

“Hairy-Chested Notions of How Companies Function”

By Stephanie MacKendrick

Two items passed my desk recently regarding women in the executive ranks. The first was a study from Catalyst, called “The Bottom Line, Connecting Corporate Performance and Gender Diversity”, an excellent report that demonstrates that gender diversity and strong corporate performance go hand in hand. The study says that companies that recruit, retain and advance women benefit with better decisions, produce better products and post better financial results than more homogeneous companies. Companies with strong gender diversity had 35% higher Return on Equity (ROE) and 34% higher Total Return to Shareholders (TRS). In short, they outperform, by about a third, companies that can't or won't support the inclusion of women throughout their ranks.

Despite such economic stats, there still seems to be some resistance to the notion that the advancement of women is good business - at least judging by an article in this month's Fast Company, called “Where are the Women?” by Linda Tischler. It struck me as an honest look at the head-on collision between women and corporate culture, a monumental trainwreck in the making.

The article analyzed the reasons why women who have made it to the top are leaving high-level jobs. One of the main culprits, according to Tischler, is the macho, all-or-nothing culture that dictates that if you aren't prepared to give up absolutely everything for your career, don't even think about getting on the fast track. She cites high profile examples of women who walked away when faced with the realization that they were giving up their hobbies, social life, community involvement and family time to advance their careers.

It's not difficult to understand why when you take a quick glimpse at the lifestyle. Tischler offers the example of Brenda Barnes, a woman poised to take the reins at Pepsi Co before she quit. Her routine? “Rise at 3:30am, blitz through a few hours of work, wake three kids at 7am, dash to the office, work 11 to 12 hours of meetings, conference calls and strategy sessions, home for dinner and bedtime stories before finishing up with phone calls or email before bed. Three nights a week she was on the road. Seven times, she relocated when the company wanted her in another office. For eight years, she and her husband lived in different cities trying to juggle both job demands with family. “ At 43 she was a contender for the top job, but decided it wasn't worth it.

To me, that's a vote in favour of Barnes's sanity. Why would anyone want to live like that if their survival didn't depend on it? Yet for many, such acts of abandonment represent not common sense but the belief that women can't cut it the grueling pace of the executive suite.

Tischler quotes Margaret Heffernan the ex-CEO of CMGI company iCast, who says that when talented women leave, rather than interpret that women can't cut it, the conclusion should instead be drawn that "another company just f****d up big time – trained somebody and made them incredibly skilled and still couldn't keep them."

It's not that all women are suited to or should aspire to top ranks; it's not for everyone, male or female. What galls me is the underlying notion that women don't belong in the executive suite and if they don't like the way things are run that they ought to leave it to the "real" heirs to power, the men.

Heffernan's view is that it doesn't make sense to simply accept what she calls, "hairy-chested notions of how companies must function."

So, rather than blame women for being unable to "hack" it, one hopes that there will eventually be realization that women in fact are the canaries in the mineshaft of the larger workforce. Sure enough, a study of senior HR managers cited in the article found that men too are starting to leave big companies to improve the balance in their lives. Perhaps more attention should be paid to creating a third option between the "kitchen" and the chest-thumping Lord of the Flies culture, one that would be sustainable for both women men.

Because, if taken further, it'll become a brain drain, siphoning off much of the best talent, male and female, workers in their prime who will move on to work for themselves or take less demanding jobs.

Because now, we've got the stats. Keeping women in the game makes good business sense and by extension, so does a more balanced corporate culture.