



How These Leading CEOs Are Tackling Gender Inequality

Persistently setting new norms helps organisations battle stubborn gender imbalances.

Gender inequality in the workplace is an enduring problem. Many organisations are trying to find new ways to open doors to women’s advancement. But women often continue to feel that they don’t belong in male-dominated sectors or management ranks, which limits their willingness to walk through those doors. This is often driven by **harmful social norms** and stereotypes that are deeply ingrained.

Recent **research** by INSEAD Professors Maria Guadalupe and Lucia Del Carpio shows that if organisations can address this perception head on when communicating about job posts, they can change this willingness. This can have a transformative impact on the potential of women in realms they previously might not have even attempted to enter.

At the **iW50 Summit** in June, a panel of senior executives led by Professor Guadalupe discussed gender imbalance at the top of organisations. The panel included Lieve Mostrey, CEO of Euroclear Group; Pascale Witz (INSEAD MBA ‘96J), CEO of PWH Advisors and former CEO of GE Medical Diagnostics; Lucy Quist (INSEAD MBA ‘05J), former CEO of Airtel Ghana; and Eric Labaye (INSEAD MBA ‘87J), a senior partner at McKinsey and future President of the **École polytechnique**.

These executives shared how their organisations were persistently addressing gender imbalances by

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driving new workplace norms in various creative ways.

Set new norms

Mostrey, for example, shared how Euroclear worked to weed out compensation gaps. The organisation started by analysing HR data on bonuses and found that while an equal number of women and men were getting bonuses, the “amount per bonus for men was systematically higher than those of women”, she told us.

It is well known that subjective performance metrics often end up favouring men when it comes to performance appraisals and bonus decisions. Her organisation worked to address this by defining clearer measurement criteria, which quickly had an effect. “By the mere factor of having measures and numbers in hand, we saw a number of changes,” said Mostrey. Follow up is key, she pointed out. The first year has a “big impact”, but only in the third year does the process become “normal”.

Rid leadership of command and control

Witz added that the current evolution towards networked organisations should encourage leaders to relinquish their current hold on “command and control management”, which often hinders diversity in general.

She argued that moving the needle on diversity requires actions that cannot be limited to either the top or the bottom. There are three levels: “one is CEO engagement, a CEO who walks the talk”; then “the frozen middle” needs to change with policies and succession plans, for example, including women on the short list of possible hires; and the last level is throughout the organisation: “relentlessly track the small biases.” For example, when a woman in a meeting room who has an idea but it isn’t acknowledged until a man says the same thing a few minutes later, an ideal reaction is: “Oh John, this is a great point, and actually Lucy was making exactly the same one 10 minutes ago.”

Labaye agreed. “Companies with three or more women in their executive committee have a better organisational performance thanks to the diversity of leadership styles. In particular, women tend to focus more on inspiration, people development, role modeling and participative decision making to set directions and motivate teams,” he said. McKinsey found that when organisations move away from traditional command-and-control management toward collaborative leadership behaviours, they work better.

“I do believe that a diverse group simply works better,” Mostrey said. She has two rules. The first one is that diversity – not limited to gender – should be high on the agenda. The second: With a greying Western population, “we need the entire talent pool to contribute.”

“If we cannot encourage women to move up the ladder and to give the best of their talent to their companies, we are going to lose our creativity,” she said.

All participants agreed that HR practices typically favour men because they are seen as “command and control” leaders, but that this narrows the pipeline of potential talent and causes self-limiting thinking, for men as well as women.

Encourage, advocate

Mostrey pointed out that one reason for this bias is what she calls a “qualification myth...that we only should have or appoint the right person with the right qualifications for the right job.” It is a myth, because “it’s absolutely proven that 50 years of practices of promotions, appointments and recruitment are not scientific, and have not yielded the right results”. Mostrey has asked her male colleagues, “Are you convinced that your bosses are absolutely these exceptional beings?” We tend to apply different standards to women bosses, expecting them to be phenomenal if they are in the top job.

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Witz agreed. “Selection process has a strong male lens”, which means men are often seen by a recruiter as “more capable and more credible”. She noted that women are less likely to apply for a role unless they are absolutely convinced they meet every single criteria listed in the job description. “Men will raise their hand when they have reached 60 percent of those elements,” Witz said. “On the recruiting side, if you’re not able to decode that, you perceive the person as lacking in confidence. You have to educate recruiters, top level management and senior leaders to understand that.”

Quist spoke about how organisational commitment to gender diversity can succeed: “One of the most successful gender initiatives that I’ve experienced was a scheme called **Plus One**...every line manager had the responsibility to bring one woman on board.” Over time, the executive team wound up with a 50:50 ratio. Making gender balance a priority “forces people who are uncomfortable with the notion of balance to voice their concerns, people who are for it to also present their arguments and have a proper debate about it.” She continued this idea when she joined Airtel. Quist said that organisation-wide metrics combined with a personal willingness to defend your beliefs in the face of opposition make for a more diverse firm.

Despite bias and other fixed ideas, progress is possible, as these executives remind us. Gender balance at the executive level is achievable and, as we have seen, beneficial for business and society. But a relentless effort is necessary to weed out deeply rooted biases and norms that permeate society and organisations.

The iW50 Summit was held on INSEAD’s Europe campus. Click [here](#) to see how iW50 and the Gender Initiative have been a catalyst for change.

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