

The Road to Success: "What Does Good Look Like?"

Presentation to the International Conference: Where are Girls and Women in Science and Technology?

Berlin October 21, 2005

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Diversity on the Top of the Agenda?

- "We made diversity a market-based issue... It's about understanding our markets, which are diverse and multicultural" (Lou Gerstner, ex-CEO IBM)
- "We would like to leverage the diversity of our employees as a competitive advantage" (Procter & Gamble)
- "Our commitment to diversity at Toyota is an integral part of our success and we know that this commitment must continue to grow." (Toyota Motor Company)

"It has taken the automotive industry 100 years to appoint the first Executive Vice President; She is an Engineer!" (Senior Female Executive in the US)

Diversity - Business Impact Corporate Level

85% of purchasing decisions for cars in the US are made by women!

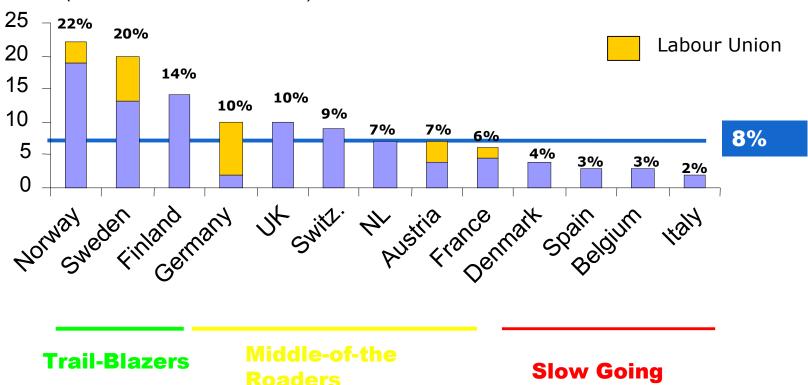
Over 50% of car purchases are made by women!



Only 8% of the non-executive board members in Europe are female

"In the German Old Economy Sector females account for only 1% of management board positions".

(German Think Tank DIW)



Source: Egon Zehnder Global Diversity Study of 200 Companies in 2004

Females in Science & Technology-Driven Companies

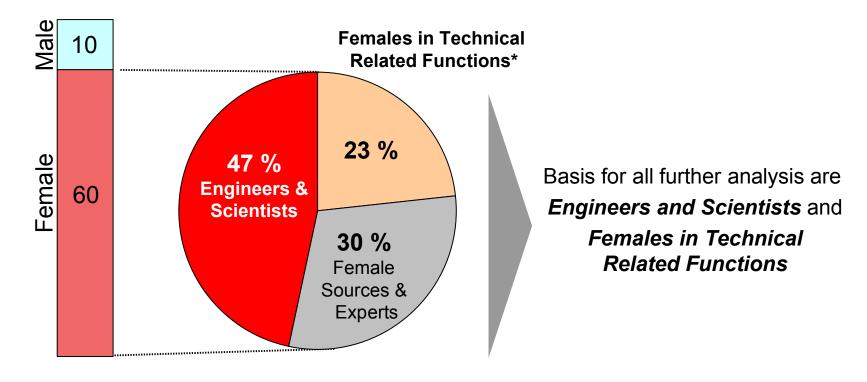
- •"Although women earn more than 50% of university degrees, their participation in top management of technology companies is extremely low". (Women in Tech)
- A handful females around the globe and only few in Europe are making the headlines: from the recently published ranking of the top-25 Business Women in Europe (Financial Times), only 2 were engineers or scientist.
- •"The barriers to recruitment, advancement and retention for females in engineering are similar to the barriers faced by females in other sectors but are exacerbated by the fact that it is a discipline that has been historically and is still dominated by men and male ways of operating". (A senior female executive)

However, increasingly our clients in Europe either require, or are genuinely open to female executives - especially in functional roles!

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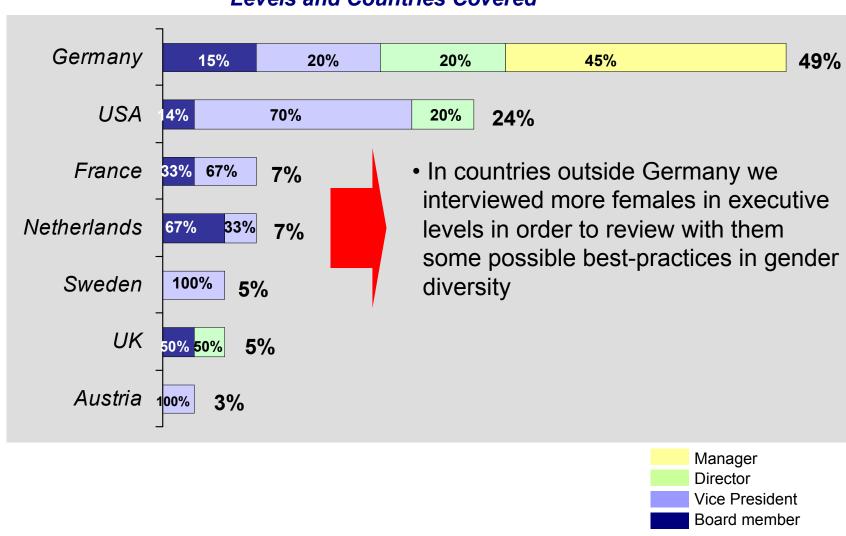
We spoke to men and women from different countries, industries in different functions and levels



^{*} with no engineering or natural sciences education

The survey focused on Germany and some countries with expected advanced diversity experience

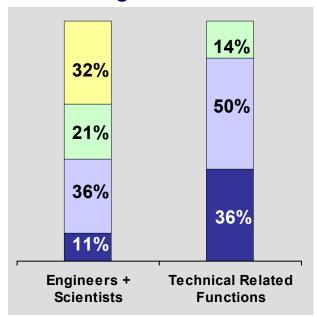
Levels and Countries Covered



We found fewer female engineers and scientists at higher management levels than females in technical related functions without technical education

Selected Female Executives and Young Managers Interviewed

Comparison of Management Levels



Manager
Director
Vice President
Board member

- SVP of European automobile manufacturer 78.200 employees
- VP of a leading European chemical and plastics company with 24.800 employees
- EVP of a large US industrial conglomerate with over 329.000 employees
- President and CEO of automotive supplier with 12.000 employees
- VP of European Operations of US-based automobile manufacturer with 37.000 employees
- SVP of Quality of European High-Tech company with more than 161.500 employees
- President EMEA of a technology and chemical USbased conglomerate with 10.000 employees
- Chief R&D of a division of German components manufacturer with 15.400 employees
- Logistics Director of a technology and consumer based German company with over 390.000 employees
- Product Strategy Director of a French components manufacturer 62.000 employees
- Division Head of US-based packaging company with 32.000 employees
- Product Strategy Director for Electronics Systems for UK Technology company with 37.000 employees

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The results of the survey were both encouraging and discouraging



Females were disproportionately scarce at senior executive levels even in countries expected to have more experience regarding gender diversity



Senior female executives are disappointed about many females who are passive about their careers; they get stuck in the "functional stove pipes" or staff functions



Companies in Europe, and recently in Germany have finally realized the business value of gender diversity



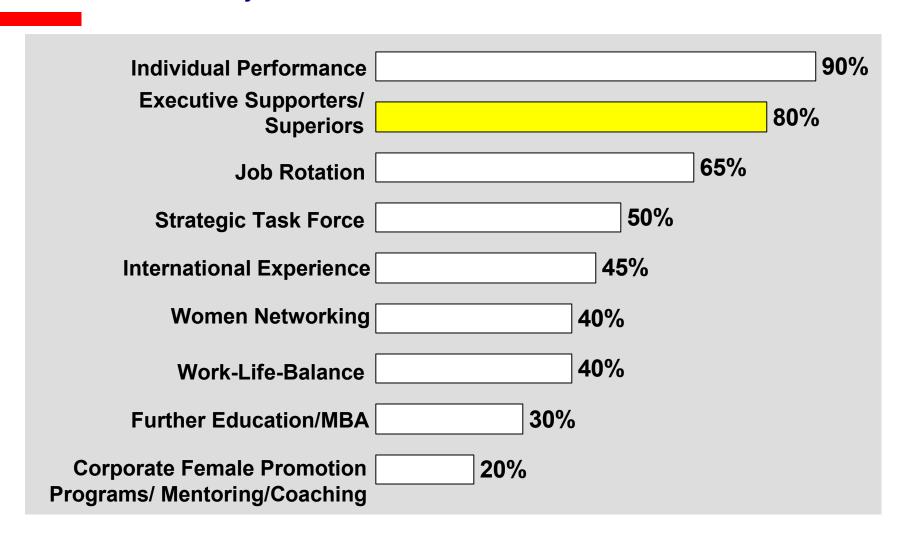
We spoke to many females who are passionate, serious and ambitious about playing a major role in the destiny of companies at top level



Although it is still tough, there are very clear messages on "How Good Looks Like" and success factors helping females to advance

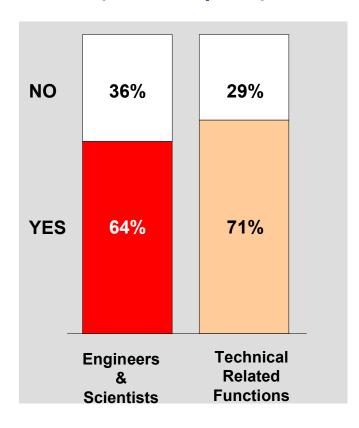
The Road to Success: Competence and Performance Alone Is Not Enough!!!

Key Drivers to Success in Career Advancement



Job rotations and special projects seem to be an effective career enhancement approach for females

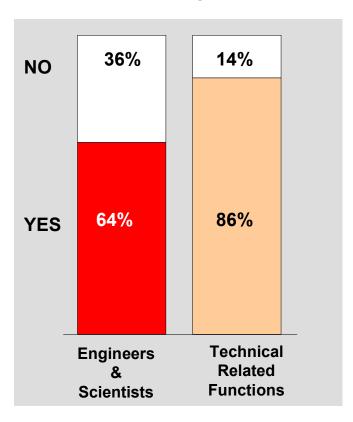
Functional Diversification (All Participants)



- "Women who go into engineering having career ambitions, have to be comfortable with challenges and be willing to deviate from the straight and ordinary career path".
- Majority of the females interviewed either started or very quickly moved into roles with high top-management visibility and strategic importance
- "I wanted to move to a management role; as an engineer I was too far away from the food-chain and from the decision making loops. An international, cross-functional project improved my chances"

Female managers can improve their chances for higher level positions through international assignments

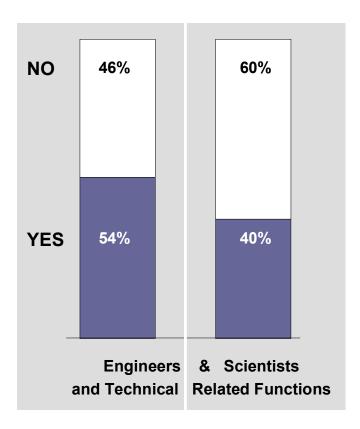
Experience Abroad (All Participants)



- Participation in international assignments qualifies females specially in exotic regions such as Asia
- A CEO and President of a large midsized industrial company had visited over 100 countries in her career

On Family and Work Balance





- "You tend to try to get a lot of experience up early because you need to be in a position where you have some bargaining power to seek the sort of flexibility you know you will want later when you have children".
- Comparably lower number of females with children in Germany compared to other countries reveals the challenge they are faced due to lack of support for families

To improve competitive advantage females should work on their strategic, business and implementation competence

Where do you see the strengths and development needs of female managers?

Professional Competence	+	 Females work very hard on developing their professional competence; they are always pressed to prove their competence
Strategic Competence	0	Depends only on individual skills but some women tend to be very focused on details
Business Competence	0	No difference in gender
Leadership Competence	++	 Female managers have much better empathy level, can listen better, care for their people and motivate them better
		 It is easier to work with women; men have a lot of ego and play political games
Change Competence	+	Females tend to be more courageous and more sensitive about influencing others in critical times
Implementation Competence	O	 Women are more focused on the results and pragmatic; men are always playing games to shape their careers
		 Very good multi-tasking being forced to be efficient
Interpersonal and	++	"You want to be strong but also not loose your emotional feminine approach because that makes
intercultural Competence		you stronger"

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The Road to Success(1): "Women Try Too Hard"



- "I worked hard and had luck to get where I am today; the harder I worked the more luck I had! ". (Linda Cook, EVP at Shell)

 "Females are extremely competent; the ones that get to the top are much better than men!"
- Extreme discipline, good organization of private and professional life,
 AMBITION and CONVICTION are major factors; not very many females want this life!
- "Women are too focused on tasks and believe that this alone is enough to advance: they are too naïve!"
- "I was very quickly focused on delivering performance rather than worrying about being a woman and not making it to the top"
- Some women try too hard; are too focused on making sure they are perfect! They miss on what really matters
- "I have been very early on very aware about my competence and my faults; most women are too critical of themselves whereas men look for mistakes with others first"
- "Some of my female managers think they have to get their third degree before being qualified for the next position" (A US Senior VP)

The Road to Success (2): "You Need Supervisors Who Believe in You"



 Almost all females in the senior levels had someone, mainly men executives, who supported them in the political succession planning processes: they had superiors who believed in them

"A lot of the men that promote women have either spouses or daughters that are strong"

"My boss told me if you want to move to board level you have to gather several years of general management experience abroad, preferably in places men don't like to go"

"Build support in the top management for yourself in a natural manner; every time they see your work they build an impression of you, so:
"TELL IT GOOD AND WITH SUBSTANCE"

The Road to Success (3): "Check Your Ambitions!"



"Women are like tea bags; you don't know how strong they are until you throw them in hot water!!"

The Road to Success (4):"Open Up to Others and Opportunities"

Feedback

 "I started asking for honest 360 degree feedback to better develop myself; this can be painful but the sooner you do it the better"

Open to Other Opportunities

 Proactively plan participation in job rotations, side steps, international assignments as well as changing your employer!!

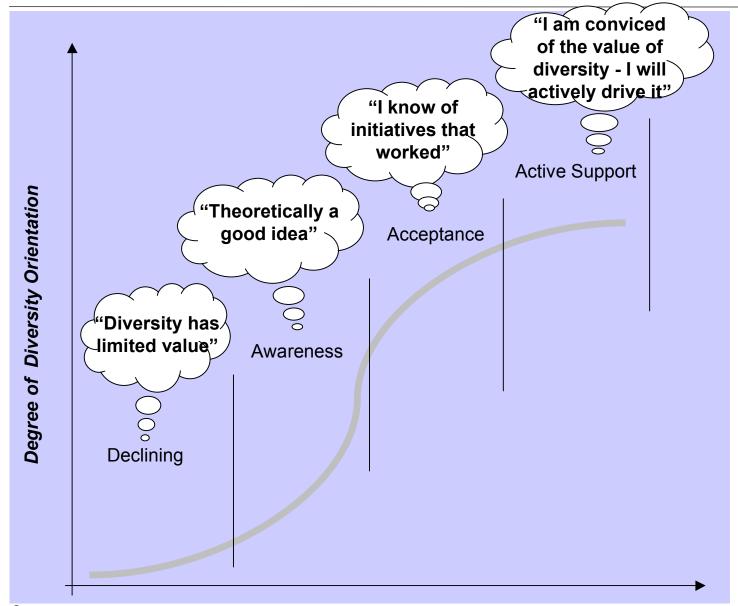
Develop Networks

- Project work, socializing, formal and informal management networks
- Both company internal and external networks are important

Market your Work

- You have to show what you can do; women tend to be too modest because they are not sure; men have much more practice in marketing themselves and their ideas!
- "Females feel someone should notice them: they have to be more proactive"

The Road to Success(5): What Should Companies Do?



Some Lessons Learned from Interviewed Female Executives(1)

- * Make sure senior management is front and center:

 "It is all about the CEO and Executive Team having the right mindset and focusing on, and prioritizing, people issues and understanding the business impact of those decisions"
- * Ensure operative divisions and managers take ownership

"You need lots of male and female executive advocates to change the perception and the culture"

"Make the bias executive advocates of diversity"

* Make a bullet-proof business case for diversity

"The Professional Network Group in our company has an objective to develop measures to turnaround the declining marketshare of our company with women consumers"

Some Lessons Learned from Interviewed Female Executives(2)

- "You need at top level to ensure check & balance"
 "If no female executive can readily be promoted to executive level, take a short-cut and hire them externally"
- * Use a flexible system of accountability
- * Secure resources and follow a systematic approach
- Promote work life balance for female and male managers

The Challenge Is Still There!

"I will know women in engineering have made it when we do not have to have forums, surveys and articles on women in engineering".

(A Senior Female Executive)

Still a long way away from chipping the "Glass Ceiling" and arrival of the "Boardroom Greenhouse Effect"