

WHY WOMEN MEAN BUSINESS

UNDERSTANDING THE EMERGENCE OF OUR
NEXT ECONOMIC REVOLUTION



AVIVAH WITTENBERG-COX
& ALISON MAITLAND

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Our Next Economic Revolution

Avivah Wittenberg-Cox
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Further praise for Why Women Mean Business

"This is certainly a book I would recommend to CEOs preoccupied by winning the war for talent. It gives valuable insight into the core of the issue – how to adapt your systems and culture to attract 'the other half of the talent pool' to leadership positions."

Hilde Myrberg, Executive Vice President, Orkla ASA

"There is now a growing body of evidence that gender equality is not only the right thing to do: it is good for business and good for economies. But the authors don't just provide an excellent analysis. Through their concept of 'gender bilingualism', they set out the practical measures organisations can take to implement a gender strategy. Whatever your line of business, you should read this book."

Nikolaus G. van der Pas, Director-General for Employment, Social Affairs and Equal Opportunities, European Commission

"An extremely important and insightful book which blends together much of the current thinking about women, together with wisdom and thoughtfulness. All women will be the beneficiaries of their efforts."

Lady Barbara Thomas Jones, Chair, UK Atomic Energy Authority

"This is a great book – and more timely today than ever before. While there has been a lot of progress over the last two decades with regard to women in business, there has also been an element of half-heartedness among many key stakeholders. This book makes it perfectly clear why the progression of women in business is an obvious 'win-win' proposition for all. It goes on to highlight some of the key implementation challenges and offers practical approaches to overcome these challenges. A must read for all leading managers!"

Professor Peter Lorange, President, IMD Business School

"Startling and sobering and immensely useful . . . an eye opening work. Wittenberg-Cox and Maitland map the emergence of the female economic engine, trace its importance to the global economy and provide a thorough-going guide to how companies can better utilise female talent."

Sylvia Ann Hewlett, Economist, Author of *Off-Ramps and On Ramps: Keeping Talented Women on the Road to Success*, President of the Center for Work-Life Policy, New York

"Why Women Mean Business provides a fresh and well researched series of insights around some of the perennial issues about women at the top of organisations. The economic arguments presented to support change, together with the solutions being suggested, combine to ensure that the book is a key resource to all those who have or should have a concern. It also quietly despatches some of the myths which have survived so long."

Chris Thomas, Partner, Egon Zehnder International

"Talent is short again these days, but the promise of gender diversity remains elusive for many world-class companies. Full of examples from across the globe, Wittenberg-Cox and Maitland's highly useful book shows how success comes down to treating a gender initiative like any other business opportunity. Practical yet profound, the ideas and steps outlined will help change the conversation about gender – and the bottom line."

Herminia Ibarra, Chaired Professor of Leadership and Learning, INSEAD

"A brilliant, entirely new perspective that puts women squarely where they belong, at the centre of the economy and society."

Aude Zieseniss de Thuin, Founder and President, Women's Forum for the Economy and Society

"Many of us have a lot of catching up to do to realise that the answers to most of our questions about talent, leadership, flexible working, and all that good stuff, are there already – if we just open both of our eyes and all of our imaginations. That's why women mean business."

Austin Hogan, Head of Human Resources, Operations & Technology, AIB Group

"This timely book enables courageous business conversations on having a business for women, with women. To enable a difficult conversation to get on the business table is a feat by itself. To have a means to tackle it is an even bigger achievement. The authors managed to achieve both with this book. This book sharply articulates the inevitability of the future of business – in women's hands."

Rhodora Palomar-Fresnedi, Former Global Head of Diversity, Unilever

"The authors clearly make the business case for supporting the career advancement of women and show organizations – though it won't be easy – how to get on with it. Their use of international company examples highlights worldwide interest expressed by the best-managed companies in using the talents of ALL employees. A must-read for enlightened 21st century executives."

Ronald J. Burke, Professor of Organizational Behavior, Schulich School of Business, York University, Toronto

"Avivah Wittenberg-Cox and Alison Maitland know what they are talking about. They're realistic, practical and determined not to let anyone – corporate managements or executive women – do less than their best. Any company that is serious about success must get serious about women, and this book shows them how."

Margaret Heffernan, Author of *The Naked Truth*

"Wow! What the authors are doing is extraordinarily valuable. They draw upon a wealth of information and put it into a global frame. Why Women Mean Business establishes an inarguable, last-word-on-the-subject business case for why organisations absolutely must get better at attracting, retaining, inspiring, and promoting talented women. It will be at the top of the reading list I provide for clients!"

Sally Helgesen, Author of *The Female Advantage, The Web of Inclusion, Thriving in 24/7*

"Success for business will increasingly depend upon the ability of companies to fully utilise a diverse pool of talent. Understanding the business case for championing women is the first step, making gender diversity actually happen is slightly more difficult. This book is compelling reading for those who want to win the war for talent."

Peta Payne, Managing Director, International Women of Excellence

"The authors are intrepid translators of the perils of today's gender-imbalanced business world. They weave an engrossing business case as to why companies must begin integrating a gender lens into how business gets done. My advice? Stop reading the quotes on the back of this book and buy it now. Your employees, customers and shareholders will thank you."

Joanne Thomas Yaccato, Author of *The 80% Minority: Reaching the Real World of Women Consumers*

Why Women Mean Business

Avivah's thanks go to her mother, who first taught her the full meaning of the word "woman." To her husband Karl for being man enough to love it all. To my precious trio of muses: Gilly, Juliet and Josephine, who believed before I did. And to the inimitable Adam & Alexie, who will *both*, I hope, enjoy a more gender bilingual generation.

(AW-C)

Alison's personal dedication is to her beloved family, past, present and future, and above all to David, for his love, encouragement and support, and to Eleanor and Isabel, for being who they are

(AM)

FOREWORD

The issue of women in business is one that has preoccupied me for many years. Alison and Avivah's book is a timely contribution to the increasingly vocal debate about the economic importance of women. It is refreshing to read their comprehensive analysis of gender as a business issue, not a women's issue.

I strongly believe that women leaders are critical for business, and not only because they are 50% of available talent! Women have different ways of achieving results, and leadership qualities that are becoming more important as our organizations become less hierarchical and more loosely organized around matrix structures.

There is a feminine approach to leadership, which is not of course confined to women. It is about being intuitive as well as rational. It is about multi-tasking and being sensitive to people's needs and emotions, as well as relationship building and generous listening.

To transform organizations, drive change, challenge conventions, leaders need to inspire people and that is only possible

if you connect emotionally with your followers; that you show self awareness and openness; integrity and authenticity.

Women have an inherent advantage in the softer aspects of leadership. These are also the areas where business is changing most rapidly. I feel that women are in a unique position today, and over the next few years, to make a step change in filling leadership roles.

I also believe it is increasingly important that women should stop feeling they have to be like men to succeed like men. This is going in the wrong direction. My advice is: do not seek to develop male strengths, just when female strengths may be in the ascent. Remain yourselves and encourage new patterns of male behaviour. We can't make the future happen unless women help the men adjust. All our leaders, female and male, need to be skilled and confident in drawing on all aspects of their persona to be effective leaders.

Niall FitzGerald KBE, Chairman, Reuters

PREFACE

Michael Kimmel

My first reaction to *Why Women Mean Business* was a bit apprehensive. After all, the title suggests that women and men might be so different in their approaches to work, business, and economics – that there needs to be a separate category. I worried a bit that it might settle too comfortably into that prevailing (if inaccurate) wisdom that holds that any form of cross-gender communication is an event of interplanetary proportions.

And I've spent the better part of my career refuting the facile dichotomy that men and women are from different planets. After all, if we were so different, we couldn't work together, talk together, live together, or raise children together. It turns out that women and men are not from Venus and Mars, but both are from planet Earth. The differences between women and men – as well as the differences among women and among men – are what make life alternately thrilling and frustrating, exhilarating and demoralising – but always worthwhile.

That was before I read it. My second reaction was, well, I wish I'd written it. Because what Avivah Wittenberg-Cox and Alison Maitland have done is something that is rarely accomplished in books about gender in the workplace today: they have listened carefully to both women and men, and revealed not so much how women and men are different, but rather the sleight of hand that has portrayed "manonomics" as "economics" – that is, substituted one exaggerated version of economics as the only game in town. (They title their first chapter "womenomics" just in case you missed the point!)

In doing so, what we learn is that what we thought was "organisational logic" or "market-based decision making" or "rational choice" are not gender-neutral terms, but terms invented by one gender and then generalised to an entire organisational system as if they were the *only* way to organise things. What got left out was another voice.

Let me give you a now-famous analogy. When the developmental psychologist Carol Gilligan began to research "moral development" in children and adolescents, she found that psychologists had typically created a developmental sequence in which a person's moral decision making moved gradually, but ineluctably, from more concrete morality (is it good for me and the people I care about?) to more abstract conceptions of justice (what is right and fair, no matter who gets hurt).

Oddly, she found that most women (and some men) were deemed less morally “developed” because their morality centred on the effects of decisions on those they cared about – what she called the “ethic of care”. On the other hand, most men (but by no means an overwhelming majority) and many women subscribed to the more formal and abstract “ethic of justice”. This second groups’ “voice” was heralded as more highly developed morally.

But what, Gilligan asked, if we turned it around? What if we decided that an abstract sense removes the individual from the network of affective ties that are the stuff of real life, and that connectedness, not abstract principle, is the highest form of moral development? Well, why not? Whoever said abstraction was all that great?

The point, of course, is not that men are simply committed to abstract justice and women to caring and connectedness. Women and men share both traits. But we have so over-valued one at the expense of the other that our hearing has become distorted, and we barely recognise one voice at all.

It is that distortion that this book exposes. What we thought was rational organisational behaviour – preferring the unencumbered worker, willing to devote himself slavishly to the company 24/7 – is actually a very skewed vision of the

world. It profits neither the company nor the worker in the long run. In fact, in today's economy it pretty much guarantees you won't get the best workers.

What's more, it suggests something surprising. Over the past 40 years, women's entry into the labour force has been the single greatest transformation of the labour force in European and American history. The trajectory has been dramatic, and the pace, in large-scale economic terms, has been as fast as lightning.

I often demonstrate this point to my university classes by asking the women who intend to have careers to raise their hands. All do. Then I ask them to keep their hands raised if their mothers have had a career outside the home for more than ten years without an interruption. Half put their hands down. Then I ask them to keep their hands raised if their grandmothers had a career for ten years. Virtually no hands remain raised. In three generations, they can visibly see the difference in women's working lives.

Just over 45 years ago, in 1960, only about 40% of European adult women of working age were in the labour force; only Austria and Sweden had a majority of working-age women in the labour force. By 1994, only Italy, Greece, Ireland, Luxembourg and Spain did *not* have a majority of working-age women in the labour force, and the European average had nearly doubled.

And women have found themselves able readily to adapt to this very “gendered” arena. They’re doing great, rising to managerial positions, and, in Europe at least, managing to do so without sacrificing family life, although they do often sacrifice rapid mobility into top-tier management positions. In the States, by contrast, women still sacrifice family life for career mobility and studies of top-level managers in the US find that most women have sacrificed motherhood, outsourced it, or staggered the timing of career to follow raising children.

Women have adapted – *and managed to remain women*. That is, what this book reveals is that women have been able to claim those falsely assumed “martian” traits – ambition, assertiveness, competence – and not lose their falsely termed “venusian” traits – caring, nurturing, connectedness. Women may still struggle to “have it all”, in common parlance, but women are definitely able to “do it all”.

It’s hardly an either/or phenomenon. One needn’t choose between being caring and competent, between being effective and affective. By showing how “manonomics” has been an impoverished economics, this book shows us what “humanomics” might actually look like. And it looks very good indeed.

Michael Kimmel, Professor of Sociology, State University of New York

I WAS SO RELIEVED TO DISCOVER
'REBALANCING THE GENDER MIX'
DIDN'T INVOLVE SURGERY THAT
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ACKNOWLEDGEMENTS

This book grew out of our parallel work on women and leadership in the business world over the past decade. In our respective professions as a consultant and a journalist, we have advised on or written about the huge changes that are taking place in the labour force and in the way people work, and spent much time examining why these changes have not been reflected in the executive suite and the boardroom.

Among the many people we have worked with and consulted for the book, we have encountered a combination of frustration at women's lack of progress into leadership and of eagerness for new solutions. Both have reinforced our belief that there is an urgent need for a fresh perspective.

We are grateful to the business people and professionals we spoke to, both on and off the record, for giving us their time and their views. In particular, we would like to thank:

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