

Analytics to Realize the Value of Gender Diversity

There's a common perception that women and men have different strengths. A recent Mercer survey, "When Women Thrive," explores that impression.

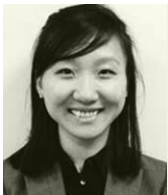
The research about gender diversity in the workplace surveyed HR leaders at hundreds of organizations globally. Respondents were asked to identify the top three strengths of their current managerial workforce by gender. Choosing from a list of 13 attributes, participants reported differences in skills between the two groups. The top identified strength for female managers was "inclusive team management" versus "technical skills" for male managers as shown in Figure 1.

The authors of the research recommended that organizations examine whether they are fairly valuing and rewarding their employees' diverse skills and experiences and that they work to ensure they are not inadvertently steering women and men into different roles.

Nearly half of all respondents (49 percent) relied on qualitative information (e.g., anecdotes and experience) over quantitative data. A mere 4 percent of organizations noted their use of hard evidence to answer the question, potentially looking at past performance appraisals or tracked competencies.

In an era of "big data," we can do better than 4 percent.

While the role of anecdotal evidence is critical to setting the proper context and helping with the interpretation of analysis results, the wealth of information existing in HRIS and supporting systems, plus analytic methods including Social Network Analysis, can be leveraged to strengthen our understanding of the differences and similarities between



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women and men in the workplace — how they may or may not respond differently to opportunities and where the value proposition may be effectively tailored to meet their unique needs — enabling organizations to make the most of their diversity efforts. What follows are two case examples where our Mercer team worked with organizations to uncover hard evidence on the roles that women and men play in organizations and, from that, inform diversity strategy.

Case No. 1: Identifying priorities using predictive modeling

This organization was focused on developing a D&I strategy rooted in a thorough understanding of what employees value and the experiences that they need to advance in their careers. We partnered with this organization to compile detailed employee-level histories from their HRIS system to build a longitudinal database, covering thousands of employees during a four-year period. These “snapshots” in time allowed us to track employees’ career progress, organizational affiliations, compensation, performance and their decision to stay with the organization or to exit.

Relying on this running record of employee attributes and actual workforce outcomes, we ran statistical models to isolate the key factors predicting the likelihood of an employee quitting, getting promoted and receiving a high rating — identifying the independent impact on various potential actions. What emerged was an evidence-based narrative that went beyond the anecdotes.

Related to the roles of women and men, we found that employees who

had supervisory responsibilities were more likely to get promoted relative to individual contributors, all else being equal. Women, however, were less likely to be supervisors. But once women were in those roles, they were likely to do well, and were, in fact, even more likely than men to be promoted in the future relative to an individual contributor who was otherwise comparable. The priority, then, was to ensure equal access to these critical roles and to create opportunities to replicate the supervisor experience through supplemental assignments and training activities such that a broader population, most of whom were women, could realize the associated developmental benefits. But for this company, a significant further opportunity to enhance business success was to leverage women more frequently as managers — and reward them for it — given the clear high level of performance that women achieve in such roles; here,

Figure 1 | **Survey Results Summarizing Relative Strengths of Women and Men**

Percentage of organizations identifying skill as a strength of: (= most selected; = least selected)	Female managers	Male managers
Breadth of experience in your company	17%	33%
Emotional intelligence (EQ)	24%	5%
Experience managing profit and loss (P&L)	11%	29%
Flexibility/adaptability to change or hardship	39%	20%
Inclusive team management/people leadership skills	43%	20%
Influencing and negotiating skills	22%	27%
Informed risk-taking/entrepreneurship	7%	14%
Innovation/creativity	12%	6%
Operational/project management skills	23%	30%
Problem-solving skills	25%	22%
Strategic visioning	19%	31%
Networking with other groups	18%	10%
Technical skills/depth of expertise	34%	47%

the evidence does indeed appear to support the anecdotal “strength” identified by the aforementioned “When Women Thrive” research.

Case #2: Analyzing social networks to understand differences in role

In addition to drawing insight from existing data, we can gather new data to support powerful analysis. For a second organization, we collaborated on a social network survey to identify how employees connect, either formally or informally, to get work done. By surveying a broad set of employees and simply asking who they have had regular, work-related interactions with over the prior year, we were able to literally draw out such linkages among employees. We then merged HRIS information on employee demographics to examine how individual characteristics were related to a person’s unique position inside the overall network.

What we found was another case where women and men are different. Men, on average, had more connections than women and were more likely to work with others who were themselves well connected. But, when we overlaid performance ratings, we found that highly rated women were actually more likely to link with other well-connected colleagues compared with highly rated men, and they were *much* more likely to play “gatekeeper” roles, linking “distant” parts of the network together. Furthermore, a high-performing woman networked to a *much* greater extent than the average-rated woman, while for men, ratings did not mark a meaningful difference in networking behavior as shown in Figure 2.

For this organization, women were leaving their mark and driving value through their effective networking, and continuing to leverage this strength of women was a strong business proposition. It also was true that the value proposition for women could be maintained and enhanced by ensuring that women were not being held to a higher standard in such networking activity and that such networking activity was not, in itself, making the jobs of these women more difficult. By identifying who exactly these

Figure 2 | A social network

The left-hand visual highlights women in the network. Women who are high performers (gold) are generally in more central roles than other women who are average performers (purple).

The right-hand visual highlights men in the same network. Men who are high performers (green) are in less central roles relative to women and in similar roles relative to other men who are average performers (blue).

NOTE: Each dot in the network visuals represents an employee and each line between the dots represents a connection. The networks are drawn to show employees who are more centrally connected in the center of the graph.



high-performing women were, and understanding their unique experiences, the organization was able to intervene and implement more targeted solutions (e.g., re-examination of competency requirements).

Advanced analytic techniques, tapping data available in our administrative systems and/or easily gathered from employee surveys, can help us to make better strategic decisions, tailored to our organizations’ unique contextual circumstances. In the case of gender differences, an understanding of what women value and how they contribute — beyond what we gather from anecdotes — can help us to tailor practices and policies to ensure equity and benefit from what appear to be their unique strengths. **WS**

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For more information about Mercer’s *When Women Thrive* study (2015), visit www.whenwomenthrive.net.