

Final Report from the Canada-U.S. Council for Advancement of Women Identifies Clear Opportunity to Accelerate the Advancement of Women by Closing the Gap Between Commitment and Action

OTTAWA and WASHINGTON, D.C.; Oct. 29, 2018--The Canada-U.S. Council for Advancement of Women Entrepreneurs and Business Leaders (the Council) released today its fifth and final pillar report, "Advancing Women as Leaders in the Private Sector." The report finds that despite a commitment to advancing women, many companies across Canada and the U.S. are lacking clear goals, the ability to measure progress or accountable leaders to drive progress. There is a real opportunity to accelerate the advancement of women by closing the gap between commitment and action. The good news is that significant research exists to guide companies in creating action plans that can accelerate the slow progress that has been made to date. The final pillar report was led by Tina Lee, Chief Executive Officer, T&T Supermarkets, and Julie Sweet, Chief Executive Officer – North America, Accenture.

"While there is well-regarded research that diversity improves financial performance, drives innovation and helps close the gender pay gap, our new research demonstrates that too few companies are capitalizing on the opportunities presented by gender diversity," said Julie Sweet, Chief Executive Officer – North America. "We see a major disconnect between commitment and action. The time to act is now, and the benefits will only increase. The need for continuous innovation is growing as companies across industries are disrupted by new technology, and diversity will help them succeed. The good news is there are clear steps that companies can take to accelerate their progress now."

"Advancing Women as Leaders in the Private Sector" includes findings from original quantitative research conducted by the Council that encompasses the perspectives of 400 Chief Human Resources Officers (CHROs) or people in equivalent roles from small, medium and large companies in Canada and the U.S.

The research uncovered a crucial disconnect: while leaders want more women in the higher ranks and are committed to the cause, they are not approaching the problem the way they would any other business priority. It found that basics like leadership accountability, data measurement, targets and clear action plans are frequently not in place. For example:

- Less than half (36% in Canada and 40% in the U.S.) of companies surveyed have a plan to advance women to senior leadership roles.
- Nearly half (48% of Canadian companies and 41% of American companies) do not have accurate data on the percentage of women at the management level.
- Less than 40% of companies in both Canada and the U.S. look at pay by gender.

The research also found that small companies with 51-499 employees are more effective than larger companies at advancing women and making progress toward gender equality—they make more progress in advancing women at the manager level and above and in the advancement rates of women, and they also have more committed CEOs.

“Our goal is to help business leaders who recognize the benefits of gender diversity accelerate the advancement of women by treating this with the same discipline and rigor they would any other business priority,” said Tina Lee, Chief Executive Officer, T&T Supermarkets. “An important part of this approach is for boards to require the CEO and management team to have a plan to advance women.”

To make real change, the report recommends all companies follow the lead of the “High Risers”—the 26% of companies surveyed that reported their company is making either “some” or “rapid” progress in the advancement of women in their organizations. The report identifies five key elements of a strategy for achieving gender diversity in leadership:

1. **A business priority and leadership commitment:** C-suite executives should decide that the advancement of women is critical to achieving the company’s business goals, and then clearly articulate their commitment to employees. 84% of High Risers report that their leadership is committed to gender diversity, compared to just 48% of other companies.
2. **Capture data and measure progress:** This research reveals a lack of essential data that could measure progress and identify potential obstacles to the advancement of women, such as high attrition rates among new mothers or the differences in attrition between men and women. High Risers collect data and utilize metrics at a higher rate; 58% of them track five to eight metrics, compared to 28% of other companies.
3. **Hold leaders accountable:** 67% of CHROs in Canada and 72% in the U.S. say there is someone on the senior leadership team who is accountable to the board on issues of gender equality. Beyond accountability to the board, the lack of basic measurement and plans for the advancement of women to senior leadership roles indicate that companies are not holding leaders across the business accountable for making progress.
4. **Set targets:** 67% of companies with six to eight targets report making progress in the representation of women at the executive level over the past five years, compared to just 40% of companies with zero to five targets.
5. **Leverage existing research to create action plans:** There are many research studies published, including reports by Catalyst and multi-year studies by Accenture and McKinsey/Lean In, that identify the actions a company should take to have a more diverse and equal workforce. Companies can use this significant body of research and insights to help them design their action plans.

To further support the research findings, “Advancing Women as Leaders in the Private Sector” report draws upon Accenture’s *Getting to Equal 2018* study, a global survey of more than 22,000 working men and women in 34 countries—including more than 2,500 in Canada and the U.S.—to measure their perception of factors that contribute to their workplace cultures. This research shows that in equality-boosting cultures, everyone rises: both women and men. It identifies 14 core factors, or “cultural drivers,” that are proven to influence advancement, and

that can be grouped into three actionable categories: Bold Leadership, Comprehensive Action and an Empowering Environment.

To read the full report and learn more about the Council's recommendations for advancing women as leaders in the private sector: <https://advancingwomeninbusiness.com/pillar-five>

Methodology

"Advancing Women as Leaders in the Private Sector" draws upon two research studies. One is original quantitative research encompassing the perspectives of 400 Chief Human Resources Officers (CHROs) or people in equivalent roles from small, medium and large companies in Canada and the U.S.

The second study is Accenture's *Getting to Equal 2018*, a survey of more than 22,000 working men and women with a university education in 34 countries, which measured their perception of factors that contribute to the culture in which they work.

Through in-depth interviews, the report also includes the perspectives of the CHROs or people in equivalent roles of the companies on the Canada-U.S. Council for Advancement of Women Entrepreneurs and Business Leaders.

About the Council

The Canada-U.S. Council for Advancement of Women Entrepreneurs and Business Leaders is comprised of ten of the top female business executives in Canada and the U.S. Their mandate is to develop recommendations that can reduce barriers that limit women's participation in business, support and develop women's professional advancement, and assist women in starting and scaling their businesses. Their mission is to increase the number of women business leaders and entrepreneurs, thereby contributing to the growth and competitiveness of both the Canadian and U.S. economies. The Council is an independent and autonomous group that makes recommendations to governments, when applicable. It is co-chaired by Linda Hasenfratz, Chief Executive Officer of Linamar Corp., and Julie Sweet, Chief Executive Officer - North America, Accenture. Previous pillars have reported on supporting and growing women owned businesses, expanding the role of women in science, technology, engineering and math, attracting women entrepreneurs and encouraging them to start businesses, and increasing women's access to capital.

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Tina Lee is Chief Executive Officer of T&T Supermarkets, Canada's largest Asian food retailer. T&T strives to provide Asian families with fresh and familiar foods, while introducing the wide variety of Asian cuisine to Canada's multicultural society. Ms. Lee serves as a Director of the boards of T&T and Toronto Global, and is a member of the Canada-U.S. Council for Advancement of Women Entrepreneurs and Business Leaders. Ms. Lee is a frequent speaker on topics including diversity and inclusion, grocery retail, and understanding the ethnic consumer.

Ms. Lee holds a Bachelor of Arts degree from the Ivey Business School at Western University and holds a Master of Business Administration degree from the University of California, Los Angeles, Anderson School of Management.

Julie Sweet is Chief Executive Officer of Accenture North America, leading Accenture's business in the United States, the company's largest market, and Canada. She is also a member of Accenture's Global Management Committee. In North America, the company serves more than 70 percent of the Fortune 500.

A leader on issues including innovation, technology's impact on business, and inclusion and diversity, Ms. Sweet serves on the board of the Business Roundtable and chairs the Business Roundtable's Technology Committee. Ms. Sweet serves on the Catalyst Board of Directors and is the co-chair of the Canada-U.S. Council for Advancement of Women Entrepreneurs and Business Leaders.

Ms. Sweet holds a Bachelor of Arts degree from Claremont McKenna College and holds a Juris Doctor degree from Columbia Law School.

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