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## **Executive Summary**

Question: What is one strategy for increasing the number of women in senior management and executive positions? What are considerations when implementing this strategy?

### **Women in Executive Positions: Current Situation**

The number of women in executive positions is disproportionately low compared to the overall number of women in the workforce. While women make up nearly fifty percent of the United States workforce, only fourteen percent of executive officers in fortune 500 companies are women (Catalyst, 2012). This company's workforce is made up of nearly seventy-five percent women, but women representation at the executive level is twenty six percent. At the boardroom level, the percentage increases, but only to thirty one percent (Company data, 2013).

Barriers to promoting women to executive positions are numerous and well documented. Common reasons include a lack of mentoring, different standards of performance evaluation for women and men, and a lack of access to informal networks of communication. (Johns, 2013). In addition, most companies promote from within, and often have a smaller pool of women at lower levels to recruit for management positions (Johns, 2013).

### **Recommendation:**

We recommend implementing a sponsorship program. Lack of access to mentors and the informal networks of communication are common barriers. Considering these barriers, a sponsorship program could be effective in developing women executives. This sponsor is similar to a mentor program; however, the key difference is in the purpose of the sponsor. A mentor aids in social, emotional and personal growth development whereas a sponsor, in addition to traditional mentoring duties, has significant influence on decision-making processes and advocates for, protects and fights for the career advancement of the "sponsee," or protégée (Foust-Cummings, Dinolfo, & Kohler, 2011). Sponsorship is riskier than mentorship, because the sponsor is personally vouching for the protégée; however, this is one reason that a sponsorship program is more effective than a mentorship program. This is particularly powerful for women, as research indicates that women start out behind and remain behind, even with the help of a mentor. However, when these mentors are highly placed within an organization, women are just as likely as men to be promoted (Foust-Cummings et al 2011). In fact, a recent study concluded that women with a mentor increased their odds of being promoted to mid-management by 56 percent over women without a mentor. The study also noted that mentoring and sponsorship from senior-level positions led to career advancement for both men and women (Roebuck & Smith, 2011).

### **Implementation Strategy:**

There are several steps that an organization can take to implement a sponsorship plan. A critical, initial step is to create a culture where sponsorship is the expectation. One method to develop this culture is to include sponsorship as a component of the annual review for senior executives. Training for senior executives as to the role of a sponsor and the expected outcomes is another component to developing a culture of sponsorship. Training for the protégées would also increase the success of the program. Women are less effective in their use of professional networks compared to men, despite more frequent use of other formal or informal networks, because there is a perception that networking displaces attending to responsibilities at home (Roebuck & Smith, 2011). According to a survey of top executives, there are four components to a sponsorship relationship that are critical: trust, honesty, open communication and commitment (Foust-Cummings et al, 2011). It is important to provide training that would facilitate the development of these qualities in the sponsor-protégée relationship.

There are various components to consider to implement a successful sponsorship program, including the matching of sponsors and protégées. This can be either an informal process, occurring naturally, or a formal pairing. If the latter, sponsors and protégées should be matched based on skills and availability, and position within the company. Formal goals and a timeline should be established. Both parties should also be accountable for the success of the relationship, as measured through several concrete indicators of success. These may include promotion rates for protégées, participation rates and retention of participants (Minton-Eversole, 2010). The timeline of the relationship is important as studies report that individuals with extensive mentoring relationships, as opposed to short-term relationships, reported receiving more promotions, had higher incomes and were more satisfied with their salary (Dworkin, Maurer, & Schipani, 2012). Targeting women earlier in their career, and developing a pipeline for promotion, is a way to create more success. One study reported that the majority (76%) of protégées surveyed found their mentoring, or sponsorship, relationship most important during their early or mid-point of their careers (Dworkin et al., 2012).

### **Bottom-Line Impact**

Multiple studies have proven that increasing the number of women executives for a company has a direct impact on financial performance. In one study, conducted over 19 years, Fortune 500 firms with a high number of women executives outperformed their industry median on four different measures of profitability (Johns , 2013). Another study showed that companies with the highest number of women in their top management teams experience better financial returns, up to 35% higher (Johns, 2013). Implementing a sponsorship program is one effective means to achieve the goal of increasing women in executive positions.

## References

- Dworkin, T. M., Maurer, V., & Schipani, C. A. (2012). Career mentoring for women: New horizons/expanded methods. *Business Horizons*, 55(4), 363-372. doi: 10.1016/j.bushor.2012.03.001
- Foust-Cummings, H., Dinolfo, S., & Kohler, J. (2011). *Sponsoring Women to Success*. New York: Catalyst.
- Johns, M. L. (2013). Breaking the glass ceiling: Structural, Cultural and Organizational Barriers Preventing Women from Achieving Senior and Executive Positions. *Perspectives in Health Information Management*.
- Roebuck, D. B., & Smith, D. N. (2011). Wisdom from executive female leaders: What can organizations, executive education programs, and graduate students learn? *Journal of Executive Education*, 10(1), 43-73.

## Appendix 1: Recommended Resources for Further Investigation

In addition to the resources cited in the paper, which are excellent resources for further information, we recommend the following articles. The articles address both sponsorship and other methods for increasing the number of women in executive positions.

Beeson, John; Valerio, Anna Marie. (2012). The executive leadership imperative: A new perspective on how companies and executives can accelerate the development of women leaders. *Business Horizons.*, (55),417-425.

Catalyst. [www.catalyst.org](http://www.catalyst.org).

Helfat, C. E., Harris, D., & Wolfson, P. J. (2006). The pipeline to the top: Women and men in the top executive ranks of U.S. corporations. *Academy of Management Perspectives*, 20(4), 42-64. doi: 10.5465/AMP.2006.23270306

Matsa, David A. and Miller, Amalia R., (2011) Chipping Away at the Glass Ceiling: Gender Spillovers in Corporate Leadership. *RAND Working Paper No. WR-842*. Available at SSRN: <http://ssrn.com/abstract=1799575> or <http://dx.doi.org/10.2139/ssrn.1799575>

Wirth, L. (2009). *Breaking Through the Glass Ceiling: Women in Management*. Geneva: International Labour Office.