

## Co-leadership Brings Higher Returns on Investment

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With increasing numbers of women in corporations, and the continuing progress of women into top positions, the question arises: what do male executives need to know in order to help remove obstacles for women and to co-lead in a new gender-diverse global arena?

One thing is clear – with women comprising almost half of the workforce and half of the ranks of management, corporate cultures are changing. While many male-only cultures still exist, men cannot count on those havens of the past continuing to exist. It is essential that men recognize and appreciate that the women they work with have very different styles, talents and attitudes. Only through this understanding will the traditional corporate code of behavior be able to change to fit today's reality. Even if the majority of male executives understand the change that is occurring, more application is needed in their decisions and actions.

Additional factors that will lead to change include the recognition from shareholders that a gender balanced workforce is a more efficient and effective workforce for return on equity and total return to shareholders by over 30%, so says a Catalyst Board of Directors finding published in an article entitled, "The Bottom Line: Connecting Corporate Performance and Gender Diversity."

According to Accenture's Chief Diversity Office, Kedrick D. Adkins, "Creating a business culture that supports innovation, growth and prosperity requires people with diverse talents, and organizations need to ensure that they value all styles of leadership and work. In other words, global inclusion is the key to...long-term success...". We would add that the long-term returns on investment are also evident.

To date, the impetus for change has been with the women entering the inner sanctums of corporate America. But it will take a willingness and informed awareness for change on the part of the male executives in order to complete the equation for co-leadership. As SBC Communication's Senior Vice President of federal policy Patricia Hill-Ardoin put it, "Without men taking an interest in bringing about change...opening up to the value and understanding what women bring to the business...the road to equality (co-leadership) would be much longer."

Indeed, women bring a number of valuable skills to the workplace from which men can learn. The book **Leadership for Everyone: How to Apply the Seven Essential Skills to Become a Great Motivator, Influencer and Leader** (McGraw-Hill 2005) outlines the L.E.A.D.E.R.S. Model, in which the seven essential skills for effective leadership are discussed. According to author, Dr. Peter J. Dean, "Interestingly, five out of the seven essential skills in leadership, women outperform men. These include listening to learn, empathizing with others' emotions, attending to others' aspirations, engaging with ethics

and responding with respectfulness. Men outperform women in the areas of diagnosing, detailing and speedy decision-making and speaking with specificity and authority. With women outperforming men in five of the seven skill areas, we ask why is it that the majority of women don't advance to top leadership positions?"

One possible explanation is that men, who make the decisions for top positions, still have deeply held biases they have yet to overcome. In recent conversations, we have heard several executives admit to feeling that women should not be in the workforce after child-bearing. Of course, there are many men who are receptive and attuned to the dynamics of many women wanting both children and a career. Upon further probing, the many male executives admit that, "It is not that we do not care, we just don't think about it."

So what can male executives do to position themselves for co-leadership in the corporate culture of 2006 and beyond?

### **Establish a Realistic Culture and a Welcoming Atmosphere**

Women are in the workplace to stay. Half of all college graduates and nearly half of all students in professional and graduate schools are women. In order to attract and retain these talented women, executive ranks in corporate America must adapt and prepare for the talent headed their way. Women want to be part of the important work of corporate America with all the challenges and opportunities for growth and advancement as equal co-leaders. Investors need to know that a vital part of the workforce bringing many skills to the workforce lends to long-term success and positive return on investments. Investors should invest in companies that recognize a woman's skill base, strengths and career goals early in their careers, establish clear lines of communication, develop effective mentoring and networking programs for secure pipelines of talent, and increase work/life flexibility at work. Ultimately, in order to retain high-potential women, the CEO and other top officers must be engaged in the effort to identify them, recognized and utilize their abilities and contributions, and hold line managers accountable for developing and promoting talented women.

### **Be Open to Different Styles of Thinking and Discourse**

Both men and women agree that women have different styles of communication than men. Companies have come to recognize, support and embrace those differences have reaped rewards in short-term and long-term decision making as well as team development. For example, a 2004 Catalyst research study found that "companies with the most females in top management significantly outperformed those with fewer." Susan Cannon, a developmental futurist at the Arlington Institute, has suggested that women's capacities (like listening to learn, empathizing others' emotions, attending to others' aspirations, engaging ethically and responding with human respectfulness) have suddenly become super-important. Corporate leadership styles have become more and more aligned with women's natural skills (intuitive, collaborative and cooperative) and less and less aligned with linear mental processes. Acknowledging the value of women's styles and supporting those styles goes a long way to providing a cultural environment in which

women can flourish, grow and in which they commend their loyalty. Men can learn from these different styles which only enriches the discourse for better decisions and action steps which proves more beneficial to the company. Optimizing the value of exchange between men and women in the workplace with the resulting benefit to the efficiency and effectiveness is something in which an investor should be interested.

### **Make Co-leadership Assumptions about Women**

Men too often make assumptions about women colleagues which can drastically affect the woman's career path and advancement. Instead of speculating about whether a woman wants to take a relocation assignment required for a promotional opportunity or head a high-profile project that requires working extra hours, or assuming a role with more P&L responsibility, just ask her directly. Our experience has been that men and women in corporate settings are equally ambitious, but when men who hire and promote women are not in sync with the true aspirations of women, a disconnection occurs discouraging good communication between the two. Even minor assumptions putting a limitation of women's leadership input can be damaging to her career path. Chances are if you ask her, she will be able to share clearly whether she can or can not do a job offered to her.

It is critical for male executives who strive to successfully lead the workforce of the future to incorporate these ideas into their thinking and policy making. They should do this for the company and the investors who are looking at a company as to how well it is being managed. Women, of course, must take the responsibility to help the change as well by equipping themselves with the skills they have not yet perfected. Establishing co-leadership of men and women in a company allows the company to leverage women's talents for better business results. Investors (many of whom are women) recognize the positive correlation between return on investment and true gender diversity. Only by learning the value of co-leadership as part of the sweeping changes in gender diversity will companies be aligned for the future global workforce.