

## Media Release

### Organisations need to appoint female executives to break negative gender diversity cycle

*New Research finds women are five times more likely to be promoters of their organisation when females comprise more than 25% of the executive team*

**UNDER EMBARGO UNTIL 8am February 6 2013, Sydney:** A study released today of over 800 Australian business professionals from listed and non-listed companies discredits the notion that achieving equal representation of women in executive positions is simply a matter of more time.

The study, now in its third year, was undertaken jointly by leading global business consulting firm, Bain & Company, and Chief Executive Women (CEW), representing over 260 of the top female leaders in Australia. The research found that the biggest factor in enabling women to reach their full potential is the presence of women in leadership positions.

“The mandate for Australian businesses to break the negative cycle of attrition of their top female talent is clear,” said Melanie Sanders, Bain partner and co-author of the report. “The answer is less talk and more action: appoint more women.”

The report highlights that **women have been graduating from university at higher rates than men since 1985, yet men have a 9-times better chance of making it to senior executive ranks than women in large corporations.** This is despite almost equal levels of ambition for senior leadership positions between women and men, according to the study.

It is therefore not surprising that the research found that women are half as likely as men to recommend their organisation as a place to work. But even more alarming, **53% women are detractors of their organisations as a place where women can progress to senior levels.**

Female and male respondents see the lack of significant numbers of women in executive positions as a key reason to question their organisation’s commitment to gender diversity. Both men and women said that a poor track record of promoting women into senior executive positions was the number one reason for not recommending their organisation as a place where women can progress to senior levels.

The study points to a combination of factors required to address this issue and create a positive cycle. Most important is the presence of women in leadership - **women are five times more**

**likely to be promoters of their organisation when females represent more than 25% of the executive team.**

Women are most negative in the middle years of junior/middle management, which is a critical career building stage. Many women at this stage perceive that their style may be viewed as a barrier to progression. This often leads women to question if pushing past the barriers to promotion is achievable when they don't see other women being successful, and particularly if they face work-life trade-offs with many women starting families at this career stage, as highlighted by the research.

"Women and men no longer believe the barriers to gender diversity in leadership are insurmountable or excusable in an organisation," said CEW President Belinda Hutchinson. "There is a combination of factors that have stopped or reduced the promotion of women, but the key to overcoming them is action. Women want to see other women being successful, so they can feel confident that there are pathways to reach their full potential and for the organisation to benefit from that potential."

"Progress breeds progress - An inclusive culture is an essential platform from which all change begins," said David Zehner, Bain Partner and co-author of the report.

# # #

#### **About Bain & Company, Inc.**

Bain & Company, a leading global business consulting firm, serves clients on issues of strategy, operations, technology, organization and mergers and acquisitions. The firm was founded in 1973 on the principle that Bain consultants must measure their success by their clients' financial results. Bain clients have outperformed the stock market 4 to 1. With 49 offices in 31 countries, Bain has worked with over 4,600 major multinational, private equity and other corporations across every economic sector. For more information visit: [www.bain.com](http://www.bain.com). Follow us on Twitter @BainAlerts.

#### **About Chief Executive Women**

Chief Executive Women (CEW) is one of Australia's leading organisations supporting female leadership in Australia. Its members include over 260 of Australia's women leaders. CEW's goal is to facilitate greater representation of women at senior levels of Australian business, government and the not-for-profit sectors. CEW provides scholarship, mentoring and networking to talented women to help them attain leadership roles in Australia and undertakes research and provides diagnostic tools to assist organisations improve the development and retention of women talent. For more information, visit [cew.org.au](http://cew.org.au)

Note to media:

Copies of the Bain & Company and CEW study “Creating a positive cycle; critical steps to achieving gender parity in Australia” are available online at [www.cew.org.au](http://www.cew.org.au) or at [www.bain.com/australia-gender-parity](http://www.bain.com/australia-gender-parity)

Authors of the study are available for interview.

**Bain & Company Australia Media Contact:**

**Edwina King**

[Edwina.King@bain.com](mailto:Edwina.King@bain.com)

0416 737 940

+61 2 9024 8636

**CEW Media Contact**

**Gabrielle Notley**

**John Connolly & Partners**

[gmn@jcp.com.au](mailto:gmn@jcp.com.au)

0411 071 715

+61 2 9232 1033