

INTERNATIONAL PARLIAMENTARY CONFERENCE ON GENDER AND POLITICS

Speech at the Reception and Buffet Supper Crypts, Guildhall City of London

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Aldermen, Chief Commoner, Ladies and Gentlemen: it's a great honour to be speaking to you at this dinner of The International Parliamentary Conference on Gender and Politics.

I'd like to share with you some thoughts on two topics: first, why diversity is good for business – and second, how mentoring can help to increase the number of women who are credible candidates for leadership roles.

Before starting however, I would like to say something about difference. I am speaking to you from an experience base that is primarily grounded in the UK. I have worked in 14 countries (some of them, your own!) but I am by no means an expert in how the issues of gender diversity and mentoring work in your countries, and I offer you my thoughts this evening with that very clearly in mind. Please take what is useful to you from what I am about to say.

Why, then, is diversity good for business? Research project after research project has shown that mixed teams – that, is teams in which the different genders are represented – produce better results than single sex teams. Research carried out here in the UK at the London Business School and by McKinsey has demonstrated that teams, and companies, that work to include and involve women, consistently perform more highly than single sex groupings. There is more innovation, there is more awareness of the full range of consumer preferences, and there is some evidence to suggest that there is more economic effectiveness and higher levels of profitability in companies in which women play a full part at senior management levels.

In the UK the points I have just made are now largely accepted. The task for UK business is, therefore, now, to increase the number of women participating at a strategic level. The focus for the past few years has been on increasing the number of women directors in UK companies – and we are having some success! Research carried out by Cranfield School of Management shows that the percentage of new female appointees in the FTSE 100 Companies has increased from 13% in the 12 months to October 2010 to 34% in the 12 months to October just gone – last month. This is excellent. But the journey is far from over, because although – again in the FTSE 100 - 21 % of non-executive directorships are held by women, only 6.4% executive directorships are held by women. Our task is to continue to work to increase the number of female non-executive directors and at the same time to work hard to increase the number of women holding executive directorships, and to build the talent pipeline.

Which leads me to the second topic in this short talk – the importance of mentoring.

Everyone who is active in this field – and you are meeting and talking to many of them during this International Parliamentary Conference – is acutely conscious that many senior women in organisations in this country have had to deal with obstacles that their male counterparts have not. Some of those barriers and hindrances; those impediments, are structural, for example:

- career “hinge moments” (those vital points in a career, where decisions are taken about whether a woman is on the succession plan, or in line for a crucial promotion) that clash with the child care years, and set women back in their efforts to progress;
- poor “on ramping” policies in companies (by which I mean those arrangements that are – or are not- in place to assist women make an effective and successful re-entry into the company after maternity leave) that result in women failing to make an effective or lasting return to work after maternity;
- lack of senior female role models, to observe and learn from;
- abrasive organisational cultures, that are built around the norms of male leadership styles and take little account of women’s contribution and method of working;
- unthinking assumptions and unconscious bias in organisations;
- and (finally) a shortage of tailored development programmes that acknowledge, and value, women’s leadership styles.

These barriers and hindrances are external. There are also some barriers that may lie within women themselves. They may wish:

- to build personal confidence, in order to have the courage to take on new roles;
- to be ready to take more risks and venture more (there is a considerable body of research that suggests that – in general – women are slightly more risk-averse than men);
- they may need a hand in building effective and expanded influence networks;
- they may want to develop greater expertise in dealing with organisational politics, and finally
- they may want to develop a stronger sense of personal authority, presence, and impact.

Now, the good news is that in the UK there is a lot of work going on to try to accelerate the pace of change; to address the structural issues and to support individual women. There are some wonderful organisations in this field– and I'd like here to mention here the 30% Club, which has done such sterling work in publicising all the issues related to getting more women on to UK corporate Boards, and Sapphire Partners, a search firm that has worked tirelessly to bring credible senior female candidates to the attention of Nomination Committees (and the Chief Executive of which is one of the speakers tomorrow). There are many others.

In the last section of this talk I would like to say a few words about two more initiatives that are having a real impact in this area: the FTSE 100 Cross-Company Mentoring Executive Programme and the FTSE 100 Cross Company Mentoring Pipeline Programme, both of which are run by The Mentoring Foundation.

In these Programmes, more than 57 FTSE 100 Chairmen and Chief Executives are engaged in mentoring highly capable female executives from just below the Board, in another company (not their own) to help them address all the issues I have mentioned and to support them in becoming credible candidates for Board roles. And the Programmes are working!

104 women have been through the Programme over the last 10 years, and of them 97 have achieved a “significant career enhancement”. This wording is important, because we at The Mentoring Foundation believe that success has many faces, and we are as proud of the Mentee who has been appointed to be a non-executive director of a major charity, as we are of the Mentee who is now running the whole of the North American operation of a major international bank.

We have, therefore, several categories of “success”, and the table below summarises this for you.

Appointed to ExCo or Main Board of FTSE company	Appointed NED Private Sector company – FTSE & abroad	Appointed NED not-for-profit organisation or charity	Appointed to Ex Co or Main Board of Non FTSE Company	Appointed to Public Sector or government role (inc. Permanent Secretary)	Promoted in own company or moved for promotion to another company	Appointed CEO of non FTSE 100 company	Appointed Trustee of Pension Fund
22	23	11	4	12	21	3	1

Now; I do not wish to leave you with the impression that the methods we are using here in the UK are the only ones – or even necessarily the best. Everything will depend upon what is right for your individual national and business circumstances. But what I can tell you is that here in the UK we are finding that initiatives like these - the 30% Club, the FTSE 100 Cross-Company Mentoring Programmes and others - are starting to make a real difference, and to resolve some of the issues that had previously been thought to be “too difficult” to change.

Alderman Woolf, Ladies and Gentlemen, thank you very much.

Peninah Thomson
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