

## Overview

**Rotman**

Canada lags behind other developed countries with regard to female representation on corporate boards and in management leadership. Since 2015, firms regulated by the Ontario Securities Commission have been required to disclose annually the number of women on their board of directors and in executive officer positions. Firms that have not adopted ways to promote the representation of women are required to explain their reasons for not doing so.

Despite the existence of 'comply or explain' legislation, there has been slow progress for board representation, and even slower progress for women in executive leadership positions.<sup>1</sup> In 2018, 40.1% of TSX-listed firms reported having no female executive officers, 29.1% reported having one female executive officer, and 30.8% reported having more than one female executive officer. Women filled only 29% of vacated board seats, and held 15% of board seats overall. In Canada, only 4% of firms have a female CEO.<sup>2</sup>

## Reasons for slow progress

Many attribute the lack of female leaders to a "leaky pipeline," where women opt out of challenging career paths. But research suggests that opting out is not the problem. Instead, workplace cultures and practices that fail to accommodate the realities of care work—for which working mothers remain overwhelmingly responsible—push women out of the workforce or out of advancement to leadership roles.<sup>3</sup>

Women are also disadvantaged by the stereotype of leadership as a masculine trait.<sup>4</sup> Leadership bias against women has been found in a variety of fields, including entrepreneurship and engineering.<sup>5</sup> Because women do not fit the stereotype of a leader, they are often less respected.<sup>6</sup>

For example, when women are promoted to leadership positions in male-dominated and technical occupational fields, they may face backlash. Because managerial positions involve less technical work, an increasing number of women in such positions may validate pervasive stereotypes about women being less technically competent.<sup>7</sup>

**In Canada,  
only 4% of  
firms have a  
female CEO**

## **"Gender blind" vs. "gender aware" approaches to hiring and recruitment**

While a gender-blind approach to hiring, such as redacting applicants' names and other identifying information may help women get interviews, this approach cannot remove biases that are already part of workplace cultures.<sup>8</sup> Research finds that even when firms present pro-diversity values and encourage applications from underrepresented groups, they still exhibit bias in hiring practices.<sup>9</sup> Management can implement diverse team-based hiring so that a single hiring manager is not responsible for hiring decisions. Doing so will help to ensure that hiring is based on agreed upon job criteria and not merely the outcome of one individual's "gut instinct" about "fit," which may reflect unconscious biases.<sup>10</sup>

## **Change job descriptions for leadership roles**

Job descriptions can be rewritten to reduce biased language and eliminate associations with gender stereotypes. For example, changing "assertiveness," a term associated with men, to "confidence."

## **Implement quotas or hard targets**

Research shows that the belief that quotas compromise meritocracy is misguided. The implementation of quotas to increase female leadership is not a trade-off on quality.<sup>11</sup> Instead, board governance quality may improve. Specifically, increasing the number of women on corporate boards to three or more enhances the likelihood that women's ideas are heard, and that boardroom dynamics change.<sup>12</sup>

## **Sponsorship and mentorship**

Whereas workplace mentors provide advice, workplace sponsors advocate on behalf of their sponsees and champion their advancement. Because sponsorship relies on the efforts of senior level executives, such relationships are less common but more valuable than mentorship relationships. Women with sponsors are almost twice as likely to believe that being promoted to executive positions is attainable.<sup>13</sup> Promoting sponsorship in addition to mentorship is thus a key intervention for increasing female leadership.

## **Diversity training**

Diversity training can help when implemented with buy-in from management, and alongside other efforts to reduce gender inequality.<sup>14</sup> A key complement to diversity training is clear accountability for what change looks like. Efforts need to be widespread and long-term, otherwise the mere presence and availability of diversity training can create the illusion that an organization is fair, and management may cease efforts towards truly inclusionary and substantive change.<sup>15</sup>

## **Educate to dismantle gender stereotypes**

Socialization into stereotypical gender roles begins in childhood,<sup>16</sup> as do biased perceptions of women as followers rather than leaders.<sup>17</sup> Solutions aimed at addressing leaky pipelines must involve training for educators of every age group, from preschool to university to onsite job learning.



- 1** Catalyst, Gender Diversity on Boards in Canada: Recommendations for Accelerating Progress, commissioned by the Government of Ontario (2016). [https://www.catalyst.org/research/gender-diversity-on-boards-in-canada-recommendations-for-accelerating-progress/#footnote4\\_g2amjjm](https://www.catalyst.org/research/gender-diversity-on-boards-in-canada-recommendations-for-accelerating-progress/#footnote4_g2amjjm)
- 2** Canadian Securities Administrators, "Report on Fourth Staff Review of Disclosure regarding Women on Boards and in Executive Officer Positions": [https://www.osc.gov.on.ca/en/SecuritiesLaw\\_sn\\_20180927\\_58-310\\_staff-review-women-on-boards.html](https://www.osc.gov.on.ca/en/SecuritiesLaw_sn_20180927_58-310_staff-review-women-on-boards.html)
- Andrew MacDougall and John Valley of Osler, Hoskin & Harcourt, "2018 Diversity Disclosure Practices": <https://www.osler.com/osler/media/Osler/reports/corporate-governance/2018-Diversity-Disclosure-Practices-Women-in-leadership-roles-at-TSX-listed-companies.pdf>
- 3** Stone, P. (2008). Opting out?: Why women really quit careers and head home. Univ of California Press.
- Collins, C. (2019). Making Motherhood Work: How Women Manage Careers and Caregiving. Princeton University Press.
- 4** McClean, E. J., Martin, S. R., Emich, K. J., & Woodruff, C. T. (2018). The social consequences of voice: An examination of voice type and gender on status and subsequent leader emergence. *Academy of Management Journal*, 61(5), 1869-1891.
- Eagly, A.H. & Carli, L. L. (2007). Through the labyrinth: The truth about how women become leaders. Harvard Business Press.
- 5** Yang, T., & Aldrich, H. E. (2014). Who's the boss? Explaining gender inequality in entrepreneurial teams. *American Sociological Review*, 79(2), 303-327.
- Cardador, M. T. (2017). Promoted Up But Also Out? The Unintended Consequences of Increasing Women's Representation in Managerial Roles in Engineering. *Organization Science*, 28(4), 597-617.
- 6** Desai, S. D., Chugh, D., & Brief, A. P. (2014). The implications of marriage structure for men's workplace attitudes, beliefs, and behaviors toward women. *Administrative Science Quarterly*, 59(2), 330-365.
- 7** Cardador, M. T. (2017). Promoted Up But Also Out? The Unintended Consequences of Increasing Women's Representation in Managerial Roles in Engineering. *Organization Science*, 28(4), 597-617.
- 8** Goldin, Claudia, and Cecilia Rouse. 2000. "Orchestrating Impartiality: The Impact of "Blind" Auditions on Female Musicians." *American Economic Review*, 90 (4): 715-741.
- 9** Kang, S. K., DeCelles, K. A., Tilcsik, A., & Jun, S. (2016). Whitened resumes: Race and self-presentation in the labor market. *Administrative Science Quarterly*, 61(3), 469-502.
- 10** Rivera, L. A. (2012). Hiring as cultural matching: The case of elite professional service firms. *American sociological review*, 77(6), 999-1022.
- 11** Besley, T., Folke, O., Persson, T., & Rickne, J. (2017). Gender quotas and the crisis of the mediocre man: Theory and evidence from Sweden. *American economic review*, 107(8), 2204-42.
- Kim, D., & Starks, L. T. (2016). Gender diversity on corporate boards: Do women contribute unique skills?. *American Economic Review*, 106(5), 267-7
- 12** Kramer, V.W., Konrad, A.M., Erkut, S. and Hooper, M.J., 2006. Critical mass on corporate boards: Why three or more women enhance governance. Wellesley, MA: Wellesley Centers for Women.
- 13** Naomi Tittleman Colla, Sponsorship is an important key to unlocking women's career potential, The Globe and Mail: <https://www.theglobeandmail.com/report-on-business/careers/management/sponsorship-is-an-important-key-to-unlocking-womens-career-potential/article38204533/>
- Women of Influence, "What's holding women back: A look at female ambition in Canada": <https://www.womenofinfluence.ca/2016/01/11/whats-holding-women-back-a-look-at-female-ambition-in-canada/#.XJkhBNKiV4>
- 14** Dobbin, F., & Kalev, A. (2016). Why diversity programs fail. *Harvard Business Review*, 94(7), 14.
- 15** Alyson Colón, Does diversity training work?, Institute for Gender and the Economy: <https://www.gendereconomy.org/does-diversity-training-work/>
- 16** Reskin, B. F., & Hartmann, H. I. (Eds.). (1986). Women's work, men's work: Sex segregation on the job. National Academies Press.
- 17** Correll, S. J. (2001). Gender and the career choice process: The role of biased self-assessments. *American journal of Sociology*, 106(6), 1691-1730.