



KORN FERRY®

Perspectives

WOMEN LEADERS OF THE FUTURE: YOUR PATH

Our landmark “Women CEOs Speak” study reveals a new roadmap that some top women execs—and companies—are taking on.



“In offices across the globe, women both individually and collectively are pushing for more career advancement.”



The problem:

Women executives with high capability and ambitions often miss out on the key experiences and roles future CEOs need.

Why it matters:

Today’s widespread momentum for equality in corporate leadership could stall.

The solution:

Companies should create more finely tuned career development paths for up-and-coming female leaders.

She wasn’t sure she’d get a second chance.

Early in her career, Stacey Tank passed up the opportunity to take on a position with profit-and-loss responsibilities. It was a decision that would linger in her mind. A seasoned executive who has held numerous functional roles in government, marketing, communications, and finance at General Electric, Heineken, and her current company, The Home Depot, Tank knew she needed P&L experience to further her career, but wasn’t sure she’d got another shot.

“I didn’t force the issue of running a P&L and went a different way,” Tank says. “But it had always been a question in my mind, and after my current boss and I started having conversations about growth and developmental opportunities, I saw a path to getting a second chance.”

In offices across the globe, women both individually and collectively are pushing for more career advancement, thanks in part to a confluence of factors from the #MeToo movement to gender pay gaps that have put a spotlight on how companies



One roadblock to remove: Not encouraging enough women executives to take more operational roles with profit-and-loss responsibility.

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can turn gender equality into reality. Now, after decades of little change, a blueprint for that advancement may finally be emerging, say a host of female leaders. In a widely followed joint report by Korn Ferry and The Rockefeller Foundation, “Women CEOs Speak,” more than 50 women CEOs at major companies were interviewed and given in-depth assessments, revealing the traits, competencies and experiences that got them into the C-suite, including in some cases taking on operational roles with P&L duties. Several companies and executives now believe this type of research is providing a rarely seen path to that most elusive of goals: gender equality at the top.

Few would argue that change isn’t needed. As the funnel to the upper echelons of corporate leadership narrows, even high-potential female executives get squeezed. Consider that only 6% of Fortune 1000 CEOs are women, and that this year alone, the CEOs of Campbell Soup Co., Mattel Inc., Mondelez International Inc., and Staples

Inc.—all women—stepped down. At the board level, only 10% of lead independent directors and 4% of board chairs are women.

The issue, of course, is the large gap that still exists between the oft-stated goal of advancing women and a collective understanding on the part of organizations on what it takes to maximize the potential of female leaders and talent. According to Jane Stevenson, Korn Ferry’s global leader for CEO Succession and vice chairman of Board and CEO Services, talent identification and talent development are two different things. “You can have the most capable women in your high-potential training programs,” she says, “but if they don’t have the right experience they will always be on the list for CEO but never get the job. At the moment of consideration, the board is going to go with someone else.”

As the chief information officer at payment provider TSYS, Patty Watson has certainly had a successful career so far, having held both functional and operational roles. But in an interview with Korn Ferry, she says throughout her career at several companies, she actually didn’t think of becoming a CEO until a prior CEO suggested it to her. And she is hardly alone: According to data from the “Women CEOs Speak” study, 65% of the female CEOs surveyed said they only realized they could become a CEO after someone told them so. With few actual female CEOs to model after, only 12% of women CEOs said they had aspired to a CEO role for “a long time.”

Those numbers don’t surprise researchers in and outside Korn Ferry. According to Michael McDermott, a professor at Georgetown University’s McDonough School of Business, seeing women in leadership roles positively impacts female social identity overall and correlates to higher performance and a higher view of themselves as leaders. “Now, think about some of the pictures on the walls in boardrooms and corporate conference rooms,” says McDermott. “Most of them are of men.” Watson, for instance, says that she worked for



“Sponsors are the people in the room with the power to move you forward.”

multiple women, but none with P&L responsibility—those women always reported to a male executive with that critical responsibility.

Several female executives who spoke to us say a large part of energizing women to better plan for the top spot will come from organizations that remove a host of cultural and historical blinders. Alicia Boler-Davis, executive vice president, global manufacturing at General Motors, says her company made that very step with her when it made a strategic decision about eight years ago to profitably develop and produce “small cars” in the United States along with trucks and SUVs—and tapped her to lead the product program as chief engineer as well as the plant manager to build the products. She had been at GM for 24 years and became the first African-American woman in the company’s history to run one of its assembly plants. “GM does a good job of identifying talent early in their career and developing paths based on their interest and potential,” says Boler-Davis, who has held at least a dozen position in operations, quality control, customers experience, sales, and marketing, and now reports directly to the CEO, Mary Barra.

Boler-Davis attributes part of her success to the guidance of strong advocates and mentors. (Of the women in our study, 14% attributed their success to

mentors.) She says it was her boss, after observing her interact with workers on the plant floor, who first suggested the idea of running a plant to her, and more mentors followed as she progressed. “They helped me see what experiences were important to have to make an impact and put my name in the hat when opportunities came up,” she says.

Along with mentors, sponsors can be critical in advancing women leadership roles; the terms are often used interchangeably, but Korn Ferry’s Stevenson says mentors act as counselors, while sponsors are those who use their seniority position to promote promising executives. “Sponsors are the people in the room with the power to move you forward,” she says, adding that it’s equally important they’re aware of your accomplishments. As Stevenson puts it, “It’s not who you know or what you know, it’s who knows what you know.”

Roz Brooks, the US public policy leader for PwC, says one of her first sponsors emerged about 20 years ago when, in her own words, she “significantly blew the budget” while an associate in the tax



practice. But her boss, Matt Rizik, she says, was more interested in her knowledge of the tax code than what went wrong—and from then on used his access to the firm’s leaders to advocate for her. “He put me in front of other members of the leadership team, talked me up when I wasn’t around, alerted me to different positions in the firm,” she says.

It is a testament to PwC’s culture that Brooks says Rizik, now retired, wasn’t alone among male partners who mentored or sponsored her. Indeed, Brooks says she easily could’ve been overlooked for her current role had it not been for the company’s commitment to fostering diverse internal candidates and the time that US chairman and senior partner Tim Ryan took to get to know both her and her work. “A lot of times, these decisions are made off of trust and personal relationships,” she says. “I was lucky enough to understand early on the importance of networking with decision makers and knew how to develop relationships.”

Even with the changing zeitgeist around gender and diversity, few would dispute that unconscious, if not outright conscious, bias still exists. Georgetown’s McDermott says the current corporate climate for female leaders is not yet at a tipping point but is instead at a “dripping point,” meaning that organizations are moving in a positive direction, but the pace of change is more generational and less dramatic in scope than it could be.

Still, experts say companies are at least more open to change than before. “Organizations need help defining and following the necessary steps to maintain a proven pipeline of female leadership candidates,” Stevenson says, “and women need help identifying the right career approaches to prepare for CEO roles.” Stevenson believes that by actively supporting qualified female professionals, organizations can create a virtuous cycle of women leaders who, in turn, can advance the careers of other high-potential women.

As for Tank at The Home Depot, after her boss opened the door, she says she “made it clear that I wanted to run a P&L as my next step.” In June she got that elusive second chance: She was promoted to vice president of The Home Depot’s home services division, complete with full P&L responsibility.

Diversity in the C-Suite: Next Steps

Here's a roadmap companies can follow to build and promote a strong pipeline of female leadership.

