



Why women mean business

Business leaders ignore gender issues at their peril. That's the view of CEO of gender consultancy 20-First and INSEAD alumna Avivah Wittenberg-Cox. In a new book, 'Why Women Mean Business', Wittenberg-Cox and her co-author Alison Maitland say organisations that become savvy about 'womenomics' will win in the war for the best talent and leadership and the war for customers.

“Womenomics is the economic opportunity today to businesses and companies around the world by a better understanding of women,” Wittenberg-Cox told INSEAD Knowledge.

Business leaders have been talking about talent wars for years. These executives complain that they can't find enough qualified people to fill the leadership pipeline even in these tough economic times. Wittenberg-Cox said that's partly because companies aren't fully utilising half their talent pool. Some 10 or 15 years ago, business leaders thought it was just a matter of time until women worked their way up through the ranks to become managers. “How much longer can companies say that they're recruiting and promoting only the very best if they're recruiting and promoting 80-90 per cent men, in a world where 60 per cent of university graduates are women?” she says.



Visit **INSEAD Knowledge**
<http://knowledge.insead.edu>

Wittenberg-Cox rejects the notion that there is a “glass ceiling” holding women back. She says talented women are coming into companies on a par with men, but at every management level going up the hierarchy, the number of women drops off and the number of men rises. Rather than a glass ceiling, she sees “gender asbestos.”

In some cases women aren't getting the promotions and sometimes they're opting out, quitting the corporate world and setting up their own businesses. Business leaders believe they promote based on merit, but there is something wrong with that equation.

“There is something in the world and the culture of organisations today that has a preference for male styles. If we want to get the best of the other half of the talent pool, we're going to have to review what that might be,” Wittenberg-Cox says.

This phenomenon is remarkably similar across countries, cultures and companies. Statistically, the numbers of women decline on every rung of the leadership ladder.

Businesses, she says, are also missing another

important gender opportunity: women as consumers.

Women make 80 per cent of purchasing decisions. This doesn't just include groceries, clothes and cosmetics; it includes cars, financial services, housing and electronics. But the authors of 'Why Women Mean Business' argue that most companies aren't doing their consumer research, product development or after sales service to cater to this market.

Wittenberg-Cox tells the story of Nissan CEO Carlos Ghosn, who found that women are responsible for two-thirds of car purchases in Japan. He found that 80 per cent of those women would prefer female sales staff in the showrooms, but only 10 per cent of Nissan's sales staff were women. Ghosn also found that 50 per cent of male car buyers would prefer a female salesperson.

It makes good business sense for Nissan and other companies to increase the number of women managers and cater to women buyers.

In their book, Wittenberg-Cox and Maitland offer some practical tips for business leaders to begin assessing their own companies and making changes.

For years, programmes to promote women were directed at women. There are women's leadership programmes, coaching for women and assertiveness training for women, but so far these haven't resulted in many women gaining access to the C-suite.

They argue that companies need to become "gender bilingual." Organisations have spent millions of dollars teaching employees to be culturally sensitive and to pay attention to global differences. The authors say that companies need to do the same thing with gender.

Most men aren't aware there's a female language, and Wittenberg-Cox says, it's not their fault. "For the last 50 years, women have been asking to be treated equally and the same," she says. "I would suggest that's actually the problem we face today: it is that we're not the same."

Women are increasingly aware of the differences and now organisations need to seek ways to understand the differences as well as the opportunities, so they can effectively manage mixed teams.

The authors believe it's time for companies to start focusing their attention on helping the cultures, systems and leadership styles evolve to integrate the female talent coming up.

Visit **INSEAD Knowledge**
<http://knowledge.insead.edu>

The economic crisis shouldn't derail the effort. Wittenberg-Cox says she sees innovative companies using the crisis as a time to reshuffle, rethink and adapt their business models and styles to the future. She adds that those companies will see a big difference in their corporate performance in the next few years.

Ultimately, the shift to womenomics has to be driven by business decisions, says Wittenberg-Cox, adding: "It's a strategic business issue."

Find article at

<https://knowledge.insead.edu/leadership-organisations/why-women-mean-business-1675>

Download the Knowledge app for free

