

ABOUT DIVERSITYLEADS

Leadership is vital to social and economic prosperity. We need the best leaders to address the pressing challenges of global competitiveness, as well as economic and social development. Diversity in leadership helps organizations attract top talent, meet the needs of diverse markets and communities, promote innovation, improve employee satisfaction and performance, and reduce risks. It also shapes the aspirations of young people.

AIMS TO:

- **>** Benchmark and assess the progress of diversity in leadership;
- **Examine** barriers at the individual, organizational, and societal levels;
- **>** Explore leadership representation in media; and
- **)** Develop an integrated approach across sectors and levels for sustained change.

This project will produce new knowledge that informs and offers practical and creative tools to enable organizations to operate effectively and implement sustained change.

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PROJECT

This report provides a five year perspective on the progress of women and visible minorities in senior leadership roles in the Greater Montreal area. Specifically, it:

- Measures the representation of women and visible minorities in senior leadership positions (including boards of directors and senior management) in six sectors: elected officials, public, corporate, voluntary, education, and appointments to government agencies, boards and commissions (ABCs)¹;
- **>** Examines similarities and differences between sectors, as well as variances within sectors; and
- Suggests best practices to advance women and visible minorities to senior leadership positions.

THE BUSINESS CASE FOR DIVERSITY

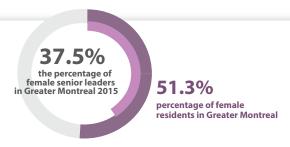
Advancing talented women and visible minorities to senior leadership positions has numerous social and economic advantages for the organization. Increasing the representation of women and visible minorities in senior leadership positions enables organizations to:

- > Overcome the skills shortage and the war for talent;
- Respond to increasingly diverse markets;
- Increase innovation and creativity;
- Increase employee satisfaction and reduce turnover;
- Mitigate legal and reputational costs; and
- > Suggest best practices to help women and visible minorities advance to senior leadership positions.

This analysis is based on data collected in 2015 on 3,087 individuals in senior leadership roles in organizations across the aforementioned six sectors, which are located in areas of Greater Montreal that have visible minority representation exceeding 10%. The selected area includes 16 municipalities on the Island of Montreal, and the municipalities of Brossard, Laval, and Longueuil.

¹This study is based on data collected in 2012 and 2015 using publicly available information on senior leadership roles in the largest organizations by revenue headquartered in the Greater Montreal, as first identified in 2012 and updated in 2015. Our sample included 2,995 senior leaders in 2012 and 3,087 in 2015.

KEY FINDINGS: WOMEN



Women are still underrepresented in senior leadership positions. While women account for 51.3% of residents in Greater Montreal, 37.5% of senior leadership positions across sectors were held by women in 2015 compared to 31.2% in 2012, an increase of 20.5%.

- In 2015, the highest representation of women in senior leadership positions was found in the voluntary sector (50.8%) and Quebec's agencies, boards and commissions (ABCs) (49.7%). Both of these sectors increased the representation of women when compared to 2012 (35.9% and 47.2% respectively). The voluntary sector increase is over 40% during the period studied.
- The next tier were leaders in education (43.7%), public sector executives (39.8%) up from 29.8% in 2012; and elected officials (38.6%).
- The corporate sector had the lowest representation with only 21.3% women in leadership but this was a substantial increase from 2012 when only 15% of corporate leaders were women.



WHILE OVERALL PERCENTAGES FOR EACH SECTOR PROVIDE A GENERAL OVERVIEW, THERE WERE IMPORTANT VARIATIONS *WITHIN* SECTORS AND SUB-SECTORS, FOR EXAMPLE:

- In the elected sector, more than 40% of city councilors were women in 40% of the Greater Montreal municipalities analyzed. Conversely, 2% of municipalities had less than 20% of its city councilor positions held by women. Women are more likely to be elected federally (42.3%) or provincially (41%) and or as school board trustees (43.5%) than as city councilors (34.6%).
- In the public sector, women held at least 40% of all executive positions in 42% of the Greater Montreal municipalities analyzed;
- In the education sector, 57.1% of CEGEPS had at least 40% women on their board of governors compared to only 25% of Universities. Most CEGEPS and Universities had more than 50% women in senior executive roles.
- > 75% of Montreal and Quebec ABCs had 40% or more women board members. Specifically, 73% of municipal ABCs had women and the 76% provincial ABCs had at least 40% of women on their boards.
- In the corporate sector in 2015, 9% of companies had at least 40% women in senior leadership roles while 25% of corporations had none.

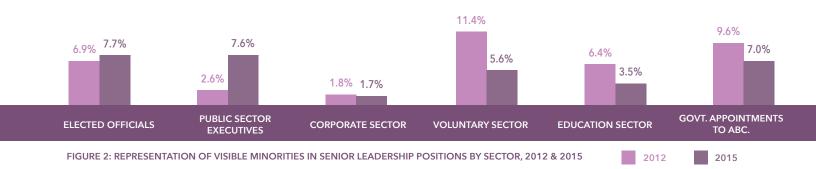
The presence of significant differences among organizations within the same sector suggests that organizations who set a priority and put processes in place to recruit and retain women are able find qualified candidates. The issue is not the lack of qualified women but organizational choices.

VISIBLE MINORITIES

Visible minority individuals made up 20.3% of Greater Montreal's total population in 2015, but held only 4.8% of leadership positions analyzed. This is a significant decline from 2012 when visible minority individuals represented 5.7% of senior leaders. Female visible minorities account for 11.5% of the general population of Greater Montreal but only 2% of senior leadership positions in 2015.

4.8% LEADERSHIP POSITIONS **HELD BY VISIBLE MINORITIES** in 2015

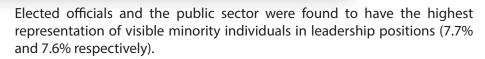




THE PROPORTION OF VISIBLE MINORITIES VARIES CONSIDERABLY **BETWEEN** SECTORS.











The public sector appears to have increased significantly since 2012 when only 2.6% of the leaders analysed were visible minorities but this could be an issue related to the data collected.



In contrast, the corporate sector had the lowest representation in 2015 (1.7 %) a slight decline from 2012 (1.8%). This was comprised of 2.2% of senior management roles but only 1.1% of corporate board positions.





The education sector was second lowest at (3.5%) a decline from 6.4% in 2012 in leadership roles.

Voluntary sector leadership also appeared to have significantly declined from 11.4% in 2012 to only 5.6% in 2015.

WHILE OVERALL PERCENTAGES FOR EACH SECTOR PROVIDE A GENERAL OVERVIEW, THERE WERE IMPORTANT VARIATIONS WITHIN SECTORS AND SUB-SECTORS IN GREATER MONTREAL, FOR EXAMPLE:





Visible minorities are under-represented in the **elected sector** where 7% of elected officials are visible minorities. But the level is much higher at the federal (23.1%), provincial (12.8%) and school board trustee (10.1%) levels compared to the municipal level (3.8%) suggesting a need to examine the processes further.



In the **education sector**, we did not find visible minority individuals among the sample of school board directors in 2015. The majority (72%) of these institutions appeared to have no visible minority individuals in senior leadership positions.



While 27% of municipal ABCs have at least 20% visible minority leaders, 36% of municipal ABCs and 80% of provincial ABCs appeared to have none. Provincial ABCs had more than 8x the proportion of visible minorities on ABC boards (17.6%) compared to about 2% of Provincial ABC boards.

VISIBLE MINORITY LEADERS IN 2015



In the **voluntary sector**, 5% of organizations had at least 20% visible minority leaders on their boards of directors, while 35% had none in 2015.



Public sector: 32% of municipalities had some visible minority leaders, though here the percentage remained small (6%). Many had none.



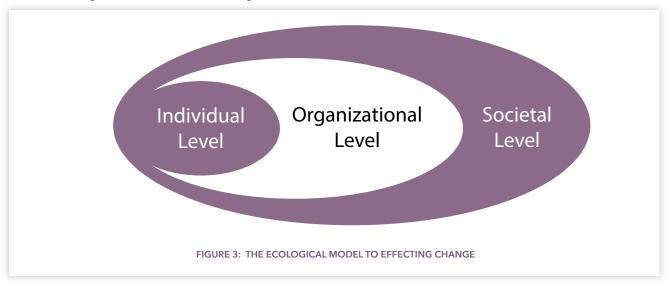
Of the 60 largest **corporations** analysed only 3 had any visible minorities (ranging for 11- 18%) on their boards and only 9 had any visible minorities in senior leadership roles (ranging from 5-14%) Again, this suggests that this issue is not the pool but organizational commitment and processes.

Once again, such significant variations suggest that this issue is not the availability of well qualified visible minority candidates but rather the priority and effort organizations put into recruiting and retaining them.

THE WAY FORWARD

AN ECOLOGICAL APPROACH TO ADVANCING DIVERSITY AND INCLUSION

Full representation of women and visible minorities in leadership is necessary to achieve social equity. As one of the most richly diverse regions in the country, Greater Montreal has the potential to leverage its diversity for innovation, effectiveness and performance in the global economy. In the context of shifting demographics and talent and skills shortages, it is also strategically important to ensure that all citizens have equal opportunities to develop and contribute to their full potential in the labour force. With the best, most effective leaders, we can better address such pressing challenges to economic and social development. A comprehensive strategy to achieve full representation of women and visible minorities in all sectors must address change at all levels: societal, organizational, and individual.



SOCIETAL LEVEL

There is ample evidence that aspects of our social world – such as policies, culture, and structures – influence the way leaders are conceived, developed, and supported. Legislation – including employment equity legislation, same sex marriage legislation, and human rights legislation - when coupled with effective enforcement mechanisms can produce results. Childcare policies, supports for persons with disabilities and other government programs can also have a profound impact on the opportunities for diverse employees and leaders. Progressive organizations mobilize their relationships with governments to promote diversity and inclusion-friendly legislation and policy initiatives.

The media has some of the most powerful yet subtle influence over how we perceive leaders and leadership. Corporate and consumer activism is one strategy to effect change in media. For example, organizations that are committed to a comprehensive diversity strategy may use their purchasing power, procurement policies, and philanthropic resources to influence their social environment, including the media.

Furthermore, the social environment can be influenced when organizations apply a diversity lens to advertising and communications, ensuring that images used in advertisements are inclusive and profile women and visible minority leaders. These efforts can help challenge the status quo and shape public perceptions of leaders and leadership to be more inclusive.



ORGANIZATIONAL LEVEL

Leadership and Governance

Diverse leadership enhances efficiency, innovation, access to markets, and financial performance. Successful organizations recognize that diversity is a strategic priority and their leadership clearly conveys this value. Senior executive commitment to diversity may be the most important factor influencing organizational commitment and effective practices. Top-down commitment is crucial. Regardless of their demographics, explicit and authentic commitment of senior leaders to diversity can have a direct and positive impact on the way women and visible minorities perceive the quality and fairness of the workplace, which helps to develop and inspire diverse leaders.

Diversity among top management may have a transformational effect within organizations and can influence broader social notions of who can and cannot be a leader. The presence of highly visible women and visible minority leaders at the executive level has the potential to inspire others. However, enhancing diversity of senior management teams and boards requires specific strategies. Explicit strategies – including targeted outreach and recruitment, internal development boards, and diversity training – help organizations avoid the phenomenon of 'mirror hiring', whereby executives promote those who look and act in similar ways to themselves.

Strong and Transparent Human Resource Practices

Successful organizations have well-developed, bias-free, and transparent processes in place for the recruitment, hiring, development, and advancement of top talent, including at the board level. Promising human resource practices that promote diversity include:

- > Staying connected with diverse communities;
- Developing bias-free selection processes;
- **>** Establishing effective processes for assessing international experience and credentials;
- > Establishing coaching, shadowing, and mentoring programs as part of succession planning;
- **>** Developing networking programs for employees;
- Mandating internal diversity training to help build a "culture of inclusion"; and
- > Practicing transparency around all human resource processes.

In electoral politics, which traditionally has informal career paths, prospective candidates from underrepresented groups can be recruited for staff positions with politicians, giving them access to what is often the training ground for future leaders. Pools of electoral candidates can also be broadened by engaging ethno-cultural communities and women's groups in riding associations, as well as the process of identifying and recruiting potential candidates, policy development, and campaigns.



Quality of Life and Organizational Culture

Organization cultures can create systemic barriers that impact the upward advancement of talented women and visible minorities. A Conference Board of Canada (2011) study reported that one of the reasons that the number of women advancing to senior leadership has plateaued in recent years is inhospitable organizational culture.

To improve retention rates of women, organizations can create flexible, supportive workplaces in which women have access to the needed flexibility within their work design to enable success in work and non-work spheres. Quebec's higher level of women in senior roles may in part be a result of its more advanced childcare policies.

Given that "employees experience their organizational cultures most directly through their managers", organizations looking to improve the advancement and retention of visible minority leaders should encourage inclusive managerial behaviour by providing managers with basic training on inclusion, as well as follow-up tools and connecting to reward systems.

Measure and Track Diversity

There is evidence that tracking diversity is linked to improved rates of representation in leadership. Measuring diversity gives a solid fact-base to help organizations reflect on their performance, assess their policies, and ascertain areas for improvement. Improved rates of representation among organizations that are subject to employment equity legislation, such as federally regulated organizations, suggest that there is a positive correlation between counting and enhanced diversity.

Self-identification is a common method of tracking workplace diversity, however, to ensure the accuracy of collected information, it is important that the self-identification process is administered effectively and careful attention is paid to how efforts around diversity data are communicated. Some organizations have coupled self-reporting of diversity data with detailed employee engagement surveys to refine and target programs and to improve employee satisfaction and retention.

Integrate or Mainstream Diversity across the Value Chain

Proactive organizations recognize that diversity encompasses more than just a representative workforce. Making diversity mainstream – that is, a stated goal in all aspects of an organization's activities – can contribute to creating a sphere of influence. Diversity mainstreaming includes:

- Procurement policies that consider diversity in supplier organizations;
- Marketing and communications that ensure diverse representation;
- Philanthropy and outreach that include women's and ethno-cultural organizations and events;
- Media relations that profile women and visible minority leaders and experts;
- Advocacy that addresses policies that particularly affect women and visible minorities.

Furthermore, the federal government has extended its diversity measures to its procurement processes, and companies supplying goods to federal departments must report on diversity.



2015

Proactive communication about the organization's commitment to diversity enhances reputation and creates an awareness for all stakeholders within and outside the organization – among employees, suppliers, clients, educational institutions, the media, and the public. At every opportunity, organizations should be transparent and convey their business case for diversity. How organizations communicate their brand to customers, clients, and citizens also has the potential to influence the broader social context. Therefore, reviewing marketing and promotional materials through a diversity lens is important. Similarly, media representation has the potential to perpetuate negative stereotypes or to promote positive role models (Mahtani, 2001), shaping the attitudes and aspirations of citizens. Due to the wide-reaching influence of media, one of the most effective ways organizations can use their sphere of influence to effect change is by considering diversity in their media buys, and engaging with media stakeholders on the subject of diversity.

Organizations should also reflect the communities they serve and profile diverse leaders as often as possible in their communications. Women and visible minority leaders should be featured more prominently in communications to break down traditional notions of who belongs in leadership roles.

Develop the Pipeline: Help Inspire the Next Generation of Leaders

Long-term, integrated strategies are necessary to increase the external pool of talented individuals that are qualified and willing to be our future leaders. To ensure there is a "pool" of qualified applicants, these strategies must begin early. Some candidates may only require targeted skills development and training to enhance their boardroom competency, negotiation strategies, and general leadership skills. Others might simply lack the personal or professional networks that lead to leadership roles, and would benefit from mentoring or other initiatives that expand networks. A long-term strategy may target youth by offering scholarship or internship programs to help engage their interest and maximize their potential.

INDIVIDUAL LEVEL

Despite the existing barriers, there are many successful women and visible minorities among Greater Montreal's senior leaders across the sectors. It is important that we learn from their experiences to inspire and coach aspiring women and visible minority leaders. It is clear that more efforts can be made in all sectors to equip women and visible minorities with the skills and confidence they need to succeed. Young women and visible minorities should be encouraged to set their goals high and pursue access to networks, coaching, and support. It is equally important that all those committed to diversity mobilize our own sphere of influence to effect change at all levels: societal, organizational, and individual. We are all influential, regardless of where we stand hierarchically, and allies are critically important. While women and visible minorities in leadership roles have a great deal of influence, they should not be left alone in this task.

LOOKING AHEAD

Diversity and inclusion are continuous processes and there are always opportunities to improve. With the commitment of organizations across sectors, Greater Montreal, one of the most richly diverse regions in the world, can leverage this asset to advance innovation, global competitiveness and inclusion.



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ABOUT THE DIVERSITY INSTITUTE We undertake research on diversity in the workplace to improve practices in organizations. We work with organizations to develop customized strategies, programming, and resources to promote new, interdisciplinary knowledge and practice about diversity with respect to gender, race/ethnicity, Aboriginal peoples, abilities and sexual orientation. Using an ecological model of change, our action-oriented, evidence-based approach is driving social innovation across sectors.