

Gender diversity in management - no cookie-cutter solution

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Gender diversity is improving at management levels - but very slowly. Could the answer lie in a more sector-specific approach to the problem?

An industry-specific breakdown of gender inequality may provide insight into why women still remain vastly underrepresented at senior management level, management analysts say.

Despite strides being made in greater representation of women in the workforce and the strong business case for diversity, women remain in the minority at senior level, with McKinsey reporting in 2016 that just 5% of CEOs in Africa are women.

At policy level, <u>South Africa is ahead</u>. However, women still struggle to move from middle to senior management, says Kumeshnee West, Director of Executive Education at the UCT Graduate School of Business (GSB). There are myriad reasons, she believes: partly because women may have more family obligations, lack confidence to pursue more senior positions, or fear coming across as unlikable if they are ambitious.

"In some industries these pressures are stronger," she explains. "In healthcare, for example, there is greater representation of female workers, perhaps because nurturing is seen as a 'female' quality." Women make up 80% of the workforce and just 40% of management – and yet the latter is still higher than in other sectors.

West believes having a greater appreciation of the difficulties women face and overcome in different sectors, can help build better strategies to support them in meaningful ways; "Leadership is a practice and this will be influenced by the environment in which women find themselves." She adds that at the GSB, the school has relationships with many different sectors through its work in the customised education space and that this knowledge translates into its leadership short courses including the Executive Women in Leadership (EWIL) programme that is specifically constructed to give women the tools to increase their leadership impact and visibility wherever they find themselves. Most GSB courses also encourage delegates to work with a specific challenge they are encountering in their sector for the duration of the programme.

A quick overview of some of South Africa's top performing sectors reveals rich insights, says West.

Finance

South Africa's financial sector has its share of female role models, notes West, including Gill Marcus, Maria Ramos and Nicky Newton-King.

Internationally, finance has formidable leaders too, but critics call for greater numbers. <u>Bloomberg</u> reports that Harvard research indicates female leadership is "stuck in the single digits". Yet a CSRI review of over 2000 companies, found that in the actively managed fund business, female managers consistently outperform their peers. "Several academic studies conclude that women have better performance - on both an absolute and a risk-adjusted basis - than their male counterparts," reports Bloomberg. According to a Goldman Sachs study, there's a biological reason: the higher the testosterone level, the greater the chance of more frequent trading – which eats away at returns.

Healthcare

Globally, women carry a disproportionate <u>burden of disease and death</u>, and there have been calls for more women at decision-making level. West comments that in South Africa, female leaders have been active in <u>occupational health</u> or

primary healthcare, as well as challenging government policy.

Mental healthcare is crucial in South Africa too. The country was recently rocked by the Life Esidimeni scandal, and there is a <u>critical skills shortage</u> alongside a high incidence of mental disorders. Zerina Royeppen, Managing Director of the South African College of Applied Psychology (SACAP), and an alumna of the EWIL programme, says at SACAP gender unevenness is reversed: females dominate, with a shortage of strong male leaders. "We do business with people, not spreadsheets," she says. The challenge, therefore, is to keep interpersonal relationships at the forefront despite a heavy workload.

Government and politics

Overall, women are well represented in South African government and politics. According to UN data, female representation increased from under 3% pre-1994 to just under 50% in the national assembly in 2017. Leaders include Thuli Madonsela, Nkosazana Dlamini-Zuma, Naledi Pandor and Helen Zille. Legislation played a notable role here, believes West.

Law

Internationally, there is <u>rising awareness</u> that the legal sector lacks diversity. According to Women Leading in Law (<u>WOLELA</u>), a national network of women lawyers committed to personal and professional development, for the first time in South Africa there are more female than male law graduates. Describing sectoral transformation, WOLELA says, "Globally research shows that supporting a more holistic and less adversarial approach to legal practice must include exploring the ways in which women practise law differently to men."

This <u>trend</u> is continuing, but, says Head of Knowledge & Learning at Webber Wentzel, Kathy Colman, there is still "a very significant decline in the number of women in law firms as they rise in seniority."

"The low representation of women partners in law firms is probably compounded by the lengthy career path typical of the legal profession," says Colman, another alumna of the GSB's EWIL programme. "Law firms are knowledge businesses and by necessity invest heavily in their junior lawyers. It is in no-one's interests to lose these talented women. By acting preemptively, it is possible for firms to retain and create a pipeline of women who see fulfilling, long term careers for themselves in the practice of law and as future law firm leaders." This should include a diversity strategy, incorporating flexible working hours, and assigning existing female leaders as mentors.

Education

Suzie Hüsselman, an adult education specialist for The Learning Network (TLN) who also attended the EWIL Programme, says she had to work long and hard to become a leader in the sector. Discrimination equals more competition, which means often women can't afford to support each other, she says. However, this is beginning to change with Gen Ys and Zs in the workforce.

Hüsselman believes a more gender-equal education system will include gender awareness and mainstreaming: "Not something that is just spoken about or referred to in Life Orientation subjects, but translates into lived experience," she explains. "A recognition and celebration of the variety of roles played by women leaders, personally and professionally, as well as women leader networks." Remaining challenges, she believes, are changing perceptions and stereotypes, and equal pay for equal work.

Entrepreneurship and business

According to the Global Entrepreneurship Monitor (GEM) study, entrepreneurial activity among women is on the rise worldwide, albeit mostly because it is need-driven. But in South Africa, a generation of female trailblazers is undeniably making its mark, whether in business, natural resources or media: think Ferial Haffajee; Esmare Weideman or Jane Raphaely; Bridgette Radebe, Christine Ramon and Nolitha Fakude; Basetsane Kumalo or Sibongile Sambo. West says it's important to recognise, however, that female entrepreneurs may start businesses for different reasons and/or face a

different set of challenges.

"The challenges mirror each other across different sectors," she says. "But the solutions cannot always be applied with a cookie cutter. That is why leadership development is often a transformational experience, particularly for women. It's a very individual thing, and the industry context must be taken into account."

For more information on the Executive Women in Leadership Programme at the UCT Graduate School of Business please contact the Executive Education department on 0860 UCT GSB or email execed@gsb.uct.ac.za.

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