

Written evidence submitted by Nathalie Delaere

I am Nathalie Delaere, a seasoned professional with 26 years of experience in the financial sector, who recently graduated magna cum laude as master of arts in gender & diversity with a thesis on gender equality in the financial sector.

The primary objective of my thesis was to gain profound insights on how to foster an inclusive culture that can effectively attract and retain women in senior management functions.

At the heart of my philosophy is a simple three-step process: 'Expose', 'Explain', and 'Remediate'. To create lasting progress towards more inclusive cultures, I believe it is essential to first gain a comprehensive understanding of the current situation through a data-driven approach, combined with interviews and focus groups. This allows for the identification of specific areas that require improvement, a thorough analysis of the root causes, and the development of targeted and customized solutions.

To accomplish the first step, I conducted, together with Wo.Men in Finance Belgium, a comprehensive survey (1351 respondents) to identify the career obstacles faced by all employees across all genders and hierarchical levels. The collected data was then analyzed, with a specific focus on senior management. The identified findings were further examined through in-depth interviews conducted with 10 women in executive committees, as well as a focused discussion group comprising 15 CEOs of financial institutions based in Belgium.

This multi-dimensional approach in the first step facilitated the implementation of the second and third steps of the process: 'Explain' and 'Remediate'. It provided valuable insights into the challenges and opportunities encountered by women in senior management positions, while also highlighting key areas where improvements could be made.

These findings regarding senior management serve as a valuable starting point and benchmark for organizations dedicated to fostering inclusive workplaces. The research outcomes offer a foundation for developing effective strategies aimed at creating a more inclusive and supportive environment for women in senior leadership roles. Below is a summary of the main findings.

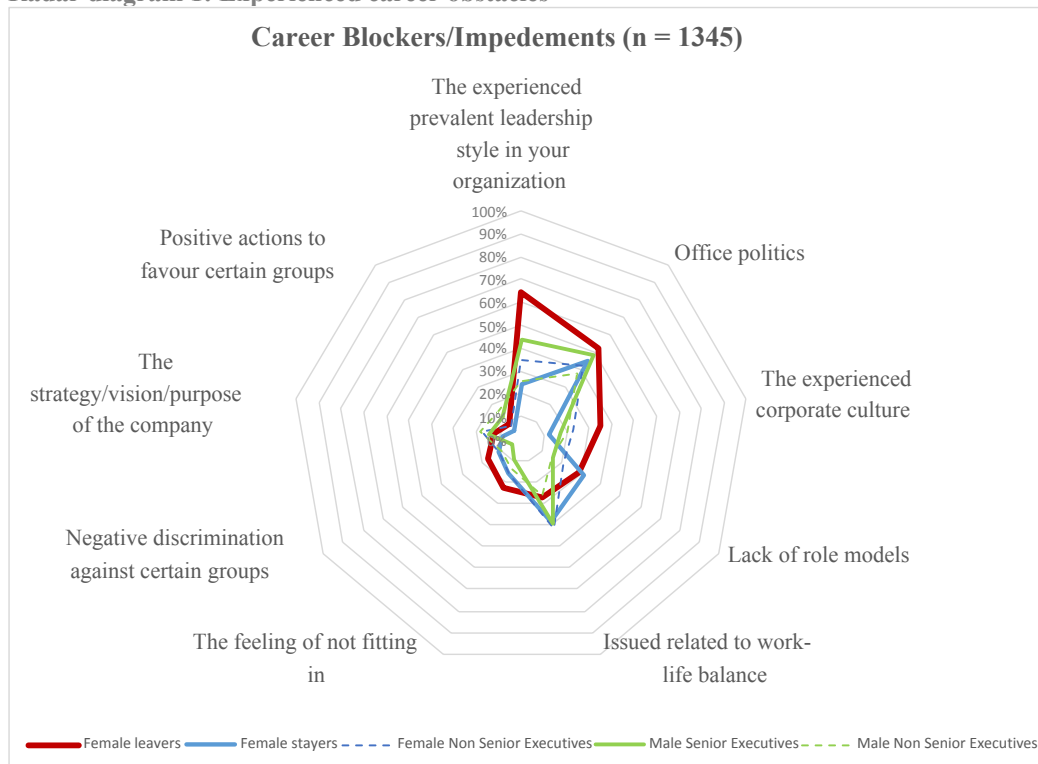
1. The survey

The survey showed that the main career obstacles encountered by senior managers are leadership style (65%), office politics (51%), and corporate culture (35%). Initially, there appears to be no substantial difference between female and male respondents. However, upon closer analysis, it becomes evident that due to these identified obstacles, 37% of female respondents are contemplating leaving the organization, while male respondents represent 23% of the same group.

Further examination of the survey data revealed that female senior managers not only stand out as a group considering leaving but also as outliers in terms of assimilation and experiences of inappropriate behaviour. Specifically, 38% of female senior managers reported assimilating, i.e. adapting their behavior to fit in, nearly twice the percentage of male respondents (19%).

Remarkably, within the female senior manager group, there is a further noticeable disparity between those considering leaving and those who are not. In particular, as depicted in the graphs below, female senior managers considering leaving reported significantly more challenges related to leadership style and corporate culture as major impediments to their career advancement compared to their counterparts who do not intend to leave.

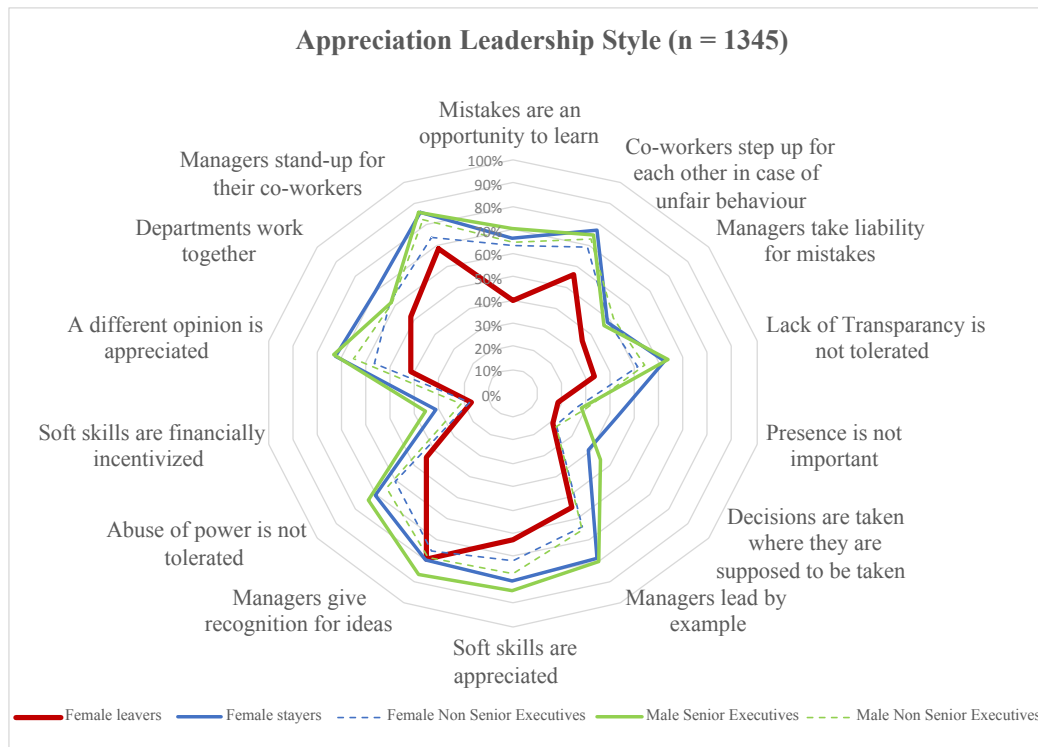
Radar diagram 1: Experienced career obstacles



Regarding leadership style (graph 2 below), female senior managers considering leaving are significantly less positive about the experienced leadership style.

Especially 'having a different opinion is appreciated', 'a lack of transparency is not tolerated', 'mistakes are opportunities to learn', 'abuse of power is not tolerated' and 'managers lead by example' are attention points for this group.

Radar diagram 2: Experienced leadership style

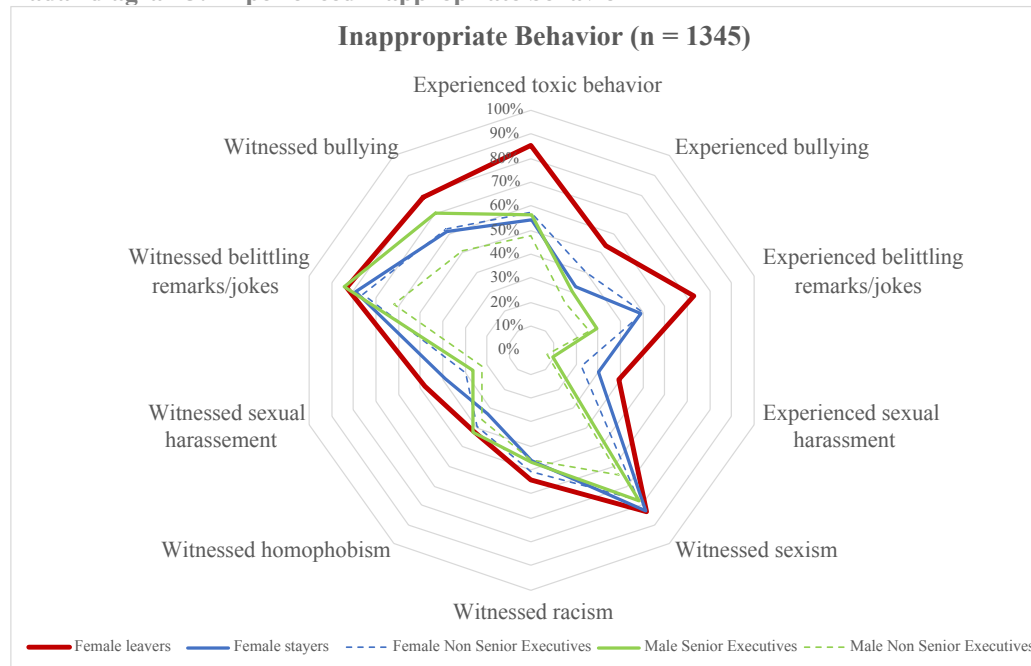


Concerning inappropriate behaviour (graph 3 below), the survey findings indicate that female senior managers on average, experienced more inappropriate behavior than their male counterparts.

When it comes to sexual harassment, a striking 34% of female senior managers revealed that they had encountered such incidents at least once throughout their professional journey. This percentage is significantly higher compared to their male counterparts, whose reported rate stands at 9%.

Female senior managers who are considering leaving the organization even more so. Especially in terms of experiencing toxic behavior (85%), sexual harassment (40%), and belittling remarks or jokes (73%).

Radar diagram3: Experienced inappropriate behavior



2. The interviews

The interviews corroborated the patterns identified in the survey results. Approximately half of the interviewees indicated that they had left previous employers due to issues related to leadership style and corporate culture. Additionally, the interviewees affirmed the findings regarding experiences of sexual harassment, bullying, or belittling remarks. However, they mentioned that they were not significantly affected by such incidents.

Within the interviewees, two very different views could be observed as how to increase gender-equality. In the first view the focus is on 'fixing (the number of) women', i.e. women should be coached, trained, mentored and supported to gain self-confidence in the system as it is. The goal to achieve is quantitative diversity. In an alternative view, the current environment should be adapted so that it would encourage women to be/stay themselves and by doing-so increase their self-confidence. The goal is not so much quantitative diversity but qualitative inclusion.

Furthermore, most interviewees see themselves in relation to others. They put relations at the center of their view and consider themselves a part of a larger web of relations. This also impacts their leadership-style, i.e. in addition to the traditional traits of being result-driven, the caring, collective, interdependent traits play a more important role. However, these characteristics are not always fully embraced out of fear of being considered "a softie", because it does not fully fit within the dominant corporate culture and is not (enough) considered in assessments or evaluations.

3. The CEOs focus group

Initially, some CEOs denied and others were shocked by the survey results presented. A turning point was reached when female CEOs confirmed and even believed the reality to be worse. Assimilation and difficulty in being oneself in a different gender environment were noted as tension points. A CEO's powerful testimonial, stating she was once a "Female senior executive leaver," shifted the atmosphere towards a strong willingness to address the issues.

Several CEOs stressed the importance of gender diversity and considered that it paves the way for other types of diversity. As observed in the interviews, for some CEOs the target is diversity, whereas for others it is inclusion. There is a clear will to look further into the topics raised in an authentic, honest, transparent, and vulnerable way to make the sector more attractive for women, young people, and people with other backgrounds.

CEOs emphasized the importance of personal involvement, creating a culture of trust, and measuring to understand what's going on in the organization.

Going forward

After the initial step of 'Expose', the second step 'Explain' unveiled that the identified career obstacles could be attributed to three primary factors.

Firstly, aspects of corporate culture that prioritize and reward characteristics and behaviors associated with the dominant gender role, commonly referred to as 'dominant defaults'. Such defaults often stem from the founders of the company, who hired people that looked just like them and by doing so, perpetuated a certain behavior and culture. These 'dominant defaults' are, often unconsciously, considered neutral, but they are not for persons with a different profile as the ones who instituted them. A typical example of such a 'dominant default' is not showing emotions at work or the belief that one cannot work parttime in order to get promoted.

Secondly, a distinct pattern of 'a different voice' in leadership style was observed within a subgroup of the female senior executives under study. This suggests that some female leaders may adopt different leadership approaches, potentially driven by their unique experiences and perspectives, which is not necessarily appreciated within the organization.

Lastly, the pressure to assimilate in male-dominated environments has emerged as a significant factor. Women working in such environments often experience the expectation to conform to the prevailing values and behaviors, which can create additional barriers to their career advancement and impede their ability to express their true selves in the workplace. It is worth noting that the 'token' - theory suggests that the pressure to assimilate tends to decrease once the presence of women reaches 30-35%. This signifies the importance of achieving a critical mass of women in leadership roles to mitigate the pressure to conform.

Once these 'dominant defaults', 'different voices' and the pressure to assimilate have been identified, organizations can proceed to the third step of 'Remediate' and assess whether the identified dominant default settings are crucial for the organization's profitability. If they are deemed unnecessary, they can be replaced with 'other defaults' that embrace traits promoting human interconnections and inclusive behaviors. Conversely, if these defaults are considered indispensable, they can be balanced by incorporating the aforementioned 'other defaults'.

Conclusion

In conclusion, the comprehensive 3-step approach of 'Expose', 'Explain', and 'Remediate' provided valuable insights for fostering inclusivity and addressing career obstacles faced by women in senior management.

Through the data gathering and analysis in the multi-dimensional approach (surveys, interviews and focus discussions) in the 'Expose' step, the challenges at the level of leadership style, corporate culture and office politics, were thoroughly identified.

The findings of the 'Explain' step emphasized the role of corporate culture, with the identification of 'dominant defaults', the presence of 'a different voice' among interviewed female senior executives and the pressure to assimilate.

By acknowledging these dominant defaults settings and evaluating their necessity in the third step of 'Remediate', organizations can embark on remediation efforts, replacing or balancing them with alternative defaults that promote human interconnections.

Ultimately, this research serves as a starting point and benchmark for organizations committed to creating more inclusive and supportive environments for women in senior leadership roles, enabling them to attract, retain, and empower talented individuals.

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