

McKinsey
& Company

Women in the Workplace: Improving diversity and inclusion

December 1, 2020

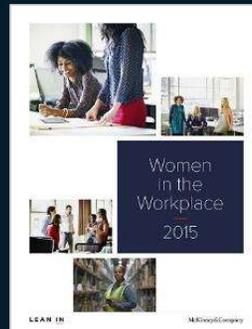
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Today's discussion

- **The talent pipeline overall and across industries**
- **Key workplace experience differences by gender and race**
- **COVID-19 impact**
- **Actions companies and we can take**

Our sixth year



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

This year...



317

Participating companies



12 million+

Employees in participating companies



40,000+

Employees surveyed on their workplace experiences



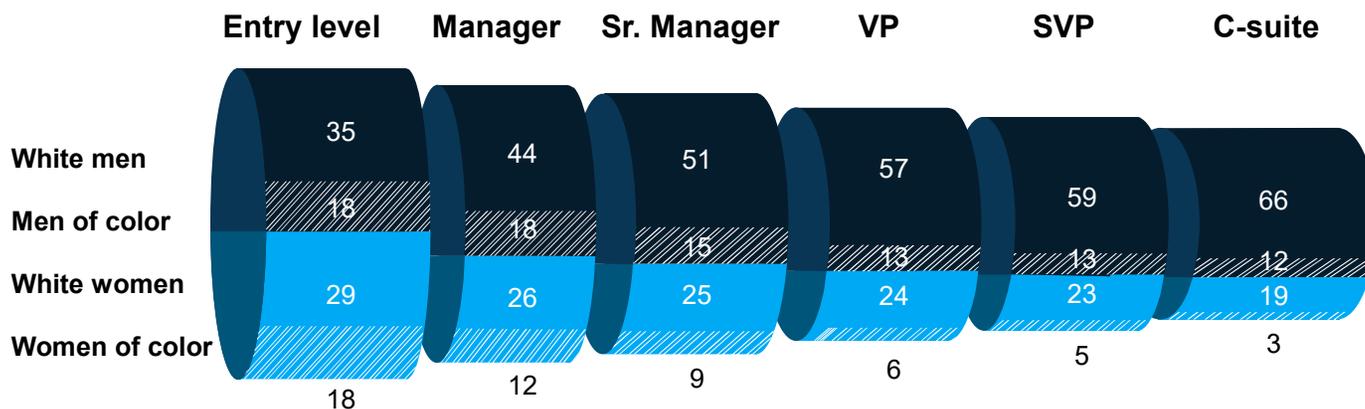
45+

In-depth 1-on-1 interviews

The pre-COVID-19 talent pipeline shows continued progress at the top, but the broken rung remains

% of employees by level

Pre-COVID-19



% of women¹

2020	47	38	33	29	28	21
2015	45	37	32	27	23	17
'15 to '20 change, %	↑ 5%	↑ 3%	↑ 5%	↑ 4%	↑ 18%	↑ 22%

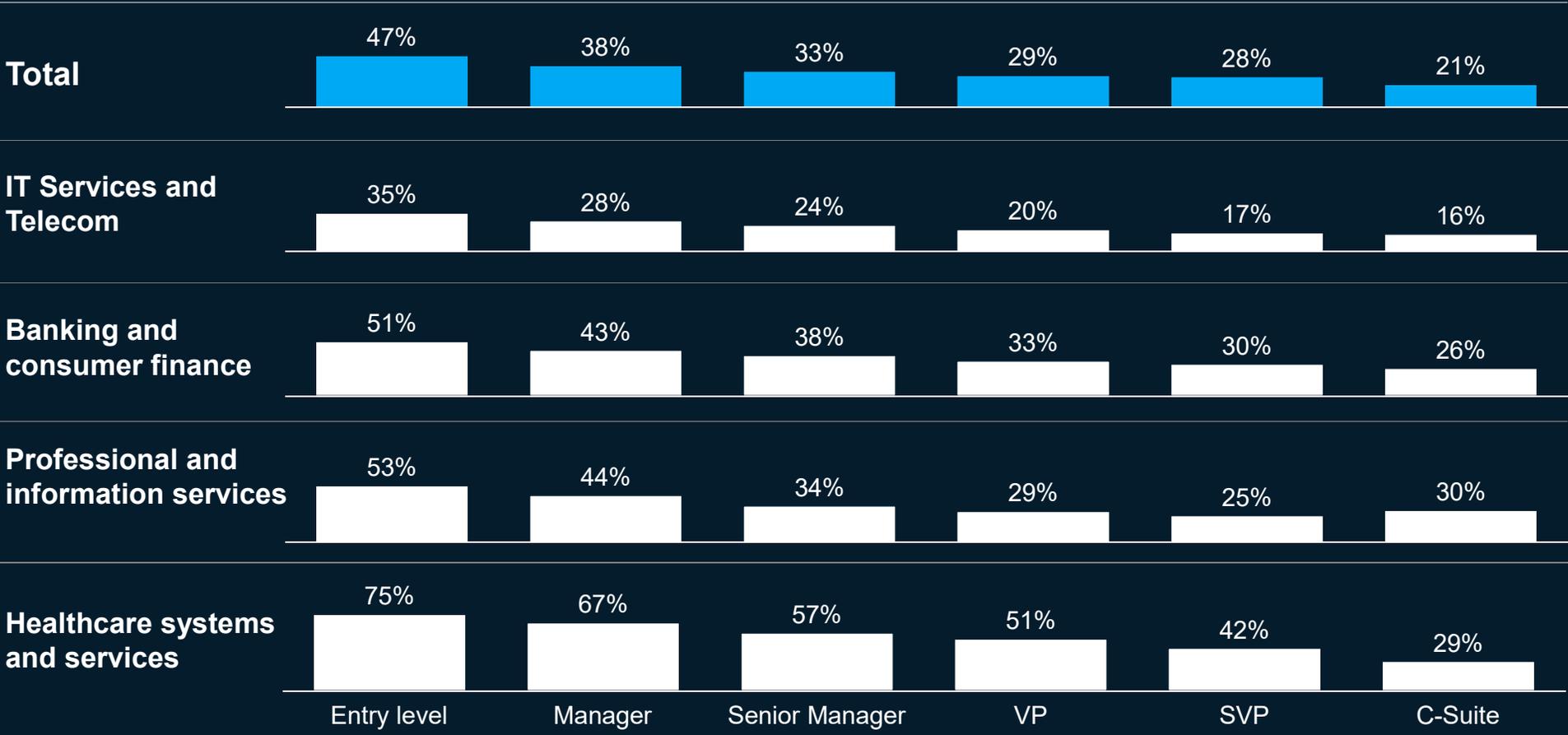
1. Sum of % White women and % women of color may not sum to overall % women because overall figure includes employees with race not reported

Source: 2020 Women in the Workplace research

This year's talent pipeline provides a **pre-COVID-19 baseline**, but the pipeline is likely to have changed during the pandemic

Since 2015, there have **bright spots at the top** but **less progress at the entry and manager levels**

Talent pipelines vary by industry with some struggling to attract entry-level talent: IT, Banking, Professional Services, and Healthcare

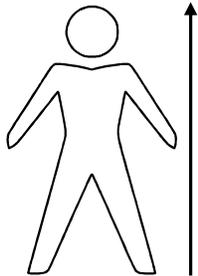


A key driver of the gender gap at work is the broken “first rung” of promotions to manager

For every

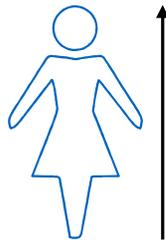
100
men

Promoted or hired into
the manager level...



...**85**
women

Are promoted
or hired



58
Black women

Are promoted
or hired



Women held 38% of
all manager positions
(men held 62%)

If women and women
were promoted to
manager at the same
rates, we would add

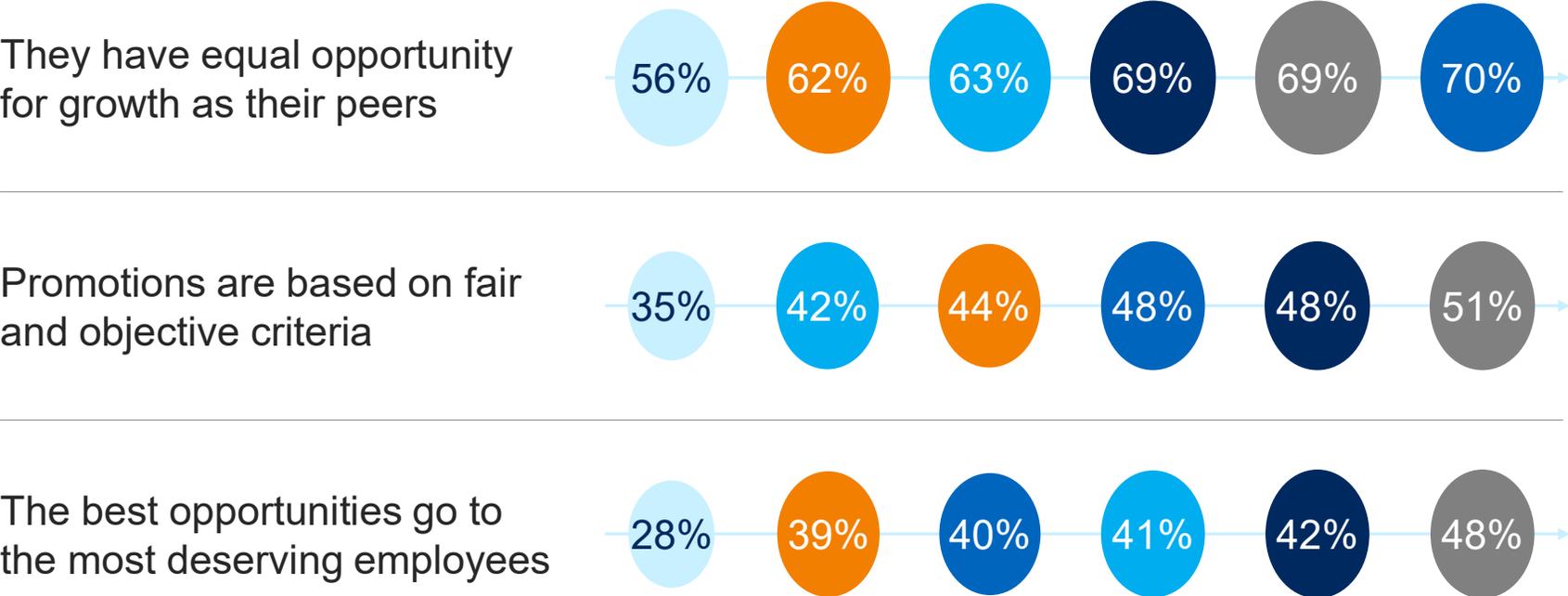
1 million
more women to
management in the
next 5 years

Women see the workplace as fundamentally less fair, and black women face even greater challenges

- Black
- Asian
- Latina
- White
- Lesbian
- Men

How women view opportunity

% of women who think ...



Employees who view their workplace as fair are 3x more likely to be engaged in their work, 3x more likely want to stay there, and 3x more likely to recommend their company to friends and family

Microaggressions can have a significant impact

Having a better experience  Having a worse experience

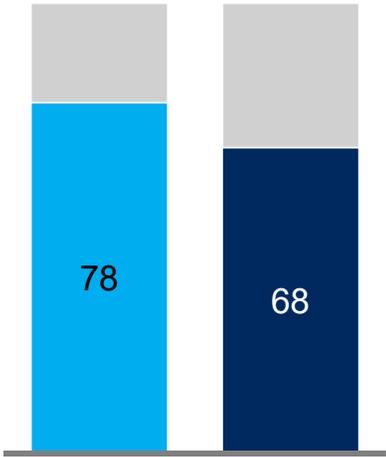
		All men	White women	Asian women	Latinas	Black women
Having competence questioned	Needing to provide more evidence of your judgment	14%	28%	30%	28%	40%
	Having your judgment questioned in your area of expertise	39%	39%	30%	31%	41%
Being overlooked	Being interrupted or spoken over	34%	53%	43%	42%	43%
	Having others take or get credit for your ideas	27%	40%	64%	33%	35%
Being disrespected	Being mistaken for someone as a much lower level	9%	17%	18%	16%	20%
	Hearing demanding remarks about you or people like you	11%	15%	12%	16%	18%
	Hearing other's surprise at your language skills or other abilities	8%	11%	16%	18%	26%
	Feeling like you can't talk about yourself or your life outside work	7%	10%	8%	9%	12%

Women only are more ambitious, yet they are more likely to think of leaving their companies

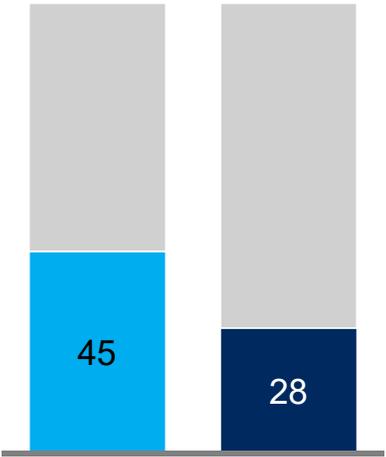
Women only
Women non-onlys

Ambition level

% of women onlys vs. Non-onlys who . . .



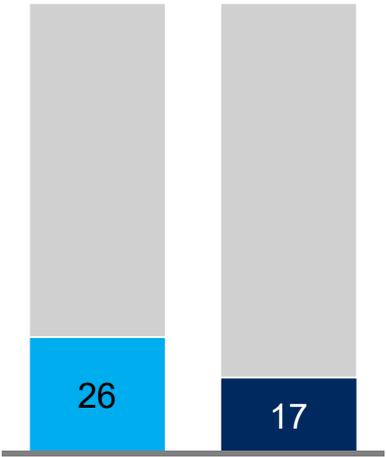
Want to be promoted to the next level



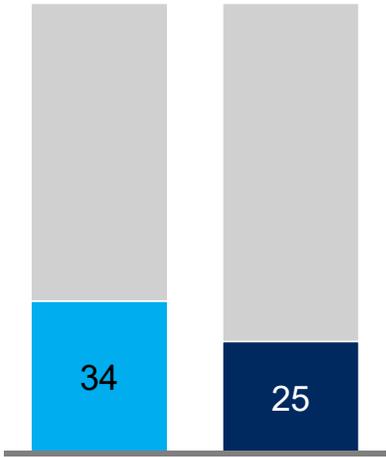
Want to be a top executive

Thinking of leaving

% of women onlys vs. Non-onlys who . . .



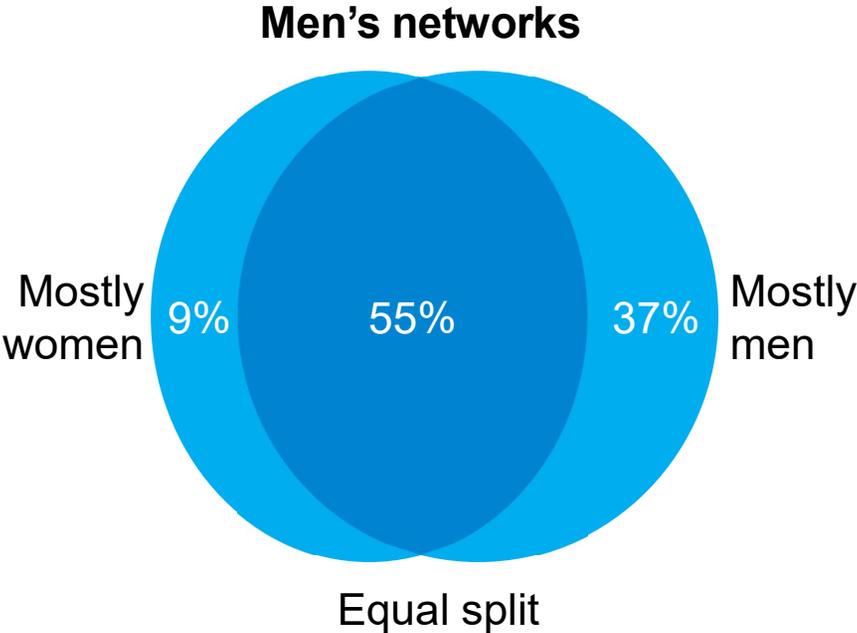
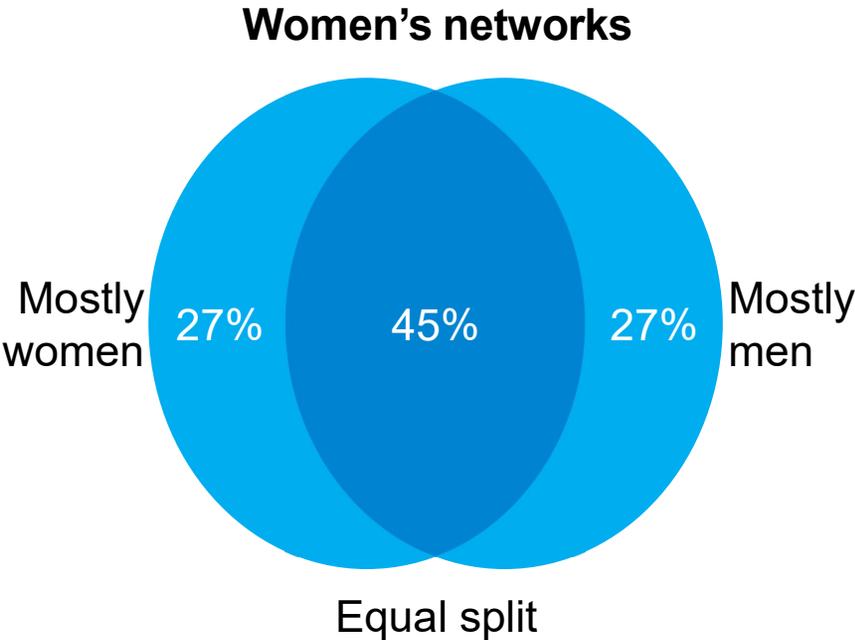
Often think about leaving your job



Thinking of leaving in the next two years

Source: 2019 McKinsey and LeanIn.Org Women in the Workplace study

Women's professional networks skew more female



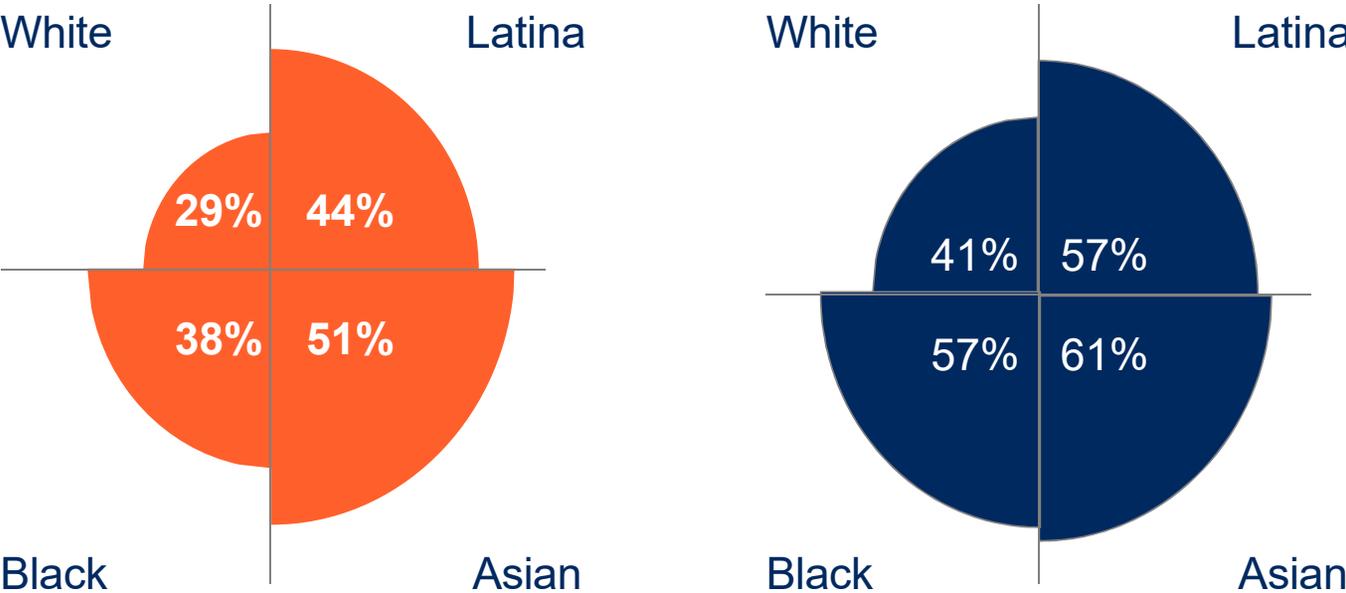
Because men typically hold more senior-level positions, this means women are less likely to get access to people who can open doors for them

Numbers may not add to 100% due to rounding

Fewer women aspire to be top executives, and people of color aspire to be top executives more than their white peers

Women Men

Desire to be a top executive by gender and race/ethnicity

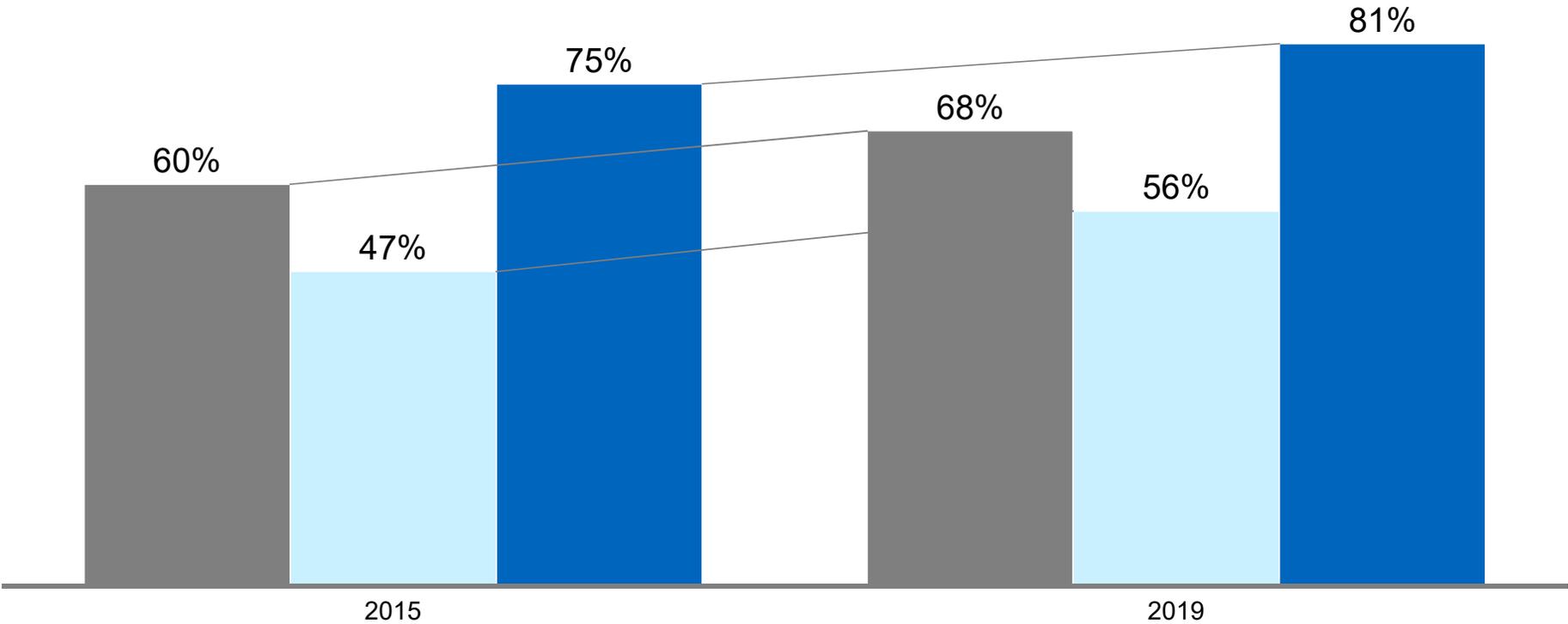


Source: 2019 McKinsey and LeanIn.Org Women in the Workplace study

Dual career couples are increasing, with 4 out of 5 women in a dual career

% of employees in dual career couples

- All
- Men
- Women

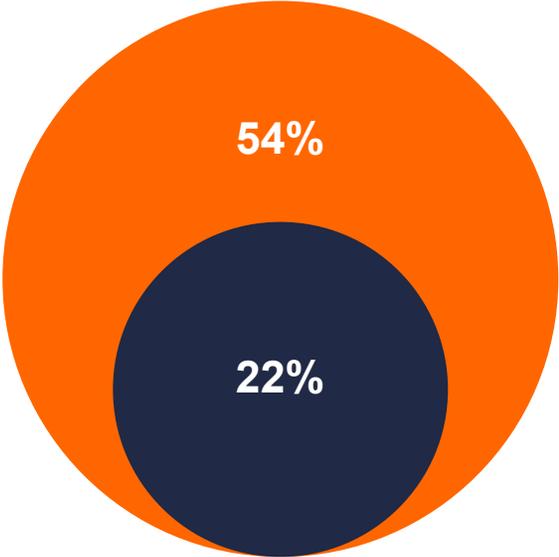


Source: 2019 McKinsey and LeanIn.Org Women in the Workplace study

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

Women do most housework...

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



...this holds even for primary bread winners

on average

12%



of men

report doing all or most of the household work



compared to

43%

of women

Source: 2019 McKinsey and LeanIn.Org Women in the Workplace study

COVID-19 placed us at a cross roads

Optimism that remote work can improve flexibility and diversity...

70% Companies agree that remote work will help hire and retain more diverse employees

69% Employees say remote work can provide the flexibility they need to have work/life balance

#1 In 2019 flexibility was the top challenge raised by employees

Source: 2020 Women in the Workplace research

... but big challenges that put at risk the progress earned

1 in 4

Women who are considering leaving the workforce or downshifting their careers

2M+

Potential number of women who could exit the workforce

**Progress
over last
6 years**

could be erased in one year

COVID-19 surfaced new challenges for employees

Since the start of the COVID-19 crisis, the biggest challenges for employees have been:

% Employees rating in top 3 challenges

31%

**Anxiety over
layoffs or
furloughs**

28%

Burnout

23%

Mental health

21%

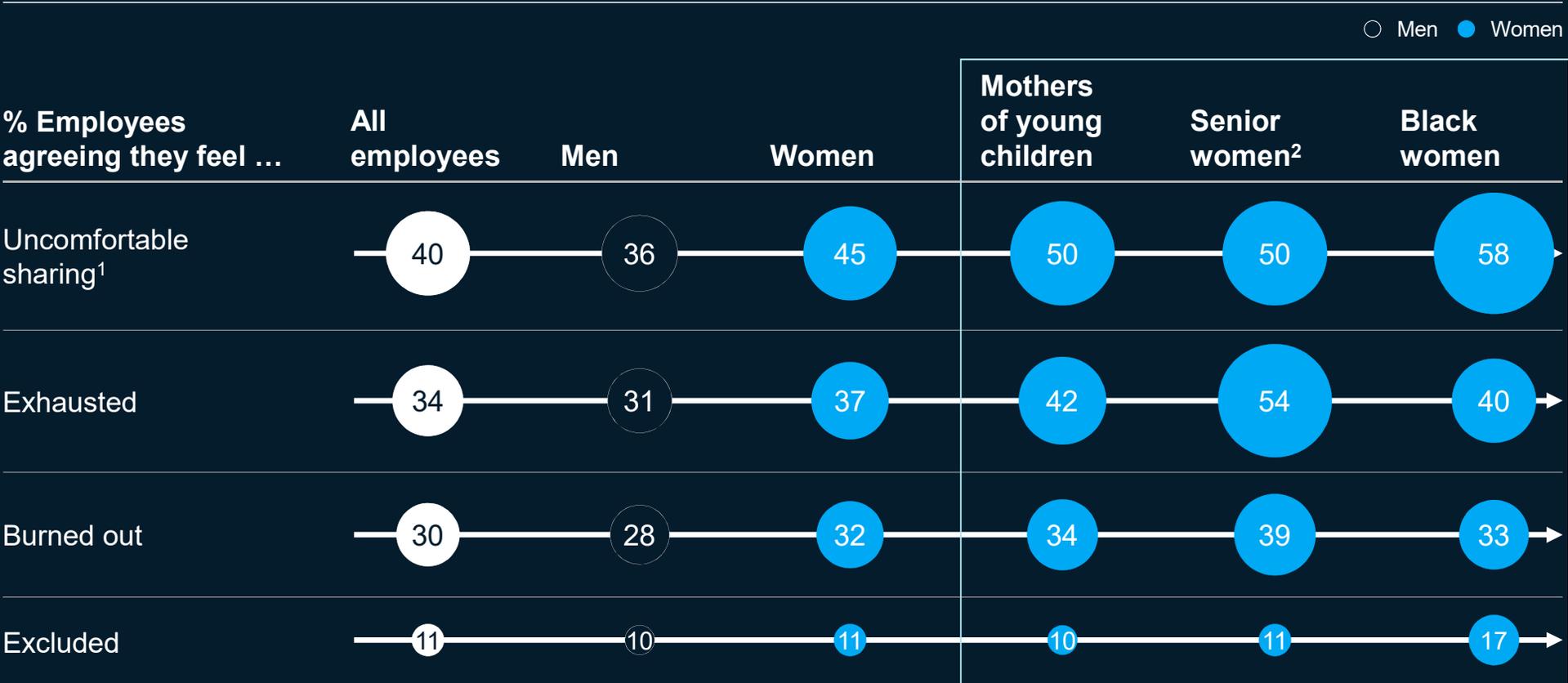
**Childcare and/or
home-schooling**

20%

**Physical/
mental health
of loved ones**

1. Based on data from 3,417 responses across 5 companies categorized under "Asset Management and Institutional Investors", "Banking and Consumer Finance", and "Payments"

Three groups face distinct challenges: Mothers, senior women, and Black women



1. Picked at least one response to "While interacting with co-workers during the last few months, there have been times when I felt uncomfortable sharing:". Options included "My work/life challenges", "My status as a parent", and "My thoughts about racial inequity"
 2. Women in senior leadership roles (VP, SVP, and C-suite)

COVID amplified challenges for mothers, Black women, and senior women

Mothers

3+ hours per day

The double shift has gotten worse

1 in 4

Mothers worry that their performance is judged negatively due to their parental duties

Black women

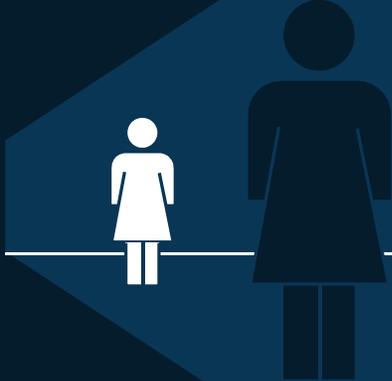
52%

of Black women report being the “only” of their gender and race in the room

1.6x more likely to hear demeaning remarks

2.5x more likely to report the death of a loved one was a big challenge

1.5x more likely to feel uncomfortable sharing their experience of grief



Senior-level women

Since the start of COVID-19 women are experiencing **greater pressures** than their male colleagues...

47%

Feel they need to be “always on”

54%

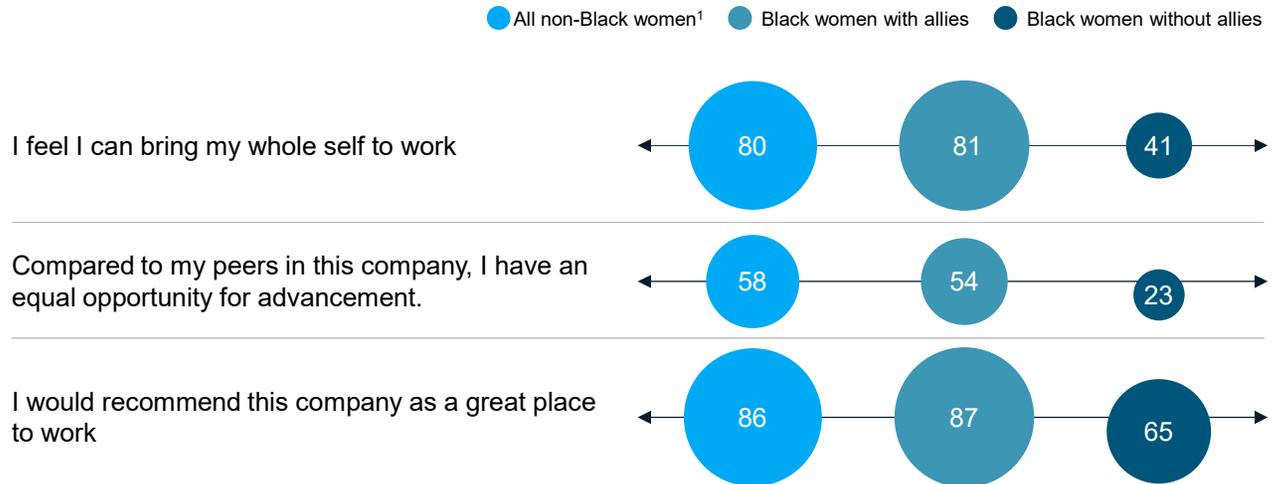
Have felt consistently exhausted



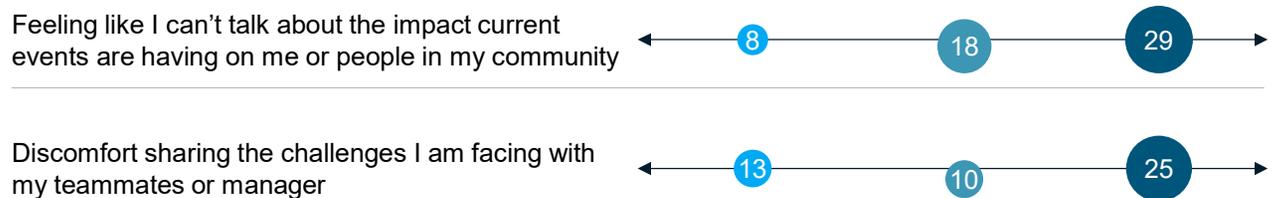
Source: 2020 Women in the Workplace research

Opportunity to step up allyship to support Black women

Black women who have allies are more likely to have positive workplace experiences, % of employees who agree



... and less likely to experience micro-aggressions, % of employees who experienced

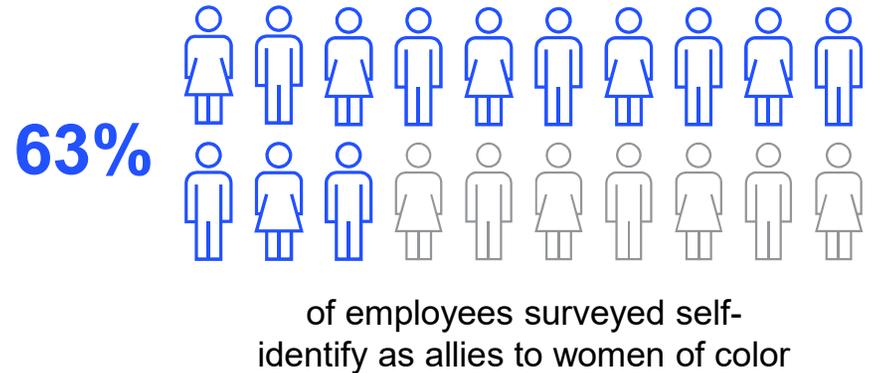


Source: 2020 Women in the Workplace research

1. Includes women who identified as Asian, Latina, White, Native Hawaiian or Pacific Islander, Native American, Other, or identified with more than one race/ethnicity. Does not include those who chose not to disclose their race.

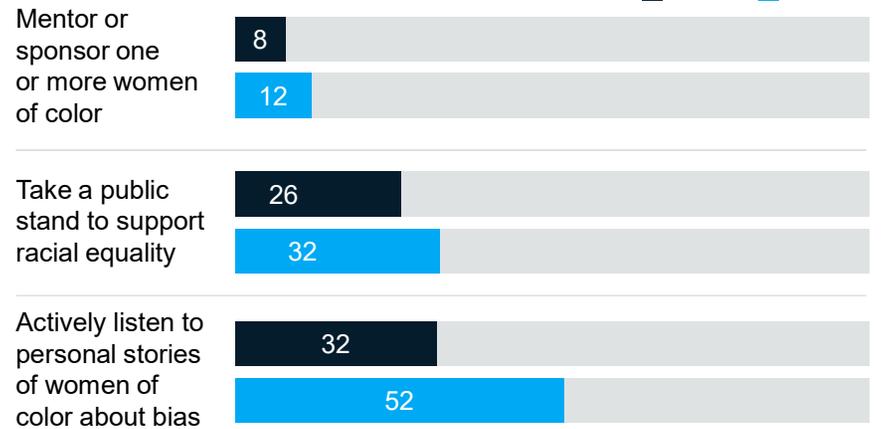
Employees want to step up, but often don't know how

Many employees self-identify as allies to women of color ...



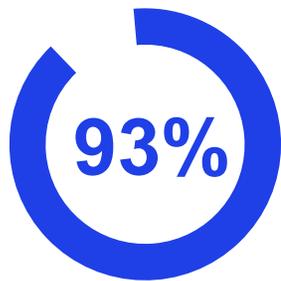
... but not as many take consistent and concrete actions to support them

% of employees who say they take steps to support women of color

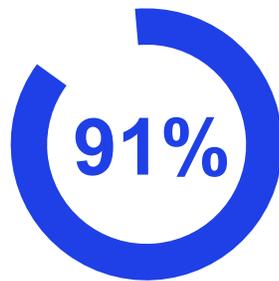


COVID-19 challenges us to reimagine work

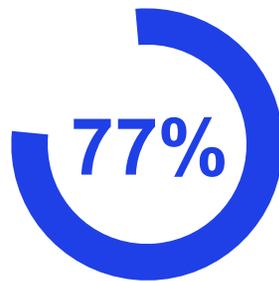
Disruptions in how we work



Of companies think more jobs can be performed remotely



Of companies say they will cut business travel



Of employees say they would work from home more than before



Opportunities to work differently (and better)



Lack of geographic constraints can help companies diversify their hiring pools



Potential for greater flexibility in working hours can help women balance work/life demands

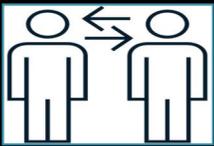


Holistic support for employee well-being can provide a more inclusive workplace

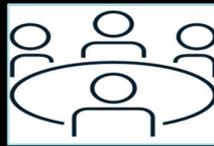
1. Company data based on responses from 67 companies categorized under "Asset Management and Institutional Investors", "Banking and Consumer Finance", "Insurance", "Payments", "Private Equity", and "Real Estate Investment Trust"
2. Employee experience data based on 3,417 responses across 5 companies

Actions we can take

Actions companies can take:



Make work more sustainable and flexible



Take a close look at performance reviews



Minimize unconscious bias



Strengthen employee communication

Actions you personally can take:



Proactively broaden your sponsorship network



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

Thank you

Read the full report: www.womenintheworkplace.com