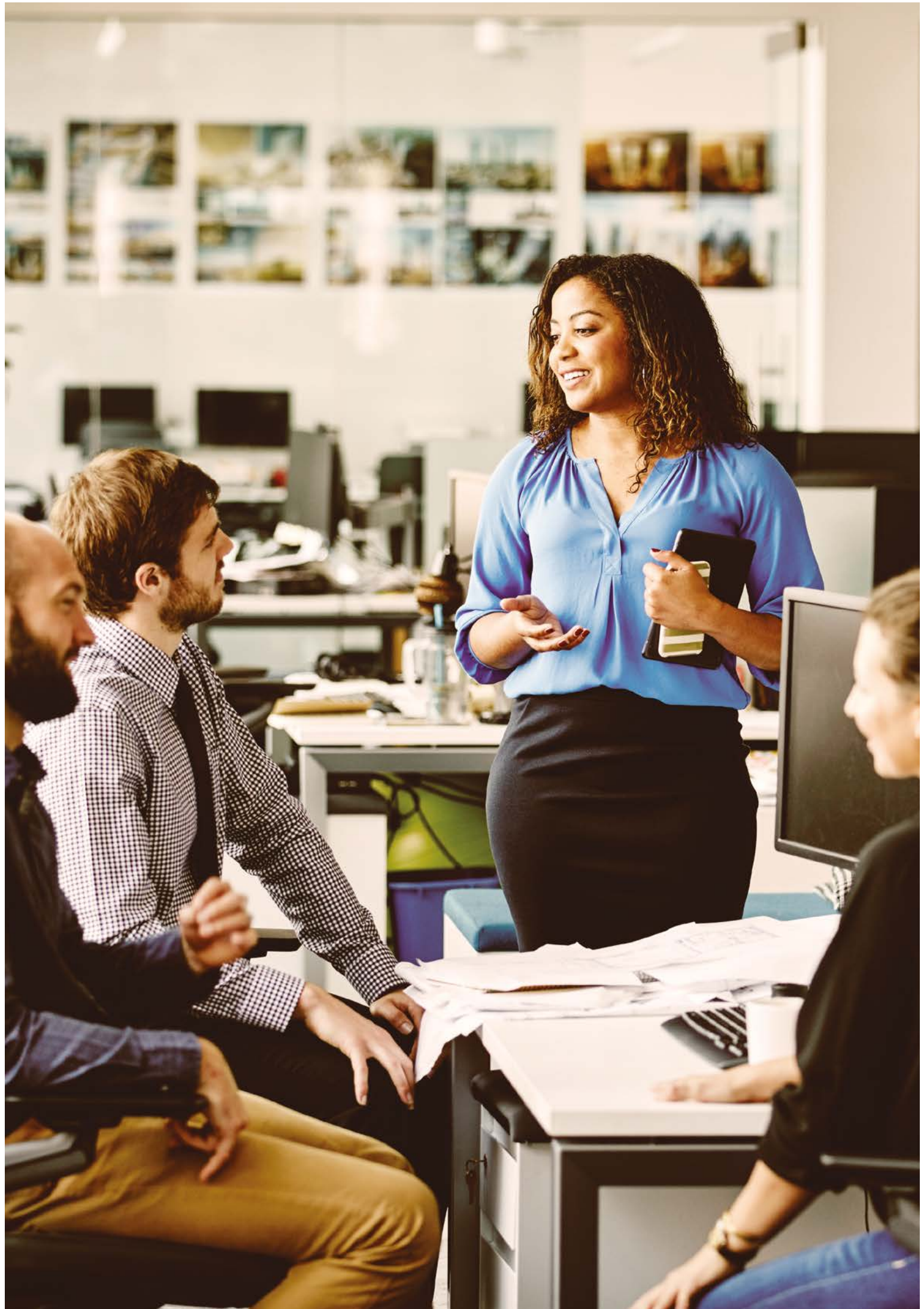


# Women in leadership: beyond policy to progress

2018





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“It is disappointing that in today’s fast-paced and evolving world we are still grappling with gender parity. Change must take place, which requires action at all levels of an organisation, irrespective of industry or country. We must act with responsibility and inclusion in order to influence the right behaviours of the next-generation”.

**Hisham Farouk**  
**CEO and Global Board Member**  
**Grant Thornton United Arab Emirates**



# Foreword

The United Arab Emirates (UAE) has made a notable impact in respect of encouraging and supporting women into leadership positions within the public sector, which is illustrative for the private sector to embrace and adopt.



Emirati women have represented the labour force for over 30 years, with a notable increase and impact in representation, from a mere 3.4% in the 70s to 66% of women presently holding public-sector roles, of which 30% are in decision-making roles<sup>1</sup>.

The UAE Government has amplified its role and effort, with active and ardent measures which continue to place emphasis of the importance of Emirati women in leadership; such initiatives include:

- The recently established 'UAE Gender Balance Council', whose main premise involves the development of policies which empower Emirati women, furthermore, they have developed a gender balance index which is used as a central component of the national performance indicator.
- Regulatory developments which involve lower barriers to entry and exit for entrepreneurs.
- An increased focus on the importance of education, particularly for its youthful population who will represent as leaders of the future. In the last decade alone, female literacy rates in the region have been on par if not higher than most developing countries around the world<sup>2</sup>.
- Dubai Women Establishment, which was an initiative developed to ensure women can successfully build a career without compromising their family lives.
- The Central Bank of the UAE has allocated quotas for Emirati employees across the banking sector, to encourage more women into finance leadership positions.

Such proactive measures further validate the UAE government's ambition to augment the role of women in leadership as a key driver to the progress and success of the nation, whilst becoming a global role model for gender balance.

In comparison to its counterparts in the region, the UAE has embraced and supported both women in leadership positions and its youth into education, both displaying proactive foundations for a thriving economy in years to come. This sentiment has recently been embraced across the wider region, with the recent movements in The Kingdom of Saudi Arabia (KSA), which saw women take to the driving wheel for the first time in its history, along with setting up their own businesses.

We are experiencing active steps to drive the economic and social landscape forward for women in the region, particularly in the public-sector, however, further investment and development is required within both the private sector and wider region. Whilst statistics highlight an ongoing increase of women in leadership positions, there is a need for this trend to continue in managerial roles, which show signs of a slight decline<sup>3</sup>.

Furthermore, the challenges faced across the region are synonymous with the global trend, in that the UAE was ranked 120 in the index of 144 countries who are measured for gender parity, with KSA faring lower, at 138<sup>3</sup>.

There is a case for public sector intervention beyond policies and legislation, particularly in respect of supporting and guiding the private sector to develop and embrace women into leadership positions. Such intervention will not only drive social impact but economic benefits too, particularly given the evidence which correlates gender diversity in leadership to economic progress<sup>4</sup>. An additional \$1trn dollars of output could have been gained across the Middle East, North Africa, Afghanistan, and Pakistan region (equivalent to doubling average real GDP growth during the past decade) had female workforce participation rates been raised between 2000 and 2011<sup>5</sup>.

In this report we share the views of private-sector professionals who further validate the need for action. We also share the comparative global position from results accumulated over the past 14 years from Grant Thornton's International Business Report.

In summary, this year's report suggests that whilst businesses globally may have taken one step forward, gender diversity gaps remain at a leadership level, which may suggest that organisations are 'complying' with the need for diversity to avoid an all-male leadership team, rather than creating an authentic and inclusive culture which leads to a genuinely diverse senior management team.

The results found that whilst there are abundant business policies which include equal pay, parental leave and flexible working policies to name a few, the countries in which such policies are prevalent were not necessarily the most gender diverse, which further raises the debate that policies alone are not enough of a move to support parity.

A disturbing indicator which is at the forefront of the gender parity challenge is the 217 years required to diminish the economic gender pay gap which is existent today, 47 years longer than last year's estimates. If such challenges are not addressed imminently the widening gap will create a lasting economic and socially damaging effect. Within the MENA region the gender pay gap will require 157 years to close, hence policies alone are clearly not the tool to address such challenges<sup>3</sup>.



The results of local and global interviews conducted suggest that businesses creating real change are those whose policies and practices are rooted in a genuine conviction of the benefit of diversity.

Embracing and increasing women in leadership positions will drive economic, social and commercial benefits, whilst the path to change maybe time consuming and difficult, businesses have a responsibility to address the challenge whilst educating its future leaders of the value which a diverse leadership team brings.

We highlight the current position of gender parity across the global, whilst offering recommendations for business leaders who wish to realise their ambition of being a socially responsible and diverse organisation.

## Hisham Farouk

CEO and Global Board Member  
Grant Thornton United Arab Emirates

1 Gulf News, 2015: *Women grab 66% of UAE government jobs*.

2 Khaleej Time, 2016: *Rise of women in the UAE financial sector*.

3 World Economic Forum (WEF), 2016 & 2017: *Global Gender Gap Report*.

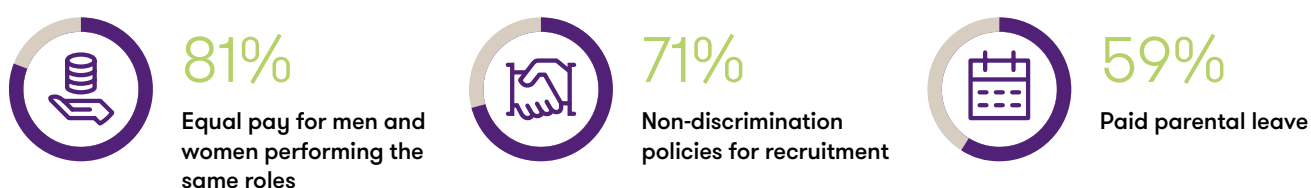
4 McKinsey Research, 2018: *Delivering through Diversity*, page 10.

5 IMF, November 2013: *Regional Economic Outlook*, page 29.

# Key global findings



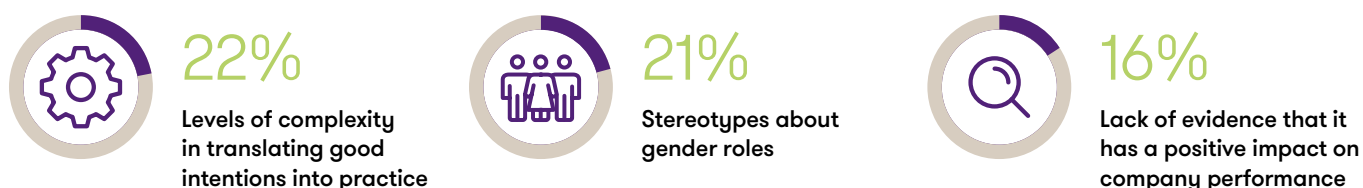
## Top gender equality policies and practices businesses have in place:



## Top drivers for businesses to introduce gender equality policies and practices:



## Main barriers that prevent gender equality policies and practices being introduced:



## Ten recommendations for business leaders to increase gender diversity:

1 Champion the cause		
Leadership	Policy	Culture
2 Make diversity and inclusion a core value	5 Embrace diversity	8 Investigate the benefits
3 Set goals	6 Reduce 'mini me' recruitment and promotion	9 Be comfortable with discomfort
4 Link progress to pay	7 Introduce sponsorship	10 Share your story



“Embracing a culture of diversity is essential for the success of an organisation. It allows them to tap into unconventional opportunities that arise when diverse skills and ideas are brought together.”

**Raja Al Mazrouei, Executive Vice President  
FinTech Hive at DIFC**

FINTECH HIVE  
DIFC



“Fewer women in top management results in fewer women on boards. If companies are serious about gender diversity, they must create effective and impactful policies which support women to climb up the corporate ladder.”

**Ashraf Gamal El Din**  
**CEO, Hawkamah**

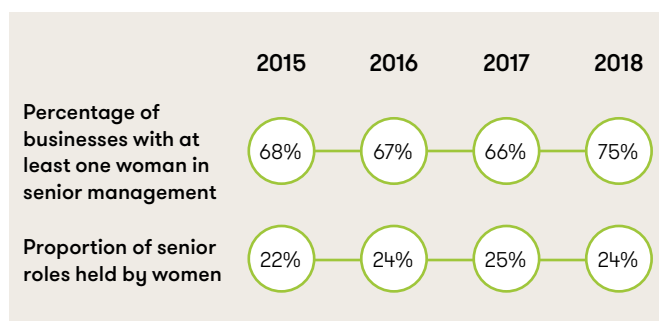




# Gender diversity in leadership

Globally, the percentage of businesses with at least one woman in senior management has increased from 66 to 75% in the last year alone, which has been the most significant change witnessed since 2015. Whilst this displays signs of gender balance we must continue to see evidence of this expansion beyond one woman in each organisation.

**Figure 1: Female representation in senior management over past four years**



Whilst marginal developments have been made at a management level, it is disappointing to observe reverse trends in senior positions, hence further effort is required to ensure balance is maintained at all levels of a business. Ashraf Gamal, Chief Executive Officer of Hawkamah, says: “Fewer women in top management results in fewer women on boards. If companies are serious about gender diversity, they must create effective and impactful policies which support women to climb up the corporate ladder.”

Francesca Lagerberg, Global Leader for Network Capabilities and Sponsor of Women in Leadership at Grant Thornton International Ltd shares her views on the rationale for a marginal increase of women in management positions and says: “The external environment has changed and it is now seen as strange to have no women in senior management. Businesses may finally have just become too embarrassed and ashamed not to improve their gender diversity.”

Coupled with Francesca’s view, media attention and legislative pressure may contribute to factors which drive change in the composition of managerial roles. Likewise, the notion of the commercial and social benefits of gender diverse teams may be influencing change.

As in previous years, improvements have primarily been driven by high levels of gender diversity in emerging economies, with Africa and Eastern Europe leading the way. There has been a significant increase in the percentage of businesses in North America, the European Union (EU) and the UAE, who have at least one woman in senior management.

When we look to the UAE, it is encouraging to witness that a higher number of women are graduating from university than men, with 71% of all graduates being Emirati women<sup>1</sup>, which provides for a vigorous pipeline of qualified female students who are primed to contribute to a diverse workforce.

Whilst the public-sector in the UAE employs 1,500 Emirati women in Dubai Police<sup>1</sup> and represent 27% of the UAE cabinet<sup>6</sup>, there is a need to consider the ongoing steer towards a more tech-enabled smart government, which going forward will provide limited roles for local talent. This presents an opportunity for the private sector to embrace the youth, along with women in managerial and senior positions, particularly given only 5.5% of private sector institutes have women in senior positions<sup>6</sup>.

Karitha Ericson, Chief Operating Officer at Grant Thornton Sweden, highlights the importance of keeping up the pressure: “Gender diversity doesn’t happen by itself. Even countries that do well will stop seeing progress if there isn’t a sustained effort to focus on it.”

<sup>6</sup> Gulf News, 2017: UAE launches Gender Balance Guide for workplace.

# Regional snapshots

## Africa



89%

of businesses have at least one woman in senior management



30%

of senior roles are held by women

Africa tops our regions in gender diversity performance. Nigeria for instance has 95% of businesses with at least one woman in senior management and hit a new high in terms of the proportion of senior roles held by women (30%). Meanwhile South Africa hit a new high of 80% of businesses with at least one woman in senior management and the highest proportion of senior roles held by women in a decade at 29%.

## APAC



71%

of businesses have at least one woman in senior management



23%

of senior roles are held by women

Countries across the region made progress on gender diversity in leadership over the last year but within the region we see significant variation. For example, the percentage of senior roles held by women in India increased from 17% to 20%, extending a consistent improvement year on year from 14% in 2014. However in Japan, women remain under-represented in senior teams with just 5% of senior roles held by women.

## Eastern Europe



87%

of businesses have at least one woman in senior management



36%

of senior roles are held by women

Eastern Europe continues to be a leading region when it comes to female participation in senior management. The region is home to Poland and Russia which continue their tradition of strong female participation with 93% and 91% respectively with at least one women in senior management. However, in Poland, due to changing lifestyles and family responsibilities, more women are becoming more enterprising and deciding to run their own businesses. A large number of women in managerial positions could be a result of this increase in professional activity.

## EU



of businesses have at least one woman in senior management



of senior roles are held by women

The UK hit a high in terms of the percentage of businesses with at least one woman in senior management at 75%, and saw a slight rise in the proportion of senior roles held by women, up from 19% to 22%. France hit a three year high in terms of the percentage of businesses with at least one woman in senior management at 79%, and a three year high in terms of the proportion of senior roles held by women at 33%.

## Latin America



of businesses have at least one woman in senior management



of senior roles are held by women

Mexico continued its trend of improving female participation in senior teams for a third straight year. Seventy-five percent of business reporting at least one women in senior management and 34% of senior positions held by women. Brazil and Argentina also showed improvement in both metrics, the percentages of businesses with at least one woman in senior management increasing to 61% and 58% and senior roles held by women to 29% and 23% respectively.

## North America



of businesses have at least one woman in senior management



of senior roles are held by women

The US saw a significant increase in the percentage of businesses with at least one woman in senior management, rising from 69% last year to 81% in 2018. However, at the same time the US saw a slight decrease in the proportion of senior roles held by women, from 23% to 21%, while in Canada this rose from 23% to 25%.

# Landscape of business policy

In order to ascertain the factors that drive gender diversity globally, we have explored the policies which businesses have in place to encourage and facilitate change.

## Focus on family-friendly policies

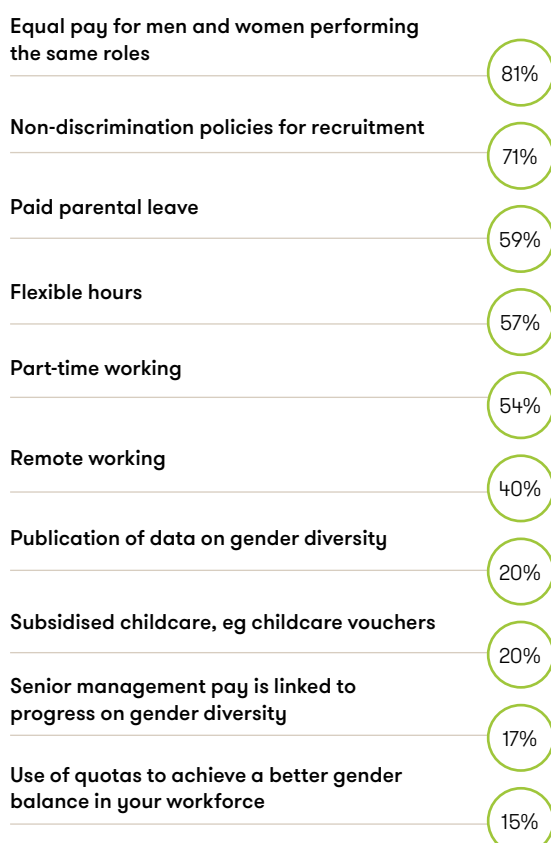
Globally, the most common legislative policies which support gender diversity include equal pay, non-discriminative recruitment and paid-parental leave, which correlate to our findings of the most popular policies in place across businesses. The least common policies cited were quotas and senior pay linked to the progress of gender diversity.

Such policies are embedded into organisations for regulatory purposes and to attract and retain talent who require fluidity in their working environment, however, numerous studies and findings have evidently confirmed that the gender balance challenge remains, therefore we have to ask how relevant or effective these policies are in addressing the diversity gap in leadership?

In the UAE, women have equal constitutional rights as men, including the right to equal pay, paid maternal and parental leave. The public-sector have moved further forward to support women balance their professional and personal responsibilities by increasing maternity leave to 90 days with full pay, along with offering a crèche for children up to the age of four. Whilst the private sector offers compulsory benefits which include six weeks of maternity leave, many businesses have taken active steps to continue attracting and retaining its talent which include extended maternity leave, return to work for new mothers and mentorship programmes.

Amongst the business leaders we interviewed, there was a sense that the slow pace of change on gender diversity in leadership means less popular policies such as quotas should be considered further. In 2012, the UAE mandated public and private sector organisations to include a female director on their board<sup>7</sup>. The move followed calls for some form of quota system to be implemented in the private sector to increase female participation in the workforce, similar to the nationalisation policies in force in many Gulf countries.

**Figure 2: Gender equality policies and practices businesses have in place**







## Time for quotas

Sara Khoja, Partner at Clyde & Co. shares her views on the quota debate and says, “the imposition of quotas can be a brave step and with research indicating that for example it will take 100-plus years for gender pay parity to be achieved, quotas might be the only way to really achieve change. Some may say it provides for a ‘token’ female appointment, but I believe it means that companies are forced to change and recruit from the many capable women we know are available but who may not be in the ‘right’ network or come from the ‘right’ background.”

Sacha Romanovitch, Chief Executive Officer at Grant Thornton UK, believes that while quotas may not be appropriate for all roles because women shouldn’t feel they have been given responsibility just because the business needs a woman, “instead it’s important to have quotas on recruitment pipelines so there’s a possibility of selecting a female leader in the future.”

To support the points of view, we look to Norway’s success of achieving a relatively high coverage of women on boards, which has largely been driven by the introduction of quotas. In 2003, the Norwegian government mandated all publicly listed and private sector PLC companies to ensure their board members were represented by a minimum of 40% women, with a regulatory measure further introduced in 2006 which penalised non-compliance of this regulation by delisting the associated entity.

The ethos of gender balanced boards has now undulated to the private and not-for-profit sectors, where enforcement was not in place, thereby supporting Norway in its bid to drive a diverse economy. Anecdotal evidence shows that the new boards in Norway are more dynamic, open and innovative,

which is further supported by research demonstrating that increased diversity and more women on boards has the potential to increase firm innovation and board effectiveness more broadly<sup>8</sup>.

A 2015 Commonwealth report stated that “the range of studies and analysis lead to the conclusion that fairness will not prevail for women in the short term without legislation for targets and/or quotas.”<sup>9</sup> Grant Thornton’s own research has shown that 47% of businesses support the introduction of quotas, at least for the executive boards of large listed companies.<sup>10</sup>

## Policy ≠ progress

There is no clear correlation between which, and how many, policies businesses have in place and the gender diversity of their senior management teams. Business leaders state that, rather than specific policies being the solution, it is the environment into which they are introduced that makes the difference on gender diversity in leadership.

Francesca Lagerberg expands on this, saying: “You can have every policy in the book, but if that book never gets taken off the shelf and used, then the policies are only words. Policies can set the parameter, context and direction of travel but they won’t achieve anything if the underlying culture hasn’t changed. How people are treated, the way leaders live and breathe and deliver on issues of gender diversity, are far more important than specific policies.”

Unless a business is focused on creating an inclusive culture in which everyone feels valued and able to speak up, policies designed to increase the gender diversity of senior management are unlikely to have any real impact.

<sup>7</sup> The National, 2012: *Women on every UAE board rules cabinet*.

<sup>8</sup> The Chronicle of Higher Education, March 2015: *The Conversation*.

<sup>9</sup> The Commonwealth Secretariat, 2015: *Strategies for Increased Participation of Women in Leadership across the Commonwealth*, page 2.

<sup>10</sup> Grant Thornton, 2015: *Women in business: the path to leadership*, page 16.



## Inclusion: why culture is key in driving change

It is easy to use the terms “diversity” and “inclusion” interchangeably, and to assume that if you have diversity then by definition you must have inclusion. But this is not the case. Diversity is having a balance of different voices in a business, but inclusion is making sure those voices are heard and acted upon.

A culture of inclusion values each individual for who they are and creates a sense of team. As Florence Bulte, Head of Sustainable Engagement, Consumer & Innovation Strategies at Chalhoub Group notes, “Chalhoub Group has been committed to building a responsible and sustainable business for over 60 years, which has been driven by the obligation to ensure every employee's voice is heard and valued, irrespective of gender. In September 2017 we further cemented our commitment of ensuring we have gender parity by signing the Women Empowerment Principles (WEP), which is an initiative co-led by the United Nations Global Compact and United Nations Women. By being a signatory of Women Empowerment Principles, the Group recognises that gender parity is imperative for economic growth. It means that we will now be reporting publicly on Diversity and Inclusion key performance Indicators, within our sustainability report. We believe it is essential for corporate organisations to drive leadership for gender equality at a higher-level, whilst providing transparent results of success.”

Inclusion incorporates all forms of diversity, recognising that as well as aspects such as gender, age or ethnicity, it is important to have people with different backgrounds, experiences, behavioural styles and skillsets to increase the effectiveness of a team.

Business leaders believe mindsets are starting to change. Sacha Romanovitch says “traditionally businesses had a very hierarchical view of the world and focused on competition as the way to drive profit. Some are moving away from that model to focus on shared purpose and collaboration to achieve success. That's an inclusive environment that is attractive and interesting for women, and men, who don't fit the alpha male paradigm.”

Creating an inclusive culture is not easy; it requires strong leadership which includes adopting empowering, accountable, courage and humility behaviours.

## Recruitment needs is the principal driver for policy

When we ask business leaders from around the world why they have introduced gender equality policies, the most common reasons included to attract and retain employees and to live up to organisational values (see Figure 3).

**Figure 3: Reasons businesses introduced gender equality policies and practices**



Recruitment and retention are strategic priorities for businesses, and gender equality in leadership has become a core element of employer branding. As Stephanie Hasenbos-Case, Global Leader of People and Culture at Grant Thornton International, explains, “businesses now have to demonstrate that they care about their people and be open about the benefits on offer in order to be attractive as an employer”. Therefore, the opportunity for women to progress into senior roles is a key factor in recruitment strategies.

But businesses are also looking at gender diversity as a competitive differentiator. Sacha Romanovitch says that “business leaders are starting to recognise that unless they can present a diverse team to prospective clients, they are limited in their ability to win work. So, gender diversity policies are driven by wanting to recruit employees, but also wanting to recruit clients.”

## Diversity and the bottom line

More than half of business leaders say enhancing company performance was a driver to introducing gender equality policies. There is a wealth of research investigating the commercial impact of women in leadership. For instance, research has found that narrowing the global gender gap could grow global GDP by as much as \$12 trillion by 2025<sup>11</sup>. In the MENA region, this would result in an additional 50% increase in GDP by 2025<sup>12</sup>.

Again, there is no clear correlation between the drivers for introducing gender equality policies and levels of gender diversity in leadership. For instance, the two countries most driven by the desire to enhance company performance are the Philippines, which demonstrates high levels of gender diversity, and Singapore, which has lower female representation.

Meanwhile, businesses in developed countries such as Italy, Germany and the UK, which demonstrate relatively low levels of gender diversity, are among the most likely to have introduced policies in order to live up to organisational values.

<sup>11</sup> McKinsey Global Institute, 2015: *The power of parity: How advancing women's equality can add \$12 trillion to global growth*, page 8.

<sup>12</sup> The National, 2017: *It'll take 200 years to close the economic gender gap, UAE envoy to UN tells summit*.

“Cultural stereotypes need addressing at every stage from childhood onwards. Schools, universities and businesses all have a role to play in ensuring women and men are equally prepared for business life.”

**Ramón Galcerán, head of financial advisory, Grant Thornton Spain**

## Invisible barriers

Globally, more than a third (37%) of business leaders believe there are no barriers to introducing additional gender equality policies and practices, as shown in Figure 4. European countries seem most positive, with Sweden, Estonia, Germany, Spain, Turkey, Netherlands, Russia, Greece, the UK and Finland the 10 countries in which businesses leaders are most likely to say there are no barriers, despite having a mixed record on gender diversity in business leadership.

However, there are concerns that this may demonstrate a lack of awareness among business leaders. Maria de los Angeles Rivera, Tax Partner of Grant Thornton Puerto Rico, comments that “if a business leader says there are no barriers it suggests maybe they’ve not personally experienced any and don’t have a forum to get that information from their employees.” Similarly, Ramon Galceran, Head of Financial Advisory of Grant Thornton Spain, believes that “some of the barriers facing women are subconscious – for example, judging men and women differently and adhering to stereotypes of women, such as taking time off work to have a family – so business leaders may not always be aware of them.”

## Stereotypes continue to stifle progress

For those who do believe there are barriers to introducing gender equality policies, the most common issues are the complexity of translating good intentions into practice, followed by stereotypes about gender roles. Lack of evidence of positive impact on company performance and cost of implementation were third, while least cited was a business culture that is unsupportive of diversity.

Ruth Button, Forensics Director at Grant Thornton in the UAE, believes attitudes need to change before we see real progress: “We know that change does not happen overnight. That’s why it’s critical to start these conversations as early as possible, it is essential that we break stereotypes at a young age, so that the youthful talent of tomorrow will not grapple with the diversity challenge which we are experiencing today, in this case, education and the right messages and behaviours are key”.

**Figure 4: Barriers that prevent gender equality policies and practices being introduced**



## Leaning towards legislation

Despite businesses globally adopting a range of gender equality policies and practices, there appear to be barriers which prevent them from doing more (see Figure 4). We therefore need to explore the role which government have in addressing such challenges.

Globally, two fifths (40%) of business leaders say they want their government to do more to address the issue of gender inequality in business leadership at a legislative level, compared to just over half (53%) who do not. Countries in developed regions tend to be less keen on government intervention, with the US, the Netherlands, Canada and the UK among those countries in which businesses are most likely to say ‘no’ to more legislation. Mexico and Nigeria are the countries in which businesses are most keen for their government to do more.



Closer to home, gender balance is a key priority for public-sector institutes with an ambition to become one of the top 25 countries for gender equality by 2021. Regulatory and legislative action has supported women in managerial and senior positions, particularly with the development of policies, councils and index's which measure success. One such initiative includes the establishment of the 'Gender Balance Council', which aims to reduce the gender gap across the country.

In 2017, the Council published the Gender Balance Guide: Actions for UAE Organisations to help bring about meaningful organisational change. The Guide provides a roadmap for organisations from the awareness building and acceptance stage, through to developing gender balance action plans and the successful implementation of gender impact assessments for policies and programmes<sup>13</sup>. Progress will be measured through the impact gender balance has on several national key performance indicators – the Social Cohesion Index and the Happiness Index, which are dedicated to promoting a cohesive society and preserved identity, and the recently created Gender Inequality Index<sup>14</sup>. Organisations across the public and private sector that do follow the Gender Balance Guide will have seen their progress reflected in these national indices.

The Council is also now working towards implementing gender responsive budgeting at a federal level<sup>15</sup>. Globally, two fifths (40%) of business leaders say they want their government to do more to address the issue of gender inequality in business leadership at a legislative level, compared to just over half (53%) who do not. Many of those we spoke to highlight the need for caution if governments wanted businesses to support legislative actions. Francesca Lagerberg says “government intervention can be seen as interference without real understanding”, while Sacha Romanovitch explains that “business leaders can often feel policies are adding burdens that make it harder for them to operate.”

In addition, there are concerns that businesses will find ways to get around legislation. Research has shown that some businesses are either cutting the number of directors on their boards, hiring women as additional directors or dropping male directors, in order to improve diversity numbers.

## Collaboration is crucial

While the majority of business leaders are not keen on increased legislation, they recognise that government focus on the issue of gender diversity in business leadership can be helpful. Across the world, the consensus is that governments and businesses need to work collaboratively to address gender inequality in business leadership (see Figure 5). Businesses in emerging economies with a culture of government intervention, such as Indonesia, China and India, are most likely to believe that the issue is primarily one for government to solve. In contrast, businesses in developed countries are more strongly in favour of a business-led approach, with this particularly high in France, Germany, Japan and the US.

**Figure 5: Relative roles government and business should play in addressing the issue of gender inequality**



<sup>13</sup> UAE Gender Balance Council, 2017: *Gender Balance Guide: Actions for UAE Organisations*, page 20.

<sup>14</sup> UAE Gender Balance Council, 2017: *Gender Balance Guide: Actions for UAE Organisations*, page 17.

<sup>15</sup> Gulf News, 2017: *UAE launches Gender Balance Guide for workplace*.



## Making space for new ideas

Many business leaders we spoke to recognise the limitations of government intervention. Stephanie Hasenbos-Case says that “often the most important role for governments is to show the way through their own policies, and to provide guidance to businesses”. Sacha Romanovitch highlights that “a lot of government policy on gender diversity and equality is aimed at stopping bad things happening, but it’s equally important to pay attention to the positive enablers that actually help women to progress to senior management. Those things are harder for governments to influence.”

Similarly, Mandip Dulay, Director and Leadership Member at Grant Thornton in the UAE, says “government initiatives continue to drive gender equality to further encourage a diverse and inclusive boardroom within the public sector. However, we still witness the private sector lagging in terms of senior females in board level roles. With more females going through the education system in the UAE than ever before, businesses need to address this lack of representation in order to maximise the future potential of this untapped talent pool. Government policy should be coupled with attainable and measurable goals which endorse and encourages an inclusive private sector corporate culture.



“Yesterday’s challenges of parity are deeply affecting our current environment, with the trend projected to continue over 15 decades, of deeper concern is that in an era of millennial thinking, innovation and advanced technological intervention we are still discussing solutions to drive gender balance which requires little intervention other than mindset and behavioural change.”

**Mandip Dulay, Director and Member of the Leadership Team, Grant Thornton UAE**



“‘Women who empower, empower women who empower’ I find this quote powerful, and hence express gratitude to those women around the world who through their commitment have displayed ferocious and empowering attributes. The time has come for leaders to create a culture where women can thrive. We are responsible for the next generation of leaders and innovators where women all around the world are afforded equal opportunity to conquer the future.”

**Nisha Jagtiani, Director, Landmark Group**



“Different life experiences create different perspectives and it would seem obvious that bringing people into a team with different backgrounds (gender, ethnicity, education, social and cultural backgrounds) leads to better debate and dynamic ideas. It’s often said that if we had had the Lehman Sisters and not Lehman Brothers, some of the recent financial turmoil could have been avoided.”

**Sara Khoja, Partner, Clyde & Co**



“Chalhoub Group has been committed to building a responsible and sustainable business for over 60 years, which has been driven by the obligation to ensure every employees voice is heard and valued, irrespective of gender. In September 2017 we further cemented our commitment of ensuring we have gender parity by signing the Women Empowerment Principles, by being a signatory, the Group recognises that gender parity is imperative for economic growth. We will now be reporting publicly on Diversity and Inclusion, within our sustainability report. We believe it is essential to drive leadership for gender equality at a higher-level, whilst providing transparent results of success.”

**Florence Bulte, Head of Sustainable Engagement, Consumer & Innovation Strategies, Chalhoub Group**



“Flexible working is at the heart of businesses unlocking the potential of an underrepresented female workforce. A focus on flexible working for all however is what is important, and derives benefits for all employees and organisations, it is not about flexible working for females only. The notion of a traditional 9 – 5 office job has to evolve if modern businesses are to thrive and capitalize on all the talent that is available to them.”

**Lindsay Degouve De Nuncques, Head of Middle East, ACCA**

# Recommendations for business leaders

The Grant Thornton International Business Report has been investigating the progress of women in business for over 14 years, exploring how business leaders think and feel, whilst outlining practical steps that can aid further change, we share the ten recommendations which leaders can consider in order to attain a more gender diverse team:

Ten recommendations for business leaders to increase gender diversity:

1 Champion the cause		
Leadership	Policy	Culture
2 Make diversity and inclusion a core value	5 Embrace diversity	8 Investigate the benefits
3 Set goals	6 Reduce 'mini me' recruitment and promotion	9 Be comfortable with discomfort
4 Link progress to pay	7 Introduce sponsorship	10 Share your story

## 1. Champion the cause

To create change, senior leadership need to take the issue seriously and lead from the top. Businesses with the same policies in place often have very different landscapes depending on how they are led from the top. The first step for any business leader is to demonstrate commitment to driving equality. A diversified leadership team fostering an inclusive workplace culture is critical. All leaders, male and female have an important role to play, by setting the right tone and leading by example, mentoring women and assisting them in their journey to the top of the career ladder.

## 2. Make diversity and inclusion a core value

Organisational values drive behaviour, therefore it is important that the entire business is committed to diversity and inclusion. Our research indicates that translating good intentions into practice is an ongoing challenge for businesses, but as Sara Khoja highlights “the person who mentored me most and really made a difference to my career was a senior male mentor and I think this was key for me to understand the corporate structure I worked in and what I needed to do to take control of my career. Mentors aren’t there to do the work but to provide strategic guidance.



“Gender balanced businesses will be better able to handle the disruption facing every sector. More diverse teams make better decisions and are more resilient.”

**Peter Bodin, Global Chief Executive Officer, Grant Thornton International Ltd**

### 3. Set goals

Making gender diversity a core value is not enough in itself; business leaders should set clear goals by which they will measure progress. Stephanie Hasenbos-Case believes this is crucial: “Diversity and inclusion targets are important so you can align leaders to a shared goal and work together to achieve it”

### 4. Link progress to pay

They say that what gets measured gets managed, so business leaders should make diversity and inclusion goals part of the leadership team’s compensation packages to encourage change. Karitha Ericson believes that “one of the reasons there’s been so little progress on gender diversity is because there isn’t enough consequence for senior leaders.”

### 5. Embrace diversity

Simply putting one woman on the senior management team is not enough to ensure a range of voices is heard and for the business to reap the rewards of diversity. As Melissa Aoun, Associate Director of Transformation Advisory at Grant Thornton UAE says, “diversity quotas should serve as a reminder that a minority group is intuitively left out, simply because it has been for so long. They are not to be considered as a guideline or a box to tick to comply with a standard that promotes the illusion of a diverse group of decision makers. Only when we refer to a leader as just that, rather than a woman in leadership, have we really embraced the value of a leader which may spring from her gender, just as well as her nationality, education, upbringing or professional experience.”

### 6. Reduce ‘mini me’ recruitment and promotion

Unconscious bias training can help people at all levels of the business avoid the temptation to hire and promote employees who look, speak and think in the same ways. The use of professional recruiters who access talent based on skills as opposed to gender can support in the drive to encourage parity.

### 7. Introduce sponsorship

Sponsorship can have a significantly greater impact on gender diversity in leadership than simple mentoring schemes. As Madeleine Blankenstein, Partner at Grant Thornton in Brazil, says: “Businesses need to have a mindset of wanting more women to lead. They then need to recruit them or find, nurture and train the talent that is likely already present in their own organisations.”

### 8. Investigate the benefits

Evidence of the commercial gains brought by gender diversity will help convince sceptics of the need for change and provide justification for investment in new initiatives. There is a wealth of research already available but, as Greg Keith, Chief Executive Officer at Grant Thornton in Australia, says: “value based organisations want to work with those who share their values, so gender diversity can help businesses win tenders and retain clients.”

### 9. Be comfortable with discomfort

Creating an inclusive business environment that supports gender diversity in leadership will not be easy, so leaders need to be in it for the long term. Ruth Button, believes attitudes need to change before we see real progress: “We know that change like this does not happen overnight. That’s why it’s critical to start these conversations as early as possible, and to stick with them no matter how difficult and uncomfortable the topics might be. Leaders also need to be prepared to hear honest feedback, because it is this transparency that will foster a better environment going forward.”

### 10. Share your story

Business leaders who are open about what is driving change in their own companies can encourage others and help them overcome the complexity of turning theory into action. It can be challenging for business leaders to feel able to be transparent about internal ways of working, and particularly about mistakes they’ve made, but without this we are unlikely to see widespread progress.



## How Grant Thornton can help

In today's globalised and complex world, businesses need to be able to take a balanced approach to exploring opportunities to create sustainable growth.

Leaders also need to ensure they can push for progress and bring a balance of perspectives to the table to take decisions. Grant Thornton engages with business leaders to build and foster a resilient and collaborative workforce equal to the task.

People are at the heart of any thriving business and are one of your most valuable assets. We listen closely to your business' needs and deliver solutions unique to your circumstances. From exploring your strategic growth options, understanding how to manage risk and opportunity, to getting the best from talent, our global network provides the specialist support you need to thrive in a fast-changing business environment.

# Methodology

## Methodology

The Grant Thornton International Business Report (IBR) is the world's leading mid-market business survey, interviewing approximately 2,500 senior executives every quarter in listed and privately-held companies all over the world. Launched in 1992 in nine European countries, the report now surveys more than 10,000 businesses leaders in 35 countries on an annual basis, providing insights on the economic and commercial issues affecting the growth prospects of companies globally.

The findings in this report are drawn from 4,995 interviews conducted between July and December 2017 with chief executive officers, managing directors, chairs, and other senior decision-makers from all industry sectors in mid-market businesses in 35 countries. A further 14 in-depth interviews were conducted with business leaders from inside and outside Grant Thornton, along with face to face discussions and quotes from within the UAE.

The definition of mid-market varies across the world: in mainland China, we interview businesses with 100-1,000 employees; in the United States, those with US\$20million to US\$2billion in annual revenues; in Europe, those with 50-499 employees.

## About Grant Thornton

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Privately owned, publicly listed and public-sector clients come to us for our technical audit, tax and advisory skills and industry capabilities, but also for our different way of working. The UAE firm has been built based on transparency, connected thinking and driving real insight to businesses who are focused on growth, building value and investing in innovative models for the future.

We have a long legacy in the region, therefore, not only have we supported economic prosperity but have worked to support businesses who today are successful profiled conglomerates. Therefore, whether a business has domestic or international aspirations, Grant Thornton can help you to unlock your potential for growth

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An instinct for growth™

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