

Developing Women Leaders Gives You a Competitive Advantage



KATHLEEN RICH-NEW

In the last half-century, women have gained more freedom than in all of recorded history. They have emerged from being 30% of the workforce in the 1950's to almost half today. Yet, less than 16% of corporate officers are female. Most women at the top are there because they inherited the family business, or they started their own.

One of my former graduate students, a 27-year old woman in finance, was shocked when her research revealed compensation numbers for women continue to lag behind equally qualified men. "I thought this was a thing of the past, and I could not believe it still exists. What is it that men have figured out that women haven't? Or what is it in the system that squeezes women out?" she asked me.

I didn't have a ready answer for her, so I began interviewing top executive women across the U.S. I heard similar stories of women being hauled up the corporate ladder, kicking and screaming, as they doubted their own abilities. Others found mentors who coached them and made strategic introductions. They all laughed at their own stupid mistakes, and the lessons they had to learn to move higher. One AOL executive said, "After I became Vice President, I had to learn how to be heard. After three meetings, I learned to jump in and get my point across. I didn't like it, but after a while it became easier."

Businesses now see the impact women have on financial results. According to a 2004 study by Catalyst, a women's research and advisory organization, Fortune 500 companies with the highest percentages of women corporate officers saw, on average, 35.1% higher return on equity and a 34% higher return to shareholders than companies with the lowest percentages of female corporate officers. Those are significant numbers.

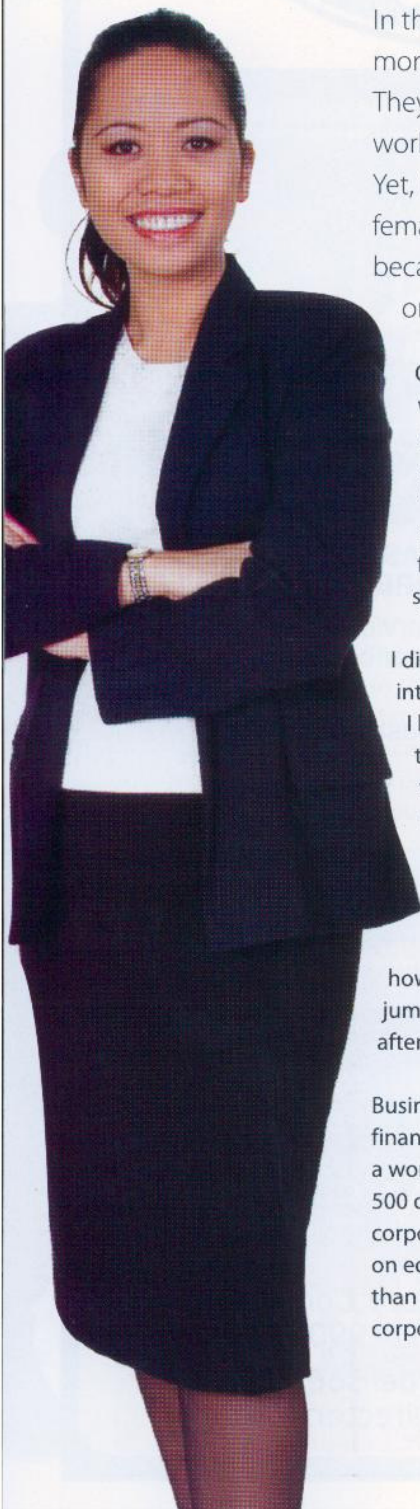
Women Hold Key Positions In Brevard

Health First already has women in nearly 20 of their top spots. Their Palm Bay Community Hospital won the 2006 VHA Leadership Award for Clinical Excellence under the leadership of President/CEO Gail Schuneman. Margaret Haney was one of the first employees hired when Health First Health Plans started more than twelve years ago, and she is now the President/Chief Operating Officer.

Look around and you will find Brevard is developing, or has attracted, women leaders. Women lead the four Chambers of Commerce, a spot that traditionally was a male-dominated position. After a nationwide search, Dr. Patricia Nelliuss-Guthrie was selected three years ago as CEO for Community Based Care of Brevard, Inc. and led the extremely complex transition to privatize the foster care system. It has since become a model for other communities. Linda South, the former Executive Director for the Brevard Workforce Development Board, has been appointed by Governor Crist as the Secretary of the Department of Management Services, a role that touches every person in Florida in some way.

Retain Top Women By Creating New Business Culture

But some companies only pay attention after it impacts their bottom line. At a reception for the introduction of the Athena PowerLink® program for women entrepreneurs in Orlando, Ed Baxa, General Partner of Foley & Lardner LLP, said they had a wakeup call when they realized they were losing many talented women attorneys. "Over 50% of our new law school hires were female; we were losing their intellectual firepower after the fourth or fifth year." Baxa said the firm recognized the need to be vigilant about career paths for their female colleagues, providing them access to challenging work and involving them in relationship building with clients and potential clients. "We need to be 'intentional' about this process as good intentions are too frequently swallowed by old social patterns if specific structures are not put in place." Foley



has appointed a full-time diversity partner and increased focus on mentoring and establishing affinity groups. They are developing user-friendly, flextime scheduling and accountability for improved diversity at all levels of management as the starting points for addressing this important issue.

It is time to spend more time considering how you are going to develop your own women leaders. Remember you can't have happy customers with unhappy employees.

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Skill Factors and Competencies

Analysis of the database of 360-degree feedback owned by Personnel Decisions International Corp., an HR and management consulting firm in Minneapolis, revealed that women outscored men in the following executive competencies:

- Seasoned judgment
- Visionary thinking
- Shaping strategy
- Driving execution
- Attracting and developing talent
- Empowering others
- Influencing and negotiating
- Leadership versatility
- Building organization relationships
- Inspiring trust
- Fostering open dialogue
- High-impact delivery
- Drive for stakeholder success
- Entrepreneurial risk taking
- Mature confidence
- Adaptability
- Career and self-direction
- Leading continuous improvement

Males received significantly higher ratings on these four competencies:

- Financial acumen
- Global perspective
- Industry knowledge
- Business situation versatility

Men and women were rated equally on one competency: Cross-functional capability.

Source: *HR Magazine*, June 2001, Vol. 46, No. 6.

