



# CWCF WOMEN'S LEADERSHIP LAB

LEADERSHIP LAB WHITEPAPERS // 2023



**COLORADO  
WOMEN'S CHAMBER  
FOUNDATION**  
ADVANCING WOMEN IN WORK



**COLORADO WOMEN'S  
CHAMBER OF COMMERCE**

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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.**



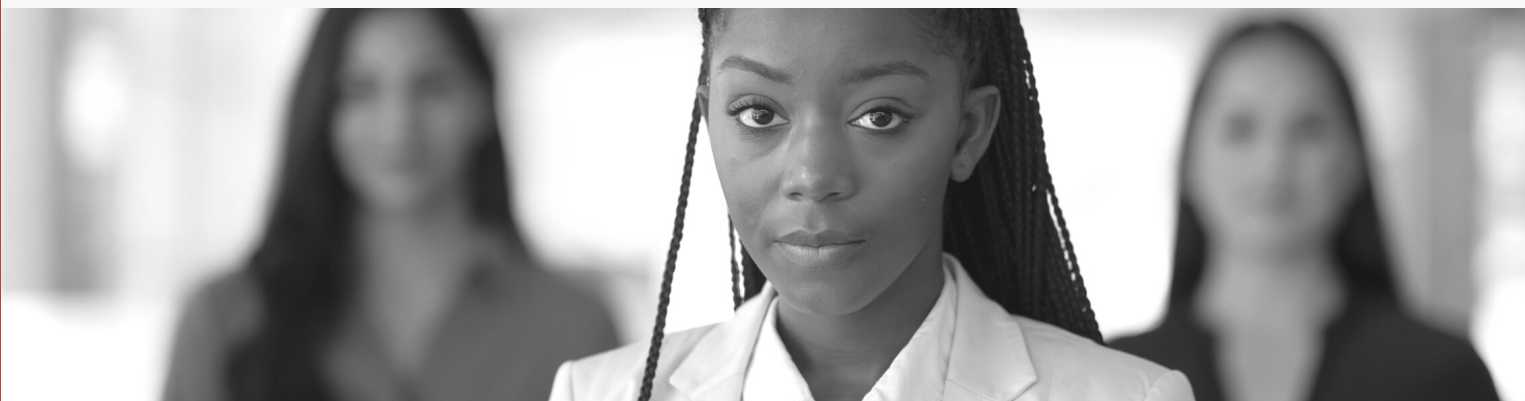
# HOW ORGANIZATIONS REDLINE WOMEN FROM C-SUITE ROLES

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.<sup>1</sup> Yet only 19% are members of the C-Suite, and of that group, only 5% of women are CEOs.<sup>2</sup> 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.<sup>3</sup> 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.



BY // Yontae Johnson Li'shae, SSA Group  
Liloni Ramos, Gary Community Ventures  
Susie Williams, BOK Financial  
Cassandra Tompkin, STACK Infrastructure  
Casey Minnick, UBS

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.<sup>4</sup> 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.





How are corporations contributing to global gender parity? Corporations have a momentous impact on the economy (up to 72% of GDP<sup>5</sup>) 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?<sup>6</sup> 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?



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.



# 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.<sup>7</sup> 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 alluded 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 <sup>8</sup> 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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