When women win, we all win

When women achieve economic empowerment, everyone benefits – so it's time to tackle the deep structures underlying gender inequality. By **Randall S Peterson**

The evidence is clear: businesses that work to foster women's success (as well as men's) have been shown to significantly outperform those that don't. And it's not just organisations. When the number of women working increases, entire economies grow.

The United Nations estimates that the productivity gains, the increases in economic diversification and the enhanced income equality that come with female economic empowerment would translate into GDP growth of more than US$6 trillion (£4.77 trillion) for every OECD country if it could only match female employment levels in the likes of Sweden. On the flip side, gender gaps are estimated to still cost our economies a very significant 15% of GDP.

To paraphrase UN Secretary General António Guterres, when women win, we all win. And that includes men.

History, sociology, economics, personal experience all tell us that the world is not a fixed pie of opportunity. There is no set limit on the total number of opportunities available to us. Nor can we think of opportunity as some kind of win-lose dynamic where opening the door to a woman implies closing it on a man. When women win, men win too. And it starts early.

Why is business lagging?

Research by the OECD finds that boys benefit just as much as girls from a more gender-balanced household environment where chores are shared equitably.

Similarly, EU think tank EIGE has published studies into how greater gender balance in society can mitigate the kinds of gender-specific issues men face, from poorer health to lower life expectancy.

Of course, none of this is news. So why is it that in the world of business, organisations are still struggling to catch up with what research has already painstakingly demonstrated? Why is it that in 40% of the world's economies, early-stage entrepreneurship among women is 50% less than men? Why are women paid at least 30% less than their male counterparts around the world? And why are only 5% of Fortune 500 CEOs women?

The answer, I think, lies in the deeply entrenched mechanisms and structures that inherently favour men through the male work cycle.

Studies have looked at the lifespan of men's engagement with work versus the other things in their life. We know that men tend to kick off their working life on an upward trajectory, peaking in their 30s and starting to drop off by the time they hit their 50s. Women, on the other hand, peak earlier. Then they hit a trough, mainly because of a disproportionate responsibility for childcare. Women's engagement with work goes back up again later, with their earning power peaking towards the end of their career. But the majority of promotions and leadership appointments are made when people are in their late 30s – right at women's lowest point of engagement and when men are at their peak.

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If we are serious about addressing gender inequity, we need to think very differently about these deeply entrenched systems. We need to be prepared to take risks and actively pursue concrete steps to produce outcomes that favour everyone. Change is not easy, but a few organisations are doing a good job here. Among them, in the world of finance, JP Morgan is systematically reviewing its promotion criteria for implicit bias against women.

Pioneering change

In academia, Cornell University is also reassessing teaching evaluations that can influence things like tenure. Cornell's research shows that female faculty tend to score 0.5 less on a 1-5 assessment scale than men and it is actively investigating this in efforts to avoid discrimination.

In the media world, the BBC has pioneered a project that is yielding compelling results. For the past few years, BBC producers have been addressing the issue of gender representation by putting more women in front of the camera, aiming to achieve a 50:50 quota of male and female presenters and journalists each month.

The 50:50 project originated in 2017 with prime-time news programme *Outside Source*, which grew its on-air contribution from 39% women to 50% in four months. Since then a further 500 shows have signed up to the project, with 74% reaching their target by April of this year. This compares with a 2015 report showing that women made up only 19% of experts in news stories and 37% of reporters worldwide.

My colleague at LBS, Professor Aneeta Rattan, has written about the 50:50 project for *Harvard Business Review*. She says: "As behavioural scientists studying women's underrepresentation in the workplace, we know that this gender-imbalanced picture of society can reinforce and perpetuate harmful gender stereotypes. The 50:50 Project will not solve the problem of gender equality more broadly. But it shows that change can result from embracing a growth mindset, providing a simple and tangible tool for achieving change without mandating it, and giving colleagues agency and ownership over the process."

ILLUSTRATION: ANGUS GREIG

So if, as these pioneering organisations are showing us, greater gender equity in the workplace is achievable, and increasingly we know about the concrete benefits we can reap, what other obstacles are holding us back as organisations, economies and societies?

When you look at the global picture, things get more complicated. There are, of course, many parts of the world where women still don't enjoy the same basic rights as men. Then there is the current political landscape in places like Europe, the UK, the US, India and Brazil with the rise of conservative populism.

In these economies, globalisation has been good for some, but not so good for many. While the very top and bottom percentiles may have benefited, a significant majority of lower-middle and upper-working class populations have seen their salaries steadily drop over the past 20 years. Globally, we're seeing slower gains for the majority of the world's population, with the World Inequality Report highlighting an even greater concentration of economic growth in the top 1%. Great swathes of the population in the west feel like they are losing out.

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Fighting the fear

Prospect theory tells us that our fear of loss – loss of wealth, prosperity, identity or opportunity – greatly outweighs our desire for gain. If you win £10 in the lottery, you feel great. If you win £100, you feel marginally better. Now say you lose £10 to a pickpocket. You will feel terrible, for sure – but losing £100 will make you feel exponentially worse.

Put simply, losses loom larger than gains. We're more loss-averse than we are open to taking risks that will benefit us.

And when you feel like your prospects are under threat, or opportunities are tapering off, that can translate all too easily into a fear of losing out to others – including women.

But, in reality, the world is not a fixed pie. There isn't a finite number of opportunities for which we all must compete. When one person seizes an opportunity, it doesn't mean that they are seizing it from another.

On the contrary: when we share opportunities, we all grow. The real risks are in not sharing the opportunities with others.

Business only stands to lose in not empowering women. And if women have no skin in the game, if they are not given the same chances to grow and prosper as men, they have less opportunity to engage, less opportunity to contribute.

The success of any economic system is contingent on the economic stability of all of its parts. And when women win, we all win. ◻