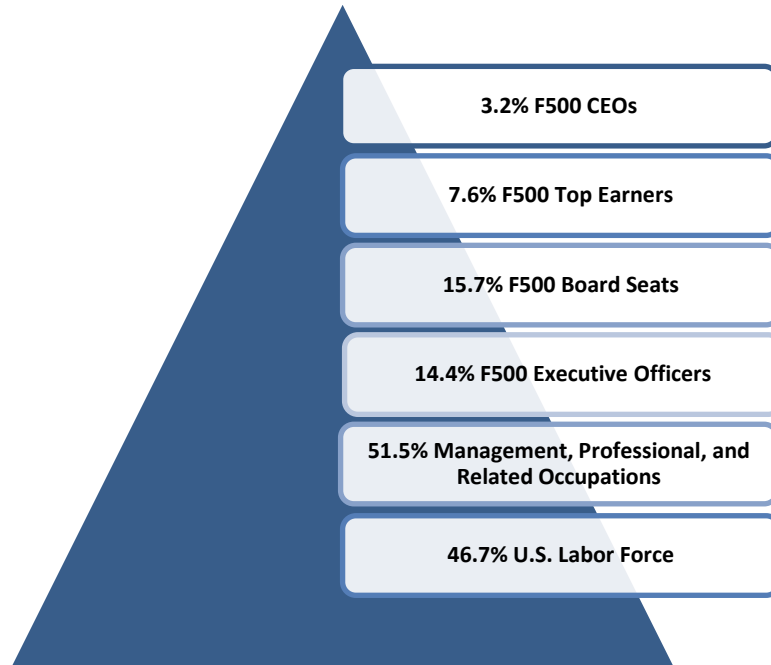


Catalyst Research Findings

Catalyst believes that until women are represented at parity in agenda-setting, decision-making roles in large, influential, global corporations, they will be marginalized in every other arena. Catalyst research documents continuing leadership and pay gaps across industries as well as a glacial rate of progress for women in corporate leadership.



The Catalyst Pyramid: U.S. Women in Business 2010 ¹

WOMEN LAG MEN IN LEADERSHIP POSITIONS DESPITE BEING NEARLY 50% OF THE LABOR FORCE²

- Women constitute nearly half the total work force; earn 57 percent of Bachelor's degrees, 60 percent of Master's degrees, and over half of PhDs.
- Women control or influence 73 percent of consumer decisions in the United States.
- Yet women hold just 3.2 percent of CEO positions and roughly 16 percent of board seats at *Fortune* 500 companies.
- In 2010, women held only 7.6 percent of top earning positions in the *Fortune* 500.
- In addition, women suffer a pay gap that begins with their very first job—and increases over time.

These inequities don't just hurt women. They harm families, employers, and the U.S. economy.

ASPIRATIONS ARE EQUAL, OPPORTUNITIES AND BARRIERS ARE NOT³

Both women and men:

- Employ similar strategies for success.
- Aspire equally to the most senior role (CEO or equivalent) regardless of whether they have children under 18 living at home.
- Share the same aspirations for work and prioritize similarly:
 - Having a challenging job.
 - Having a supportive workplace.
 - Having a good fit between life on and off the job.
 - Being well-compensated.
 - Working at a company where they are proud of its values.
 - Having the opportunity for achievement and recognition.

However, men find a significantly better fit between what they value and what they expect to achieve.

- “Dual-Centric” women and men place the same priority on work and on personal/family lives.
 - At work, dual-centrics feel more successful, less stressed, and have an easier time managing demands of work and personal/family lives.
 - Women dual-centrics have advanced to higher levels and feel more successful in their home lives.

BARRIERS MOST FREQUENTLY EXPERIENCED⁴

Limited access to informal networks and the “Unwritten Rules” of success

- Subtle indications of behaviors that are valued and rewarded.
- Not communicated in formal or explicit ways.
- Learned through professional informal networks and mentors.

Gender-based stereotyping

- Often informs perceptions of men and women leaders and misrepresents the talents of women.
- Creeps unintentionally into talent management systems and practices.
 - Perpetuates current assumptions about what a successful leader “looks” like.
- Double binds lock women into narrow ranges of acceptable behaviors.
 - Extreme perceptions: too tough, too soft, but never just right.
 - Double standard: higher level of performance expected for lower rewards.
 - Competent but disliked: perceived as competent *or* likeable, but rarely both.
- Women of color face even more pronounced barriers to advancement.
 - Must battle “double outsider” status due to intersectionality of race and gender.
- Highly valued leadership behaviors often vary by regions and cultural context.
 - Global companies need to be aware of these differences when transferring executives.
 - In most Western European and North American cultures, men perceived that women leaders were ineffective at the most highly valued leadership traits and that the leadership behaviors they judged women to be most effective at were **not** among those most valued.

THE BUSINESS CASE FOR WOMEN'S ADVANCEMENT⁵

The Right Thing

- Draw leadership from the entire workforce.
- Demonstrate respect for all talent.
- Combat and counteract institutional bias.

The Smart Thing

- Ensure that the decision-makers outside the company are reflected and represented by the decision-makers inside the company.
- Encourage greater innovation and creativity.
- Foster employee loyalty and engagement, reduce attrition → increased customer satisfaction.

What's Good for Women Is Good for Business

- There is a clear and positive link between women in senior leadership roles, both as executives and as board members, and enhanced financial performance:

<p>Companies with the highest representation of women on their top management teams experienced, on average, better financial performance than those with the lowest.</p> <p>Return on Equity: 35% higher Total Return to Shareholders: 34% higher</p>	<p>Companies with the highest percentages of women board directors outperformed, on average, those with the lowest.</p> <p>Return on Equity: outperformed by 53% Return on Sales: outperformed by 42% Return on Invested Capital: outperformed by 66%</p>
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- Companies with more women board directors five years later have more women in their senior management ranks, especially in line positions.
- The shifting educated talent pool means that companies must recruit, retain, and advance women to remain competitive—globally.

MYTH BUSTING⁶

- Doing all the right things does not level the playing field for women. They advance less than their male counterparts and have slower pay growth even when:
 - They aspire to the C-suite and pursue fast-track careers.
 - They use proactive career-advancement strategies—engaging mentors, asking for promotions, and negotiating for compensation increases.
 - They remain in the workforce and don't take time off for family/personal needs or nontraditional career opportunities.
- Men are paid for potential, while women are paid for proven performance.
 - Changing jobs accelerates compensation growth for men, but slows it for women.

What works for women?

- Making her achievements known to her manager, seeking feedback and credit as appropriate, asking for a promotion when deserved.
- Gaining access to powerful executive sponsors who “go to bat” for her behind closed doors.
- A corporate culture that encourages women to “self-promote” and fosters sponsorship in addition to mentorship.
- Engaging men in diversity and inclusion initiatives, through open dialogue and mentoring.

Notes

1. Sources: Catalyst Research; Catalyst, *2010 Catalyst Census: Fortune 500 Women Board Directors* (2010); Catalyst, *2010 Catalyst Census: Fortune 500 Women Executive Officers and Top Earners* (2010); Bureau of Labor Statistics, 2010 Current Population Survey, “Employed persons by detailed occupation, sex, race, and Hispanic and Latino ethnicity”; Bureau of Labor Statistics, 2010 Current Population Survey, “Employment status of the civilian noninstitutional population by age, sex, and race.” As of October 26, 2011.
2. Sources: Bureau of Labor Statistics, Annual averages tables from the 2009 Current Population Survey (2010). *Digest of Education Statistics* (National Center for Education Statistics, 2011). Michael J. Silverstein and Kate Sayre, with John Butman, *Women Want More: How to Capture Your Share of the World’s Largest, Fastest-Growing Market* (New York: Harper Collins, 2009).
3. Sources: *Women and Men in U.S. Corporate Leadership: Same Workplace, Different Realities* (Catalyst, 2004), *Leaders in a Global Economy: Finding the Fit for Top Talent* (Catalyst, 2008), *Leaders in a Global Economy: A Study of Executive Women and Men* (Catalyst, 2003).
4. Sources: *Unwritten Rules: What You Don’t Know Can Hurt Your Career* (Catalyst, 2008), *Women “Take Care,” Men “Take Charge:” Stereotyping of U.S. Business Leaders Exposed* (Catalyst, 2005), *Different Cultures, Similar Perceptions: Stereotyping of Western European Business Leaders* (Catalyst, 2006), *The Double-Bind Dilemma: Damned if you Do, Doomed if you Don’t* (Catalyst, 2007), *Cascading Gender Biases, Compounding Effects: An Assessment of Talent Management Systems* (Catalyst, 2009).
5. Sources: *The Bottom Line: Connecting Corporate Performance and Gender Diversity* (Catalyst, 2004) *The Bottom Line: Corporate Performance and Women’s Representation on Boards* (Catalyst, 2007) *Advancing Women Leaders: The Connection Between Women Board Directors and Women Corporate Officers* (Catalyst, 2008).
6. Source: Nancy M. Carter and Christine Silva, *The Myth of the Ideal Worker: Does Doing All The Right Things Really Get Women Ahead?* (Catalyst, 2011).

About Catalyst

Founded in 1962, Catalyst is the leading nonprofit membership organization expanding opportunities for women and business. With offices in the United States, Canada, Europe, and India, and more than 500 preeminent corporations as members, Catalyst is the trusted resource for research, information, and advice about women at work. Catalyst annually honors exemplary organizational initiatives that promote women's advancement with the Catalyst Award.

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