

McKinsey  
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# Accelerating Gender and Racial Diversity

Mobility XX Discussion

March 24, 2022

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# Both gender and ethnic diversity on executive teams is strongly correlated with better economic performance across industries

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Difference in likelihood of outperformance of 1st vs 4th quartile<sup>1</sup>, %

Gender diverse companies are ...

**25%**

... more likely to outperform<sup>11</sup>



Ethnically diverse companies are ...

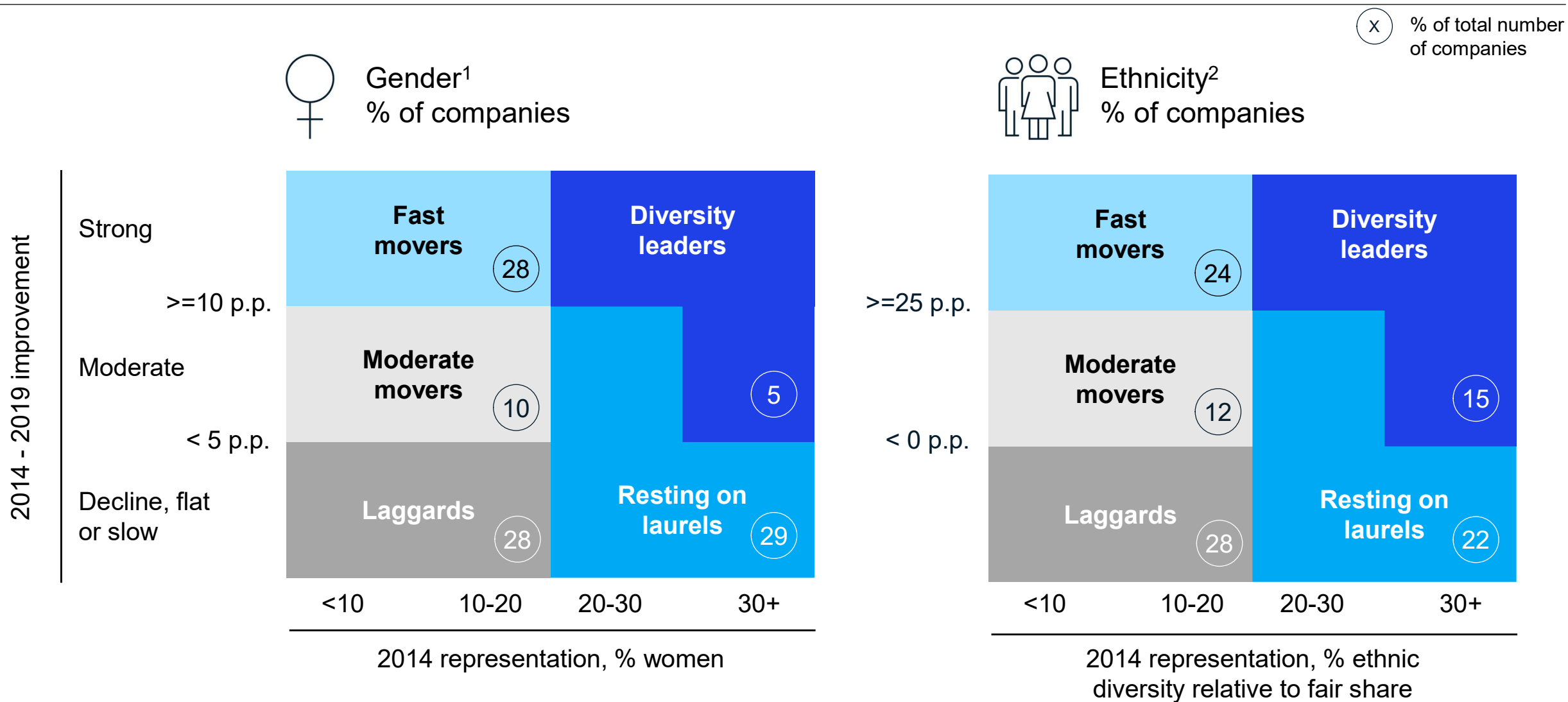
**36%**

... more likely to outperform<sup>1</sup>



1. Outperform is defined as a company's market cap growth above the national industry medium for the company's industry cohort

**One-third of firms have achieved real gains in executive team diversity, however ~50% have made little or no progress**



1. n = 365; US and UK

2. n = 241; US and UK



# Women in the Workplace: 7<sup>th</sup> year

This year...



**423**

Participating companies



**12 million+**

Employees in participating companies



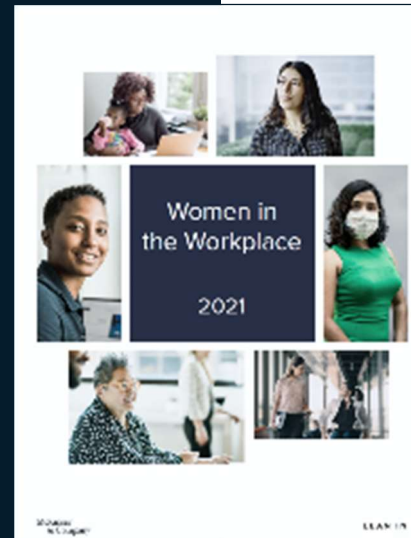
**65,000+**

Employees surveyed on their workplace experiences

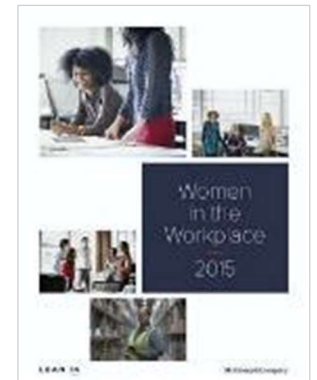


**1-on-1**

In-depth interviews



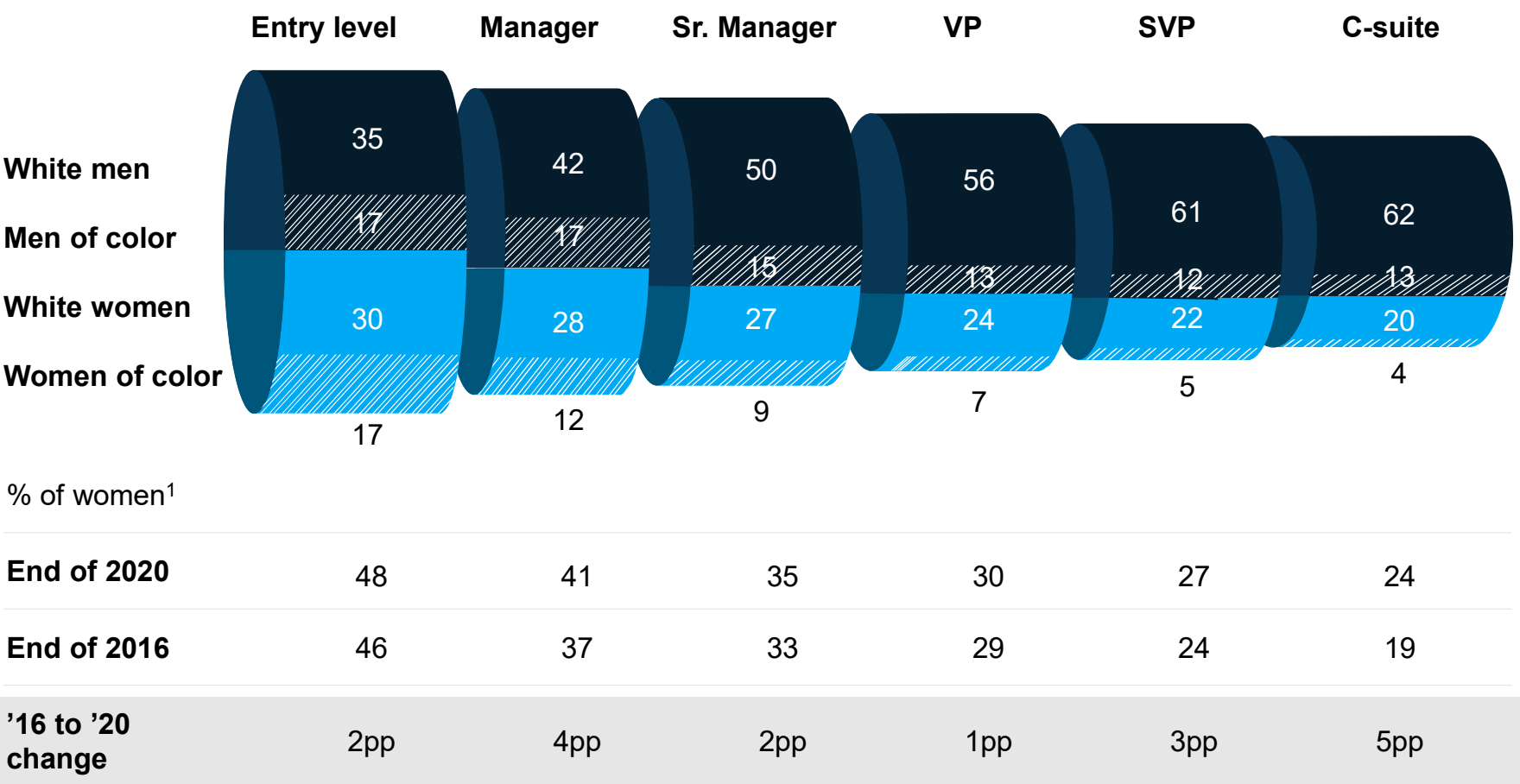
Women in the Workplace is a multi-year joint research effort by [McKinsey & Company](#) and [LeanIn.org](#). It is the largest comprehensive study of the state of women in corporate America



# Women saw small improvements across the pipeline, but little progress for women of color

North American talent pipeline across industries, % of employees by level

As of year-end 2020



1. Sum of % White women and % women of color may not sum to overall % women because overall figure includes employees with race not reported

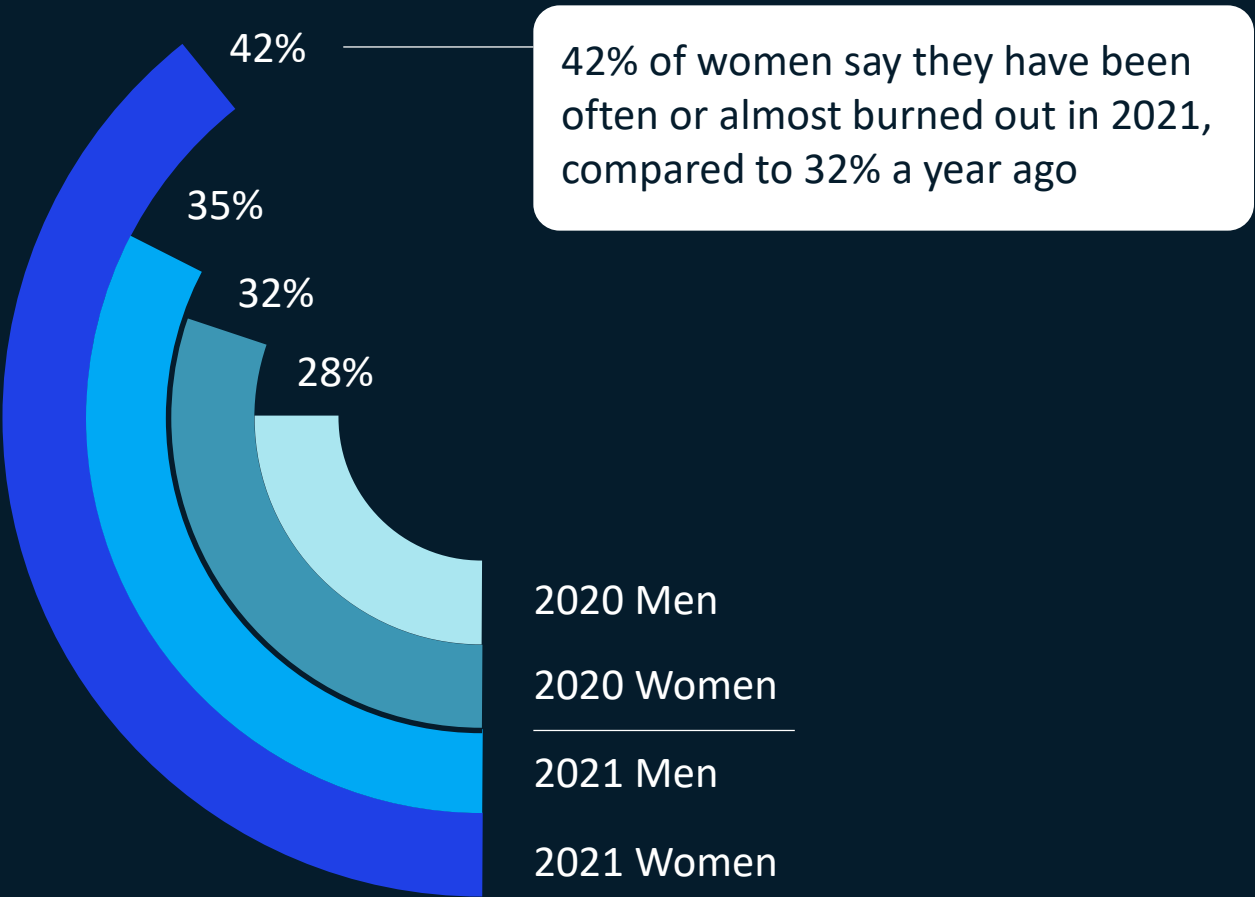
Women’s representation has shown **signs of progress** throughout the pipeline, particularly when it comes to representation in the C-suite

But **women of color** continue to lose **ground** to white women and men of color at every step

# While women ‘hung on’ in the last year, they are experiencing unsustainable levels of burn out

Share of employees who are consistently burned out

% of employees who say they are “often” or “almost always” burned out at work



“ It’s the only time I’ve ever seriously considered a less demanding job. I interviewed for a job with another company. I just felt burned out so often. I probably cried more days than not. I felt caught in the middle of everyone’s emotional responses. I had to be the voice for a lot of different people, some of it was my job and some of it wasn’t. It was the hardest working year of my life.”

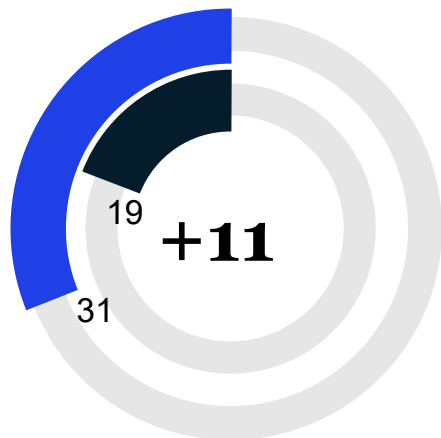
White Woman, SVP

# On average, women leaders invest more in supporting colleagues' wellbeing

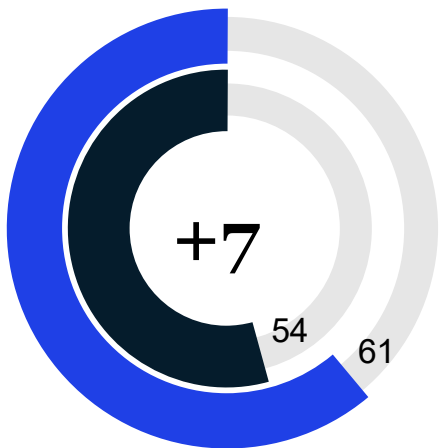
% who say their manager consistently took this action

- Employees with women managers
- Employees with men managers

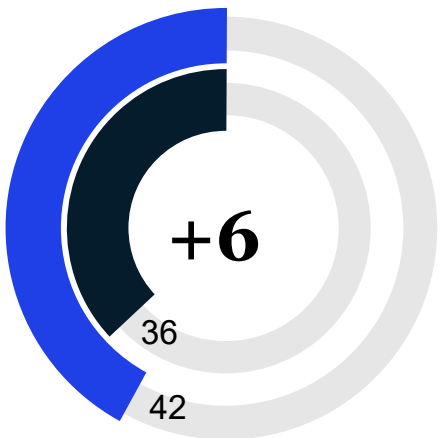
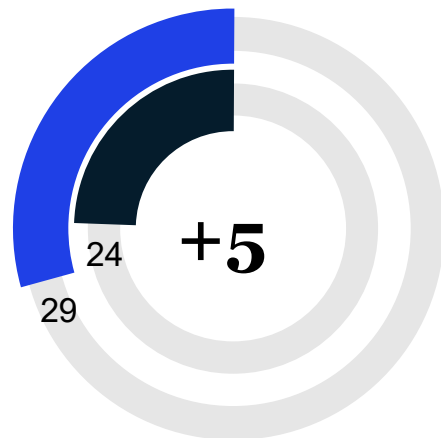
Provided emotional support



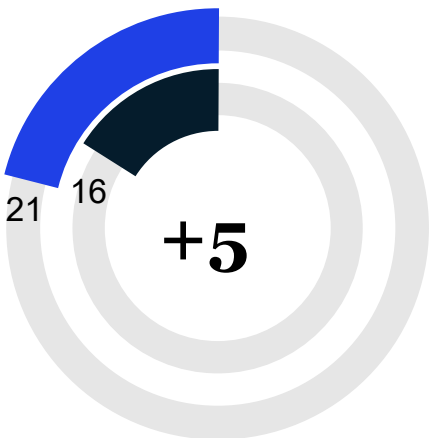
Checked in on overall well-being



Helped navigate work/life challenges

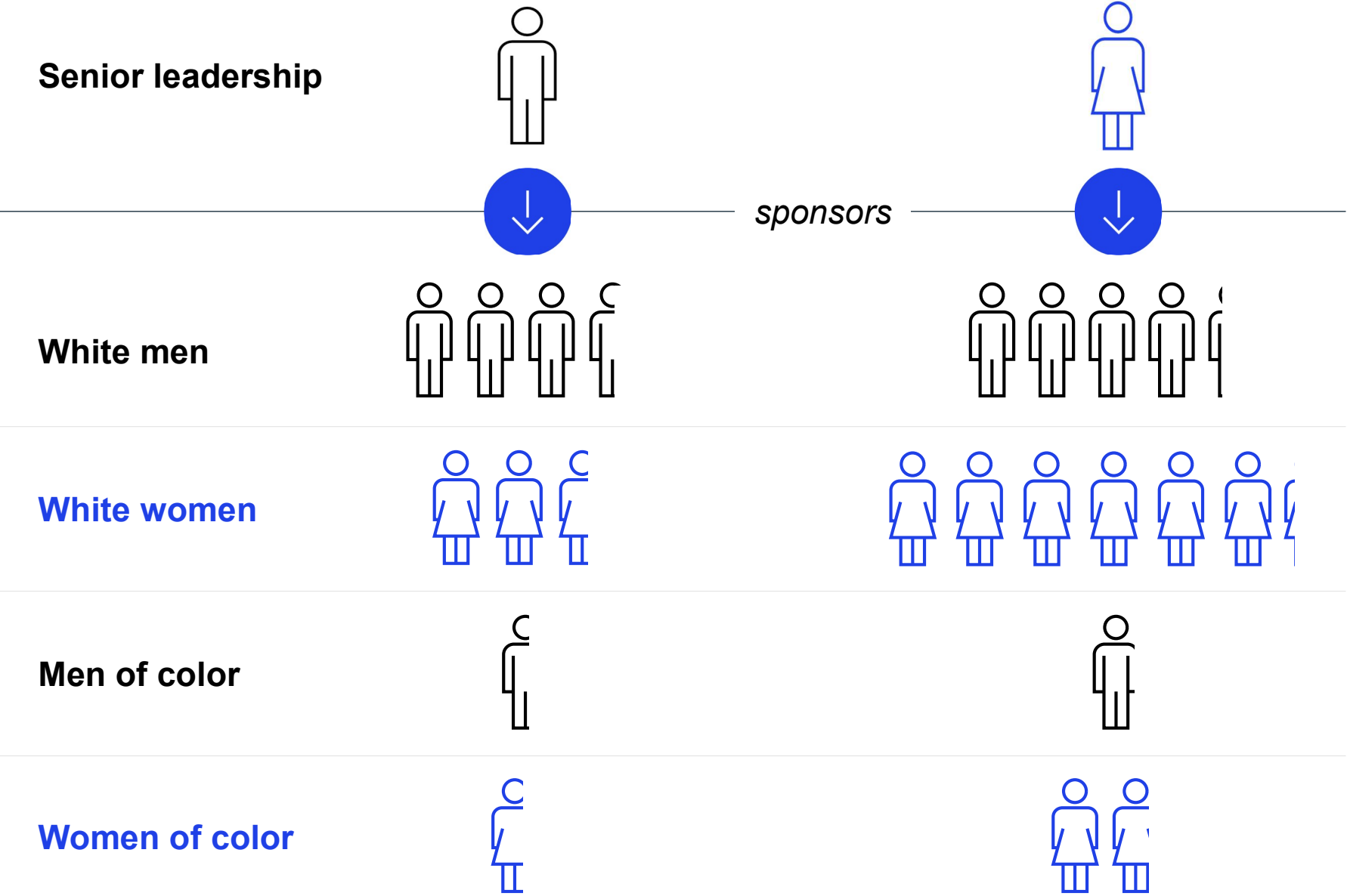


Worked to ensure workload was manageable (e.g., shifted priorities or deadlines)



Helped take actions to prevent or manage burnout

# Female senior leaders sponsor more men, more women, and more women of color on average



Compared to senior level men, senior level women sponsor

**2.3x**

as many women

**2.5x**

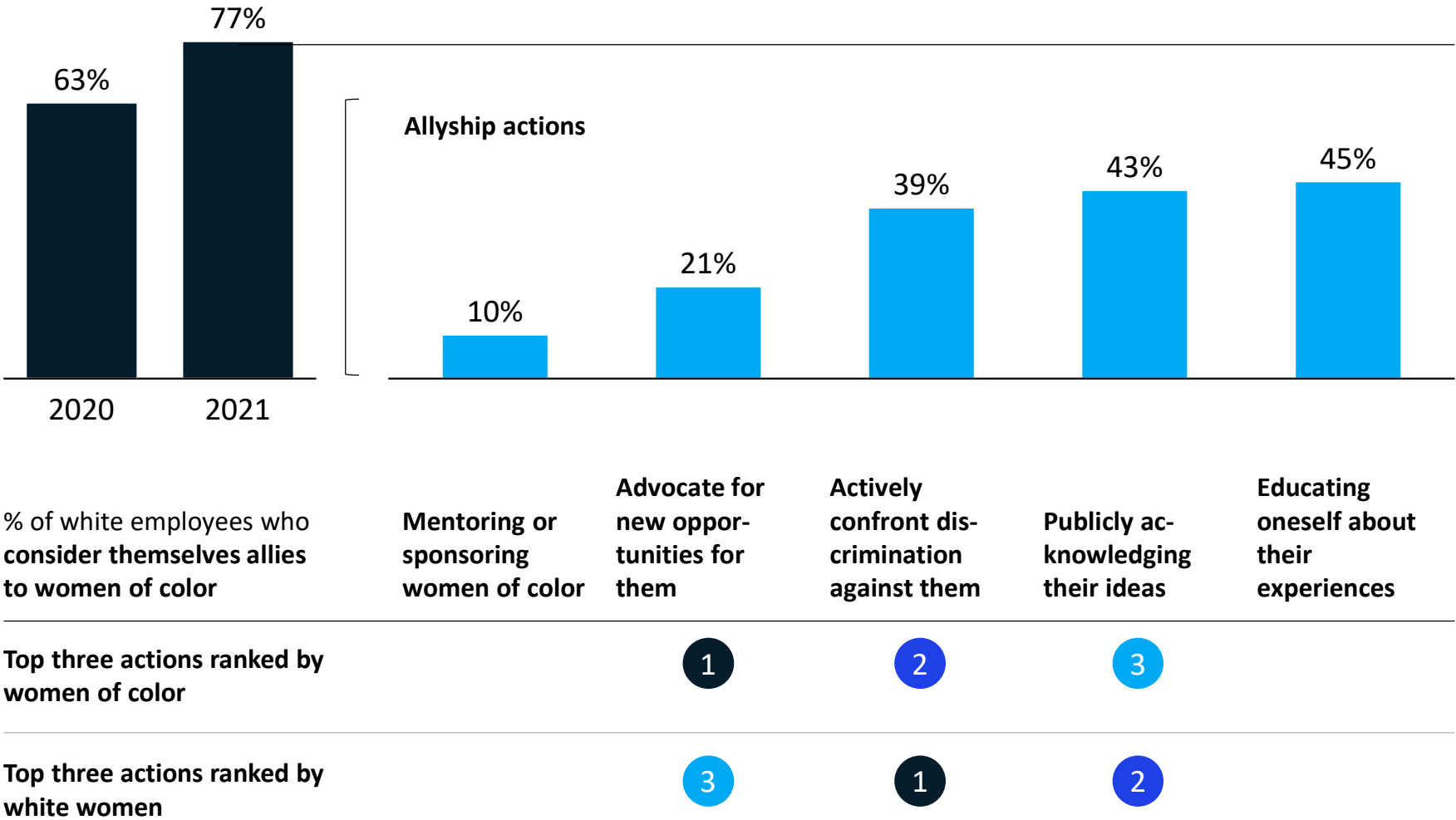
as many women of color



# Women of color, LGBTQ+, and women with disabilities are more likely to face microaggressions



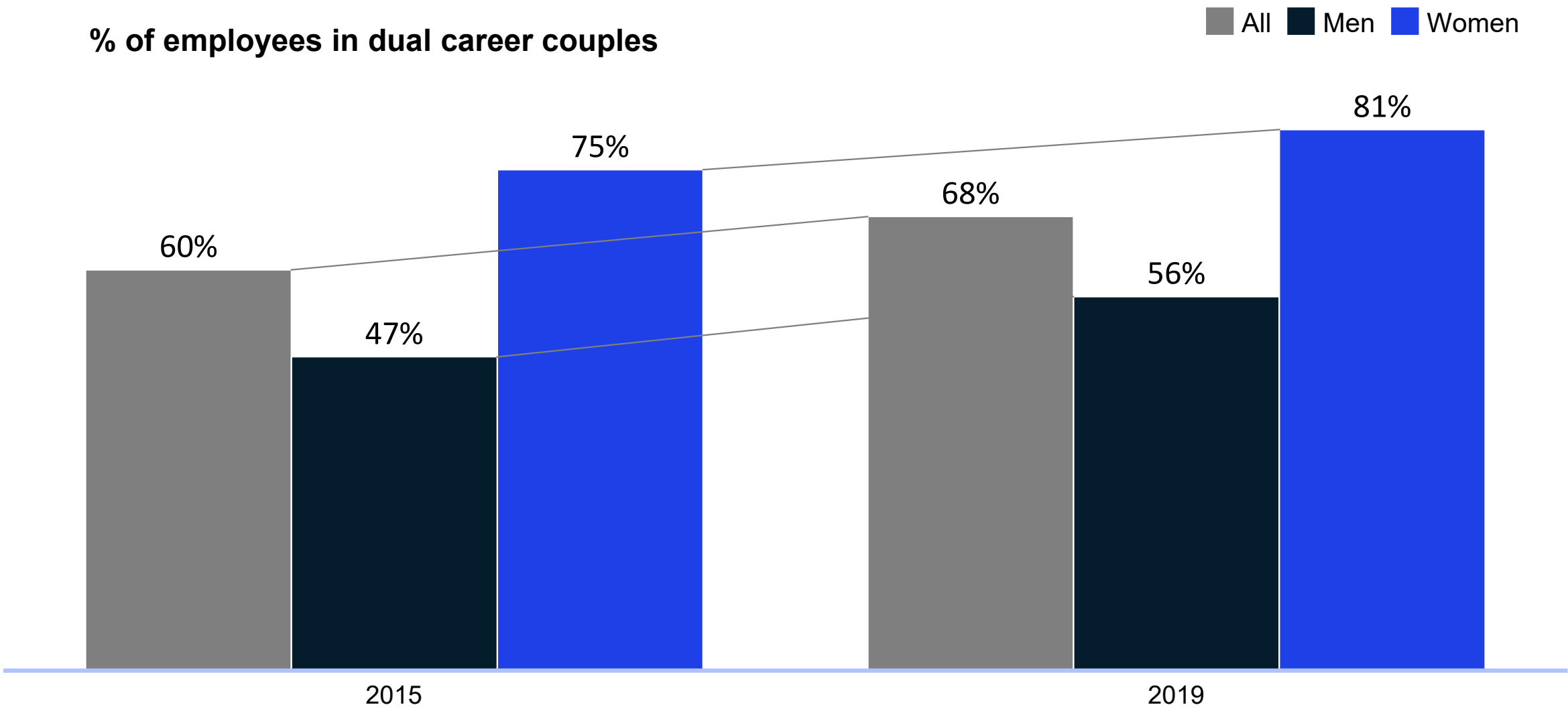
# Although self-identified allyship is on the rise, we need to translate it consistently into action



44% of women of color say advocating for new opportunities is the most important allyship action...

...but only 21% of white employees do it

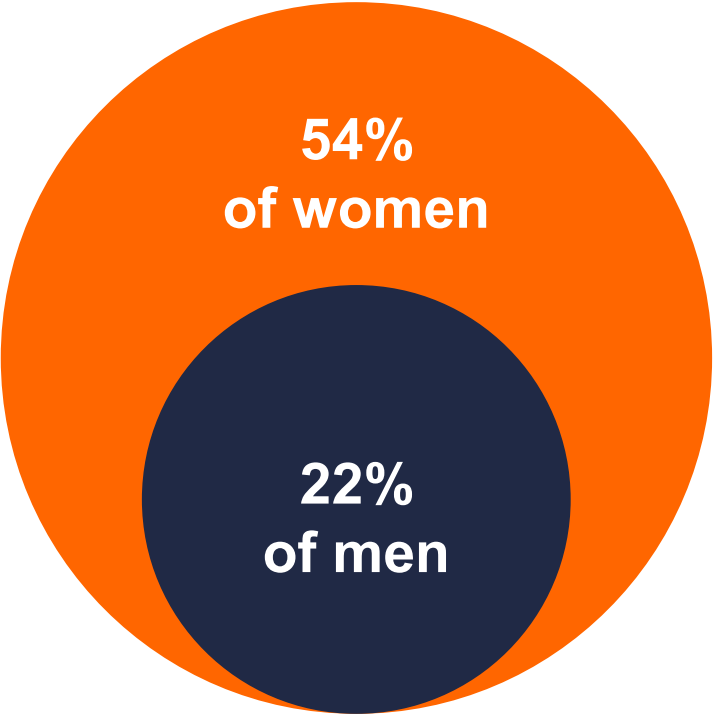
# Dual careers are on the rise, with 4 out of 5 women in a dual career



# Women, even women who are the primary earners, are much more likely to do all or most of the housework than their male peers

Women do most of the housework...

% of men and women that do all or most of the housework



...this holds even for primary earners

on average

12%



of men

report doing all or most of the household work



compared to

43%

of women

# Actions that top-performing companies<sup>1</sup> have taken to support diversity and inclusion

## Improve diversity and representation:



Minimize gender bias in hiring AND performance reviews



Track diversity metrics by gender AND race / ethnicity



Hold senior leaders accountable for progress on diversity

## Improve inclusion and reduce burnout:



Focus on intersectionality and allyship education



Provide mentorship and sponsorship programs for women of color and support ERGs



Adjust policies to better support employees' wellbeing

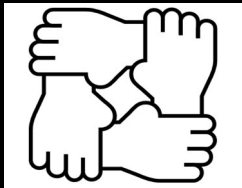
1. Companies that have made improvements in representation of women at most levels of the pipeline over the last four years, and in many cases, consistent year over year gains; have higher women's representation than their industry peers and outperform on representation of women of color



# Actions we can all take

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## Actions companies can take:



**Set aspirational goals and cascade them by area**



**Understand the biggest gaps in your talent pipeline, prioritize ~2 solutions, and execute**

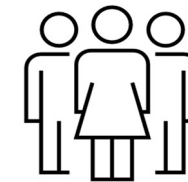


**Make work more sustainable and flexible for men and women**

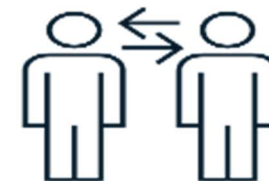


**Minimize unconscious bias across the talent pipeline**

## Actions you personally can take:



**Proactively broaden your sponsorship network**



**Ask for and give tough and direct feedback— early and often**