

HIGH-POTENTIAL WOMEN IN EUROPE

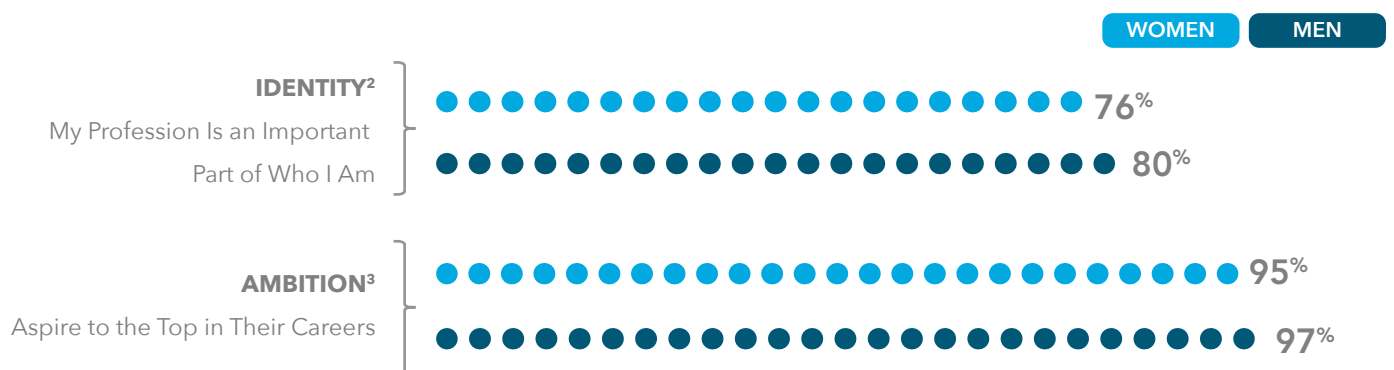
UNDERUTILIZED TALENT

EUROPE FACES UNPRECEDENTED DEMOGRAPHIC CHALLENGES.¹

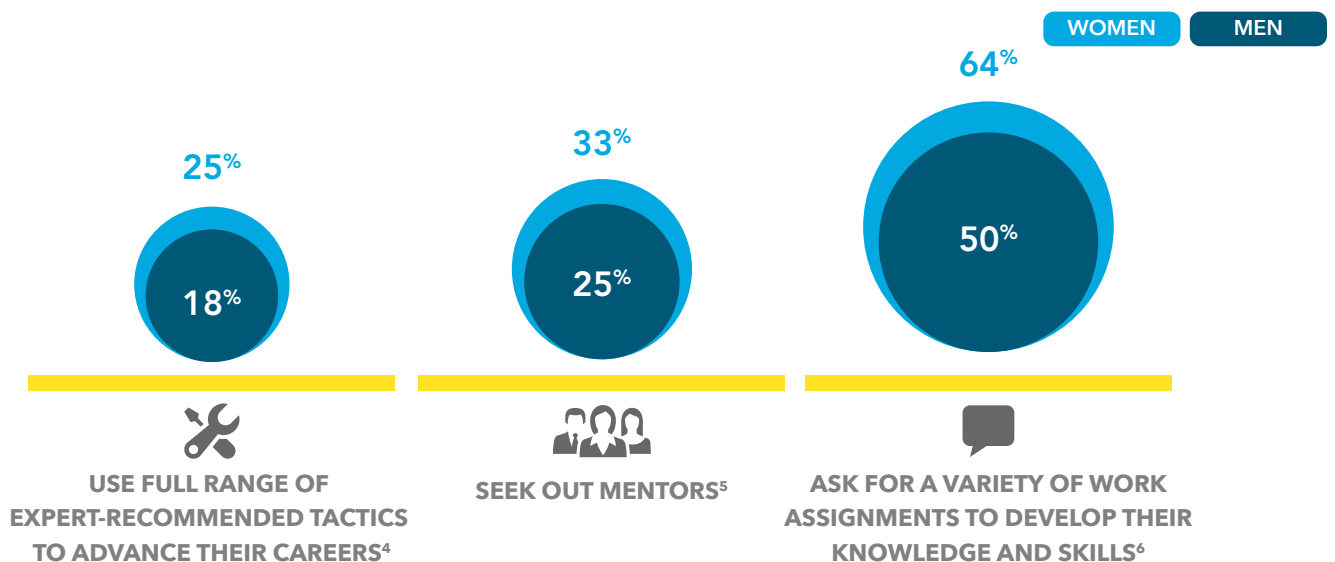
Despite rivalling men in credentials, experience, and aspirations—and actually working more proactively to advance their careers—women working in Europe trail their male counterparts in position, pay, and the management responsibilities critical to advancement.

WOMEN WORKING IN EUROPE PROACTIVELY ASPIRE TO THE TOP

WOMEN = MEN

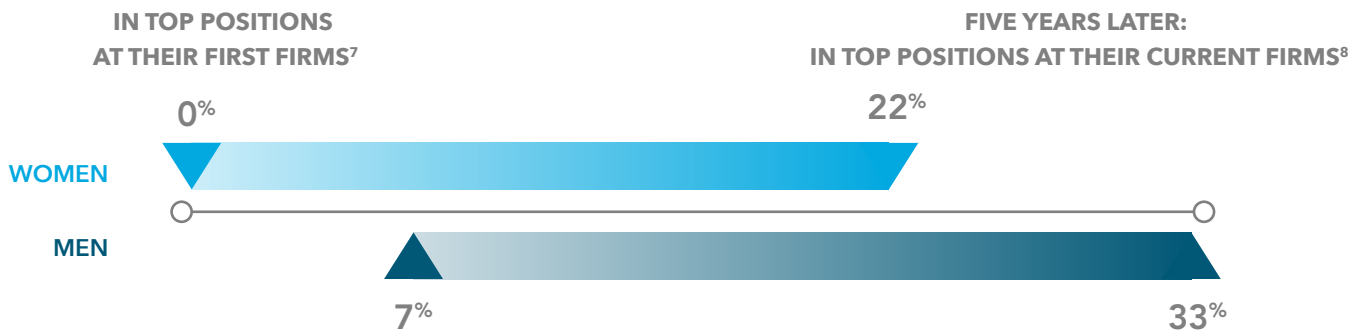


WOMEN > MEN

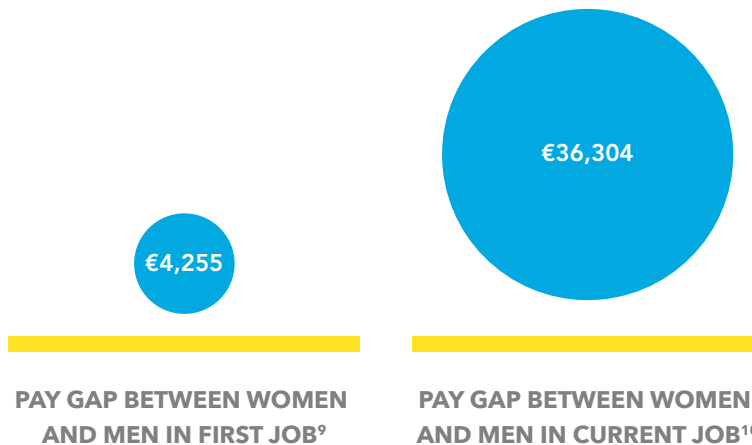


YET WOMEN FARE WORSE THAN MEN IN POSITION AND PAY

WOMEN < MEN

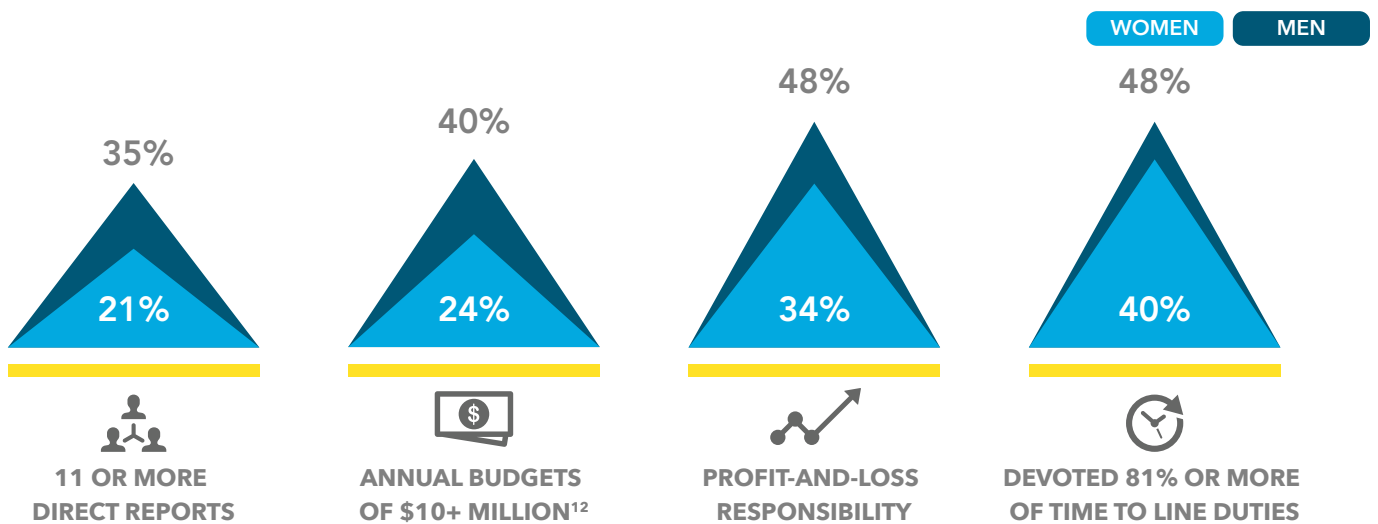


OVER A FIVE-YEAR PERIOD THE GENDER GAP IN PAY WIDENED:



AND WOMEN RECEIVE FEWER CRITICAL RESPONSIBILITIES NECESSARY TO ADVANCE¹¹

WOMEN < MEN



Does the same “inequality among equals” play out in your organization?

How do you ensure that high-potential women in your organization receive their fair share of the critical assignments necessary to advance?

PARTICIPANTS IN THIS SAMPLE:

- 124 Women (19%).
- 526 Men (81%).
- Average age: 36.¹⁴
- From 70 countries.
- Work in 32 European countries.
- Received an MBA from a premier global business school at least two years prior to the survey.
- Work full-time for for-profit or professional services firms.
- 85% worked at global organizations at the time of survey.¹⁵

SOURCES:

1. By 2050, one in three Europeans will be 65 or older—a figure more than double their proportion in 2005. United Nations, *World Population Ageing 2013* (2013). The percentage of Europeans 65 years or older in 2005 was 16%. Diana Farrell, *The Graying of Europe: How Aging European Populations Will Threaten Living Standards and Prosperity* (McKinsey Global Institute, April 2005).
2. Gender is not significant (agree and strongly agree); $p > .10$. Four items were used to measure the extent to which respondents had a strong sense of identity or attachment to their professions: “important part of who I am,” “has a great deal of meaning for me,” “have positive emotional attachment,” and “strongly identify with my profession.” There were no significant differences between women and men on a four-item composite or on any of the items when examined separately: women were as likely as men to “agree” or “strongly agree” with each of the four items. These items were adapted from Kerry D. Carson and Arthur G. Bedeian, “Career Commitment: Construction of a Measure and Examination of Its Psychometric Properties,” *Journal of Vocational Behavior*, vol. 44, no. 3 (1994): p. 237-262.
3. Gender is not significant; $p > .10$.
4. Gender is significant; $p < .05$. For more information on career-advancement tactics see Nancy M. Carter and Christine Silva, *The Myth of the Ideal Worker: Does Doing All the Right Things Really Get Women Ahead?* (Catalyst, 2011).
5. Gender is significant; $p < .05$.
6. Gender is significant; $p < .05$.
7. Gender is significant, even after controlling for experience and firm characteristics, including size, market scope, and industry; $p < .05$. Expatriate status is also significant, with expats working in Europe more likely than natives to be at entry level; $p < .05$. However, expat status doesn’t interact with gender to predict level in first job; $p > .10$.
8. Women were less likely than men to be in top positions in their current firms, $p < .05$. However, gender does not predict level in current firm after taking into account level in first firm (in addition to experience, number of firms since earning MBA, and firm characteristics); $p > .10$. Together, these two findings indicate that, though women did not fall further behind (taking into account above-cited factors), they didn’t catch up either—which is why women were still less likely to be in top positions in their current firms. Expatriate status is significant after controlling for above-cited factors, with expats working in Europe more likely than natives to be at entry level and less likely to be in top positions in their current firms; $p < .05$. However, expat status doesn’t interact with Gender to predict level in current job; $p > .10$.
9. Gender is not significant, after controlling for experience, industry of first firm, and position in first firm; US Dollars were converted to Euros based on 2007/2008 rates; $p > .10$.
10. Gender is significant, even after controlling for experience, industry of current firm, position and pay in first firm, and position in current firm; $p < .05$.
11. Gender is significant; all p values $< .05$ for 11 or more direct reports, annual budgets of \$10+ million, profit-and-loss responsibility, and devoted 81% or more of time to line duties.
12. We report this finding related to respondents’ annual budgets in US dollars because they provided this information in US dollars.
13. This is a snapshot in time, taken from Catalyst’s longitudinal study *The Promise of Future Leadership: Highly Talented Employees in the Pipeline* that began in 2008 and has included annual updates through 2013. For this particular report, we focused on the 2008 time frame to discover how women and men working in Europe fared in their first jobs post-MBA. Survey participants earned their MBA degrees between 1996 and 2006.
14. Gender is not significant; $p > .10$. Women and men were equivalent ages.
15. Gender is not significant; $p > .10$. Women and men were equally likely to be working for global firms in their current jobs at time of survey.

This study was authored by Cynthia Emrich, PhD, and Aarti Shyamsunder, PhD.

RESEARCH PARTNERS:

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| AT&T Inc. | Debevoise & Plimpton LLP | Hewlett-Packard Company | State Street Corporation |
| Bloomberg | Dell Inc. | IBM Corporation | Symantec Corporation |
| BMO Financial Group | Desjardins Group | KeyBank | UPS |
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created: 10 June 2014



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