WHEN WOMEN THRIVE
KEY LEARNINGS FROM MERCER’S GLOBAL STUDY

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SENIOR PARTNER
NEW YORK
MOST COMPREHENSIVE RESEARCH ON WOMEN IN THE WORKPLACE

647 Unique survey submissions from 583 organizations

In 2015, we added
13 NEW COUNTRIES

Significantly increased # of submissions from Brazil, China, & Japan

With workforce data covering
3.2 MILLION employees, including 1.3 million women

LINKS HR PROGRAMS FOCUSED ON EMPLOYEE HEALTH, WEALTH, AND CAREER TO SUCCESS IN BUILDING GENDER DIVERSITY

#WhenWomenThrive
RESEARCH DATABASE: SELECT PARTICIPANTS
METHODOLOGY
THE DIVERSITY OF A WORKFORCE IS THE OUTCOME OF THREE INTER-RELATED LABOR "FLOWS" AND REWARDS

EXAMPLE: WORKFORCE FLOWS BY GENDER

Disguised case example.
**ILM Analysis® Quantifies the Impact of Particular Workforce Characteristics and Management Practices on Key Outcomes ... All Else Being Equal**

<table>
<thead>
<tr>
<th>Selected Drivers</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Base Pay</td>
</tr>
<tr>
<td>Tenure</td>
<td>Total Pay</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Pay Growth</td>
</tr>
<tr>
<td>Gender</td>
<td>Promotion</td>
</tr>
<tr>
<td>Recruitment Source</td>
<td>Performance Rating</td>
</tr>
<tr>
<td>Higher Degree</td>
<td>Resignation</td>
</tr>
<tr>
<td>Career Level</td>
<td>Absence</td>
</tr>
<tr>
<td>High Potential</td>
<td></td>
</tr>
<tr>
<td>Supervisor</td>
<td></td>
</tr>
<tr>
<td>Wellness Score</td>
<td></td>
</tr>
</tbody>
</table>

Each model tested the effect of various drivers and results are used to arrive at recommendations.

- Minorities are 22% less likely to be promoted
- Women are 15% more likely to receive a high rating
- Those who are supervisors are 35% more likely to receive a high rating and 55% less likely to resign

* The statistical model upon which such results are based accounts for a variety of individual attributes, organizational factors, and external influences for which data are available and includes all active employees in the period examined. “All else being equal” refers only to the factors accounted for in the model. There may be other relevant factors that are not reflected in the archival data utilized. All effects are significant at the 95% level unless otherwise noted.

Disguised case example.
METHODOLOGY: OUR RESEARCH IS FOCUSED ON **LINKING** HR POLICIES AND PRACTICES TO KEY ILM OUTCOMES

**INDEPENDENT “DRIVER” VARIABLES**
- POLICIES,
- PRACTICES, AND CULTURE

**CONTROL VARIABLES**
- OPERATIONAL CONTEXT

**DEPENDENT VARIABLES**
- INTERNAL LABOR MARKET (ILM) OUTCOMES
KEY FINDINGS: DRIVING AN EFFECTIVE GENDER STRATEGY
Dramatic Decline in Female Representation at Higher Levels Remains the Norm

The average global organization and promotions:

- **Executives**
  - Females: 9%
  - Males: 6%
  - Female hires: 20%
  - Male hires: 80%
  - Female exits: 7%
  - Male exits: 6%

- **Senior Managers**
  - Females: 8%
  - Males: 7%
  - Female hires: 26%
  - Male hires: 74%
  - Female exits: 8%
  - Male exits: 7%

- **Managers**
  - Females: 8%
  - Males: 9%
  - Female hires: 33%
  - Male hires: 67%
  - Female exits: 8%
  - Male exits: 9%

- **Professionals**
  - Females: 14%
  - Males: 14%
  - Female hires: 38%
  - Male hires: 62%
  - Female exits: 10%
  - Male exits: 6%

- **Support Staff**
  - Females: 18%
  - Males: 21%
  - Female hires: 49%
  - Male hires: 51%
  - Female exits: 15%
  - Male exits: 17%

# WhenWomenThrive
OUR FORECASTS:
GIVEN TODAY’S STRATEGY,
WHERE WILL WE BE
TOMORROW?
FLAT GROWTH OVER 10 YEARS IN ALMOST ALL REGIONS – EXCEPT LATIN AMERICA

% FEMALE IN PROFESSIONAL & ABOVE LEVELS, 2015–2025
- Current 2015 Representation
- Projected 2025 Representation, "Baseline"

- **GLOBAL**
  - Current: 35%
  - Projected: 40%

- **ASIA**
  - Current: 25%
  - Projected: 28%

- **EUROPE**
  - Current: 37%
  - Projected: 37%

- **LATIN AMERICA**
  - Current: 36%
  - Projected: 49%

- **NORTH AMERICA**
  - Current: 39%
  - Projected: 40%
North America could get to parity if hires, promotions were equal to those of men

% Female in Professional & Above Levels, 2015–2025
- Current 2015 Representation
- Projected 2025 Representation, "Baseline"
- Additional Opportunity

<table>
<thead>
<tr>
<th>Region</th>
<th>Current 2015</th>
<th>Projected 2025</th>
<th>Additional Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>35%</td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td>Asia</td>
<td>25%</td>
<td>33%</td>
<td>37%</td>
</tr>
<tr>
<td>Europe</td>
<td>37%</td>
<td>41%</td>
<td>49%</td>
</tr>
<tr>
<td>Latin America</td>
<td>36%</td>
<td>50%</td>
<td>49%</td>
</tr>
<tr>
<td>North America</td>
<td>39%</td>
<td>40%</td>
<td>49%</td>
</tr>
</tbody>
</table>
KEY FINDINGS: TOP 3 GLOBAL TRENDS

CURRENT HIRING, PROMOTION AND RETENTION RATES ARE INSUFFICIENT TO CREATE GENDER EQUALITY BY 2025

ORGANIZATIONS ARE FAILING TO BUILD FUTURE PIPELINES OF FEMALE TALENT

INCREASED FOCUS ON HIRING AND PROMOTING WOMEN INTO EXECUTIVE RANKS NOT SUPPORTED BY SYSTEMIC PRACTICES
LINKING KEY FINDINGS TO PROVEN RESULTS
THE 5 KEY DRIVERS OF GENDER DIVERSITY

1. SEEK HOLISTIC SOLUTIONS
2. FOSTER PASSION OVER FORMALITY
3. MANAGE ACTIVELY, NOT PASSIVELY
4. THINK AND ACT DIFFERENTLY
5. REALIZE UNIQUE VALUE
OUR FINDINGS ESTABLISHED THE 6 P’S AS CRITICAL DRIVERS

INDIVIDUAL

PASSION

PERSONAL

PERSEVERENCE

WOMEN THRIVE WHEN

ORGANIZATIONAL

PROOF

PROCESS

PROGRAMS

#WhenWomenThrive
CLOSING THOUGHTS

1. Broad, enterprise focus, supported by analytics, is linked to sustainable change

2. Accountability is not enough – leadership needs to be engaged in promoting & managing diversity

3. Active management of policies and programs is required to avoid unintended career penalties

4. Non-traditional solutions tailored to different needs drive future success

5. Companies that recognize and value the differences between women and men benefit
CELEBRATING ONE YEAR OF WHEN WOMEN THRIVE

A CALL TO ORGANIZATIONS AND LEADERS TO THINK & ACT DIFFERENTLY TO DRIVE GENDER EQUALITY
ABOUT THE PRESENTER

Haig R. Nalbantian is a Senior Partner and at Co-founder/Co-leader of Mercer’s Workforce Sciences Institute. A labor/organizational economist, he has been instrumental in developing Mercer’s unique capability to measure the economic impact of human capital practices. Those capabilities have been applied in numerous project he has directed globally and across a board range of industries in the U.S., Europe and the Middle East, including: pharmaceuticals, high technology, manufacturing, financial services, media and information services, energy, telecommunications and professional services.

Haig came to Mercer from National Economic Research Associates, Inc.; before that he was on the faculty of economics at New York University and was a research scientist at its C.V. Starr Center for Applied Economics. He is an internationally recognized expert in incentives, human capital measurement and management and their links to workforce productivity and organizational performance.

Nalbantian is widely published in major economic, business and human resources journals. He co-authored the prize-winning book on human capital measurement and management “Play to Your Strengths” (McGraw Hill, 2004). He is also editor of and chief contributor to the book “Incentives, Cooperation and Risk Sharing” and is a frequent speaker before industry groups, professional associations and academic audiences. His article (with Rick Guzzo), “Making Mobility Matter,” published in the March 2009 issue of the Harvard Business Review, won the Academy of Management’s 2010 Award for “Outstanding Practitioner-Oriented Publication”. Most recently, he led the research team and co-authored a study sponsored by the World Economic Forum and Mercer, entitled, Talent Mobility Good Practices: Collaboration at the Heart of Economic Growth (2012).

Haig earned his BA in English and Economics at New York University and his graduate degrees in economics from Columbia University. He is a member of the American Economic Association.