ADVANCING WOMEN AS LEADERS IN THE PRIVATE SECTOR

PILLAR CHAMPIONS:

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JULIE SWEET
CHIEF EXECUTIVE OFFICER – NORTH AMERICA, ACCENTURE
Overall, the news about the advancement of women is perhaps the most positive it has ever been. Companies that successfully advance women to leadership positions improve their financial performance, drive innovation and help close the gender pay gap. These results have created a strong business case for more diverse leadership. As companies continue to experience significant disruption from technology, we expect the business case to grow even stronger with the increased need for innovation.

The commitment among top Canadian and U.S. companies to advance women has never been higher. And for these companies, ample research provides data to guide them as they enact strategies for advancing women. And yet, the advancement of women continues to be very slow overall, and particularly at the top. Just seven of the 249 companies (2.8%) listed on the Toronto Stock Exchange’s main index have a woman CEO. Women currently hold just 5% of CEO positions at S&P 500 companies. Women of color have even less representation at the top: in 2017, Catalyst found that only 4.7% of executives at S&P 500 companies were women of color, while 21.8% of executives were white women.

Although corporate commitment to gender diversity is at an all-time high for the third year in a row, this report identifies a critical gap between that commitment and action. Many companies want to see women advance, but do not approach the goal with rigor and discipline as they would any other business priority.

Imagine a CEO setting a business priority without a clear goal, the ability to measure progress and accountable leaders. However, our research demonstrates that despite a commitment to advancing women, many companies across Canada and the U.S. are approaching the advancement of women without these basic elements in place. To help more women achieve leadership positions, companies must consider gender diversity a business priority and have a strategy to achieve it. To start, they will need committed leaders who believe in the business priority. And leaders need to set targets (or


ADVANCING WOMEN AS LEADERS IN THE PRIVATE SECTOR

EXECUTIVE SUMMARY

PILLAR FIVE
other quantifiable goals) designed to achieve the priority, collect and analyze data and enact data-driven action plans with leadership accountability. If companies close the gap between commitment and action and use the significant body of research available to design their action plans, they can accelerate progress in the advancement of women.

As leaders design action plans, they should focus on creating a culture of equality which will benefit women and men. Accenture’s Getting to Equal 2018 report on creating a culture where everyone thrives found that in organizations that have a culture of equality, both women and men rise. Based on global data, the research found that women are 35% more likely to advance to the manager level and above, and men are 23% more likely to do so. The results are similar when we look at Canada and the U.S. individually. Because inclusive cultures bring a greater boost to women’s advancement than men’s, the gender gap in these organizations narrows. This report lays out the key elements that make a culture of equality and highlights Canada and U.S. data to understand what drives change in each country.

The payoff for taking these steps is significant. Top-performing companies in Canada and the U.S. have something important in common: they promote women to a higher number of senior positions than do their peers.9 By doing so, they are positioning themselves to capture the long-recognized advantages of more diverse leadership.10

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WHERE WE ARE

Where are the women?

In Canada and the U.S., women are less likely to advance at work than men. According to data from Accenture’s Getting to Equal 2018 research, for every 100 men who reach the manager level or above, there are just 53 women in Canada and 65 women in the U.S. who reach those levels. Though executives claim strong support for gender equality, this report reveals that the pace of change is surprisingly slow: only 1 in 4 companies are making tangible progress in advancing women and in increasing the representation of women at the management, executive and senior leadership levels.11

Corporate boards also remain overwhelmingly male. In Canada, women hold 21.6% of board seats in the Financial Post 500 companies.12 Women hold 19.9% of board positions at S&P 500 companies in the U.S.13

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11 Management level: Manager, Line Manager, Senior Manager, or equivalent; Executive level: VP, Director or equivalent; Senior Leadership level: C-level, Board
The business case for more women in leadership

Research underscores why getting more women into leadership positions is important. Specifically, leaders should note three ways that gender balance at the top impacts the bottom line and economic well-being.

First, gender diversity is associated with better financial performance. Data pulled from hundreds of companies in 2017 revealed that those in the top quartile for gender diversity on their executive teams were 21% more likely to have above-average profitability than those in the bottom quartile.¹⁴

Second, companies with women in leadership earn more money through innovation. Companies with above-average diversity on their management teams reported 45% average innovation revenue, compared to 26% for companies with a below-average diversity score (based on surveys of employees from Austria, Brazil, China, France, Germany, India, Switzerland, and the U.S.).¹⁵ In addition, Catalyst research, based on surveys of employees from Australia, China, Germany, India, Mexico and the U.S., found that if employees feel included, they also report being more innovative at work.¹⁶

Finally, advancing women closes the gender pay gap that exists where men are more likely to hold higher, and higher-paying, positions. Accenture research that explored ways of closing the pay gap found that reducing it even by a third could add $3.9 trillion to women's income by 2030.¹⁷

If companies do not accelerate the pace at which they are advancing women, the pay gap will take a long time to close. Data from Accenture research found that, in Canada, for every US$100 a woman earns, a man earns US$152, so a young woman graduating in 2020 will not see the pay gap close until she

is 60 years old. And in the U.S., for every $100 a woman earns, a man earns $163, meaning a 2020 graduate will be 69 years old before the pay gap closes.\textsuperscript{18}

One of the United Nations Sustainable Development goals for meeting the needs of the present, without compromising the ability of future generations to meet their needs, is global gender equality. In addition to driving profitability and innovation, companies will help build an inclusive, sustainable and resilient future by implementing targets and goals toward gender equality.\textsuperscript{19}

**OUR APPROACH**

In this report, we draw from two research studies. One is original quantitative research encompassing the perspectives of 150 Chief Human Resources Officers (CHROs) or people in equivalent roles from small, medium and large companies in Canada, and 250 in the U.S.

The second study is Accenture’s *Getting to Equal 2018*, a global 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.

Out of more than 200 personal and workplace factors, such as policies, behaviors and collective opinions of employees, the study identified 40 that are statistically shown to influence advancement, including 14 that are most likely to effect change. For this report, in addition to using the global data, we separated data from Canada and the U.S. for country-specific insights.

Through in-depth interviews, we also gathered 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.

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“TODAY, MORE THAN EVER, WE NEED THE SKILLS, LEADERSHIP AND CREATIVITY OF WOMEN TO FILL KEY POSITIONS IN OUR BUSINESSES. THE TALENT SHORTAGE ALSO PROVIDES A GREAT INCENTIVE TO INVEST IN AREAS THAT HAVE TRADITIONALLY BEEN RESERVED FOR MEN, SUCH AS INFORMATION TECHNOLOGY AND ARTIFICIAL INTELLIGENCE.”

— MARIE ZAKAIB,
VP HUMAN RESOURCES,
INVESTISSEMENT QUÉBEC


department of business administration, university of california, berkeley

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THE HIGH RISERS

Twenty-six percent of all the CHROs we interviewed reported that their company was making either “some” or “rapid” progress in all of the following four areas: advancement rates of women, representation of women at the management level, representation of women at the executive level and representation of women at the senior leadership level. We have named their companies “High Risers.” These companies have approached the advancement of women systematically and with the discipline, rigor and enthusiasm you would expect to be applied to key business priorities.

A CRITICAL GAP BETWEEN INTENTIONS AND ACTIONS

Our 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. We found that basics like leadership accountability, data measurement, targets and clear action plans are frequently not in place.

IMAGINE AN ANNUAL PLAN WITHOUT A REVENUE TARGET AND AN ACCOUNTABLE LEADER

“The most effective companies have a strategy and rationale to increase women’s advancement. Their senior leaders are committed and have aligned efforts with the company’s overall business strategy and goals.”

— Serena Fong, Vice President, Strategic Engagement, Catalyst

EXHIBIT 1  CHRO RESEARCH

HIGH RISERS REPORT THE MOST PROGRESS ON ADVANCING WOMEN

PERCENT (%) OF CHROS REPORTING PROGRESS IN EQUALIZING GENDER GAPS OVER THE PAST 5 YEARS IN THE FOLLOWING AREAS: (TOP 2 ON 5-POINT SCALE)

<table>
<thead>
<tr>
<th>Category</th>
<th>High Risers</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representation of Women at Management Level</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Representation of Women at Executive Level</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Representation of Women at Senior Leadership Level</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Advancement Rates of Women</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Initial Recruitment of Women</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Attrition Rate of Women</td>
<td>74%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Pillar Five, Canada – U.S. Council for Advancement of Women

CHRO RESEARCH

PERCENT (%) OF CHROS REPORTING PROGRESS IN EQUALIZING GENDER GAPS OVER THE PAST 5 YEARS IN THE FOLLOWING AREAS: (TOP 2 ON 5-POINT SCALE)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representation of Women at Management Level</td>
<td>45%</td>
</tr>
<tr>
<td>Representation of Women at Executive Level</td>
<td>27%</td>
</tr>
<tr>
<td>Representation of Women at Senior Leadership Level</td>
<td>34%</td>
</tr>
<tr>
<td>Advancement Rates of Women</td>
<td>40%</td>
</tr>
<tr>
<td>Initial Recruitment of Women</td>
<td>40%</td>
</tr>
<tr>
<td>Attrition Rate of Women</td>
<td>33%</td>
</tr>
</tbody>
</table>

Source: Pillar Five, Canada – U.S. Council for Advancement of Women

| Management level: Manager, Line Manager, Senior Manager, or equivalent |
| Executive level: VP, Director or equivalent |
| Senior Leadership level: C-level, Board |
Not all companies prioritize the advancement of women and have committed leaders

According to our survey of CHROs, only 50% of companies in Canada and 51% in the U.S. are focused on diversifying their leadership team. That means that half of companies are not paying close attention to women’s advancement and might not consider it a goal at all.

Despite the increase in vocal commitment to the advancement of women, a significant percentage of CEOs are not viewed as personally committed to the advancement of women. Only 54% of CHROs in Canada and 59% in the U.S. report that their CEO is personally committed to achieving a culture where women advance on par with men.

One way for companies to demonstrate their commitment to advancing women is to share gender equality targets. Yet, according to our CHRO survey, only 16% of companies in Canada and 31% in the U.S. do so internally, while just 13% in Canada and 20% in the U.S. publish them externally.

“THERE HAS TO BE A LOT OF FOCUS: THE LEADER OF THE COMPANY HAS TO Recognize THAT DIVERSITY IS AN EXTRAORDINARILY VALUABLE ASSET FOR THE COMPANY. IF THERE ARE WOMEN IN THE C-SUITE THE PERFORMANCE OF THE COMPANY IS BETTER.”

— ANNETTE VERSCHUREN, CHAIR AND CEO, NRSTOR INC.

EXHIBIT 2

CHRO RESEARCH

LEADERSHIP COMMITMENT AND ACCOUNTABILITY

HR LEADERS REPORTED WHETHER OR NOT A MEMBER ON THEIR SENIOR LEADERSHIP TEAM IS ACCOUNTABLE TO THE BOARD ON ISSUES OF GENDER EQUALITY:

<table>
<thead>
<tr>
<th></th>
<th>CA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>No, but someone will be appointed in the next year</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Yes, there is one or more than one person</td>
<td>66%</td>
<td>72%</td>
</tr>
</tbody>
</table>

69% CANADA 68% U.S.
HR leaders believe creating an equal workplace where women advance on par with men is important.

54% CANADA 59% U.S.
HR leaders believe the CEO is committed to achieving an equal workplace where women advance on par with men.

Source: Pillar Five, Canada – U.S. Council for Advancement of Women

Top 3 responses on 10-point scale

Leadership is not always held accountable for gender diversity and the advancement of women

Our research found that 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. Success is a two-way street, as boards should require the CEO and management team to have a plan to advance women. In addition, only 36% of CHROs in Canada and 43% in the U.S. report that there is high pressure from shareholders/investors to achieve gender equality in their organizations. Beyond accountability to the board, the lack of basic measurement and plans to advance women to senior leadership indicate that companies are not holding leaders across the business accountable for making progress.

### EXHIBIT 3  
**CHRO RESEARCH**

**COMPANIES LACK DATA AND ARE NOT SETTING TARGETS**

<table>
<thead>
<tr>
<th>Metric</th>
<th>CHROs in Canada</th>
<th>CHROs in U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representation of women at Management Level</td>
<td>52%</td>
<td>49%</td>
</tr>
<tr>
<td>Representation of women at Executive Level</td>
<td>51%</td>
<td>54%</td>
</tr>
<tr>
<td>Representation of women at Senior Leadership Level</td>
<td>47%</td>
<td>48%</td>
</tr>
<tr>
<td>Initial Recruitment of women</td>
<td>43%</td>
<td>59%</td>
</tr>
<tr>
<td>Retention of Women after becoming a mother</td>
<td>40%</td>
<td>57%</td>
</tr>
<tr>
<td>Pay by Gender</td>
<td>39%</td>
<td>42%</td>
</tr>
<tr>
<td>Advancement Rates of women relative to men</td>
<td>35%</td>
<td>55%</td>
</tr>
<tr>
<td>Attrition Rates of women relative to men</td>
<td>31%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Of those with accurate data, percent (%) of CHROs reporting that their company sets targets:

<table>
<thead>
<tr>
<th>Metric</th>
<th>CHROs in Canada</th>
<th>CHROs in U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representation of women at Management Level</td>
<td>59%</td>
<td>55%</td>
</tr>
<tr>
<td>Representation of women at Executive Level</td>
<td>51%</td>
<td>53%</td>
</tr>
<tr>
<td>Representation of women at Senior Leadership Level</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Initial Recruitment of women</td>
<td>46%</td>
<td>70%</td>
</tr>
<tr>
<td>Retention of Women after becoming a mother</td>
<td>39%</td>
<td>61%</td>
</tr>
<tr>
<td>Pay by Gender</td>
<td>37%</td>
<td>57%</td>
</tr>
<tr>
<td>Advancement Rates of women relative to men</td>
<td>38%</td>
<td>55%</td>
</tr>
<tr>
<td>Attrition Rates of women relative to men</td>
<td>32%</td>
<td>49%</td>
</tr>
</tbody>
</table>

Management level: Manager, Line Manager, Senior Manager, or equivalent
Executive level: VP, Director or equivalent
Senior Leadership level: C-level, Board

Source: Pillar Five, Canada – U.S. Council for Advancement of Women
Many companies are failing to track data and set targets

Our 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. For example, based on our CHRO survey, 48% of Canadian companies and 41% of U.S. companies do not have accurate data on the percentage of women at the management level. Key metrics that could indicate whether or not a company is building a pipeline—such as recruitment and attrition rates—are even more scarce. And less than 40% of companies in both Canada and the U.S. look at pay by gender, an issue the governments\(^{21}\) and private sectors\(^{22}\) from both countries have addressed. Equal pay for all is within reach, as it does not require an overhaul of the organization’s goals or a cultural change.

“I DO BELIEVE THAT HAVING STRONG WOMEN AT THE UPPER LEVELS OF THE COMPANY IS KEY.”

— LORA BRENAN, MANAGING DIRECTOR, HUMAN RESOURCES, TRANSALTA

The solution is to put in place a thoughtful process that reviews pay and fixes any inequalities identified.

Not all companies have implemented a cohesive action plan

Less than half (36% in Canada and 40% in the U.S.) of companies have a plan to advance women to senior leadership roles, according to our CHRO survey. Only 44% of companies in Canada and 41% in the U.S. have a plan for hiring more women at the entry level, which could help fill the pipeline of women ready for leadership positions over the long term.

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We 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 have more committed CEOs.

**EXHIBIT 4** CHRO RESEARCH

**SMALLER COMPANIES HAVE MORE COMMITTED CEOs**

PERCENT (%) OF CHROS REPORTING THAT THEIR CEO IS PERSONALLY COMMITTED TO ADVANCING WOMEN BY SIZE:

<table>
<thead>
<tr>
<th># of Employees</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>51-499</td>
<td>71%</td>
</tr>
<tr>
<td>500-999</td>
<td>60%</td>
</tr>
<tr>
<td>1K-4,999</td>
<td>54%</td>
</tr>
<tr>
<td>5K-24,999</td>
<td>49%</td>
</tr>
<tr>
<td>&gt;25K</td>
<td>51%</td>
</tr>
</tbody>
</table>

Based on survey respondents who answered 8-10 on a 10-point scale.

Source: Pillar Five, Canada – U.S. Council for Advancement of Women

**EXHIBIT 5** CHRO RESEARCH

**SMALLER COMPANIES REPORT MORE PROGRESS IN ADVANCING WOMEN**

PERCENT (%) OF CHROS REPORTING PROGRESS OVER THE PAST 5 YEARS IN THE FOLLOWING AREAS BY SIZE: (TOP 2 ON 5-POINT SCALE)

<table>
<thead>
<tr>
<th># OF EMPLOYEES:</th>
<th>&gt;25K</th>
<th>5K - 24,999</th>
<th>1K - 4,999</th>
<th>500 - 999</th>
<th>51 - 499</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement of women</td>
<td>58</td>
<td>53</td>
<td>53</td>
<td>52</td>
<td>65</td>
</tr>
<tr>
<td>Representation of women at management level</td>
<td>49</td>
<td>54</td>
<td>58</td>
<td>54</td>
<td>76</td>
</tr>
<tr>
<td>Representation of women at executive level</td>
<td>23</td>
<td>46</td>
<td>42</td>
<td>42</td>
<td>65</td>
</tr>
<tr>
<td>Representation of women at senior leadership level</td>
<td>40</td>
<td>47</td>
<td>55</td>
<td>48</td>
<td>61</td>
</tr>
</tbody>
</table>

Management level: Manager, Line Manager, Senior Manager, or equivalent
Executive level: VP, Director or equivalent
Senior Leadership level: C-level, Board

Source: Pillar Five, Canada – U.S. Council for Advancement of Women
A ROADMAP TO GENDER DIVERSITY IN LEADERSHIP

What does it take to make real change? We recommend all companies follow the lead of the High Risers, who, based on our research, have implemented the basic elements of a strategy to achieve the business priority of advancing women.

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. Eighty-four percent of High Risers report that their leadership is committed to gender diversity, compared to just 48% of other companies.

“IF OUR CEO IS BEHIND A PROGRAM, THE EXECUTIVE TEAM TENDS TO BE BEHIND IT, TOO.”

— STEF MURRAY, VICE PRESIDENT, GLOBAL HUMAN RESOURCES, AUTO AND METALS RECYCLING, SCHNITZER STEEL INDUSTRIES, INC.

2. HOLDING LEADERS ACCOUNTABLE

According to Accenture's Getting to Equal 2018 research, workplaces in which leadership teams are held accountable for improving gender diversity are 63% more likely to have seen the share of women in senior leadership roles increase over the past five years, compared with workplaces in which leadership teams are not held accountable.

High Risers are more likely to have pressure from shareholders and investors on achieving gender equality in their organization. Forty-seven percent of CHROs from High Riser companies reported feeling pressure, as compared to only 37% of others.

“WHEN YOU HAVE AN UNDERSTANDING OF YOUR BASELINE AND TRAJECTORY, AND YOU HAVE YOUR INTERNAL TARGETS SET, TAKE THE NEXT STEP OF DECLARING YOUR AMBITION EXTERNALLY. TRANSPARENCY IS AN ACCELERATOR BECAUSE IT ALLOWS LEADERS THE OPPORTUNITY TO COLLABORATE WITH THEIR EMPLOYEES, COMMUNITIES AND CUSTOMERS.”

— ELLYN SHOOK, CHIEF LEADERSHIP AND HUMAN RESOURCES OFFICER, ACCENTURE
are more likely to advance in companies that are transparent about pay-gap goals.

### 3. Capturing Data and Measuring Progress

High Risers collect data and utilize metrics at a higher rate, too: Fifty-eight percent of them track five to eight metrics, compared to 22% of other companies.

At a minimum, companies should track the number of women and men (to enable a gender-mix review), the number of promotions by gender (to enable identification of promotion gaps between men and women), the number of “leavers” by gender (to enable identification of attrition gaps between men and women), the number of recruits by gender (to enable identification of recruitment gaps between men and women), board diversity and the succession plan gender mix.

In addition, we recommend that, at least at the leadership level, the CEO is transparent with data and progress. Accenture’s Getting to Equal 2018 research, for instance, found that women

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**“Leaders in each of our business units can track their own, and each other’s, gender diversity figures. They can see promotion rate differences between men and women by band level, and gaps in attrition rates. Just by clicking on a dashboard, an HR lead can find 30 women who have been identified as ready to compete for a promotion. Without input and output metrics, you cannot drive meaningful change - you’re in the dark. You could wake up one day and realize that your pipeline has taken a wrong turn and then have to backtrack.””**

— Isabel Cruz, Global Inclusion Lead, General Electric
When targets are in place, we are seeing more progress. For example, based on our CHRO survey, 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.

High Risers also set more targets. Fifty-one percent of them set five to eight targets, compared to 29% of other companies. In terms of initial recruitment of women, High Risers have an average goal of 40%, compared to 29% of the candidate pool for other companies.

EXHIBIT 7 CHRO RESEARCH

COMPANIES THAT HAVE MORE TARGETS MAKE MORE PROGRESS
PERCENT (%) OF CHROS REPORTING PROGRESS IN EQUALIZING GENDER GAPS OVER THE PAST 5 YEARS BY THE NUMBER OF TARGETS THEIR COMPANY SETS:

<table>
<thead>
<tr>
<th>Category</th>
<th>Companies with 6 to 8 targets (N=88)</th>
<th>Companies with 4 to 5 targets (N=107)</th>
<th>Companies with no more than 3 targets (N=205)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representation of women at management level</td>
<td>73</td>
<td>53</td>
<td>49</td>
</tr>
<tr>
<td>Initial recruitment</td>
<td>57</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Advancement of women</td>
<td>53</td>
<td>51</td>
<td>53</td>
</tr>
<tr>
<td>Equal pay</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
<tr>
<td>Representation of women at senior leadership level</td>
<td>52</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Representation of women at executive level</td>
<td>67</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td>Attrition rates of women</td>
<td>61</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Retention of women after becoming a mother</td>
<td>36</td>
<td>37</td>
<td>33</td>
</tr>
</tbody>
</table>

Management level: Manager, Line Manager, Senior Manager, or equivalent
Executive level: VP, Director or equivalent
Senior Leadership level: C-level, Board

Source: Pillar Five, Canada – U.S. Council for Advancement of Women
“WE RUN A WOMEN’S LEADERSHIP BOOT CAMP. MOST RECENTLY, WE HAD 44 MID-CAREER EMPLOYEES IN TECHNICAL FIELDS, FOR THREE DAYS. WE HAD THEM DO SELF-ASSESSMENTS AND MAKE A CAREER MAP: WHERE HAVE YOU BEEN? WHAT WORKED FOR YOU? WHAT DIDN’T WORK FOR YOU? AT THE END OF THE PROGRAM, WE PAIRED EACH WOMAN WITH A SENIOR COLLEAGUE WHO HELPED HER DEVELOP A SHORT NARRATIVE ABOUT HERSELF TO LEAD HER TOWARD THE NEXT CHAPTER IN HER CAREER. MOST OF THESE FEMALE LEADERS ARE ON ENGINEERING AND MANUFACTURING TEAMS AND IN DEPARTMENTS WHERE THEY MAY BE THE ONLY FEMALE. THE WOMEN HAVE THE CHANCE TO REFLECT AND APPRECIATE THEIR STRENGTHS. THEY ARE ABLE TO TELL A BETTER STORY ABOUT HOW THEY CAN CONTRIBUTE.”

— KRISTI STEPP, DIRECTOR, GLOBAL TALENT DEVELOPMENT, GENERAL MOTORS

5. Creating Action Plans

Companies that want more women in leadership do not need to start from scratch. Over the years, there have been many research studies published, including reports by Catalyst and multi-year studies by Accenture and McKinsey/Lean In, which 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.
In order to increase the number of women in the pipeline for industries that are traditionally overwhelmingly male, companies should implement programs for young women to help teach and cultivate an early interest in those fields.

**EXHIBIT 8  CHRO RESEARCH**

**COMPANIES ARE GETTING INVOLVED EARLIER WITH INITIATIVES THAT TARGET YOUNG WOMEN IN SCHOOL**

Percent (%) of CHROs who report that their company has a program targeting young women in school in the following areas:

<table>
<thead>
<tr>
<th>High Risers</th>
<th>College</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>63%</td>
<td>Encouraging/inspiring leadership aspirations</td>
<td>39%</td>
</tr>
<tr>
<td>55%</td>
<td>Encouraging/inspiring girls to select an area of study that would lead to higher earning potential</td>
<td>32%</td>
</tr>
<tr>
<td>40%</td>
<td>Facilitating/incentivizing young women to pursue a STEM or computer science education, training or career</td>
<td>29%</td>
</tr>
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<table>
<thead>
<tr>
<th>Pre-College</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>45%</td>
<td>Building basic digital skills to connect, learn and work</td>
</tr>
<tr>
<td>42%</td>
<td>Introducing and immersing into technical topics through camps, certifications, courses, etc.</td>
</tr>
<tr>
<td>36%</td>
<td>Building basic digital skills to connect, learn and work among girls from low-income communities</td>
</tr>
</tbody>
</table>

Source: Pillar Five, Canada – U.S. Council for Advancement of Women
CREATING A CULTURE OF EQUALITY

Improving company culture is a critical part of any such action plan. A culture of equality helps both women and men advance faster and rise, contributing to overall growth for organizations. In fact, Accenture’s Getting to Equal 2018 global research shows that in equality-boosting cultures, women are 35% more likely to advance to the manager level and beyond, while men are 23% more likely to do so.

Breaking those numbers down by country reveals that in Canada, women are 38% more likely to advance to manager level and beyond in equality-boosting cultures, while in the U.S., they are 42% more likely to do so. As for men, in Canada, they are 29% more likely to advance, while in the U.S., they are 20% more likely to do so.

Out of more than 200 personal and workplace factors such as policies, behaviors and collective opinions of employees, Accenture’s Getting to Equal 2018 research identified 40 top factors that are statistically shown to influence advancement, including 14 “drivers” that are most likely to effect change. In addition to the 14 drivers that were identified based on global data, we used country-specific data to find two additional drivers that drive change in Canada, and one in the U.S.

“FOR ME, IT’S LIKE A CAKE OR A LASAGNA WHERE YOU HAVE TO CREATE DIFFERENT LAYERS – AND CULTURE IS AT THE BASE. WE WOULDN’T BE WHERE WE ARE HAD WE NOT TACKLED CULTURE.”

— SHARLA PARASKEVOPoulos, VICE PRESIDENT, HUMAN RESOURCES, SHOPPERS DRUG MART
This research viewed the potential impact of the top 40 factors on the advancement of women and found that in Canada and in the U.S., women are five times more likely to advance to the senior manager/director level and above in organizations with a culture of equality.

Here we present highlights from Accenture’s Getting to Equal 2018 research, including the factors that most influence women’s advancement, grouped into three categories. We have also included important findings specific to Canada and the U.S. For an in-depth look, please read the full report here.

The 40 factors of advancement can be grouped into three main categories:

**1. BOLD LEADERSHIP:**

A diverse leadership team that sets, shares and measures equality goals openly.

Many leaders claim certain priorities but are apparently not “walking the walk” enough for employees to catch the message and internalize the same goals. A McKinsey/Lean In study found that 90% of companies report that gender diversity is a high priority, but only about half of employees think their organizations are highly committed and doing what it takes to improve gender diversity.”

Accenture’s Getting to Equal 2018 research found that workplaces in which leadership teams are held accountable for improving gender diversity are at least twice as likely to have seen the share of women in senior leadership roles increase over the past five years in Canada and in the U.S.

“WE PUT A LOT OF TIME INTO COMMUNICATION, ADVERTISING AND IT’S ALL AROUND OUR VALUES. IT’S ABOUT CARING, IT’S ABOUT PASSION, IT’S ABOUT BELIEVING IT’S THE RIGHT THING TO DO.”

— ROXANNE ROSE, VICE PRESIDENT, GLOBAL HUMAN RESOURCES, LINAMAR

ACCENTURE: A CASE STUDY

With ambitious goals, comprehensive initiatives, a culture of equality and accountability across the organization, Accenture has made the advancement of women an important business priority. In fact, in 2018, Accenture was ranked number one on the Thomson Reuters Diversity & Inclusion Index, in part because of the gender diversity of its board of directors, the percentage of women in its global workforce and the number of women as a percentage of its new hires.24

In 2016, under the leadership of Julie Sweet, Chief Executive Officer – North America, the company made the bold move of publishing demographic data for its U.S. workforce on gender, ethnicity, persons with disabilities and veterans. Accenture was the first professional services company to do so and will continue to release this data annually. This transparency is part of creating a culture of equality and tapping into the power of Accenture’s people to accelerate progress.

In addition, Accenture has set and published ambitious goals for gender diversity in particular. Currently, women comprise 38.6% of the U.S. workforce, and the company is targeting 40% by 2020. On a global scale, Accenture’s goal is to achieve a gender balanced workforce by 2025, and, by 2020, the company aims to have women account for 25% of managing directors worldwide. Today, nearly 42% of Accenture’s global workforce and 21% of managing directors, are women.

Accenture’s Chairman & CEO, Pierre Nanterme, the board of directors and the entire executive management team are visible and vocal sponsors of diversity. Leaders at all levels are expected to help create and sustain an inclusive environment. Leaders, for instance, are accountable for progress in the recruitment, retention and advancement of women through a global scorecard. Each quarter, these gender metrics are reported to the Accenture Board of Directors and the entire executive management team.

“Our commitment to inclusion and diversity is unwavering and is a key part of what makes Accenture an innovation led company and a great place to work. We remain laser-focused on speeding the pace of our progress, and we are listening to our people so that we can continue to create an environment in which everyone feels they belong. Transparency, the personal dedication of our leaders and target-setting with a systematic approach to creating a culture of equality are critical for advancing women, which we think of as vital to our future success as an organization.”

— JULIE SWEET, CHIEF EXECUTIVE OFFICER – NORTH AMERICA, ACCENTURE

2. **COMPREHENSIVE ACTION:**

Policies and practices that are family-friendly, support all genders and are bias-free in attracting and retaining people.

Accenture’s *Getting to Equal 2018* research found that internal professional networks are key drivers of women’s advancement. However, only 30% of women in Canada and 12% in the U.S. participate in one. According to our surveys of CHROs, 33% of companies in Canada and 40% in the U.S. provide a women’s network.

In order to progress women to higher levels, companies must also make efforts to retain them. Our CHRO survey revealed that 74% of High Risers have made progress on retaining women, compared to just 33% of others.

3. **EMPOWERING ENVIRONMENT:**

A place where employees are trusted, respected and free to be themselves, while being encouraged/allowed to be creative and to train and work flexibly.

A few of the 14 drivers of women’s advancement relate to flexible work arrangements. These include the ability to work virtually or remotely in general and to avoid oversees or long-distance travel via virtual meetings. In less encouraging news, our CHRO survey revealed that only 53% of companies use digital solutions to provide more flexibility around when and where to work.

Accenture’s *Getting to Equal 2018* research found that 65% of employees in Canada and 75% in the U.S. have never been asked and do not have any colleagues who have been asked to change their personal appearance to conform to a company standard – an indication that they have the “freedom to be themselves” at work.

The research also found that in companies in which the 40 key factors are most common, women are less likely to experience sexual harassment or sex discrimination.
TOP DRIVERS OF WOMEN’S ADVANCEMENT

Out of the top 40 factors that are statistically shown to influence women’s advancement, Accenture’s *Getting to Equal 2018* research identified 14 drivers that are most likely to effect change. In addition to the 14 drivers that were identified based on global data, we used country-specific data to find two additional drivers that affect change in Canada and one in the U.S.

**BOLD LEADERSHIP**
- Gender diversity is a priority for management.
- A diversity target or goal is shared outside the organization.
- The organization clearly states gender pay-gap goals and ambitions.
- **Canada Only:** Leaders are held accountable for improving gender diversity.

**COMPREHENSIVE ACTION**
- Progress has been made in attracting, retaining and progressing women.
- The company has a women’s network.
- The company has a women’s network that is open to men.
- Men are encouraged to take parental leave.
- **Canada Only:** Progress has been made in improving gender equality in senior leadership.
- **U.S. Only:** There is a clear parental policy in place.

**EMPOWERING ENVIRONMENT**
- Employees have never been asked to change their appearance to conform to company culture.
- Employees have the freedom to be creative and innovative.
- Virtual/remote working is widely available and is common practice.
- The organization provides training to keep its employees’ skills relevant.
- Employees can avoid overseas or long-distance travel via virtual meetings.
- Employees can work from home on a day when they have a personal commitment.
- Employees are comfortable reporting sex discrimination/sexual harassment incident(s) to the company.
CONCLUSION

This report creates a compelling case for companies to accelerate the advancement of women by addressing the critical gap between commitment and results. To drive results, companies must set the advancement of women as a business priority and create a comprehensive strategy to achieve it with the same diligence they apply to other top business priorities. As part of this action plan, to really move the dial, companies should work to create a culture of equality characterized by Bold Leadership, Comprehensive Action and an Empowering Environment. Once companies advance more women in leadership, they will improve their financial performance, help close the gender pay gap and drive innovation. In fact, as we shift to an innovation-focused business environment, the motivation to diversify should only grow stronger.
The Canada – U.S. Council for Advancement of Women Entrepreneurs and Business Leaders was appointed by the American and Canadian governments in February 2017. The Council aspires through its recommendations to increase women’s economic participation and the number of women business leaders, and to contribute to the growth, stronger integration and greater competitiveness of both the U.S. and Canadian economies.

The Council’s mandate is to report to the Prime Minister of Canada and the President of the U.S. with recommendations that can break down the barriers that limit women’s participation in business, support women’s professional advancement and assist women in starting and scaling their businesses.

The Council is an independent and autonomous group that makes these recommendations to the private sector and the respective governments.

The Council is taking a targeted approach by looking at five “pillars” of advancement and producing five different reports and sets of recommendations. The pillars identify the top five barriers faced by women and develop a few bold recommendations that could “move the needle” in both countries. Our efforts involve a combination of research and outreach to stakeholders including entrepreneurs, government, the private sector and community groups from across the income spectrum. We are engaging men as well as women and strongly believe that both genders will need to work together to truly drive change.

The Council is focusing on **five key pillars:**

- Supporting and growing women-owned businesses
- Increasing the number of women in science, technology, engineering and math (STEM)
- Attracting women entrepreneurs, encouraging women to start businesses
- Increasing women’s access to capital
- Advancing women as leaders in the private sector

Here in this final report, we have covered Pillar Five by exploring the actions that Canadian and U.S. companies can take to drive the advancement of women to leadership positions in the private sector.
BIBLIOGRAPHY


