

In Good Company: **How the Best Businesses Keep Their Best Women**

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Best Practices Among Forward-Thinking Corporations

Executive and professional women have become familiar role models, and their successes have grown on the solid foundation of education and experience. Overall, women's rates of attaining college, masters and doctorate degrees have soared over the last 20 years, exceeding rates for men, and now women earn more than 40% of new MBAs and almost half of new law degrees. Today, women in the workforce fill more than 50% of managerial and professional positions.

All these women come to work with the same ambitions and expectations as men: rewarding compensation, intellectual challenges and the opportunity to advance based on their work. According to Catalyst, just as many women as men aspire to the CEO slot. Why don't more women realize their goals? This section will look closely into this all-too-common problem, and will share helpful tips from leading companies on best practices for retaining talented female employees.

The Financial Women's Association (FWA), a nonprofit organization that has been advancing professionalism for high-achieving financial women for 52 years, delivers over 100 leadership events and educational programs annually to address key topics of interest to its membership of 1,000 women and men. Key to the FWA's effectiveness is the synergistic partnerships it has formed with financial companies — its President's Circle — which provide access to their most senior experts and at the same time expose their women to the business knowledge, success strategies and invaluable mentoring and networking connections offered through the FWA.





Regularly one of the most admired companies, Johnson & Johnson is deeply committed to retention and advancement of its women.

The Women's Leadership Initiative (WLI), an employee affinity group at Johnson & Johnson with chapters in virtually all of its more than 250 operating companies worldwide, is the company's partner in developing women leaders. The Smith College Consortium, the Smith College Custom Program, and the Smith-Tuck Global Leaders Program facilitate transformation of Johnson & Johnson women from specialists into strategists, key to success in leadership roles. The Women of Color/Multicultural Women's Leadership Program, which includes training for the women's supervisors, helps them address their unique challenges. Johnson & Johnson also has long-standing programs to help employees manage their work and family responsibilities.

With women representing roughly 30% of its board and executive committee and thousands of women among its top earners, Johnson & Johnson demonstrates its commitment. It's not surprising Johnson & Johnson is one of only two companies named in *Working Mother's* 100 best companies for all 21 years of the survey and ranks 8th on *DiversityInc's* 2008 list of the Top 50 Companies for Diversity®.

Johnson & Johnson

Catalyst finds that women executives face similar obstacles: lack of commitment by top leadership; lesser exposure to general management and line experience; gender-based stereotypes about women's roles and abilities; limited access to informal networks of decision makers and mentors; and, finally, family responsibilities. Companies that have learned to benefit from the enormous potential of women use this list as their guide to best practices.

CEO Leadership Is Key

Leadership commitment, especially from the CEO, is essential for creating an atmosphere that allows women to thrive. That leadership is revealed in many ways, certainly in what a CEO says in speeches, meetings and company communications, but more often from the unspoken signals.

The number of women serving on the board and in senior positions is one such signal, and companies like Johnson & Johnson have taken meaningful steps; between 25% and 30% of its board and executives are women. Since 2003, Sharon L. Allen has been the board chair of Deloitte & Touche LLP. When company leaders tie compensation to performance in promoting women, that sends a signal serious enough to prompt reassessment of women's contributions throughout a company. More opportunities and promotions for women tend to follow.

Promoting Management and Line Experience

Top positions are usually filled by those with general management and line experience, which increasingly include global assignments. Women often find themselves sidetracked to corporate rather than line positions; or, if they're in a line position, unable to advance beyond middle management and closed out of global assignments. Currently, women fill only about 15% of global assignments.

Gender-based stereotypes, finds Catalyst, are part of the reason this happens to women. The belief that women are less effective leaders means many people will be reluctant to follow their direction, and their expertise and credibility are not as likely to influence others. It also lessens their chance to demonstrate problem-solving results, which in turn decreases the likelihood that they will be selected for the top positions that would require others to take direction from them. Women thus find themselves in a catch-22. Two simultaneous steps can jump-start the

process of behavioral change.

First, when all managers receive training to identify stereotypes and understand their negative consequences at work and are provided with clear direction on how to evaluate women's work and leadership styles more objectively, women's annual assessments tend to improve.

Second, companies that are dedicated to training women — and then move them into — line and general management positions, as well as international assignments, find they alter the landscape for all women. Including women on all levels of leadership positions can help create better results. This is part of the UBS strategy, as UBS Americas Head of Client Relationship Management and Talent Management Teri Karole explains: "We continue to seek innovative and creative ways to invest and develop talented females from all levels of the organization to ensure that we are effectively developing a bench of future leaders."

Access to Networks

Company-sponsored **leadership development** opportunities for women have proliferated over the last decade or so, and each iteration is refined to address more directly the specific obstacles women face in the workplace. Johnson & Johnson, for example, has partnered with the Smith College Consortium, an Executive Education Program designed for director-level women, and the Smith-Tuck Global Leaders Program, for vice president-level women. Many of the participants have achieved post-program advancement.

Women's **affinity groups**, where they are actively supported by company leaders, are effective advocates for women's contributions at work. The most effective groups sponsor leadership development events, networking opportunities with senior leaders and product and marketing advice within the company. At Credit Suisse, for example, the Americas Women's Network plays a strategic role. In addition to participating in recruiting and retaining the most talented women, the Women's Network also helps strengthen relationships with clients.

Mentoring programs, now commonplace, offer women one-on-one access to the insider knowledge of more experienced professionals inside the company. To ensure the most successful mentoring outcomes, Deloitte has enhanced its program with pre-mentoring training and group support sessions throughout the mentoring relationship.



The initiatives of All Bar None, The Women's Network at UBS, support company goals to recruit, retain, develop and advance talented women, from hosting workshops and speakers to providing an annual Women's Leadership Conference. "UBS's All Bar None women's network enables us to deliver the highest-quality employee experience by creating a culture that values and promotes diversity. By capitalizing on the talents and contributions of our members, we can better serve our clients," say Tracy Calder, Senior Deputy General Counsel, Wealth Management Americas, and Kevin Ruth, Head of Wealth Planning, Wealth Management Americas, both Co-Chairs of All Bar None Americas.

A host of family-friendly policies and practices enhance work/life balance.

UBS was named one of *Working Mother's* 10 Best Companies in 2007.

UBS knows helping you fulfill all your goals benefits everyone.



Family-Friendly Policies

While the new trend of family-friendly policies is especially important to women, an increasing number of younger men are also demanding more flexibility such as reduced hours, part-time work and telecommuting. "At Credit Suisse," says Larry Ruisi, Americas Head of Diversity and Inclusion, "our three-month paid sabbatical is just one example of how we support our working parents with work-life solutions that help our employees succeed both in the workplace and at home."

The business case for embracing flexibility is not difficult to make: it maximizes results from training costs, minimizes recruiting costs, maintains client continuity, and helps retain and manage talent. As Johnson & Johnson Chairman and CEO William C. Weldon summarizes: "We create an environment that's very positive so people want to come work here."

Ernst & Young responded to the business challenge with a new company premise: all jobs can be done flexibly, so flexible work schedules won't hinder advancement. After ten years, the number of women partners has more than tripled, many more women are in key operating and client service roles, and retention numbers have improved.

Initiatives that facilitate "on-ramping" — the return of women who have taken a break in their careers — are also becoming more commonplace. UBS' Career Comeback program, for example, a relatively new initiative, accepts professionals who have had two- to seven-year-long breaks into an intense two-day program at Wharton, followed by one day of training at UBS in New York City.

Lehman Brothers' Encore[®] was designed as a global initiative to facilitate networking and professional development opportunities for individuals, both men and women, who have left the workforce voluntarily for a year or more and are interested in resuming their careers in financial services. Since its inception, the program has yielded 39 hires of experienced, professional individuals across all divisions around the globe.

Deloitte has already moved beyond flexibility programs to "custom-made" approaches. In a recent book, *Mass Career Customization*, co-author Cathleen Benko, Deloitte Vice Chair, urges other companies to consider Deloitte's new workplace model, the corporate lattice™, which allows more variation in career paths than the traditional corporate ladder. The lattice model allows Deloitte to accommodate the inevitable ebbs and flows of each person's career. Programs like these inspire great loyalty and commitment from the workforce and therefore add maximum value to the business.

Working Toward a Brighter Future

That too many of the most talented women still find themselves on the bench rather than the playing field has been well documented. There are still too few cracks in the so-called glass ceiling, but the groundwork has been laid for significant change.

Executive and professional women evaluating their career opportunities look for companies with the kinds of initiatives outlined here, and become active members in organizations like the Financial Women's Association.



FWA: Half a Century of Success—

In 1956, when eight women in finance were not able to enter a men's business club, they started their own. "We felt very alone and isolated on Wall Street then," remembers Joan Farr, one of the original founders of the Financial Women's Association (FWA) and its second president, recently retired as Bank of New York's Vice President for Asset Management.

Alone and isolated no longer. Today the men's club is long out of business, but the FWA is the finance industry's premier professional organization and is going strong with a diverse membership of 1,000 women and men and over 100 events each year to advance, support, educate, promote and inspire women in the financial world.

Distinguished industry and government leaders share forward-looking perspectives and industry innovations. Professional development experts coach success strategies for women at each stage of the career continuum. And members generously contribute their own time and expertise to mentor businesswomen-to-be in high school, college and business schools.

The 23 corporate sponsors in the President's Circle participate in all aspects of this work: They lend their experts and thought leadership. They encourage their employees — including many from their affinity groups and internal networks — to access FWA events and cultivate their leadership skills as members of the FWA committees and board. "Off-the-job training for on-the-job success" is the mantra of the hands-on FWA volunteer officers and board of 77, and an office of 5 full-time staff.

Career Development —

The FWA advances women's success along the entire "arcs of our careers," according to current President Lily Klebanoff Blake. Targeted initiatives from the professional development needs of Emerging Leaders, to those of more seasoned Executive Leaders, ensure that the FWA member's experience is valuable over the long term. The benefits even last beyond careers, as Mary Farrell, a 35-year FWA member who recently retired from UBS as its chief investment advisor, described: "The FWA network enhanced my career and me as an individual. That combination, and the connections, prepared me for a very rewarding retirement."



Long before the term "globalization" was familiar, FWA had become known for its annual international conferences, which began with a trip to China in 1977. For JoAnn Heffernan Heisen, Global Head of Diversity at Johnson & Johnson and an FWA past president, that trip foreshadowed what would come to define the global course of her career.

Each year since 1985, the FWA has met with the highest-level government and private sector leaders in key growth economies around the globe on six continents, and this year will travel to Russia.

Filling the Pipeline —

But at the end of the day, the most powerful illustration of the professional woman's potential is a successful role model. And the most telling evidence of her accomplishments is her willingness to bring along other women — to "lift as she climbs."

These coalesce at the FWA's crowning event of the year, its Annual Dinner honoring a distinguished "Woman of the Year" from each of the public and private sectors. Funds raised at the dinner support FWA mentoring and academic scholarships for college and graduate school women, financial literacy for teens and low-income adults, the Wall Street Exchange summer intern program, educational programs for the business community, and the new microfinance initiative to support training for women working internationally in this field.

To date, FWA has awarded \$1.1 million in scholarships to 252 women. And in partnership with HSBC it is embarking on an

exciting new program to enrich its high school financial literacy program with an unprecedented \$900,000 grant from HSBC.

"Why don't women realize their goals?" They can, they do and they will. With the FWA and women-friendly companies leading the way, the time is now for the 21st century financial woman.

For more information, visit www.fwa.org. ■

Resources:

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Catalyst. "Men 'Take Charge,' Women 'Take Care': Stereotyping of U.S. Business Leaders Exposed." New York: 2005. www.catalyst.org

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Smith College

Executive Education for Women's Leadership Advantage



Ninety-nine percent of leadership development programs offered by elite business schools are male-oriented ... which is precisely why they fail when it comes to leadership learning for women!

Here are four crucial ways Smith's all-women leadership approach offers an advantage over just about any top business school you can name.

#1 | Increased Risk-Taking

Problem: Most women executives experience isolation in "male-oriented" leadership development programs, and thus are less inclined to take risks. Yet, breakthrough learning only occurs when a person can step beyond her everyday boundaries and take risks!

Advantage: Smith's all-female setting systematically creates an environment of shared experiences, candor and trust — which leads to increased risk-taking and accelerated leadership development.



#2 | Not Leadership, Women's Leadership

Problem: The curriculum of most "Top 10" leadership development programs succeeds academically, but fails when it comes to addressing how women executives actually lead.

Advantage: Smith Executive Education is a "Women's Leadership Center" focused on addressing the challenges women leaders actually face. We handpick the best women's leadership experts from universities, corporations and consultancies to focus on the leadership issues that really matter.

#3 | Exposure to Your Real Peers

Problem: Typical networking opportunities are male-dominated and devoid of accomplished, high-performing women.

Advantage: Smith's all-women executive programs afford women the chance to network with their real peers: other women leaders and high-potentials. Ninety percent of our attendees report that Smith's learning environment enhanced their network in truly meaningful ways, professionally and personally.

#4 | Lead in Business and Lead in Life

Problem: Since 99% of leadership development programs offered by elite business schools are male-oriented, they simply fail to address one of the most basic cornerstones of Women's Leadership: Work-Life Balance.

Advantage: Our 360-degree approach to executive learning helps women learn, grow and lead in all aspects of their lives. The very qualities inherent in the women we develop also happen to be identified by researchers as essential to great leadership, regardless of gender.



Strategic LEADERSHIP Programs



Smith College Leadership Consortium, a flagship women's executive education program aimed at the director and vice president levels, will be held for two weeks on the Smith College campus from July 20-August 1, 2008.

Smith-Tuck Global Leaders Program for senior executives who are leading global businesses is a partnership between Smith and Tuck School of Business at Dartmouth, and will be held July 8-11, 2008, on the Smith College campus.

Next Generation Bioscience Leaders invites female managers in pharmaceutical, medical and biotechnology to hone their leadership skills for advancement, and will be held at Keck Graduate Institute in Claremont, Calif., January 19-23, 2009.

From Specialist to Strategist: Business Excellence for Women in Science, Technology and Engineering gives women in these fields the tools to advance to positions of leadership, and will be held in March and June 2009 on the Smith College campus.

To learn more about any of these Smith Executive Education programs, visit www.smith.edu/execed/, or call Iris Marchaj, Director, at 413.585.2798.



SMITH COLLEGE

EXECUTIVE EDUCATION FOR WOMEN

Lead in Business. Lead in Life.