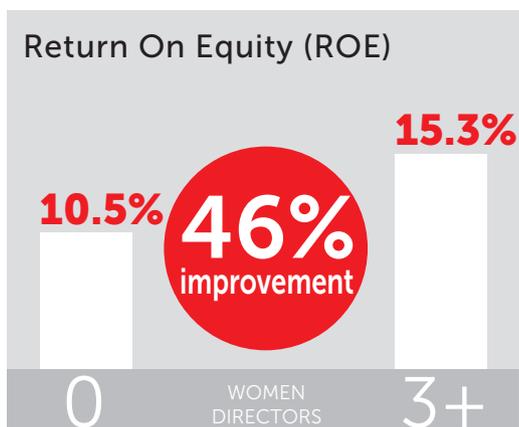
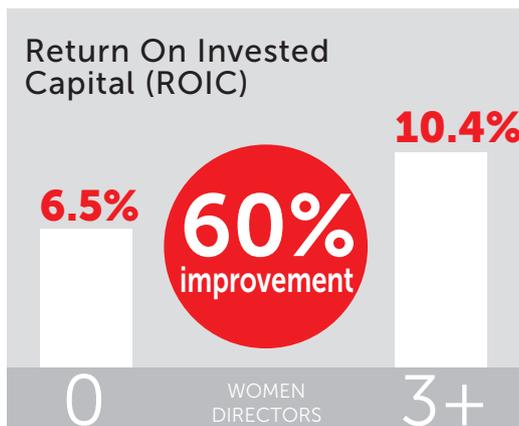
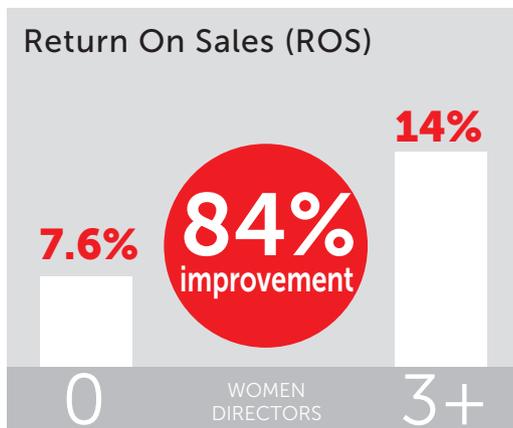


# The bottom line

The numbers don't lie: companies that fail to invest in gender-balanced leadership (both at the boardroom level and in senior management) are missing out on substantial returns. Here's proof of the ROI that comes from being inclusive

## The business case

Financial performance of Fortune 500 companies with three or more women board directors compared to those with no women board directors (based on study of 524 companies over a four to five year term). Source: Catalyst 2011



**+226%**

Women CEOs in the Fortune 1000 delivered three-times the returns as S&P 500 enterprises run predominantly by men. Source: "Boston-based Quantopian looked at how well Fortune 1000 companies led by women performed compared to the S&P 500 over a 12-year period," Fortune.com.

**42%**  
greater return  
on sales

**53%**  
higher return  
on equity

How top quartile Fortune 500 companies (as measured by number of women directors on their boards) performed compared to those with fewer women directors. Source: Arguden, Yilmaz. "Why Boards Need More Women," *Harvard Business Review*, June 7, 2012.

**40%** Norway's mandatory quota for women on boards. According to Aaron Dhir, author of *Challenging Boardroom Homogeneity: Corporate Law, Governance and Diversity*, there was no "quota woman" stigma because there was a critical mass of women directors versus token representation. Source: Liswood, Laura. "Women Directors Change How Boards Work." *Harvard Business Review*, February 17, 2015.

## Leadership effectiveness

The following is based on a study by leadership consultancy Zenger Folkman of 16,000 leaders from a range of industries (two-thirds were male; one-third were female). Each leader's effectiveness score was compiled based on feedback from, on average, 13 respondents (e.g. manager, direct reports and peers).

**51.8**  
men

**54.5**  
women

### Age matters

The Zenger Folkman study also found that women over 40 are judged as more competent than male leaders of the same age. This was attributed to the women's continued request for feedback and quest for self-improvement.

Source: Sherwin, Bob. "Why Women Are More Effective Leaders Than Men," *Business Insider*, January 24, 2014.

### Score card

The leadership spectrum is broad, spanning lower management to senior executives. The following chart compares and contrasts the effectiveness of both male and female leaders across various leadership positions (source: Zenger Folkman, 2011). These results were based on a survey of 7,280 leaders (4,651 male and 2,629 female); 64% from the United States and the remainder from around the world.

Role	% in this position who are male	% in this position who are female	Score	
			Male	Female
Top management, executive, senior team members	78%	22%	57.5%	67.7%
Reports to top management, supervises middle managers	67%	32%	48.9%	56.2%
Middle manager	60%	32%	49.9%	52.6%
Supervisor, front line manager, foreman	61%	39%	52.7%	53.9%
Individual contributor	45%	55%	52.7%	53.9%

### Support system

If you're a woman hoping to launch or expand a business, the following ACOA-funded organizations can help

- Newfoundland and Labrador Organization of Women Entrepreneurs
- New Brunswick Association of Community Business Development Corporations
- Centre for Women in Business (Nova Scotia)
- Prince Edward Island Business Women's Association
- Atlantic Association of Community Business Development Corporations

**higher profitability & greater client satisfaction**

Assessment of gender diversity results, based on EY research of 20,000 clients. Source: Liswood, Laura. "Women Directors Change How Boards Work." Harvard Business Review, February 17, 2015.

*"Women bring many essential tools to the table when it comes to leadership such as their ability to efficiently multi-task and work in teams. Women are dynamic, creative, and empowered by success and helping others succeed. I value that in the work place, which is why I am equitable when hiring. I also offer a flexible environment which allows women to achieve success at home and in their careers. The ratio of men to women in my branch is 1:1."*



David Michaud, Branch Manager, National Bank of Canada, Moncton, N.B.

### 3 REASONS why there aren't more women in the C-suite

**They don't want it** studies show that 90% of women who work outside the home are still responsible for most of the household management. Work-life balance and time management become more important than career advancement.

**They lack self-confidence** from real and perceived cultural and organizational barriers to the absence of either female role models or gender-neutral networking opportunities, women report feeling disadvantaged on multiple levels. Often, the unfortunate result is that they stop trying.

**They can't have it** organizational barriers (particularly biased assumptions that "she doesn't want to relocate" or "the hours required wouldn't work for her family" or "we'll be without a leader if she decides to have a baby") prevent women from being offered top jobs.

Source: Sherwin, Bob. "Why Women Vanish As They Move Up The Career Ladder," Business Insider, January 27, 2014.

### Did you know?

The Women Presidents' Organization is an international non-profit organization that works to promote women's entrepreneurship worldwide through peer networking and learning. Members are women presidents and CEOs of privately held, multi-million dollar companies earning at least \$1 million in revenue annually. Average WPO member revenue is \$10 million.

Worldwide	Canada	Atlantic Canada
130 chapters	13 chapters	3 chapters
1,900+ members	185+ members	30 members
\$22B annual revenue	\$1.4B annual revenue	\$127.7M annual revenue
168,000 employees	13,858 employees	989 employees