

INCLUSION IN ACTION: THE CATALYST CEO CHAMPIONS FOR CHANGE



CATALYST CEO
CHAMPIONS
FOR **CHANGE**


CATALYST
WORKPLACES THAT WORK FOR WOMEN



If we can harness the energy and passion of this momentous time—turn awareness into progress—we will go a long way toward creating workplaces that work for women and everyone.

We are at a historic moment in the fight for gender equality. #MeToo, Time's Up, and the 2017 Women's March in Washington, DC, have unleashed a tsunami of pent-up frustrations, pushing women's issues to the forefront of global discussions.

Supporters of women's rights have raised their voices and protest signs. They have marched all over the United States and in countries from England to Serbia, Ghana, Australia, India, and more.¹ Similarly, #MeToo movements have erupted in Mexico (#YoTambién), Italy (#QuellaVoltaChe), France (#BalanceTonPorc), Israel (#וּנְחָאמֵן), the Arab States (#AnaKaman) and beyond.² The ferocity and volume of conversations related to women's rights has been so pervasive that Merriam-Webster declared *feminism* as the 2017 word of the year.³

A revolution—some say a reckoning—has begun.

Making Gender Equality a Priority: The Catalyst CEO Champions For Change

At Catalyst, we have been working on gender equality issues for more than 50 years, and we are excited to see the energy and momentum pouring into our mission. We know, however, that attaining gender equality requires big, complex solutions. The causes of inequality are rooted in long-held societal norms, laws, policies, and attitudes.

While marches and hashtags are powerful vehicles for raising awareness, they are only one piece of the puzzle. We also need action in the workplace—concrete steps to upend the status quo and help move us forward.

That's why we launched *Catalyst CEO Champions For Change*. These CEOs are demonstrating that progress is possible. They are creating workplaces that work for women—inclusive environments where tolerance, respect, and dignity abound.

Our CEO Champions represent more than 50 global organizations. Collectively, their revenues exceed \$2.4 trillion, and they employ more than 10 million people globally.⁴ These CEOs are leading the way in advancing women in the workplace and have publicly pledged to do everything they can, both as leaders of their organization and personally, to stand up for gender equality.



“Our CEO Champions passionately believe that what’s good for women is good for everyone. They’ve seen the positive results of increased diversity and inclusive cultures firsthand. We are proud and honored to work with our CEO Champions to both create gender equality in the workplace and inspire other organizations to do the same.”

—Lorraine Hariton
President & CEO, Catalyst

OUR CEO CHAMPIONS REPRESENT
50+ GLOBAL ORGANIZATIONS



\$2.4+ TRILLION
in revenue



Employ
10+ MILLION
People Globally

What Gets Measured Gets Done

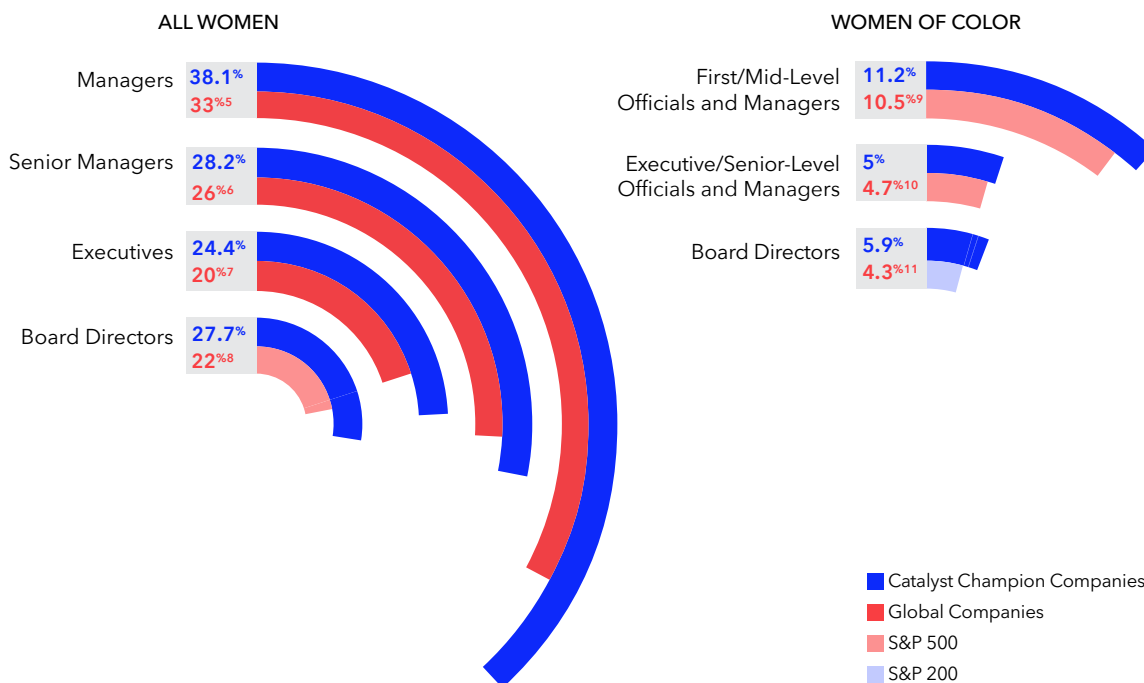
To hold themselves and their organizations accountable, our CEO Champions boldly pledged to be transparent and share metrics on their progress. This is the second year we are reporting on how well the Champion companies are living up to their commitments.

The numbers show that Champion companies are outpacing their global peers in advancing women. In fact, they have a higher percentage of women in leadership positions at every level compared to their global peers—more women board directors, executives, senior managers, and managers.

In addition, Champion companies are outperforming their peers in advancing women of color, a particularly underrepresented group. They have a stronger pipeline of women of color in manager positions, and they are ahead of their peers in promoting these women into the executive ranks. Our Champion companies really shine in the boardroom, where the percentage of women of color on their boards is higher than it is on S&P 200 boards.

CATALYST CHAMPION COMPANIES

HAVE A HIGHER PERCENTAGE OF WOMEN IN LEADERSHIP POSITIONS AT EVERY LEVEL COMPARED TO THEIR GLOBAL PEERS



Catalyst CEO Champions For Change Pledge

ON BEHALF OF MY
ORGANIZATION, I WILL WORK TO:

ACCELERATE PROGRESS IN THE REPRESENTATION

of women, including women of color, in executive/senior-level positions over five years

MAINTAIN (WHERE STRONG) OR ACCELERATE REPRESENTATION

of women, including women of color, on the Company's Board of Directors (or equivalent) over five years.

STRENGTHEN THE PIPELINE

of women through an annual review of internal diagnostics and leverage leading practices to address any identified issues.

BENCHMARK AND TRACK INCLUSION

and improve the culture of inclusion within my organization.

SHARE KEY REPRESENTATION METRICS WITH CATALYST

for benchmarking and for anonymized reporting of our collective aggregate progress.

AS A LEADER, I
PERSONALLY COMMIT TO:

ACTIVELY SPONSOR WOMEN,

including women of color.

ROLE MODEL POSITIVE CHANGE

internally and externally through my words and actions.

DRIVE AND EMBED INCLUSIVITY

as part of my organization's culture, helping to empower women in their careers.

VISIBLY HOLD MYSELF AND THE LEADERS IN MY ORGANIZATION ACCOUNTABLE

for progress.

Different Tactics for Different Companies

There is no one-size-fits-all solution to create an inclusive culture. Much like people, companies have different personalities, and each organization is at a different point on the journey to inclusion. Not surprisingly, the tactics used vary from company to company. The following diversity and inclusion success stories from a few of our Champion companies may inspire you to try new strategies at your organization.

SPOTLIGHT SUCCESS STORIES



BCG: Accelerating Careers One Apprenticeship at a Time

The Boston Consulting Group (BCG) launched *Apprenticeship in Action (AiA)* in 2010. This program was designed around the core belief that improving women's apprenticeship experiences, a critical component of the consulting model where junior team members learn alongside seasoned partners, would improve and accelerate their careers at BCG. In combination with other programs—such as increased focus on recruiting diverse talent, tailor-made development processes, individualized sponsorship, and enhanced flexibility and predictability at work—AiA has proven to be an astounding success. Eight years into its implementation, the number of women in BCG's US consulting ranks has more than doubled. To date, BCG's executive committee consists of more than 35% women, and promotion rates among women in the United States have risen across all cohorts, with a 22% increase among senior managers. The attrition rate of senior women has slowed by 5%, and, perhaps most tellingly, retention of mid-career women is now on par with that of their male peers. And due to its effectiveness and the universality of its founding principles, AiA has also resonated with other diverse groups and men. [Read more](#) about how BCG's own commitment to making lasting change, in what began as a program to benefit women, has grown into a better way of working for an entire organization.

SPOTLIGHT SUCCESS STORIES



Northrop Grumman:

Building the Best Culture by Leveraging the Power of Women

For Northrop Grumman, widening the talent pool and expanding its leadership pipeline has become an imperative on more than one front. One flagship effort to promote and advance women, people of color, and people with disabilities is the Women in Leadership program (WIL). Launched in 2014, WIL aims to accelerate the readiness of women for their first executive roles, thereby increasing their representation in leadership. This is accomplished by expanding participants' exposure to the business, providing them with increased visibility to executives, and emphasizing as well as facilitating network-building. Efforts to create a more inclusive culture and to diversify Northrop Grumman's population at every level are making an impact. Of Northrop Grumman's senior executives—defined as employees who report directly to the CEO—50% are women, and management consists of more than 26% women. [Read more](#) about how women at Northrop Grumman are thriving with the support of committed, passionate leaders and one another.



Prudential Financial:

Prioritizing Diversity in the Boardroom

For a company working to meet the needs of a diverse customer base, Prudential sees having a variety of talent and experience in the boardroom as a competitive advantage, leading to better decisions and stronger performance. This commitment to diversity is evident in its Board of Directors. A full two-thirds of Prudential's board is diverse, and 80% of its non-employee directors represent diverse groups. This degree of diversification at the board level—where there is more often a dearth—is deliberate. At the same time, while Prudential is focused on setting the tone for diversity from the top, it is clear that a commitment to diversity and inclusion is infused throughout every function and level of the organization. From having diversity and inclusion goals tied to senior executives' long-term compensation, to a thriving supplier diversity initiative, to an Emerging Manager Investment Program, Prudential boasts a wide array of programs prioritizing diversity. [Read more](#) about Prudential's efforts to prioritize diversity in the boardroom and recent recognition it has received for its leadership in this space.

How You Can Be a Champion for Gender Equality Too

We all have a role to play in creating inclusive work environments. Executives can alter policies and implement other broad structural changes, but corporate culture is largely defined by individual, daily interactions. As colleagues converse in meetings, over email, and during conference calls, company norms are defined and perpetuated.

Catalyst research has found that women leaders are at a disadvantage in many work environments.¹² Gender stereotypes create a no-win situation for them, where they are either too tough or too soft, never just right. From a competency standpoint, women leaders are handicapped by the “think leader, think male” mindset which assumes men are natural leaders while women are not. They are held to a higher standard and spend time proving, over and over again, that they are competent leaders. The result is that women leaders work twice as hard as men for the same recognition.¹³

It’s time to break this cycle and redefine what a leader looks like.

Here are some individual actions you can take and share to dismantle the status quo and create a more inclusive environment.¹⁴



THE “THINK LEADER, THINK MALE” MINDSET CREATES AN INVISIBLE BARRIER FOR WOMEN



Interrupt bias.

Speak up if you hear language that reinforces negative gender stereotypes. Phrases such as “she is abrasive,” “she’s so emotional,” or “she talks too much” can undermine a woman’s perceived competence and ability to lead.



Use the same standards for men and women in formal evaluations.

Challenge your thinking by reversing the gender of the person you’re evaluating to see if it makes a difference in your language and assessment.



Be a visible champion.

Promote the accomplishments of women and actively advocate for their development and advancement. You will serve as a powerful role model for your colleagues to do the same.

WORKING TOGETHER, WE CAN MOVE THE NEEDLE

Globally, women earn less than men across economies, hold 15% of the world's board seats,¹⁵ occupy 20% of executive positions,¹⁶ and lead just 5% of S&P 500 companies as CEO.¹⁷ We are still far from gender equality in the workforce and society. But as the Catalyst CEO Champions For Change have demonstrated, commitment that leads to action can effect change. If we can harness the energy and passion of this momentous time—turn awareness into progress—we will go a long way toward creating workplaces that work for women and everyone.



Endnotes

- 1 Alan Taylor, "Photos of the Women's Marches Around the World," *The Atlantic*, January 21, 2017.
- 2 Melissa Etehad and Noga Tarnopolsky, "A Global Primal Scream: #MeToo (#YoTambien #QuellaVoltaChe #אנא_כאמאן #اننا_وتناجب)," *Los Angeles Times*, October 18, 2017; Heidi Basch-Harod, "#Ana_Kaman," *Tel Aviv Notes*, vol. 12, no. 1 (January 10, 2018).
- 3 Merriam-Webster, "Merriam-Webster's 2017 Words of the Year."
- 4 Catalyst, Unpublished analysis of Catalyst CEO Champions For Change companies data (2018).
- 5 Mercer, *When Women Thrive, Businesses Thrive* (2016): p. 31.
- 6 Mercer, *When Women Thrive, Businesses Thrive* (2016): p. 31.
- 7 Mercer, *When Women Thrive, Businesses Thrive* (2016): p. 31.
- 8 Spencer Stuart, *2017 Spencer Stuart U.S. Board Index* (2017).
- 9 Catalyst, *Women in S&P 500 Companies by Race/Ethnicity and Level* (October 12, 2017).
- 10 Catalyst, *Women in S&P 500 Companies by Race/Ethnicity and Level* (October 12, 2017).
- 11 Spencer Stuart's analysis of race/ethnicity among board representation examined the top 200 organizations of the S&P 500. Spencer Stuart, *2017 Spencer Stuart U.S. Board Index* (unpublished data) (2018).
- 12 Catalyst, *The Double-Bind Dilemma for Women In Leadership: Damned If You Do, Doomed If You Don't* (2007).
- 13 Catalyst, *The Double-Bind Dilemma for Women in Leadership* (August 2, 2018).
- 14 Catalyst, *The Double-Bind Dilemma for Women in Leadership* (August 2, 2018).
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- 16 Mercer, *When Women Thrive, Businesses Thrive* (2016): p. 15.
- 17 Catalyst, *Pyramid: Women in S&P 500 Companies* (October 3, 2018).

RESEARCH PARTNERS:

Altria Group, Bank of America, Bloomberg, BMO Financial Group, The Boston Consulting Group (BCG), Cargill, Incorporated, Chevron Corporation, Debevoise & Plimpton LLP, Dell Inc., Deutsche Bank, EY, IBM Corporation, Kimberly-Clark Corporation, McDonald's Corporation, Merck & Co., Inc., Sodexo, Uber Technologies, Inc., UPS, Verizon Communications Inc.

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