

## EVENT SUMMARY

### GENDER IMBALANCE IN SENIOR LEADERSHIP POSITIONS

22 MARCH

---

#### SPEAKERS

**Daniel Thomas**, chief UK business correspondent, Financial Times

**Danuta Gray**, chair, Direct Line Group

**Romi Savova**, chief executive, PensionBee

In the latest FT Board Director event, Daniel Thomas, chief UK business correspondent of the Financial Times, spoke to Danuta Gray, chair of Direct Line Group, and Romi Savova, chief executive of PensionBee, about the challenges faced by women in the workplace.

Thomas began by stating figures that highlight the level of gender imbalance in British business:

- Although women account for 40 per cent of board members of FTSE 350 companies, parity is still some way off.
- In March, the 30% Club, which campaigns for more women on boards, [tweeted](#) that it was “disappointed to announce the return of all-male boards to the FTSE 350”. This came after a 13-month spell in which all boards had at least one woman on board.
- Female representation is worse at executive level, with only eight female chief executives in the FTSE 100 and 18 in the FTSE 350. There are 15 all-male executive committees in the FTSE 100 and 97 in the FTSE 350. Thomas said: “This is frankly bizarre.”

He then pointed to the type of culture that makes some companies an uncomfortable place for women to work. In March, Atrium, an underwriting group, was fined a record £1.05m by Lloyds of London for tolerating staff behaviour that “included sexual harassment of female staff on annual boys’ nights outs, and games of heavy drinking”.

“That this can still happen should be a wake-up call to anyone who thinks the job is done,” Thomas said.

Below are highlights of the event.

### WOMEN IN THE BOARDROOM: IT IS ABOUT BETTER PERFORMANCE NOT JUST GENDER EQUALITY

Danuta Gray has seen “a huge change in the boardroom” over the past 10 to 12 years as more women have taken senior positions. In particular she has detected “a profound difference in the environment, the atmosphere that is created in a boardroom”.

Gray said the advantage of a more diverse boardroom was simply its diversity. “How any business can continue to only look in one talent pool – male and white mainly – to resolve the challenges [it faces] is a mystery to me,” she said. “Diversity means you have more choice. You have more people with different experiences. The more perspectives you can bring to the challenges enriches the conversation and helps decision-making.”

## **IT IS TIME TO NORMALISE PARENTING IN THE WORKPLACE**

Romi Savova worked at Goldman Sachs and Morgan Stanley before setting up her own business. She said that these and other investment banks “do put a lot of effort into strategies to advance women”. Even so, she is not convinced that those strategies are effective.

She said the main problem was that they did not compromise over childcare. She talked of “inflexible policies” and a particular “attitude and culture and approach to having children”. As a result, women “consciously ... plan for ... how [their] career will take a setback” and become “incredibly anxious and nervous, knowing this is likely to happen”.

Savova concluded that “until the normalisation of being a parent occurs within the financial services sector” ... “there won’t be any significant progress”.

By normalising parenting, she did not mean that parents should work fewer hours: “It’s not that parents work less, it’s just that they are in more than one place at the same time, possibly still working,” she said.

“My view is that men should be doing more of that kind of work and ... participating more in unpaid care work generally.”

## **STARTING A COMPANY? THINK TWICE ABOUT WORKING WITH VENTURE CAPITALISTS**

Savova decided to “bypass the venture capitalist stage” when she was raising money to fund the expansion of PensionBee. She turned to angel investors, raising more than £30m, as well as to a long-term strategic investor (State Street, the US bank). After that she went “straight to the public markets”.

She said one reason she avoided VCs was their record of investing in businesses run by women, which is dire. Less than 2 per cent of all VC funding goes to women. Another reason is that she does not believe the VC approach “aligns well with the way that women run companies”. VCs make big bets on a few companies in the hope that one will succeed and become the cash cow even if the others fail. By contrast, female-run businesses tend to be inclusive because their leaders “are more focused on multiple stakeholders, including employees and customers”. Savova said the VC culture of excessive risk-taking was not compatible with this.

## **CHANGING CORPORATE CULTURE: DON’T LOWER THE BAR, WIDEN THE GATE**

Gray said business leaders had to go beyond fine words and show “a real respect for individuals and the contribution they can make” and “widen the gate for talent to come through”. In particular, they should make external or lateral hires, attracting people from diverse backgrounds and at different stages of their careers.

Do this, she said, and leaders can expect rapid change. “It is amazing how quickly things can change,” she said, because “the shadow of those leaders is cast quite large”.

## **CHANGING CORPORATE CULTURE: INTRODUCE TARGETS AND TARGETED INTERVENTIONS**

Savova said she was “a big believer in targets”. By introducing targets, companies make a statement that can galvanise everyone in an organisation. Targets help communicate “where you are going”.

After this, companies need to make “targeted interventions at each level”, including normalising parenting.

## **THE PROS AND CONS OF THE PANDEMIC FOR WOMEN IN THE WORKPLACE**

Gray said the pandemic had affected the lives of women in the workplace both positively and negatively.

On the plus side, the pandemic had normalised flexible working and “many men” have begun “talking about taking their kids to and from school and fitting things around the family”. On the minus side, working from home has meant increased stress for some families and long hours – with lots of video calls – for some people. Gray said it was essential that senior executives now try “to get the balance right”.

Savova said WFH had enabled her company to “hire remotely” and access “amazing talent throughout the UK”. There remained a challenge, though, over how best to build trust in a scattered business. “We’re increasingly starting to think about how we ensure that there is transparency around what people are doing,” Savova said. “If we’re not seeing each other at one another’s computers ... how do we ensure that there is still trust that people are doing what they are expected to be doing?”

The answer probably lay in the realm of culture and communication, she said.

## **HOW TO RECRUIT AND RETAIN THE BEST TALENT: LOOK FOR THE PURPLE SQUIRREL**

Companies can employ many tactics to ensure that they recruit the best people and also to retain them as they rise in seniority. At entry level and next-level roles, companies should consider using a blind selection process. Savova favours this approach, which is anonymised with selection based on previous performance. “It allows us to judge genuinely who will be the best candidate for the job without introducing biases,” she said.

At middle and senior levels, Savova said that companies should begin selecting for potential, identifying the people they think could be top performers long before promotion is likely.

Gray said it was important that companies have a diverse list of candidates, even when using headhunting firms. She called it “looking for the purple squirrel”. That ideal candidate, with the right mix of character, experience, diversity and other attributes, probably does not exist, “but forcing people to think about having diverse lists ... opens up the imagination”. She said the process made companies consider fresh ideas about how to attract people from different backgrounds.

For companies wishing to retain more women, Gray recommended that they consider providing mid-career women with sponsors from senior management. This, she said, “can make a difference”.

## **QUESTIONS FROM THE ONLINE AUDIENCE**

### **Is there a risk that women working from home will not be visible enough to be promoted?**

Gray said: “It depends on the culture and the company within which you operate. If it’s one in which being present is still important, then yes, there is that risk.”

Savova said: “I think presence is important, right? I don’t think that we can discount the importance of being present in your job, and showing that you care and that you’re committed and doing your best and going the extra mile. I don’t think those things go away just because you’re in a hybrid world.” She added, however: “I think the company is responsible for creating the framework so that you can be present in a hybrid world.”

### **What is your advice on progressing within a company and doing so sustainably?**

Gray said: “Sustaining a career requires you to continue to develop but it also requires you to continue to perform.”

Savova pointed to three things:

- Striking the right balance between being assertive (to get things done) and being aggressive.
- Joining the right company: “If you want to be progressing, I think you have to be at the kind of company that has demonstrated that it cares about your progression. If it’s just the women taking the lead and knocking on the door, and no one is opening the door, then it is going to become incredibly frustrating.”
- Showing you care about the company, that you are willing to go the extra mile.

### **When you come back to the workplace after having children, do you go full-time, part-time? What is the best way to approach this and still hope for promotion?**

Savova, who has three children all aged under six, said the most important thing was for women to have a “family conversation” with their partner “very early on”. She said women need to ask: “Does my partner support my career in the same way that he supports his own career?” She said: “If you can find that level of partnership, then the rest will take care of itself because there is more of that sharing.”

Gray said: "If you want to progress in your career, and you make a conscious decision, you have to accept there will be compromise ... you can't be doing everything perfectly all the time."

As a single parent, she said women had to "work out what's going to work for [me]". They should not be afraid to ask for support from the company as well as from family and friends. She said: "It is amazing how people try to struggle and do everything themselves, yet if they just asked they would find other people willing to help them."

### How late is too late to make the jump to the next level?

Savova said: "I don't really see age as being a factor." She said the critical factor was "how much of yourself you're willing to give". So "if you are willing to give, then I think you can be in the prime of your career at any point".

Gray said that it was important "to be broad-minded about how you define your career". She said: "If you have one path that you're pursuing, there might come a time when you've lost the opportunity." But other opportunities may arise: "It's never too late to have another chapter in your career but it might not be the straight-line path you thought you were on."

### Do you think there will be parity between men and women in 2030?

Gray said: "I'm always really hopeful and optimistic." She added: "Increasingly I see businesses, which are run not just by women but also by men, who want to have parity in their executive teams. They are putting in the policies that we've talked about. They are generating an environment and creating cultures where it is genuinely inclusive. It is not just positive intent, it is being actioned as well. We'll be much more diverse, but whether we reach parity or not in another eight years, I don't know."

Savova said: "I think in boardrooms overall, it is quite likely. On executive teams, we do need to focus on targets more, as it is easier to bring in diversity at the non-executive level. It is much harder to create executives that reflect society because you really have to invest in the progression of people through various levels. And it takes time."

