

MENTORING: NECESSARY BUT INSUFFICIENT FOR ADVANCEMENT

Nancy M. Carter, Ph.D. and Christine Silva



ABOUT CATALYST

Founded in 1962, Catalyst is the leading nonprofit membership organization working globally with businesses and the professions to build inclusive workplaces and expand opportunities for women and business. With offices in the United States, Canada, and Europe, and more than 400 preeminent corporations as members, Catalyst is the trusted resource for research, information, and advice about women at work. Catalyst annually honors exemplary organizational initiatives that promote women's advancement with the Catalyst Award.

MENTORING: NECESSARY BUT INSUFFICIENT FOR ADVANCEMENT

Nancy M. Carter, Ph.D.

Christine Silva

President's Circle Sponsor:
American Express Company

Executive Circle Sponsor:
Barclays Capital

Mentor Circle Sponsors:
Chevron Corporation, Credit Suisse Group,
General Motors Company, The Procter & Gamble Company,
and Scotiabank

Research Partners:
American Express Company, BMO Financial Group,
Deloitte LLP, Ernst & Young LLP, Google, IBM Corporation, McDonald's Corporation, UPS

© 2010 Catalyst

NEW YORK 120 Wall Street, 5th Floor, New York, NY 10005; (212) 514-7600; (212) 514-8470 fax

SUNNYVALE 165 Gibraltar Court, Sunnyvale, CA 94089; (408) 400-0287; (408) 744-9084 fax

TORONTO 8 King Street East, Suite 505, Toronto, Ontario M5C 1B5; (416) 815-7600; (416) 815-7601 fax

ZUG c/o KPMG AG, Landis+Gyr-Strasse 1, 6300 Zug, Switzerland; +41-(0)44-208-3152; +41-(0)44-208-3500 fax

email: info@catalyst.org; www.catalyst.org

Unauthorized reproduction of this publication or any part thereof is prohibited.

Catalyst Publication Code 103 ISBN # 0-89584-313-7

It's true. Who you know may be as important as what you know in moving your career ahead. Sound career advice counsels women to get a mentor. Having someone who will advise them, provide feedback on how to improve, be a role model, and teach them the ropes for navigating through corporate politics to gain access to influential networks is seen as key to getting ahead.

Evidence from Catalyst's *The Promise of Future Leadership: Highly Talented Employees in the Pipeline* research program to date demonstrates that high-potential women lag high-potential men in advancement and compensation right from their first post-MBA jobs. Countering conventional wisdom, this lag was not due to lower aspirations or having children.¹

The question, then, is whether a lack of mentoring contributed to that early gap and whether, when done effectively, mentoring can begin to close the gender gap. Some women have suggested that they've often felt mentored to death with nothing tangible to show from the advice-getting activities.² Companies and firms have been investing in mentoring programs, including those geared toward high-potential women, for many years.³

1 MENTORING: NECESSARY BUT INSUFFICIENT FOR ADVANCEMENT





HAS THIS INVESTMENT LED TO THE DESIRED OUTCOMES?

To answer this question, Catalyst drew from an online survey conducted in 2008 of more than 4,000 MBA alumni who graduated between 1996 and 2007 from top schools in Asia, Canada, Europe, and the United States. We found that mentors have an impact on high potentials' career advancement from day one and continue to have an impact as careers progress—but that men reaped greater benefits from mentoring than women.

Findings revealed that:

- From the first job on, men received higher compensation, were more highly placed in the organization, and received more promotions of greater monetary value over time.
- Having a mentor—especially one at the CEO or senior executive level—led to more promotions and greater compensation but didn't close the gender gap.
- Having had a mentor but letting the relationship lapse wasn't enough. Current mentoring relationships had a greater impact on advancement.

In particular, high potentials whose mentors were highly placed in the organization benefited most from mentoring relationships. Such mentors would have been in a position to provide their protégés not only with general mentoring support, but with sponsorship—a specific kind of career support that goes beyond simply providing feedback and advice to actually advocating for high potentials' promotion in deliberation meetings.⁴ This advocacy can only be provided by people with a seat at the decision-making table and is a benefit of active, current relationships. While lapsed mentors, regardless of their position within the organization, may have left their protégés with advice they can carry forward in their careers, they may no longer be actively advocating on their mentee's behalf.

But even women who had senior-level support failed to get compensated the same as men. Thus, while mentoring, and especially sponsorship, is helpful and even necessary, it isn't enough. It's not a silver bullet that will close the gender gap—even women with highly placed mentors continued to fall further and further behind men over time.

MENTORS IMPACT ADVANCEMENT FROM DAY ONE,⁵ BUT MEN BENEFIT MORE THAN WOMEN

Equivalent proportions of women and men had a mentor before their first job

- Women and men were equally likely to have had a mentor (26% of women versus 28% of men) whom they relied upon for career advice sometime prior to their first post-MBA job.

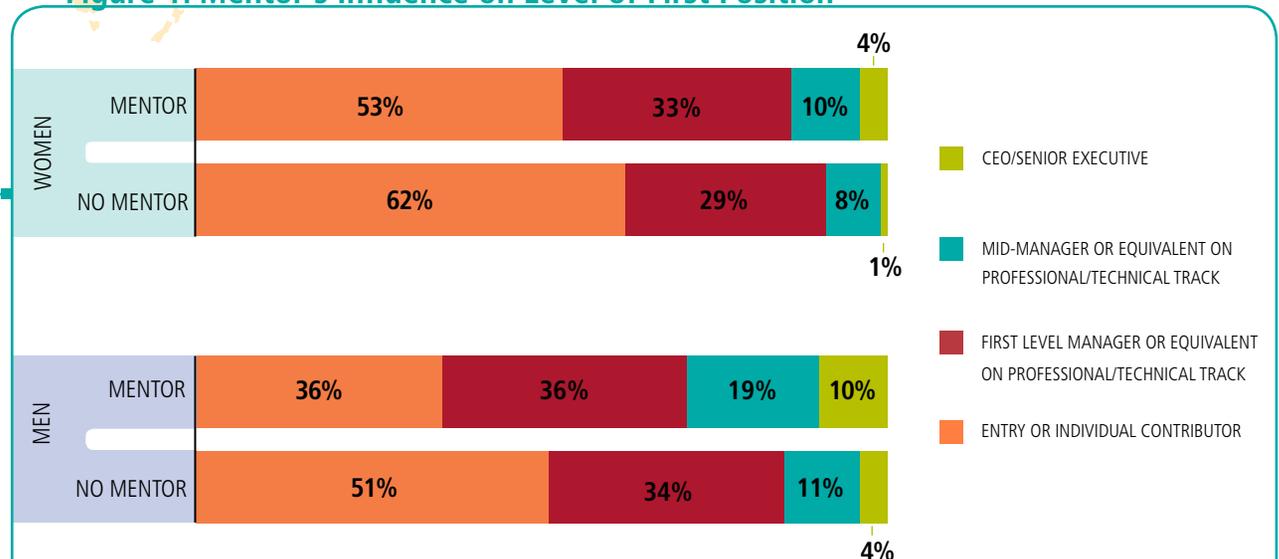
Mentoring benefited first job placement and compensation—but the payoff was greater for men than women

- Men and women who had a mentor were more likely to start their first post-MBA job in higher positions than those without a mentor, but men benefited more than women.
- Even after taking into account number of years of experience, industry, and global region, mentoring paid off more for men than women.⁶

- Men were more likely to take a first job assignment at a higher rank with a greater level of responsibility than women,⁷ and mentoring helped men get these upper-level positions more than women.
- Men who had a mentor were 93% more likely to be placed at mid-manager level or above than men without a mentor.
- Women with a mentor increased their odds of being placed at mid-manager or above by 56% over women without a mentor.⁸

- Having a mentor before starting their first post-MBA job led to greater compensation, but men benefited more than women.⁹
- Men who had a mentor received **\$9,260** more in their first post-MBA job than women with a mentor.
- Men with a mentor were paid **\$6,726** more than men without a mentor.
- Mentoring made less of an impact on women's compensation. Women with a mentor were paid only **\$661** more than women without a mentor.

Figure 1: Mentor's Influence on Level of First Position



MENTORS CONTINUED TO IMPACT CAREERS, BUT **MEN'S MENTORS HAD MORE CLOUT**

To measure the ongoing impact of mentors, we examined the career experiences of high potentials during the job they held as of the **2008** survey.¹⁰ We found that women and men alike had current mentoring relationships, but that men's mentors had more clout. This is critical as sponsors must be both **highly placed** in the organization and **actively advocating** on their mentee's behalf to have an impact.

Women and men were equally likely to have an active mentoring relationship

- Over half of survey respondents reported having an active mentoring relationship (58% of women and 55% of men).
- More men than women had never had a mentor (24% of men versus 17% of women).¹¹
- Women were more likely to have had a mentoring relationship lapse (24% of women versus 20% of men).¹²

And women and men found their mentors in similar ways

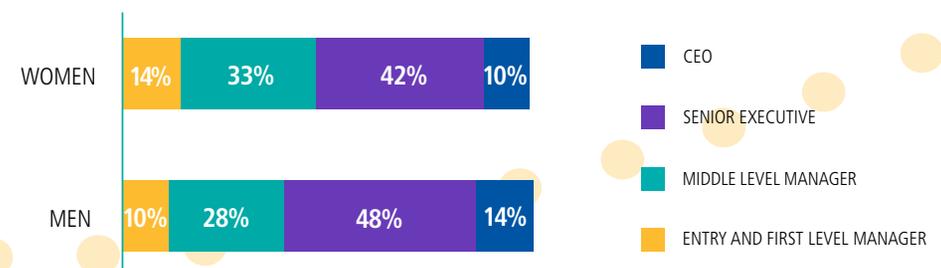
- 67% of both women and men found their most helpful mentor on their own.
- 17% found their mentor through a formal mentoring program.

But men's mentors were more highly placed in the organization

- When the mentoring relationship was formed, **more men than women had a mentor at the CEO or senior executive level** (62% of men versus 52% of women).¹³
 - This is not simply because men held more senior level positions than women—men's mentors were more senior than women's even after controlling for their own job level.¹⁴
 - Instead, it's likely because who you know matters.
 - Research shows that when left to their own devices, individuals choose to associate with others like themselves.¹⁵ Thus, men are more likely to affiliate with other men and women with other women.

- High-potential men were more likely than women to choose male mentors (91% male mentors versus 9% female mentors); high-potential women were more likely than men to choose female mentors (65% male mentors versus 35% female mentors).¹⁶
- Because in most organizations there are more men than women in senior executive positions,¹⁷ the pool of male mentors at the top is correspondingly larger. Thus, when left to their own devices, men will be more likely to accrue the advantage of finding a mentor at the top, someone who looks a lot like them.

Figure 2: Mentor's Job Level When the Mentoring Relationship was Formed



MENTORS—ESPECIALLY THOSE AT THE TOP—HELPED NARROW BUT DID NOT CLOSE THE CAREER ADVANCEMENT GENDER GAP

Men received more promotions¹⁸ than women

- 32% of high potentials had received one promotion while in their 2008 job; 25% had received two or more promotions.
- Men had more promotions than did women even after taking into account prior work experience, time in role, starting level, industry, and region.¹⁹

And men's promotions came with greater salary increases than women's

- Men got higher salary increases per promotion than women, perpetuating the gender gap established in their first job.
- For men, each promotion in their 2008 job amounted to an extra **21%** in compensation.²⁰
- For women, each promotion amounted to an extra **2%** in compensation.²¹

Mentoring—especially from senior-level mentors—led to advancement up the corporate ladder for both women and men

- High potentials with current mentoring relationships received significantly more promotions.²²
- Those with mentors at the CEO or senior executive level, or whose mentors were at higher levels than they were (i.e., supervisor level or above) received more promotions.²³
- Women who had mentors at the top got promoted at the same rate as men who had mentors at the top.²⁴

But men had greater compensation growth than women—even when both had senior-level mentors

- High potentials with an active mentoring relationship were more likely to have received higher salary increases. These results were true for both women and men.
- Women with senior-level mentors had higher compensation growth than women with mentors at lower levels.²⁵
- Men with senior-level mentors had higher compensation growth than men with mentors at lower levels.²⁶
- But women's salary increases overall were still lower than those of men. When comparing the dollar value of the increases, **women's compensation still lagged** men whether or not their mentor was placed at the top.²⁷

Mentor's level, not gender, impacted career advancement

- Although women were more likely to have formed a mentoring relationship with a female mentor than were men (36% of women versus 11% of men),²⁸ the mentor's gender did not have an impact on high potentials' promotions.²⁹
- What mattered was **where** the mentor was placed in the organization. Male and female mentors in senior executive positions were equally likely to succeed in facilitating high potentials' advancement.



CURRENT MENTORING RELATIONSHIPS STOP WOMEN FROM **FALLING FURTHER BEHIND**

Starting from behind, women have further to catch up—but having a current mentoring relationship helps

- In *Pipeline's Broken Promise*, we found that women earned **\$4,600 less than men** in their first post-MBA job.³⁰
- Pipeline women who had active mentors in 2008 had achieved 27% higher salary growth than pipeline women without current mentors.³¹ Pipeline men who had active mentors had achieved 6% higher salary growth than pipeline men without active mentors.³²
 - The message is clear—women without current mentoring relationships are at risk of falling even further behind on salary.
 - With a 27% differential, current mentoring relationships can help women narrow the salary gap, but they don't completely close it. Men still had greater salary growth than women even when mentoring relationships were taken into account.³³ Because salary increases

are typically a percentage of base even when accompanying promotions, and because women start from behind,³⁴ the impact of mentoring does not fully close the salary gap.

Securing sponsorship may accelerate advancement

With the enormous investment of resources, time, and energy that organizations and individual women have made in mentoring programs, readjustments can pay big dividends in helping women maximize mentoring relationships and make greater strides in their career advancement and salary progression. In *Why Men Still Get More Promotions than Women*³⁵ we introduce the concept of sponsorship—having someone highly placed in the organization who will advocate for high potentials when it comes to promotions or the highly visible development opportunities necessary for advancement.

Savvy senior executives truly understand the business imperative for identifying and developing the next generation of leaders. In the **Insights from the Top** section of this report, senior leaders from top global companies and firms share their perspectives on sponsorship. In the **Action on the Ground** section of this report, senior executives share some of the strategies they have implemented to sponsor high potentials.

Catalyst's tool *Maximizing Mentoring and Securing Sponsorship*³⁶ provides additional recommendations for how companies and individuals can support high potentials through sponsorship.



«...the impact of mentoring does not fully close the salary gap.»

INSIGHTS FROM THE TOP

“People tend to incorrectly use the words “mentor” and “sponsor” interchangeably. We’ve all had mentors who have offered advice, but sponsors are the people inside our company who have helped us get to senior levels. Sponsors are what you really need to succeed.”

— *Gordon M. Nixon, President & CEO, RBC*

“As you move up within an organization, it’s important to have the sponsorship of someone who has enough leverage in the organization to make things happen, otherwise it won’t be effective. In most senior level jobs, you need sponsorship to make it to the very top.”

— *Elizabeth J. Smith, General Manager,
GTS Offering Management & Development, IBM Corporation*

“For me, what this discussion brings out is the need for companies to make transparent the act of sponsoring candidates... and legitimize “sponsorship” as a business process. The activity takes place anyway... and by taking sponsorship out from behind closed doors... companies will improve their accountability towards an equitable and fair career development and promotion process.”

— *Teresa Finley, Corporate Controller, UPS*

“Senior leaders need to send a clear message that a consistent focus on talent management is necessary for business success. And one voice at the table isn’t enough. When you’re a sponsor you need to garner broad support—you need your peers to be on board with the candidates for whom you are advocating. Collateral support is critical to being a good sponsor.”

— *Jim Chambers, President, US Snacks & Confectionery, Kraft Foods Global, Inc.*





ACTION ON THE GROUND

“We work to keep our leadership pipeline filled by identifying high potentials for the top 200 roles in our firm and engaging our entire senior leadership team in sponsoring them and supporting their ongoing development—the board of directors, the entire management committee, and numerous managing partners. Our goal is, ultimately, to have all of our senior leaders want to be actively involved in sponsorship initiatives, because they want to be associated with success. As these leaders share with each other some of the successes of the people they are sponsoring, it will spur others to succeed. It creates a desire to be excellent.”

*—Kathy H. Hannan, National Managing Partner,
Diversity and Corporate Responsibility, KPMG LLP*

“We have a two-year leadership program at McDonald’s that specifically targets high potentials. The management team selects the participants and has ownership of the program. Three teams of six are each given a real-life project that we might have otherwise hired a consultant to tackle. Through working on the project, participants are exposed to a variety of people across the business, both in terms of departments and around the world. Each team presents results to management, and not only have the majority of the participants been promoted soon after completing the program but management has adopted many of their recommendations. We recognize that we will lose high potentials if we don’t do something with them, and people fight to get their mentees into the program. We intentionally pick a diverse class and ensure we are developing employees who will provide a diverse and talented pipeline.”

—Jan Fields, President, McDonald’s USA, LLC

ENDNOTES

1. Nancy M. Carter and Christine Silva, *Pipeline's Broken Promise* (Catalyst, 2010).
2. Herminia Ibarra, Nancy M. Carter, and Christine Silva. "Why Men Still Get More Promotions Than Women." *Harvard Business Review* (September 2010): p. 80-85.
3. *Catalyst 20th Anniversary Awards Compendium* (Catalyst, 2007).
4. Ibarra, Carter, and Silva.
5. First post-MBA job analyses draw from all 4,143 respondents to the 2008 survey in order to compare those who had a mentor prior to their first job following MBA graduation with those who did not. This analysis allows tests of the impact of mentors prior to high potentials' first post-MBA jobs.
6. In regressions controlling for years of experience, industry, and region, mentoring was a highly significant predictor of starting level for men ($p < .001$) and a marginally significant predictor of starting level for women ($p < .1$).
7. Carter and Silva.
8. Odds computed after rounding of percentages as depicted in chart.
9. Analyses control for work experience prior to MBA, starting level of first post-MBA job, and time since MBA. Analyses exclude those with outlier salaries four or more standard deviations above the mean. Comparison of men with a mentor versus women with a mentor (\$9,260) is significant at $p < .01$. Comparison of men with a mentor versus men without a mentor (\$6,726) is significant at $p < .001$. Comparison of women with a mentor versus women without a mentor (\$661) is not significant, $p > .1$.
10. Analysis on current jobs as of 2008 draw from the 3,013 respondents who worked full-time in a company or firm and either never had a mentor or had a mentor at some point during their current job as of 2008. This excludes people who may have had a mentor in previous jobs but had let the relationship lapse. Mentors who only had a familial relationship (i.e., no work relationship) were excluded.
11. Significant at $p < .05$.
12. Significant at $p < .05$.
13. Significant at $p < .05$.
14. Significant at $p < .05$ in a regression controlling for respondent's starting level.
15. See, for example, Miller McPherson, Lynn Smith-Lovin, and James M. Cook, "Birds of a Feather: Homophily in Social Networks," *Annual Review of Sociology*, vol. 27 (2001): p. 415-444.
16. Comparisons significant at $p < .05$.
17. Rachel Soares, Nancy M. Carter, and Jan Combopiano, *2009 Catalyst Census: Fortune 500 Women Executive Officers and Top Earners*, (Catalyst 2009); Laura Jenner and Rhonda Ferguson, *2008 Catalyst Census of Women Corporate Officers and Top Earners of the FP500*, (Catalyst, 2009).
18. Promotions refer to those received during their current (as of 2008) job. Tracking career advancement and salary growth at a single employer (current job as of 2008) provides the most accurate test of promotions as job changes across organizations may or may not reflect upward career mobility.
19. Significant at $p < .05$ in a regression controlling for prior work experience, time in role, starting level in role, industry, and region.
20. Highly significant at $p < .001$ in a regression controlling for prior work experience, time in role, and starting level in role.
21. Not significant at $p > .1$ in a regression controlling for prior work experience, time in role, and starting level in role.
22. High potentials without current mentoring relationships either never had a mentor or had let their mentoring relationship lapse. Highly significant at $p < .001$ in a regression controlling for gender, prior work experience, time in role, starting level in role, industry, and region.
23. Significant at $p < .05$ in regressions controlling for gender, prior work experience, time in role, starting level in role, industry, and region.
24. Promotion rate for women and men is not significantly different, $p > .1$, in a test controlling for prior work experience, time in role, and starting level in role.
25. Significant at $p < .1$ in a regression controlling for prior work experience, time in role, and starting level in role.
26. Significant at $p < .05$ in a regression controlling for prior work experience, time in role, and starting level in role.
27. Gender is significant at $p < .05$ in a regression controlling for prior work experience, time in role, starting level in role, industry, region, and having a senior-level mentor.
28. This includes mentors found on their own, mentoring relationships formed through formal programs, and mentors who approached them. Comparison is significant at $p < .05$.
29. Mentor's gender is not significant, $p > .1$, in a regression controlling for respondents' gender, prior work experience, time in role, starting level in role, industry, and region.
30. Carter and Silva.
31. Significant at $p < .01$ in a regression controlling for prior work experience, time in role, starting level in role, industry, and region.
32. Not significant, $p > .1$, in a regression controlling for prior work experience, time in role, starting level in role, industry, and region.
33. Significant at $p < .05$ in a regression controlling for active mentoring relationships, prior work experience, time in role, starting level in role, industry, and region.
34. Carter and Silva.
35. Ibarra, Carter, and Silva.
36. *Maximizing Mentoring and Securing Sponsorship*, (Catalyst, 2010).

ACKNOWLEDGEMENTS

Part of a longitudinal study, this report reflects the ongoing teamwork and dedication of many individuals. Catalyst President & CEO Ilene H. Lang provided leadership, insight, and support that were critical to the project's development. Nancy M. Carter, Ph.D., Vice President, Research, conceptualized the study, and Dr. Carter and Christine Silva, Director, Research, conducted data analysis and authored the report.

We extend our thanks to the academic advisors to the study who continue to provide invaluable guidance: George F. Dreher, Ph.D.; Herminia Ibarra, Ph.D.; and Janet P. Near, Ph.D. We also offer our thanks to the participating business schools for helping recruit their MBA alumni for the study.

We are grateful for the many Catalyst subject matter experts and team members who contributed to this research by providing feedback on early drafts. Nancy Hendryx, Associate Editor, edited the report. Ulrike Balke, Art Director, Ulrike Balke Art & Design, designed the report. Liz Mulligan-Ferry, Associate, Research, performed the fact check. We also thank Deborah M. Soon, Vice President, Marketing & Executive Leadership Initiatives, and Susan Nierenberg, Vice President, Global Marketing and Corporate Communications, for their strategic advice on media dissemination.

We greatly appreciate the thoughtful comments provided by Catalyst's Board of Advisors, Canadian Advisory Board, and Western Region Advisory Board, several of which are included in this report.

We extend our sincere gratitude to the study participants for their continued time and effort in helping us better understand the career experiences of high potentials. Finally, we extend thanks to the study's President's Circle Sponsor: American Express Company; Executive Circle Sponsor: Barclays Capital; and Mentor Circle Sponsors: Chevron Corporation, Credit Suisse Group, General Motors Company, The Procter & Gamble Company, and Scotiabank.



CATALYST BOARD OF DIRECTORS

Chair

James S. Turley
Chairman & CEO
Ernst & Young LLP

Secretary

Anne M. Mulcahy
Retired Chairman & CEO
Xerox Corporation

Treasurer

Thomas Falk
Chairman & CEO
Kimberly-Clark Corporation

Sharon Allen
Chairman of the Board
Deloitte LLP

Lloyd C. Blankfein
Chairman & CEO
The Goldman Sachs Group, Inc.

Douglas R. Conant
President & CEO
Campbell Soup Company

Ian M. Cook
Chairman, President & CEO
Colgate-Palmolive Company

Mary B. Cranston, Esq.
Firm Senior Partner
Pillsbury Winthrop Shaw Pittman LLP

David B. Dillon
Chairman & CEO
The Kroger Co.

Jamie Dimon
Chairman & CEO
JPMorgan Chase & Co.

William A. Downe
President & CEO
BMO Financial Group

Mary Beth Hogan, Esq.
Partner & Management
Committee Member
Debevoise & Plimpton LLP

Jeffrey R. Immelt
Chairman & CEO
General Electric Company

Andrea Jung
Chairman & CEO
Avon Products, Inc.

Muhtar Kent
Chairman & CEO
The Coca-Cola Company

Jeffrey B. Kindler
Chairman & CEO
Pfizer Inc

Ilene H. Lang
President & CEO
Catalyst

Gerald Lema
Corporate Vice President and
President, Asia Pacific
Baxter International Inc.

Murray Martin
Chairman, President & CEO
Pitney Bowes Inc.

Robert A. McDonald
Chairman, President & CEO
The Procter & Gamble
Company

Liam E. McGee
Chairman, President & CEO
The Hartford Financial
Services Group, Inc.

Joseph Neubauer
Chairman & CEO
ARAMARK

Indra K. Nooyi
Chairman & CEO
PepsiCo, Inc.

Kendall J. Powell
Chairman & CEO
General Mills, Inc.

Jim Skinner
Chief Executive Officer
McDonald's Corporation

Stephanie A. Streeter
Former Chairman,
President & CEO
Banta Corporation

Richard K. Templeton
Chairman, President & CEO
Texas Instruments
Incorporated

Peter Voser
Chief Executive Officer
Royal Dutch Shell plc

Richard E. Waugh
President & CEO
Scotiabank

Maggie Wilderotter
Chairman & CEO
Frontier Communications
Company

Thomas J. Wilson
Chairman, President & CEO
Allstate Insurance Company

Chairs Emeriti

John H. Bryan
Retired Chairman & CEO
Sara Lee Corporation

J. Michael Cook
Retired Chairman & CEO
Deloitte & Touche LLP

Thomas J. Engibous
Retired Chairman & CEO
Texas Instruments
Corporation

Charles O. Holliday, Jr.
Retired Chairman & CEO
DuPont

Reuben Mark
Retired Chairman & CEO
Colgate-Palmolive Company

John F. Smith, Jr.
Retired Chairman & CEO
General Motors Corporation

Honorary Directors

Tony Comper
Retired President & CEO
BMO Financial Group

Michael J. Critelli
Retired Chairman & CEO
Pitney Bowes Inc.

Thomas J. Engibous
Retired Chairman & CEO
Texas Instruments
Corporation

Ann M. Fudge
Retired Chairman & CEO
Young & Rubicam Brands

Charles O. Holliday, Jr.
Retired Chairman & CEO
DuPont

Karen Katen
Retired Vice Chairman
Pfizer Inc

Reuben Mark
Retired Chairman & CEO
Colgate-Palmolive Company

Barbara Paul Robinson, Esq.
Partner
Debevoise & Plimpton LLP

G. Richard Wagoner, Jr.
Retired Chairman & CEO
General Motors Corporation

**Changing workplaces.
Changing lives.**

NEW YORK

120 Wall Street, 5th Floor
New York, NY 10005
tel (212) 514-7600
fax (212) 514-8470

SUNNYVALE

165 Gibraltar Court
Sunnyvale, CA 94089
tel (408) 400-0287
fax (408) 744-9084

TORONTO

8 King Street East, Suite 505
Toronto, Ontario M5C 1B5
tel (416) 815-7600
fax (416) 815-7601

ZUG

c/o KPMG AG
Landis+Gyr-Strasse 1
6300 Zug, Switzerland
tel +41-(0)44-208-3152
fax +41-(0)44-208-3500

www.catalyst.org

