

FT HAS COPYRIGHT 2014

MUCH HR EFFORT 'WASTED' BY FOCUSING ON GENDER DIFFERENCES

By Dina Medland



©Anna Gordon

In credit: António Horta-Osório is praised for his pledge to increase the number of women in senior roles at Lloyds

HR departments in listed companies have been working overtime for the past three years to show they are doing all they can to address the [under-representation of women in business leadership roles](#).

In early 2011, Lord Davies of Abersoch published his review for the UK government on women in the boardroom and recommended a 25 per cent voluntary target for female representation by 2015.

But although HR departments have been vociferous about taking up the challenge, some believe much of their effort has been repetitive and without impact. This is because they set out with the premise that men and women are fundamentally different in how they pursue a career, rather than different in what they are willing to endure in its pursuit.

“Most of the gender diversity initiatives focus on difference. But we have been interested to find how few differences there really are between men and women,” says Rachel Short, director of the London office of YSC, a business psychology consultancy.

It has been working alongside KPMG, the professional services firm, on research aimed at understanding the gender profile of UK companies as part of an initiative by The 30% Club, a campaigning body, called Balancing The Pyramid.

The initial analysis of a cross section of FTSE 350 companies published late last year suggests a need to “update our expectations about the similarities and differences in the pattern of men’s and women’s careers”, according to a joint statement.

The study found men and women to be “equally ambitious” overall, but with a different “rhythm” to their careers, which might give senior female executives broader experience than male counterparts.

It also found reason to question the wisdom of being overly reliant on promoting gender-targeted flexible working arrangements as a means of engaging women as they rise to the top of an organisation. “Although nearly twice as many women than men work under formal flexible working arrangements, women are sensitised to the promotion-limiting implications of such arrangements,” the report says.

It raises the danger that flexible working becomes seen as the “woman’s option” and a euphemism for “going nowhere” in their career.

HR departments can, however, take heart from the research on the value of internal monitoring activities in revealing shifts of perception. The study revealed a change in how male and female leadership is valued in corporate environments.

It says: “The vast majority of positive leadership behaviour is viewed as identical in men and women.” But it says stubborn pockets of stereotyping remain: “Women are more frequently described as providing values-based leadership, while men continue to be rated more frequently for their commercial acumen and logical-rational approach to problem-solving.”

The study adds: “Authenticity is the key to women’s leadership. By the time women reach executive committee level, they are far more comfortable being themselves as opposed to self-managing to meet gender expectations.”

KPMG’s initial findings revealed in December 2013 showed FTSE 100 executive committees were 21 per cent female on average and that a man starting his career with a large FTSE 100 UK company is still 4.5 times more likely to make it to the executive committee than his female counterpart.

HR departments might be forgiven for wondering how much of a return they have achieved for all their efforts. Those in the HR sector making the case for more specific metrics – and targets – to bring about change are getting louder and finding new tools.

Technological advances mean there are easier and quicker ways of exposing the true state of organisations than using time-consuming research (see article below).

But the danger remains that HR can be used to disguise a lack of real action. Kate Lye, founder of KLI Consulting, a leadership and employee engagement consultancy, sees the HR function in many organisations being used to avoid the real issues.

Commenting on the [pledge this month by Lloyds Banking Group](#) to have 40 per cent of its senior roles filled by women by 2020, she says too many chief executives respond to the “women question” by pointing to development activities, such as leadership courses, women’s networks or women-friendly policies. She argues that this response defines gender imbalance as a training and policy issue, passing responsibility from the executive to HR.

She gives Lloyds’ chief executive, [António Horta-Osório](#), credit for taking a stand but says there are no simple answers. “If the solutions were so straightforward, many of the chief executives I work for would have got their hiring managers on the case some time ago rather than suffer embarrassment whenever the Davies report was mentioned,” she says.

“Training and HR policies are the knee-jerk response most companies make when they first look at diversity. But increasingly, businesses are concluding that they are helpful but certainly not sufficient for the level of leadership change that Lloyds and many other banks are looking for.”

She says Mr Horta-Osório needs to understand the barriers holding back women at Lloyds and remove them: he should ask what it is that men and women do in his organisation that results in fewer women reaching senior positions.

Technology: Visual data can inform the debate

A 2013 report on Gender Equality in the UK said that “cultural change to foster gender parity requires both the hardware of gender parity programmes and the software of a supportive culture”.

But another kind of software, capable of taking large amounts of data and making it visual to give it immediate, hard-hitting impact, is also proving helpful in informing the

gender debate.

Data Morphosis is a UK company with a flagship product called Gender Gap – technology that extracts all relevant diversity data, including gender, ethnicity, sexual orientation, disability and more, directly from organisations’ HR systems. This enables immediate analysis and is a powerful tool in shifting the argument, says Sam Jones, the company’s chief executive.

“The whole ‘women in business’ discussion has become tired and repetitive. Competency doesn’t have anything to do with gender. The companies that can track the journey of individuals who work for it are the ones that do the best,” he says.

Gender Gap’s technology, he says, “shows the truth about your organisation swiftly. It enables HR departments to cut through the data and see the trends.”

Founded in Hong Kong, Gender Gap first worked with investment banks, and has clients today in the FTSE 100, says Mr Jones. It has worked with companies in sectors from engineering to cruise liners.

The 2013 Gender Equality report, by Darci Darnell and Orit Gadiesh of Bain & Co, cites evidence that women make up 56 per cent of UK university graduates, yet a far lower proportion make it to board level of FTSE 350 companies. Mr Jones accepts there are multiple factors causing this imbalance, but says tracking the data on the career journey from leaving education to business leadership positions has to be a “no-brainer”.

“We see this as a powerful tool because it removes opinion from the equation,” says Mr Jones.

The power of data and research to bring about change was reinforced this month by the announcement in the US of No Ceilings: The Full Participation Project. This partnership includes The Clinton Foundation and Melinda and [Bill Gates](#), the former Microsoft boss, and will gather and analyse data about the status of women and girls’ participation around the world.