

DISPELLING THE MYTHS OF THE GENDER “AMBITION GAP”

By Katie Abouzahr, Matt Krentz, Frances Taplett, Claire Tracey, and Miki Tsusaka

WHEN IT COMES TO careers, there is a stubborn theory that women are less ambitious than men. With age and motherhood, the story goes, women lower their career goals. They miss out on the top roles at companies not because they can't do them, or because the opportunity is not there, but because they don't really want them. Our research demonstrates, however, that this is simply not true. The issue is more nuanced—and more solvable—than most CEOs think.

We recently analyzed employee survey data from two global BCG data sources, comprising more than 200,000 respondents.¹ Our findings show clearly that women start their careers with just as much ambition as men. Women's ambition levels do vary, but they vary by company, not by family status. When companies create a positive culture and attitude regarding gender diversity, all women—mothers included—are eager to advance.

In other words, the problem is neither inherent nor related to motherhood; instead,

it hinges on the day-to-day experiences of women at work. Ambition is not a fixed attribute but is nurtured—or damaged—by the daily interactions, conversations, and opportunities that women face over time.

The good news is that these factors are entirely within a company's control. Our research points to four steps that CEOs can take to make leadership more inclusive and more aspirational—thus improving the diversity of their senior teams, and ultimately the bottom line.

Key Findings

The data points to several key findings that collectively demolish many myths about the ambition levels of women.

Women start their careers with as much ambition as men—or more. First and foremost, our data shows that, on average, women enter the workforce with the same—or higher—levels of ambition as men, in terms of their desire to hold leadership positions or be promoted.

Having children does not make women less ambitious. Our data regarding women's ambition and motherhood may be surprising, but it is also unequivocal: having children does not affect women's desire to lead. The ambition levels of women with children and women without children track each other almost exactly over time. For example, when asked to score the importance of leadership opportunities as a job attribute, the average responses from women with children were within 1% of those from women without children, across all age groups.

Ambition is influenced by company culture. When both male and female employees feel that gender diversity at their organization is improving, there is no ambition gap between genders. In other words, women aspire to leadership roles in companies that have positive work environments and value diversity. Conversely, at organizations where employees of both genders report the least progress on diversity—where women see an uphill battle to reach an unattractive summit—an ambition gap opens up between men and women. Both men and women become less ambitious as they age, but the drop-off is faster for women in these organizations, creating a gap that is 17 percentage points for people in the 30-to-40 age bracket—pivotal years in their careers.

Consider a large company with a predominantly male workforce that has operations in many different locations. At sites where employees reported that the company is committed to the retention of women, the ambition levels of women in middle management were, on average, over 20 percentage points higher than at other sites.

The results for companies within individual countries underscore this point. In a given country, there is wide variation among organizations, showing that CEOs have significant influence over ambition levels, regardless of societal constraints.

Positive steps benefit all employees—not just women. Finally, creating a culture that enables more women to be ambitious does

not put men at a disadvantage. Among the best companies—those showing the most progress on gender equality—both women *and men* are more ambitious. There are clearly many factors at work, but our data shows that the gains of women do not come at the expense of men.

In short, when women work at companies where leadership looks achievable and enjoyable, they will strive to get there. Conversely, when the struggle to reach the top doesn't seem worth it, women are more likely to make the entirely rational decision to step off the leadership track.

As a woman commented on InHerSight, a US-based independent career website that collects data and feedback on employees' experiences in the corporate world, "Most women leave the company if they are ambitious, and management uses [their departure] as an excuse, instead of [recognizing it as] a symptom of the problems."

The good news for CEOs is that they can reinforce ambition in women by creating the right culture. Organizational culture shapes the day-to-day experience of employees in a thousand small and large ways—the attitude of managers, the evaluations and career advice people receive, the comments they hear, and many other seemingly minor, everyday factors. When women opt out, they often describe a "moment of truth" that was the final straw—but that moment is the culmination of a long journey full of daily pain points. It need not be that way. Instead, companies can create the right culture to foster ambition among aspiring female leaders. (See the exhibit.)

Four Steps to Close the Ambition Gap

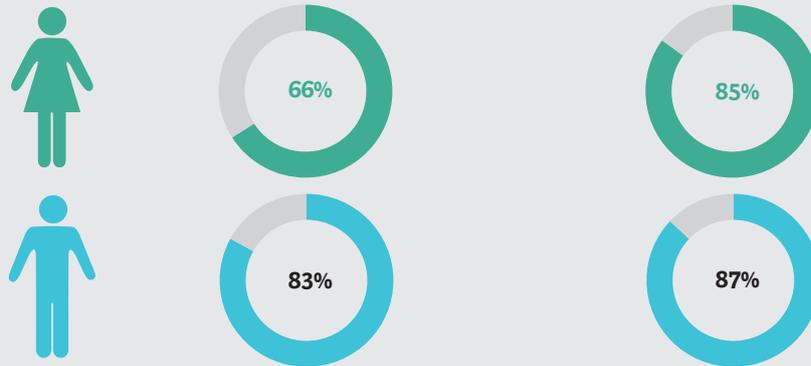
We propose four initiatives for CEOs and HR leaders.

Build a gender-diverse leadership team with the right role models. In hiring, CEOs need to demand gender-balanced lists of candidates for all open positions and make objective hiring decisions based on quantifiable data. (If companies are using an

The Right Corporate Culture Can Boost Ambition Levels Among Women

COMPANIES MAKING THE **LEAST** PROGRESS ON GENDER DIVERSITY COMPANIES MAKING THE **MOST** PROGRESS ON GENDER DIVERSITY

% of respondents aged 30-40 seeking promotion to a higher leadership position



Source: BCG analysis.

Note: Companies segmented on the basis of responses to the statement “My company has made good progress in the last one to three years in improving diversity in the top management team.” Total survey respondents: 5,447 (2,713 men and 2,734 women).

executive recruiter who cannot provide a list of strong candidates that shows good balance by gender, it is time to find a new executive recruiter.) Companies also need to avoid gender-specific terms like “IT wizards” in job postings.

Regarding promotions, leaders should review the company’s evaluation system to identify—and eliminate—any gender-based bias. In addition, companies should train managers in how to develop employees and deliver feedback based on their strengths. (See *The Rewards of an Engaged Female Workforce*, BCG Focus, October 2016.)

The right role models are crucial. Even the most promising executives should not reach the leadership team if they do not buy into the company’s diversity agenda. (At most organizations, everyone knows who these executives are. They undermine even the most enlightened company’s approach to gender diversity.)

In addition, CEOs should take some risks in hiring. Some of the best leaders may have followed a meandering path to their current position. The road to the C-suite is not a single track, and leaders do not come in only one flavor.

Change the informal context. A person’s experience at work consists of countless small interactions, and the leadership environment at many companies can feel like a familiar set of masculine tropes: backslapping, high fives (both figurative and literal), and trips to the cigar bar. As Sallie Krawcheck, a former Wall Street executive and current CEO of Ellevest (a women-focused investment platform), put it in a recent LinkedIn post, “It’s simply exhausting to act like something you’re not all of the time. I can’t tell you how many women have told me that this was a contributing factor to their leaving the workforce, because every day they had to go into work and act like someone they’re not.”²²

CEOs should ask their senior managers and executive team members about the occasions when they are having the most fun at work—when they feel most connected with their senior colleagues and are most relaxed in their company. Are there women present on these occasions? If not, why not? If so, are the women also enjoying themselves?

Make and relentlessly promote structural changes such as flexible work. Data from one of our surveys tells us that both men and women view flexible work as the most

effective way to improve diversity. The data also shows that the main reason both men and women may be reluctant to advance at their company—cited by nearly 60% of both genders—is the challenge of meeting increased job responsibilities while managing outside commitments.

Companies should address this concern head-on by offering parental leave, part-time work, job pauses, job-shares, and annual leave buybacks for everyone, including senior leaders. In addition, they need to actively encourage men to take advantage of these policies. CEOs should work to eliminate any stigma for—and instead celebrate—those who take advantage of these programs. For example, companies can congratulate the father who spends Fridays with his children, instead of the one who logs the most air miles. Such small, everyday moments can clarify the company's priorities and reinforce the culture.

Track progress and involve everybody.

CEOs and HR leaders should track their progress toward gender diversity and create incentives for everyone to participate in the journey. Our research shows that diversity efforts are most effective when linked to outcomes. For example, executives' compensation could be pegged to the level of gender diversity in their business. Companies should consider promoting managers who have strong female candidates in their succession pipeline (or they should at least challenge those who don't).

Transparency is key—companies should communicate their progress, celebrate both effort and outcomes, and identify where they still have work to do.

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MANY COMPANIES ARE taking steps to create more balanced leadership teams. For example, they run women-only training sessions, send women on leadership courses, and hire senior women to serve as role models. These are admirable steps, but they are ultimately not enough. Likewise, telling women simply to try harder at a game in which the rules are stacked against them may create some fantastic, isolated successes—but it may not lead to a meaningful breakthrough.

Women are ambitious, but they are also rational. If leadership looks attractive and possible, they want to be leaders. Otherwise, they may make the reasonable decision to opt out. For CEOs, this presents a great opportunity. By creating the right organizational culture, companies can promote the ambition of both men and women and tap into a wider pool of talent to create the kind of leadership team needed to win in the future.

NOTES

1. We analyzed data from BCG's Decoding Global Talent survey, which was conducted in collaboration with The Network and included 203,756 respondents from 189 countries, of which nearly half were women. In this survey, we analyzed responses to the question "How important are opportunities to lead and take responsibility?" We also looked at findings from a new survey conducted by BCG, which included 5,447 respondents in 17 countries, of which over 2,700 were women. In this survey, we analyzed results from the question "Are you actively seeking promotion to a higher leadership position—either within or outside your current company?" The results of the second survey will be published later in 2017.
2. Sallie Krawcheck, "The Worst Career Advice Women Get," *LinkedIn*, February 27, 2017.

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