who work full-time, year-round have median annual earnings of $43,000, which is 86.0 cents on the dollar compared with non-Hispanic white men who work full-time, year-round. Hispanic women earn just 54 cents for every dollar earned by white men.

If employed women in Colorado were paid the same as men for comparable work, their poverty rate would be reduced by half, and poverty among employed single mothers would drop by more than two-fifths.

What causes contribute to the gender wage gap, and how can we accelerate narrowing the gap in Colorado? Research indicates two major organizational practices enable the wage gap to persist: pay transparency and hiring practices.

Pay Transparency

When employers are not transparent about pay, the gender wage gap widens. When women applicants are clearly informed about the compensation available for the role, they are better equipped to negotiate and obtain a salary commensurate with their male counterparts (National Women's Law Center). Research from Denmark suggests that when companies disclose how much they pay employees, the wage gap decreases by 7%, and multiple studies on pay transparency have demonstrated its positive effects on productivity, motivation, and general employee performance (Bloomberg).

Critically, it's not just women employees who benefit from pay transparency. According to Glassdoor, 63% of U.S. employees prefer to work at a company that discloses pay information, but only 19% of employees say their company discloses pay ranges internally among all employees. Organizations can become more attractive to job applicants and employees by disclosing pay ranges.

Cultivating a culture of openness and transparency when it comes to discussing compensation for employees will also help narrow the wage gap. "Discussing money continues to be taboo," says Glassdoor career trends expert Alison Sullivan. This could discourage women from gathering internal pay data and making the case for a raise. Though 45% of women say they feel comfortable sharing their pay with a coworker, only 29% have actually done so and 28% of employees overall say their company discourages them from discussing compensation with coworkers.

Hiring Practices in Gender Inequality

Even where a company works to reduce gender bias in its hiring practices, gender differences impact how people apply for jobs and negotiate salary, benefits and other considerations. Men tend to apply for and secure jobs they might not be qualified for, meeting only 30% of the qualifications. In contrast, women tend to self-select out of the applicant pool for jobs that they don't meet 80% or more of the qualifications. This phenomenon applies when women are new candidates and also when pre-existing employees seek a promotion.

Once women apply for a job, gender differences in negotiations can further compound the wage gap. Research shows that women are less assertive in negotiations, and tend to ask for less money than their male counterparts who are equally (or less) qualified (NPR). Women candidates worry that pushing for more money will damage their image and reputation with the company, and often don't negotiate salary at all. Women are right to be concerned in this manner as research shows – both male and female managers are less likely to want to work with women who negotiate during a job interview.

Methodology

This study engaged in two separate information-gathering efforts. First, we collected data through first-party interviews of human resource and talent leaders at Colorado companies. Second, we reviewed secondary-data from legislation around the United States and research published by a variety of organizations.

We then engaged in data analysis, focusing our review on successful efforts to address the wage gap, and used anecdotal evidence to present new proposals on solutions to do so in Colorado.

Results

Our research reveals three primary drivers of pay inequity that, if addressed, can become promote pay equity.

1 **Gender differences in negotiation skills and self-evaluation**

2 **Hiring practices that lack transparency**

3 **Organizational culture surrounding compensation**

Based on our research and interviews, we've identified the following recommendations that Colorado organizations can adopt to become more equitable and profitable workplaces.

Create a Culture and Practice of Pay Transparency

New compensation philosophies, analysis, and leveling across organizations

All companies must evaluate their approach to compensation. Current pay should not determine future pay and hiring managers should not base salary offers on a candidate's current pay, avoiding questions related to salary history questions. Instead, they should look at the salary range for skill sets required in a given role. Hiring managers should leverage salary comparison tools when determining pay ranges for positions.

Companies must publish salaries on HR platforms and encourage a culture of transparency. Posting salaries and total compensation packages (salary, bonus, stock options, time off, etc.) helps cultivate a workplace culture that encourages transparency and does not make it taboo for employees to know salary ranges at their company.

Companies should review salary range alignments on an annual basis. Data should be analyzed to ensure that salary ranges are consistent among comparable roles and adjusted if there are marked discrepancies. This will help level-set salary ranges and keep things consistent. This also helps narrow any gaps that were established prior to enacting newer hiring practices.

Share data and recognize and incentivize companies that have high pay equity score

Require companies in Colorado to publish wage gap data, similar to the U.K. Equal Pay Transparency Bill, which requires all companies with 250 or more employees to publish gender wage gap data. (Globalization Partners). If companies in Colorado meet certain metrics, they should qualify for incentives.

The Colorado Women's Chamber of Commerce and the State of Colorado should recognize companies that have a high pay equity score. We recommend that the Colorado Women's Chamber celebrate companies that are actively working to minimize the wage gap with an annual Equitable Workplace Award. The State of Colorado should offer tax and other economic incentives to companies that demonstrate a high pay equity score.

Invest in training and adjust hiring practices

It starts early - educating girls

Start educating girls early. Many girls grow up with the notion that negotiation is not a feminine trait and that they should be satisfied with what they are given. This mindset can lead to women accepting lower salaries and fewer opportunities for advancement. By teaching negotiation skills to young girls, we can empower them to advocate for themselves and increase their chances of success in the workplace.

This is why it is important to invest in a curriculum geared towards female empowerment as part of the Career Connected High Schools. Companies can also play a role by sponsoring female-focused education series, such as those offered by organizations like Girls, Inc. For example, elective courses in high school that teach students how to identify their strengths, articulate and quantify their value, advocate, and negotiate can go a long way in helping girls build confidence and a strong foundation for their future careers. Additionally, negotiation training specifically designed for women and girls could help them navigate the workforce with critical tools to advocate for themselves and achieve pay equity. By starting early and empowering girls with the skills they need to succeed, we can work towards a more equitable future for all.

Recruiting, Interviewing, and Hiring processes

From the moment your company begins recruiting for a position through the day an offer is extended, there are considerations to help level the playing field for women.

A great way to help attain wage equity is to remove negotiating from the hiring process altogether. Research shows that women are less assertive in negotiations, as women worry that pushing for more money will damage their image (NPR). By removing negotiation from the hiring (or promotion) process, your company can instead designate pay based on job title, responsibilities, and experience, rather than the fickle metric of who asked for more during the interview.

Finally, your company should train hiring managers on pay equity. The onus is on hiring managers to drive pay equity within teams. When new employees are on-boarded, they should be provided with education, training, and tools to help ensure equity in pay allocations.

Empower and listen to female employees

Companies should review and evaluate critical talent acquisition and management policies and processes that influence pay (EVERFI). To improve wage equity for pre-existing employees, managers should affirmatively encourage internal female applicants to apply for jobs that they might feel for which they are unqualified. Leadership should also promote a culture of sponsorship for female employees. Establish a mentorship program for all employees while encouraging women to participate. This programming may be established through Business Resource Groups (BRGs) or specified by the business based on employee needs.

Companies that have made such adjustments have increased profits. For example, Elevations Credit Union, based in Boulder, started setting salary levels based on title, so there is effectively no salary negotiation during hiring or promotion. Elevations says these adjustments helped with recruitment and retention, "[a]nd that loyalty then increases profits for our company." Where "[t]he company's more profitable, they can then give back more to their employees, and so it's a symbiotic relationship."

CONCLUSION //

Narrowing the gender wage gap is a win-win for women employees and organizations alike. This is not just a women's issue. By implementing one or more of the above recommendations, companies can help narrow the gender wage gap while simultaneously improving their public perception, increasing their revenue, strengthening their talent retention, and attracting top talent.

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HOW TO VALUE AND REWARD SOFT SKILLS IN THE WORKPLACE

Today's workforce demands much more from employers than just good pay and a corner office. Women especially are demanding more from the workplace, and are more willing to leave their current positions to find it elsewhere. In 2022, about 50.5 million Americans quit their jobs (Iacurci 2023), a 25% increase from pre-pandemic levels (De Smet, et al., 2022). Women make up 56.8% of the workforce (U.S. Bureau of Labor Statistics, 2023).

1 in 3 women has considered downshifting their careers or leaving the workforce.

However, one in three women has considered downshifting their careers or leaving the workforce altogether. In 2021, 10.5% of women leaders ranging from senior managers all the way up to members of the C-suite quit their jobs (Peck, 2022). According to a McKinsey survey, the top reasons for workers leaving jobs include 1) lack of career advancement and development; 2) inadequate total compensation; and 3) uninspiring leaders (De Smet, et al., 2022). This is a major concern for businesses to attract and retain top female talent. Employers must now shift from a bottom-line focus to an employee-centric culture of inclusion and balance.

Soft skills are essential for leaders to embody the values of an organization's culture in the following ways: building relationships, navigating differing strengths and managing personalities across a team, analyzing situations to make informed decisions, managing their emotions, and reading the emotional cutes of others (Bourke, 2016). When these skills are not effectively tracked and rewarded, it's difficult to retain top talent. Only recently have soft skills been factored into the success of team leaders. In a dynamic workforce of in-office, hybrid, and remote work, leaders must demonstrate soft skills to lead successful teams.

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BACKGROUND // HOW TO VALUE AND REWARD SOFT SKILLS IN THE WORKPLACE

Leaders who display strong soft skills have a more meaningful influence on workforce engagement, which drives performance metrics like customer rating, productivity, sales, and profitability (Acuna & Dagbo, 2020). Women leaders are 45% more likely than their male counterparts to be seen as demonstrating empathy (Korn Ferry, 2016). Women leaders also tend to prefer to work for organizations that prioritize a culture of inclusion, career development opportunities, and employee well-being.

As the workforce changes to include more digital or automated solutions, human skills like empathy, communication, and compassion have become important for employee engagement. Since the pandemic, the need and demand for soft skills in the workplace has nearly doubled (Billing, et al., 2021). Some companies conduct employee engagement surveys, however, there is often a lack of follow-up action based on the survey results. A dynamic workforce only emphasizes the importance of understanding how soft skills contribute to organizational effectiveness, and with that, the need for soft skills training. And while expectations of leaders have increased in the workplace, few organizations provide adequate training or recognition for efforts of inclusion or management skills through performance reviews (Krivkovich et. al., 2022). Soft skills improve relationships, develop teams, and enhance individual well-being. Leaders who display strong skills in empathy, communication, and collaboration develop high-performing and productive teams.

RESEARCH QUESTION // HOW TO VALUE AND REWARD SOFT SKILLS IN THE WORKPLACE

To align with the needs and demands of women leaders in the workplace, increased value has been placed on human or soft skills. However, bringing the full range of these skills will require rewards in accordance with their value. While there has been increased emphasis on soft skills within the hiring process, further development and use of soft skills for current leaders is harder to quantify. This creates challenges in linking these skills to career progression or compensation. This study explores actionable ways for companies to prioritize soft skills. We seek to understand how soft skills are prioritized in leadership development, and how those skills can be measured and rewarded.

We address the research question by interviewing leaders with a variety of career focus points and achievements within five organizations, which span corporate, non-profit, and small businesses. Our interview questions were designed to gain insights into how they define, evaluate, and promote soft skills; and what current challenges and potential solutions exist to reward soft skills. Additionally, we analyzed leadership publications and workforce data to support our recommendations. We sought to identify the soft skills that are commonly emphasized and the current practices to measure soft skills. We also sought to uncover whether soft skills are adequately rewarded in the workplace. We used our findings to provide recommendations for companies to implement, measure, value, and reward soft skills in leadership positions.

Our findings revealed that many organizations value the soft skills that leaders now bring to the table. However, challenges arise in measuring how effective those skills are in impacting organizational outcomes. Some interviewees did not recommend compensating leaders on soft skills because of the challenges in gathering unbiased data, and in keeping their behaviors genuine instead of altering to meet specific performance metrics. Some interviewees recommended hiring leaders based on soft skills for higher-level positions and providing ongoing development training. We found that different leaders and organizations have a spectrum of practices for hiring, developing, and rewarding soft skills.

Through our interviews, common recommendations that emerged for prioritizing soft skills in leadership were:

- Developing a scorecard on KPIs driven by a leader's soft skills and holding leaders accountable for results.
- Ongoing training for leaders to continuously develop their emotional intelligence.
- Conducting surveys such as eNPS scores, engagement surveys and associate pulse surveys.
- Ensuring there is buy-in from senior leadership teams.
- Rewarding leaders based on surveys that regularly provide 360-degree reviews.

This research suggests that several organizations invest in certified leadership courses for their leaders. The most effective of these programs involves an employee feedback element to ensure the tools and topics covered address the specific challenges and/or priorities for their team.

We also found communication, emotional intelligence, servant leadership and accountability to be the most critical soft skills for leaders to execute. Unlike sales performance, these skills are not easily quantified on a balance sheet or measured as part of a performance review. We asked leaders how their organization assesses these skills among their leaders. Employee feedback was the most common practice, various practices were shared, from employee surveys to feedback.

Some organizations have introduced compensation incentives for leaders with positive employee feedback while others invest in ongoing learning and development to promote leadership soft skills.

Actionable plans and reward programs should also be developed based on the survey results to improve employee satisfaction, performance, and retention. By creating an engaged workforce, companies can enjoy beneficial business outcomes, including 10% higher customer ratings, 17% higher productivity, 20% higher sales, and 21% higher profitability (Acuna & Dagbo, 2020). We need a way to measure and compensate for soft skills, not just factors that contribute to profit.

RECOMMENDATIONS // HOW TO VALUE AND REWARD SOFT SKILLS IN THE WORKPLACE

In order to prioritize and compensate leaders for soft skills, organizations could:

- Implement 360-degree feedback for assessing leadership performance. This model gathers feedback from various employees within the leaders' network (direct reports, peers, managers, clients) and then provides the leader feedback anonymously. The results could then be scored to reward leaders who demonstrate the soft skills prioritized by their organization.

- Compensate leaders for their execution of soft skills. Create key performance indicators (KPIs) aligned with organizational values and needs. Soft skills are harder to measure than functional, specific hard skills. However, organizations can measure performance on a large scale through employee engagement surveys and reward performance in the following ways:
  - Establish metrics related to the frequency of behaviors that exhibit desired soft skills; set targets for desired outcomes. For example, if collaboration is key to a leader's success in their role, ask employees, "How frequently does your manager ask for your input during planning sessions?" or "When you share new ideas, how often are your ideas implemented?"
  - Create a rubric to define exceptional, acceptable, and unacceptable demonstration of desired soft skills. Provide three examples of effective collaboration and have employees rate the leader based on which example matches their style.

- Invest in ongoing professional development and education on topics like emotional intelligence, empathetic leadership, and effective communication. While training for technical skills may be necessary, set aside a percentage of the budget for L&D for training on soft skills. This percentage can vary by business and by industry. According to Brandon Hall Group, 37% of businesses spent $3000+ on training for senior leadership, and 20% spent $200-$2999 on training for mid-level management. Dedicating a budget to learning and development to promote and enhance the soft skills of leaders helps prioritize ongoing development (Wentworth, 2021).

This ensures leaders are prioritizing soft skills in conjunction with other performance metrics.

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LINK TO INTERVIEW Q&A

A CULTURE OF SPONSORSHIP SUPPORTS WOMEN IN CAREER GROWTH

While women represent over half of the U.S. workforce, they are underrepresented in positions of leadership. Women hold less than 26% of C-suite positions – only 4% of those are held by women of color – and 32% hold executive-level positions (McKinsey, 2022). In Colorado, this number is even less, with only 16% of named executive-level positions being held by women (State of Women on Boards, 2022).

Barbara Frencia, CEO of business assurance at DNV, explains how diverse representation benefits success. "Organizations that embrace inclusivity are eight times more likely to achieve better business outcomes, and companies with more diverse leadership teams report higher innovative revenue." Research also suggests that gender-diverse companies, particularly those where women are represented in executive positions, are 15% more likely to financially outperform those in the bottom quartile (McKinsey, 2022). According to the Journal of Economic Behavior & Organization and the Harvard Business Review, women bring a fresh perspective and set more realistic targets to improve employee engagement.

Traditionally, women have been paid less than their male counterparts. According to the U.S. Department of Labor, women working full-time are paid, on average, 83.7% of what men in similar roles are paid (Chun-Hoon, 2023). With each generation, more women are becoming the sole or primary breadwinners in their families. A recent Wells Fargo study found that over 41% of women support or co-support their household. With rising inflation, more families are increasingly dependent on women's earnings to achieve economic security.

If women's salaries don't reach the same level as male counterparts and more women aren't enabled to pursue executive-level positions, we risk perpetuating a cycle of exclusion and codependency. In order to advance into executive-level positions, women need opportunities to form developmental relationships early in their careers.

This paper describes how sponsorship culture supports women's career growth in creating these developmental relationships.

BY //

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Sponsorship is an effective tool for women to advance their careers toward leadership positions. It can facilitate career growth, and increase wages and career satisfaction, for women today and for future generations.

A sponsor helps advance an individual's career using their internal political and social capital to promote that individual to other people. Sponsors have influence and use it to support the advancement of others (Ibarra, 2019). Sponsorship is focused on an individual's long-term growth. Research indicates sponsorship programs produce more effective leaders and lead to increased job satisfaction, employee retention, and overall commitment to the organization (Catalyst, 2011). Companies like IBM include sponsorship programs and found that 93% of the women executives who participated in the program advanced their careers as a result (IBM & Chief, 2023).

Sponsorship differs from mentorship in important ways. A mentor is a person who gives advice, answers questions, and strategizes on a mentee's professional development and career path (Mercer, 2022). Mentors do not necessarily have influence, or may or may not be willing to use their influence to support career advancement for others.

Mentors		Sponsor
Gives advice	01	Opens doors
Helps you out	02	Has your back
Makes suggestions	03	Shares hard feedback
Suggests ways to get what you want	04	Advocates for you
Tells you to believe in yourself	05	Believes in your potential
Discusses your problems	06	Pushes you to strive for more
Says positive things when asked	07	Creates opportunities for you

The hypothesis for this paper suggests that sponsoring women can lead to career growth, greater job satisfaction, and increased wages. To understand the impacts of sponsorship and what makes a sponsorship effective, this paper surveyed more than 125 individuals from non-profit, public, and private sector companies. The intent of the survey was to identify if and how sponsorship models and experiences influenced the career advancement of women.

The survey questions covered multiple themes (e.g., sponsorship opportunity, advancement, increased job satisfaction, flexibility and remote/hybrid workplaces, and salary impact) as well as demographic questions (e.g., gender, gender of sponsor, race/ethnicity, race/ethnicity of sponsor, role, role of sponsor, and open comments on best and worst parts of sponsorship).

RESULTS

The survey had a response rate of 48%, with 60 individuals completing the survey.

- 63% of respondents reported having a sponsor at some point in their career.
- Of those respondents who had a sponsor, 84% said these sponsorship programs were organic; only 16% participated in formalized programs.
- 87% of respondents felt that sponsorship led to career advancement.
- 71% of respondents felt that sponsorship enabled an increase in salary.
- 92% of respondents felt that sponsorship increased job satisfaction.
- 84% of respondents were sponsored by someone in senior or executive-level roles.
- 61% of respondents were sponsored by women.

Respondents also reported on the benefits of formal vs. organic sponsorships and offered suggestions to improve both types of sponsorship programs.

Formal sponsorship often:

- Improves an individual's ability to network
- Provides individuals with learning opportunities
- Lacks clarity on ways to leverage the sponsorship
- Lacks personal connection and potential for relationship development

Organic sponsorship often:

- Promotes relationship development and leads to personal connections
- Presents individuals with new opportunities
- Creates a sense of feeling valued and supported along an individual's career path
- Enables an individual's skill set to be seen in more holistic terms, beyond a resume
- Expands an individual's network
- Creates feelings of pressure or guilt if the individual doesn't meet a sponsor's expectations
- Leads to feelings of inadequacy, that individuals aren't deserving of the sponsor's time

When asked, *"What was the best part of being sponsored?"* responses from senior and/or executive-level survey participants included:

- "They [sponsor] are a safe place for me to go when my job and/or life is difficult."
- "Feeling like somebody is advocating for me."
- "Being challenged to stretch myself beyond what I thought I could do professionally."
- "During a time when primarily older white men were at the Colorado state leadership tables, I received special attention because of my sponsor's work."

INSIGHTS // A CULTURE OF SPONSORSHIP SUPPORTS WOMEN IN CAREER GROWTH

According to survey results, organic sponsorships were more useful than more formal programs. However, due to the small sample size, these results are not statistically significant, so these insights are difficult to generalize. The responses did support the hypothesis that sponsoring women can lead to career growth, greater job satisfaction, and increased wages.

Though organic sponsorships may come with increased benefits, having a formal sponsorship program is still beneficial. Organizations or communities can get started in supporting career advancement for women by creating a sponsorship culture, which may help women who lack the skills or confidence to seek advancement opportunities on their own in the same way that their male counterparts might.

RECOMMENDATIONS // A CULTURE OF SPONSORSHIP SUPPORTS WOMEN IN CAREER GROWTH

Business leaders can create a sponsorship culture by implementing the recommendations:

- Create awareness: Educate people about the barriers women face to advance their careers. Explain the benefits of diverse representation, and how supporting women in their career growth will address the absence of women at senior executive levels.
- Reflect on opportunities for growth: Challenge leaders to reflect on their own sponsorships and how their participation may or may not have enabled their own advancement and/or job satisfaction. Schedule team meetings or brainstorming exercises with leaders to reflect on their own experience. Have them list five people they know who could benefit from sponsorship, either formalized or organic in nature.
- Set expectations: Ensure your leadership team understands that they should be serving as a sponsor as an executive leader. If leaders are unsure where to start, encourage them to engage in a formal mentorship program, which is often the precursor to a sponsorship. Consider including sponsorship activity as part of the performance review process.

- Provide relationship-building opportunities: Dedicate time for individuals to get to know each other, which can create organic relationships. "Lunch-and-learns," ice breakers, team building activities, and community connectors, including volunteer activities, can support individuals in developing relationships and promote a culture of sponsorship. These tactics also support relationships that give executive leaders the confidence necessary to sponsor women in their career advancement while concurrently opening mutually beneficial networking channels. By incorporating powerful play experiences, we can fuel the relationships necessary for organic sponsorships and the advancement of women.
- Tell the story: Recognize people within your company or community who have had a successful sponsorship. Promote this work and its impact on individuals being sponsored in a public space. Create a company- or community-wide award and/or nominate individuals if an award already exists. By highlighting and amplifying positive achievements, more people will be encouraged to participate in a sponsorship program.

In order for sponsorship programs to be integrated into organizational culture, business leaders must be willing to openly discuss the benefits of sponsorship and promote relationship building. Transparency and expectation setting, at a high level, is critical to ensure others are comfortable enough to use their own status to sponsor someone.

Additional research opportunities identified by this team that were outside the scope of this paper include: further differentiating the outcomes for sponsor relationships based on gender; soliciting feedback from a more diverse demographic; exploring details surrounding the career path of individuals who have never been sponsored, including their race/ethnicity, current career levels and their past experience (if any) with sponsorship programs.

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WORKPLACE FLEXIBILITY INCREASES EQUITABLE ENGAGEMENT FOR WOMEN

The origins of the traditional Monday through Friday, 9-to-5 work schedule date back to the Industrial Revolution. At the time, the workplace was highly unregulated and factory owners expected workers to log unlimited hours six days a week (Davis). In response to these long, rigid and often unfair work hours, labor unions formed to improve working conditions to the eight hour-day, five-day work week we're familiar with today.

Even though this concept of the 40-hour workweek is a vestige of the early 20th-century workplace, workers are still accustomed to the antiquated system today. However, the modern world and employee expectations have evolved, creating new workplace cultural norms and a more flexible work environment. Advances in technology, a focus on work/life balance and changing attitudes towards work contribute to this shift, as workers demand more autonomy in managing their work schedules. Workplace flexibility refers to the ability of employees to decide when, where and how they work. It considers many types of work arrangements, such as remote or hybrid work, flexible hours and job sharing. Flexible work allows employees to thrive and accommodate their personal needs, both at work and home, while not compromising productivity for the employer. As the modern world advances, the value of workplace flexibility will not be a fleeting concept.

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The COVID-19 pandemic forced the issue of workplace flexibility for many employers. In the years that followed, most employers retained some form of workplace flexibility, due in part to the benefits spotlighted during the pandemic.

According to Bain & Company, the pandemic disproportionately impacted women and their economic participation. Women were twice as likely as men to take on unpaid domestic work and more than three times as likely as men to take on caretaking responsibilities (Bain). This stark contrast in the workload division at home may be partly responsible for the dramatic decreases in the workforce for women during the pandemic. Data from the Bureau of Labor Statistics shows that from February 2020 to January 2022, 1.1 million women left the workforce, accounting for 63% of all jobs lost (Gonzales).

According to a 2023 Pew research study, as impacts from the pandemic have receded, women still pick up a heavier load at home. Women tend to take on more childcare, home, and caretaker duties (NPR). This is true even as working women increase their responsibility at work and earn promotions in their careers. Just 30% of entry-level male employees reported being responsible for most of the family housework or childcare compared to 58% of entry-level women employees. The figures shift dramatically for senior management, with 13% of senior-level male employees reporting that they are responsible for most of the family housework or childcare, compared to 52% of senior-level women employees (McKinsey).

Following the upheaval of the traditional workplace arrangement, studies have shown that workplace flexibility has become a leading issue in job satisfaction, especially among women and even more so for younger generations of working women. In a recent study of women leaders, 49% said that flexibility is one of the top three things they consider when deciding whether to join or stay with a company, compared to 34% of men (McKinsey). That same study found:

- Only 10% of women want to work primarily on-site, and many women point to remote and hybrid work options as one of their top reasons for joining or staying with an organization. (McKinsey)
- 76% of women under 30 care more than they did two years ago about flexibility and company commitment to well-being (McKinsey).

Across the workforce, employees who have flexible work arrangements—whether remote or on-site—are less burned out, happier in their jobs, and less likely to consider leaving their companies (McKinsey).

RESEARCH QUESTION

WORKPLACE FLEXIBILITY INCREASES EQUITABLE ENGAGEMENT FOR WOMEN

Understanding the challenges women face when working without flexibility can help inform how companies approach their workplace policies. This study asks whether increased workplace flexibility drives equitable engagement for women.

METHODOLOGY & RESULTS

Data was collected from publications, both academic and those found in popular culture. Interviews were also conducted to gather data on what kinds of flexible work arrangements are being provided at businesses in and around the Denver metro area.

The data was then evaluated to discern if workplace flexibility provided women with more significant work equity while maintaining strong workplace engagement. Data was collected from 20 professionals (5 males and 15 females) across industries (e.g., healthcare, legal, consulting, hospitality, apparel, marketing and sales). The generational breakdown of interviewees ranged from: millennials (12), Generation X (6), Generation Z (1), and baby boomers (1).

KEY FINDINGS

Flexibility: Employees want to get work done from anywhere without the constraints of being in an office. The traditional 9-to-5 work schedule does not meet the flexibility needs of people in the world we live in today. People of all ages, marital or parental statuses need flexible work arrangements for various reasons. There was no difference between men and women.

Productivity: Employees who have workplace flexibility are more productive because they can care for family needs and their well-being. *“Flexibility allows you to have a balance, which allows you to take care of your personal needs and increases the desire to stay with my employer.” - Healthcare Coach*

Equity: Women often have to bear the burden of household and childcare responsibilities while managing their well-being, so workplace flexibility is necessary for career growth. Not all men we interviewed agreed or understood that women are disproportionately impacted by their work arrangements. *“Older generations or men typically don’t understand why people need more flexibility and think employees still need to be super present for work obligations. There is so much that goes into running a household, and women need more flexibility.” - Regional Sales Medical Specialist*

Satisfaction: Employees overall are highly satisfied in their work and life when they have workplace flexibility. *"Companies will have better success hiring and maintaining their workforce if they make flexible arrangements. They need to keep their employees' mental health in mind when they're writing policies and understand that mental health plays a huge role in satisfaction." - Advertising Design Coordinator*

Challenges: Exploring the challenges leaders face was outside the scope of this research, but would be valuable for future learning. Data collected from interviews did not reflect a large cross-section of director or hiring-level leadership. However, leaders could face challenges around people management and precisely how to onboard or mentor new employees in a remote or hybrid workforce. *"Employees with less experience are unsuccessful when working fully remote in my industry. We only really allow employees with at least 5-10 years of experience to work remotely full-time. We have had three entry-level positions in a fully remote position fail." - Director of Design*

Enhanced productivity

Productivity is enhanced and does not suffer from flexible work arrangements. New data overwhelmingly support the link between remote and flexible work and increased productivity.

- 73% of managers believe workplace flexibility has increased productivity and 60% agreeing remote work also increases productivity (University of Birmingham).
- 23% of those who work remotely are willing to work longer hours from home than they would onsite, which allows them to accomplish more (ConnectSolutions).
- Workers with total flexibility reported 29% greater productivity than their peers without workplace flexibility (Forbes).

In another study by the U.S. News & World Report and Airstarter, those with workplace flexibility work more hours per week than those who work primarily in an office and as many as 16.8 days more per year. A recent Gartner study found that employees believed they were more productive when working flexible hours. While productivity can be hard to measure, we know from previous studies that more engaged employees work harder. According to a Gallup study, flexible work drives employee engagement. And from decades of Gallup studies, findings consistently point to engaged employees being more enthusiastic, energetic, and committing fewer errors.

Flexibility can help retain top talent

Most employees desire flexible work arrangements, allowing companies to attract and retain talent. The preference for flexible work is prevalent across demographics, professions, and geographies (McKinsey). As employees continue to desire flexible work arrangements, companies need to understand that the opportunity to work flexibly can decide whether a candidate accepts their job offer or stays in a position. In fact, according to a recent survey conducted by the International Workplace Group, nearly three-quarters of women (72%) stated they would look for a new job if their employer took away their flexible work arrangement. This finding highlights the critical role of flexible work arrangements in appealing to and retaining talent, particularly women, who often prioritize work-life balance and flexibility. Additionally, research from WTW demonstrates that employees who say their benefits meet their needs are far more likely to stay at their organizations for another two years than employees who say their benefits do not. When companies compete for talent, the ability and willingness to offer flexible work arrangements could be the winning edge. While widespread flexible work arrangements were born during the COVID-19 pandemic, they have remained a desirable job feature for millions. Flexibility is critical to attracting and retaining top talent. Impressively, according to McKinsey research, when people have the chance to work flexibly, 87 percent of them take it. Further, workplace flexibility is a highly motivating factor in the top three when employees seek a new job.

Equally practiced flexible work arrangements are a necessity
According to the International Workplace Group survey, nearly 90% of American women believe that hybrid work levels the playing field and promotes gender equality. When flexible work arrangements include working from home, women can balance their work and family responsibilities more effectively without choosing between them. However, implementing a flexible work arrangement must be purposeful and well thought out by company leadership to avoid unintended consequences.

Without careful consideration, flexible work arrangements may disadvantage those who access them (Bain & Company). Some of the most significant disadvantages experienced by employees with flexible work arrangements are restrictions to career progression, longer work hours, and the need to be always "on."

Employees with flexible work arrangements, including remote work, can be out of sight and out of mind. Missing a few spontaneous hallway conversations may be insignificant, but the cost of being absent for most adds up. Thus, if not thoughtfully planned, flexibility can create a double-edged sword. Work flexibility can keep women engaged and retained in the workforce, but if not practiced equally by their male colleagues, this can intensify inequities in the workplace (Bain & Company).

1 Business owners should consider workplace flexibility to retain and attract top talent, evolve with the new demands of the workforce, and offer a work arrangement that enables employees to create work-life balance and overall well-being. There are many types of flexible work arrangements beyond the typical remote or hybrid role. For example, the City of Golden is piloting a four-day work week with employees in their Police Department to improve well-being and retention. Another example is shift work, where a local Colorado hospital offers lifestyle shifts for nurses who can work 10 days and then take two to three weeks off.

2 To bring equitable engagement practices to life in the workplace, employers should form considerate policies. When developing these policies, leaders should remain open to many ways of working. Employers can offer flexibility regarding when their employees work, how, and what work they do. Leaders must identify opportunities in their workplace and consider what version of flexibility will make the most significant equity impact on their workforce. To gauge effectiveness, leaders should seek regular feedback from employees.

3 Employers must monitor and apply their policies regularly and consistently to ensure flexible work arrangements don't lead to inequity for women. Employees should have a level playing field with the same support and opportunities available. Policies should be re-evaluated regularly to ensure flexible work arrangements are not yielding unfair penalties. Additionally, we recommend employers consider unconscious bias around flexible work arrangements to ensure employees can leverage their organization's flex policies without fear of long-term career impact. When employee feedback or reviews are given, employers should establish checkpoints to remove any bias around when/where/how employees work within the boundaries of the organization's policies. This will create consistency in employees' experiences and encourage flexibility to boost employee morale and mental health.

4 Lastly, we recommend companies foster a strong community within an organization to help build trust and connectivity within and between teams. When in-person work is required, investments to foster community and employee engagement will help make that time more purposeful. This community will help individuals feel supported when considering what flexible work arrangements make the most sense for their situation. This support will make setting boundaries easier and ensure employees are treated fairly.

The benefits of flexibility go beyond equitable engagement for women. Not only is workplace flexibility a leading issue in job satisfaction across all demographics but it is also identified by participants in this study and academic research as a critical factor in individual productivity. Employers should consider workplace flexibility as part of a comprehensive strategy for talent retention and acquisition as it's another low-cost benefit to employees. When implemented with thoughtful, clear, and consistent policies, employers will offer equitable engagement opportunities for women, and remain competitive in attracting and retaining top talent.

CITATIONS

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INTENTIONAL RECRUITMENT AND RETENTION TACTICS TO DIVERSIFY THE C-SUITE

The U.S. workforce is impacting women's growth opportunities disproportionately in general, and more so for women who identify as a racial minority. According to the U.S. census, women represent 58.3% of the workforce, while men represent 41.7%. However, only seven Fortune 100 companies are led by women and nine have no women even reporting to the CEO (Larcker, Tayan, 2020). Of those women executives, 86% are white.

With limited diversity in gender at the top of the corporate hierarchy, women are individually pioneering a path to reach the C-suite. According to a survey of global executives conducted by McKinsey & Company, only 19% of men agree that women face additional challenges in climbing to top levels of management. Those same men are more likely to believe that programs designed to help women succeed are unfair to men in similar roles (Devillard, Sancier-Sultan, Werner 2014) .

PROBLEM

Businesses need women and people of color to diversify their talent pools, particularly in the C-suite. Increased diversity in the C-suite results in statistically significant financial returns compared to companies without diverse representation (Hunt, Layton, Prince 2015). Research suggests that only 25% of C-suite positions are held by women and only 16% are held by racially diverse executives (Larcker, Tayan, 2020). Recruitment and retention practices result in the hiring of C-suite positions and thus lack of talent diversification is a direct result of poor practices.

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RESEARCH QUESTION // INTENTIONAL RECRUITMENT AND RETENTION TACTICS TO DIVERSIFY THE C-SUITE

Educating leaders on the importance of talent diversification and supporting effective implementation to create change, is critical to an organization's future success.

"HOW DO WE ACHIEVE MORE TALENT DIVERSIFICATION IN C-SUITE POSITIONS THROUGH RECRUITMENT AND RETENTION?"

METHODOLOGY // INTENTIONAL RECRUITMENT AND RETENTION TACTICS TO DIVERSIFY THE C-SUITE

Data was collected using a qualitative method of in-depth interviews to gain first-hand reports from six women in C-suite positions, which they had held for a minimum of two years. This method eliminates errors from misinterpretations of the commonly written survey. Each interview consisted of eight questions, over a 20-30-minute timeframe. Respondents' age, years of experience, education level, and employment background varied greatly.

The interviews contained data in the following categories: age, gender, organization of employment, years of work experience, types of degrees, education levels, experience with mentorship, and experience with societal-related factors (i.e., patriarchy, racism, etc.). These transcripts were then coded for common themes. This coding procedure yielded four primary correlating factors:

1. Executive boards have improved diversity measures, but there is room for more improvement.
2. Companies that have evolved their culture and structure tend to recruit and retain more working mothers.
3. Advocates within executive teams are needed to retain and increase diversity across applicants and hires.
4. The lack of diversity across executive positions is driven by disparities in both race and gender.

These factors contribute to and result from the remaining factors, and exist in a cyclical pattern of women's success being dependent upon a flexible working environment and opportunities within the C-suite.

RESULTS // INTENTIONAL RECRUITMENT AND RETENTION TACTICS TO DIVERSIFY THE C-SUITE

The four prominent themes of the coded data complement each other perfectly and form a clear narrative of cause and effect. For organizations and companies to evolve and accommodate today's societal and cultural demands, they must have a more diverse and inclusive workforce. Change is driven from the top, so C-suite positions must become the standard for successful representation and inclusion. Transformational recruitment and retention strategies require that new talent have an accommodating work environment to participate in the highest levels of leadership. Ultimately, reshaping the boundaries of the existing work culture will enable recruitment and retention of a variety of employees with diverse ethnic, racial and religious backgrounds to include more women executives in the C-suite. These changes must be initiated by advocates within the corporate structure in order to be successful. One can see the correlation between the data in these transcripts and the gender and minority ratios throughout executive-level positions nationwide. This study demonstrates the critical interventions to diversify executive position applicants, to change the dynamics of the existing corporate work culture, and to recruit and retain female executives in C-suite positions.

INSIGHTS // INTENTIONAL RECRUITMENT AND RETENTION TACTICS TO DIVERSIFY THE C-SUITE

Diversity in leadership enhances the workplace. Intentional efforts need to be made around recruitment and retention practices to create more equity among the C-suite. Through our interviews and research, we found consistent barriers to women and people of color who sought, applied and were hired in C-suite positions, including:

- Lack of flexibility in scheduling.
- Women being named as overly caring and unconfident.
- Lack of mentorship and advocacy.
- Male perceptions of women's leadership capabilities (McKinsey & Company, 2022).

Interviewees who participated in this study overcame every barrier and are actively paving the way for additional change. All of these named barriers are directly associated with recruitment and retention. Knowing these barriers exist can help drive solutions.

Achieving talent diversification in C-suite positions through recruitment and retention is complex, but we believe that the following strategies can help:

- **Step 1:** To achieve talent diversification, you need a diverse candidate pool. This can be done by posting job openings in a wide range of places and reaching out to underrepresented groups. Consider partnering with organizations that support diversity in the workplace. For example, if seeking psychologists consider connecting with The Association of Black Psychologists.
- **Step 2:** Review hiring practices to ensure that they are inclusive and do not contain any biases. For example, make sure that job descriptions are written in an inclusive language that doesn't favor a particular gender or race.
- **Step 3:** Train hiring managers on unconscious bias, diversity and inclusion, and the value and purpose of a diverse workforce. Inclusion in the workplace can be defined as the practice of creating a sense of belonging, respect and equal access to resources and opportunities for all employees. Within the Denver community a great example of this is the current work being undertaken by the University of Denver (DU). DU has required training for all current and incoming administrators, and encouraged additional exploration in diversity, equity and inclusion.
- **Step 4:** Provide mentorship and support. Diverse hires who have advocates behind them are more successful in advancing their careers within the organization. This can help increase retention rates and ensure that the talent pool for C-suite positions includes applicants from diverse groups. A note that sponsorship and mentorship programs do exist, but have generally been less regulated and often favored men. "For men, the sponsorship rate is higher at 12.3% compared to women at 10.2%" (Zubair, 2022). Look to software, such as the Together Platform, to build mentor and sponsor connections for everyone.
- **Step 5:** Hold leadership accountable for achieving diversity goals and metrics. This can be done by setting targets and tracking progress over time. Look for industry discoveries such as those in Community Mental Health made by American Association for Community Psychiatry with the development of the Self-Assessment for Modification of Anti-Racism Tool (SMART) (Shoyinka, Talley, Minkoff 2021).
- **Step 6:** Finally, create an inclusive culture that values diversity and encourages open communication. This can be done by providing training on diversity and inclusion, promoting awareness of unconscious bias, and encouraging collaboration across teams.

Following these strategies enables organizations to progress in diversifying their workforce, and representation in C-suite positions through recruitment and retention. Those who make the effort will see better performance in business (Hunt, Layton, Prince 2015).

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