

# **BREAK THE GLASS CEILING**

**GENDER INTELLIGENCE REPORT 2022**

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GENDER EQUALITY IN BUSINESS

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# WELCOME TO THE EXECUTIVE VERSION OF THE GENDER INTELLIGENCE REPORT 2022

The Gender Intelligence Report creates transparency about the development of gender diversity in the Swiss workplace. This publication is a cooperation between Advance and the Competence Centre for Diversity and Inclusion at the University of St. Gallen.

## **New this year – industry comparison**

For the first time, this year's report focuses on an industry comparison revealing striking differences. The results are based on the analysis of 385,000 anonymized employees' HR data from 104 Swiss-based companies and organizations – a unique data set in terms of quality and quantity, corresponding to more than 7% of the Swiss workforce.

## **Let's break the Glass Ceiling together!**

This report offers you and your teams the tools that have proven to work and create impact. For industry deep-dives and detailed recommendations, please make your management team and D&I experts aware of the full report accessible online: [advance-hsg-report.ch](https://advance-hsg-report.ch).

We wish you an inspiring read!



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**Our aim with this report is to make gender equality facts and figures transparent to everyone. It is only with this transparency that we can determine the right measures to progress faster.”**

Alkistis Petropaki  
General Manager Advance



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**We see companies advance when the following elements are in place: a clear vision and culture of inclusion, meaningful KPIs and accountability.”**

Prof. Dr. Gudrun Sander  
Co-Director Competence Centre for Diversity & Inclusion

# DOES THE "FACE" OF LEADERSHIP REFLECT THE TALENT POOL?

One of the big economic challenges in Switzerland is the growing skills shortage. According to leading researchers, the Swiss labor market will be short half a million high-qualified people in the coming years, a development accentuated by the retirement wave of the baby boomers. But is talent really that rare in Switzerland, a country with world-leading universities and one of the most educated population on the globe? Data tells a different story – one that speaks of big potential. This potential is highly educated and available, yet just not leveraged enough: women.

Remember? "Same game – different rules". This was one of the key findings of the Gender Intelligence Report 2021. Women and men encounter different frameworks when it comes to navigating the "career game". This difference in frameworks still holds true.

## "Leaky pipelines" across the board

Organizational, structural and mindset-related conditions create inequalities that lead to different degrees of labor market participation for women and men (cf. Advance Whitepaper 1-2022) as well as to imbalanced talent management.

Ultimately, this results in decreasing shares of women with each management level to currently 17% women in top management.

Considering the diversity potential of 44% women in non-management, the gap indicates heavy leaks in the female leadership pipeline.

### Gender distribution by management level

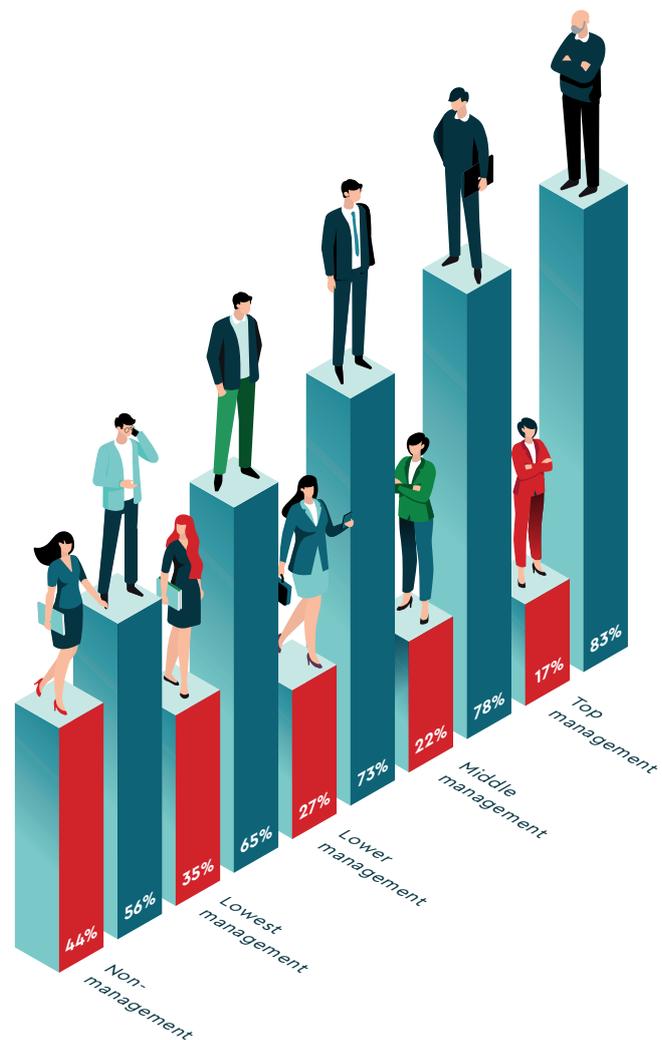


Figure 1: Gender distribution by management level

## Progress at a snail's pace

While there are considerable differences when looking at the various industries (even more so when analyzing individual companies), overall progress between 2020 and 2022 is still slow, at 3 percentage points.

### A note on progress over time

To show progress over time and allow for accurate comparability, a sub-sample has been created of 235,000 employees' HR data from companies that have participated year by year.

## Gender representation by management level 2020–2022

<b>Top management</b>	<b>+ 3% points</b>
<b>Middle management</b>	<b>+ 3% points</b>
<b>Lower management</b>	<b>+ 2% points</b>
<b>Lowest management</b>	<b>+ 3% points</b>
<b>Management overall</b>	<b>+ 3% points</b>

## Gender-equality efforts show impact

The "face" of leadership looks more gender diverse in Advance member companies compared to organizations that are not Advance members. The difference is most impressive in middle management (24% vs. 18%) and in top management (19% vs. 14%).

## Gender distribution by management level

### Advance member companies



### Top management



### Middle management



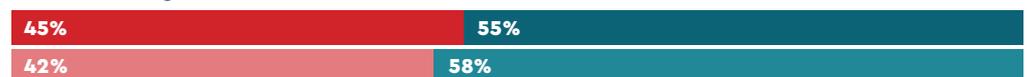
### Lower management



### Lowest management



### Non-management



### Non-Advance member companies



Figure 2: Advance member companies vs. non-Advance members

# ARE WE SHORT OF TALENT OR TALENT MANAGEMENT?

Companies often complain that there is not enough qualified diverse talent in the labor market. However, with 44% women in non-management, companies actually have the gender-diverse talent they need. The real problem is less a shortage of talent, but the "leaky pipeline" that comes from a lack of diversity-conscious talent management. The good news is: This lack of talent management can be solved.

## Female talent pipelines are much less "leaky" in some industries than in others

While the industry spread with regards to the actual shares of women per management level may not come as a big surprise – considering the different preconditions in terms of incoming talent – the view changes dramatically when we look at how well the industries are utilizing their female talent pipelines.

The MEM\* and Banking industries, for instance, have 16% women in middle and top management.

Yet the MEM industry achieves this result based on a much thinner pipeline of only 19% women in lower and lowest management, compared to Banking with 31% in those lower management levels.

This example shows that the MEM industry is leveraging its gender diversity potential better than Banking, where the female talent pipeline is underutilized.

### Percentage of women by industry and management level

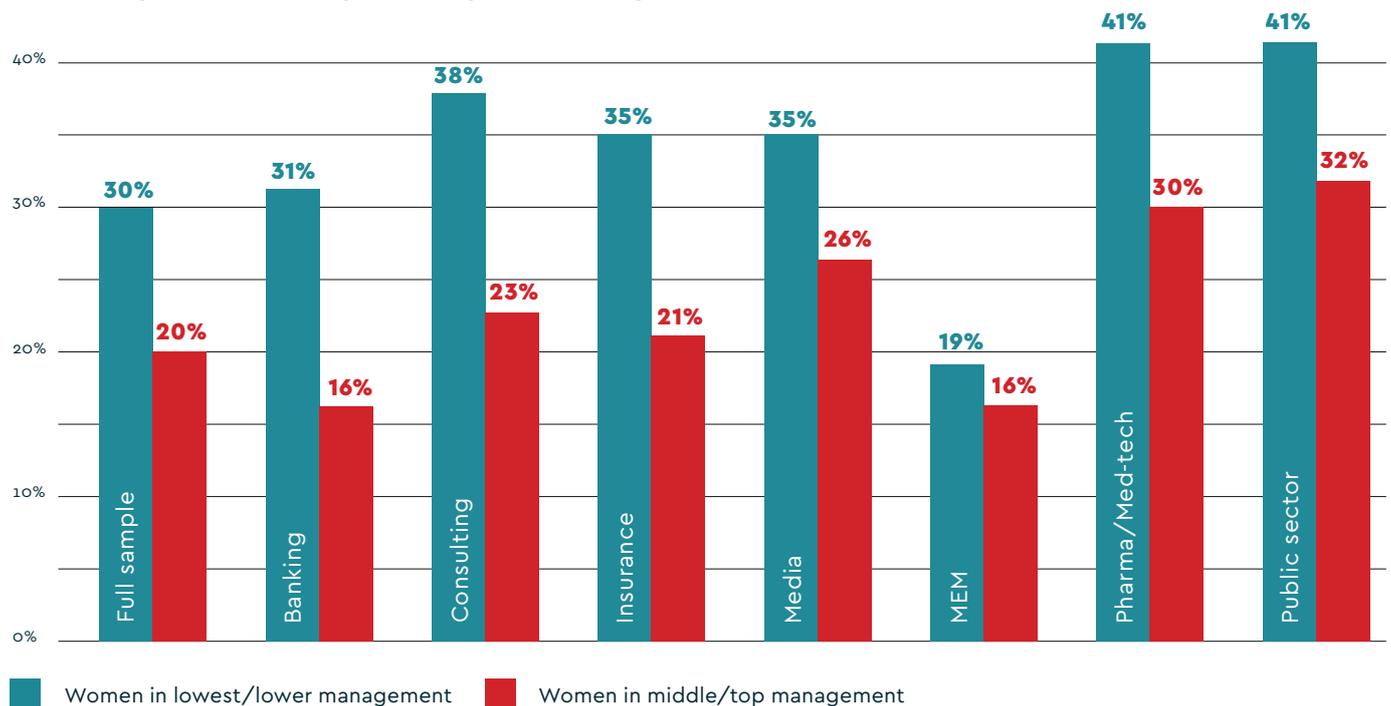


Figure 3: Percentage of women by industry in lower/lowest and middle/top management

\* MEM industry, as used here, includes machine, electrical and mechanical engineering companies as well as other companies with similar structures and in related fields.

## The MEM and Pharma/Med-tech industries excel in managing their female talent

The Glass Ceiling Index (GCI) is the key performance indicator for gender-equitable talent management. Gender-equitable means: in line with the respective shares of women and men in the pipeline. Ideally, the index is at 1.

The higher this index is, the less equitably pipelines are managed, and the more underrepresented women are in middle and top management. In other words, the GCI indicates how well companies are utilizing their talent potential.

### Glass Ceiling Index for middle and top management by industry

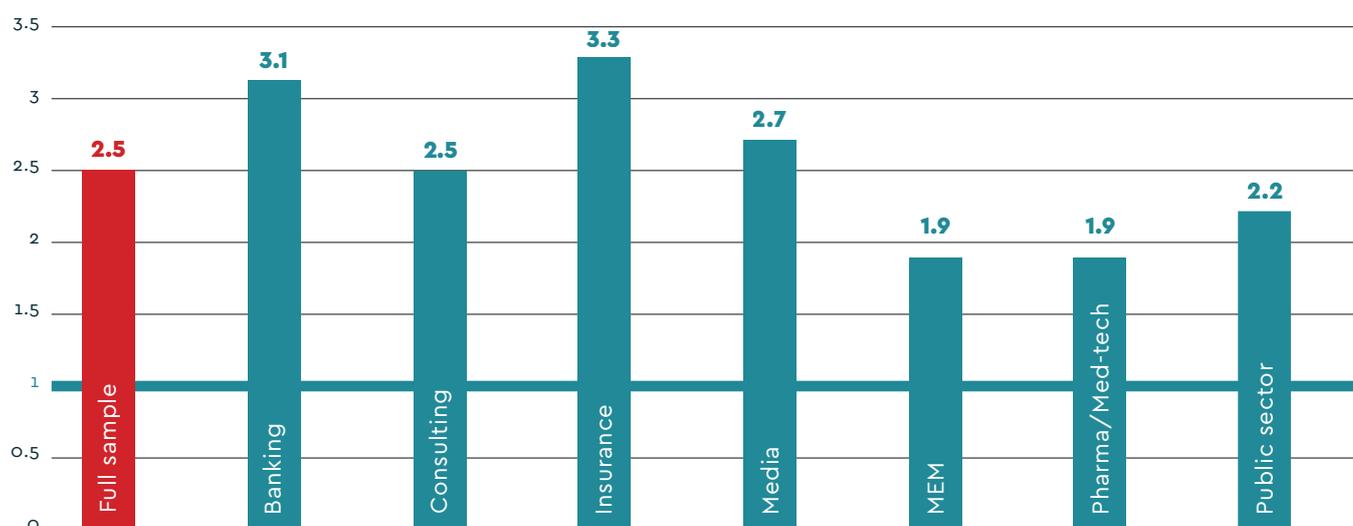


Figure 4: Glass Ceiling Index for middle/top management by industry

It might be surprising to see that the MEM industry is best in class with Pharma/Med-tech regarding the Glass Ceiling Index, as this industry struggles with a notoriously thin female talent pipeline. However, as evidence shows, this industry manages to make the most of their talents by developing and hiring a more significant proportion of women into upper management levels. This utilization of talent contrasts with an industry such as insurance, which has the highest GCI at 3.3.

### Based on best-in-class performance, full parity could be reached in 20 years!

If all industries (the full sample) were to hire and promote at the same rate as the MEM industry, we would reach 41% women in overall management by 2030 (up from 27% in 2021). Full parity could then be reached in 2042! However, if we continue at the current pace, it will take another 100 years until we get there.

# ARE WE CONSCIOUSLY CLOSING THE EDUCATION AND POWER GAPS?

For the first time, the report has also analyzed educational profiles by gender and management level across industries. The emerging pattern shows the largest education gaps in Banking, Consulting and, to a lesser degree, Insurance. The gap in education contributes to the power gap: Men still hold the majority of positions with personnel and profit & loss (P&L) responsibility.

## The worse the Glass Ceiling Index, the bigger the power gap

As an indicator of the range of influence and power, personnel responsibility is to a large extent in the hands of men on all management levels. The power gap shows the difference between the proportion of men with personnel responsibility (in relation to all men) and the proportion of women with personnel responsibility (in relation to all women).

Looking at the industry spread in this respect reveals interesting differences.

### Power gap vs. Glass Ceiling Index by industry

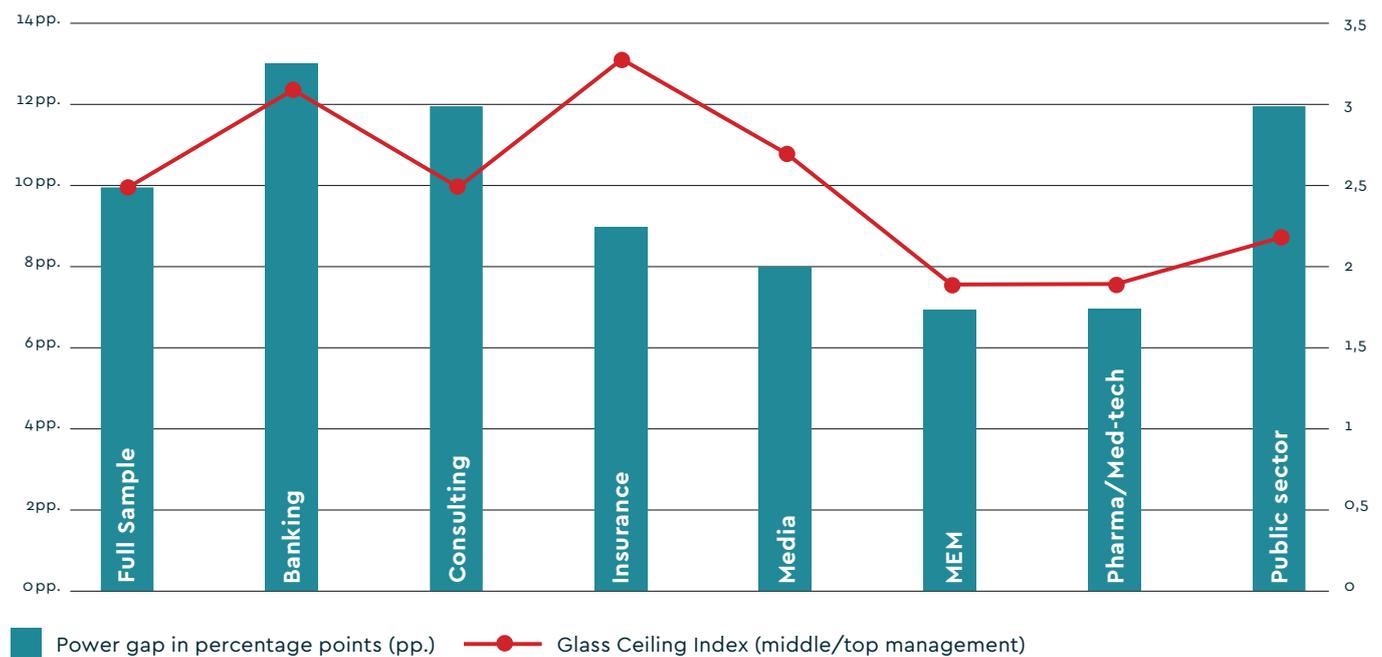


Figure 5: Power gap vs. Glass Ceiling Index (middle/top management)

With the exception of the Insurance industry and the Public sector, the power gap reflects the GCI-curve. While we see one of the lowest power gaps at 7 percentage points in the MEM and Pharma/Med-tech industries – both demonstrating a good GCI – the gap is biggest in Banking at 13 percentage points.

This insight underlines the importance of consciously bringing female talent into positions with personnel and P&L responsibility early on. The more evenly such positions with influence and power are distributed among the genders, the better the GCI, and the more women will reach the top.

## Personnel responsibility by gender and management level

Considering the full sample, women's share of positions with personnel responsibility remains between 10% and 15% on the various management levels, whereas men's share increases consistently with each higher level. This pattern shows that the power gap increases with each management level.

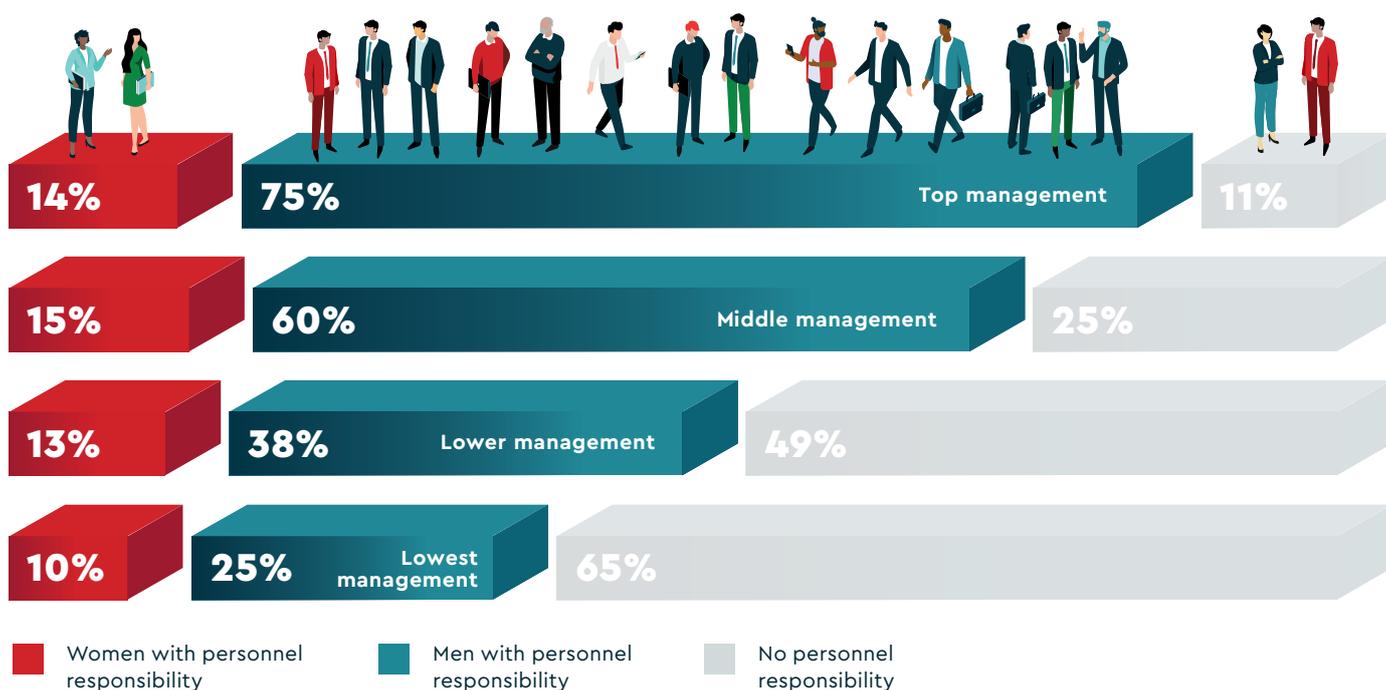


Figure 6: Personnel responsibility by gender and management level – full sample

## Industries with a worse Glass Ceiling Index tend to show bigger education gaps

A tertiary degree is the norm to attain a management position. In non-management, women are less likely than men to have tertiary degrees in most sectors. This imbalance could level out in the near future as by now, there are more women than men completing their education with a tertiary degree.

There are exactly as many women as men with a tertiary degree (47% each) in the age group 30 and younger. However, in the age group 50 and older, there is a significant education gap of 22 percentage points: 41% of women and 63% of men hold a tertiary degree.

It is striking that the most significant gaps in education and positions with power appear in those industries where the GCI looks the worst. These industries are where the hurdles for women to reach the top are the steepest: Banking, Consulting, and Insurance.

One explanation for the education gap in these industries could be a gender bias in hiring: Women are more likely to be hired for positions without career development perspectives.

# THE MORE SWISS, THE LESS GENDER-DIVERSE?

**Striking fact:** The performance in gender equal talent management as shown by the GCI, reflects the share of Swiss employees in the different industries.

## The more Swiss, the worse the Glass Ceiling Index

Data shows: The more "Swiss" companies are (in terms of numbers of Swiss vs. non-Swiss employees), the more women are underrepresented in management. This indicates that the Swiss culture continues to pose difficulties for women to thrive in management careers. This is less pronounced in the Public sector because of its traditionally high percentage of Swiss employees. At the same time, this sector was one of the first to actively drive gender diversity.

### Nationality vs. Glass Ceiling Index for middle and top management by industry

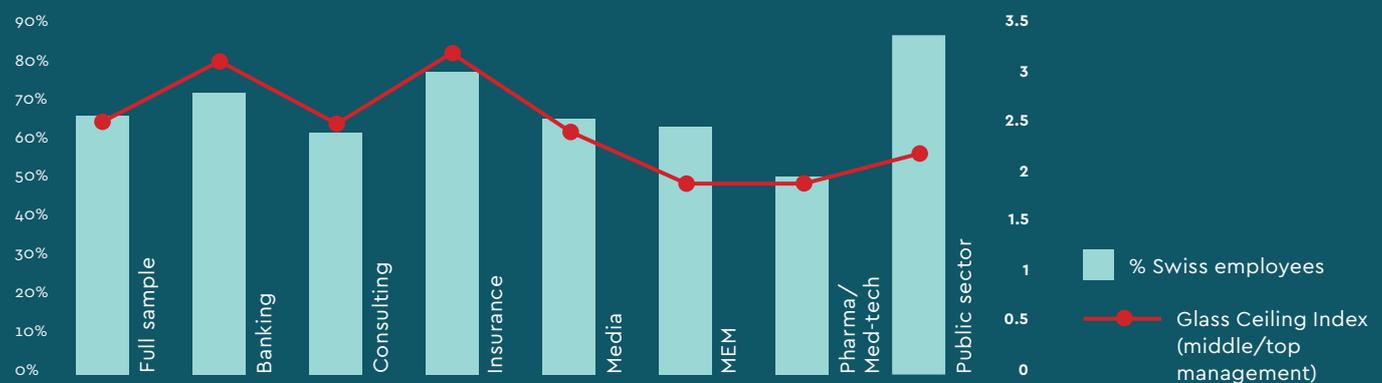


Figure 7: Nationality vs. Glass Ceiling Index (middle/top management)

## Part-time gap reflects the Glass Ceiling Index

The very common part-time employment among Swiss women may likely contribute to the result shown in figure 7, as part-time is not conducive for a management career. In (higher) management levels, full time is clearly the norm in Switzerland. The GCI tends to look worse in those industries with a bigger part-time gap.\*

This points to the importance of consciously enabling and encouraging female talent to sustain substantial employment rates – especially in the so-called "rush hours of life" – while offering maximum work flexibility. At the same time, normalizing paternity leave and partnership models around family and career remains a vital culture change task.

### Part-time gap vs. Glass Ceiling Index for middle and top management by industry



Figure 8: Part-time gap vs. Glass Ceiling Index (middle/top management)

\* The part-time gap shows the difference between the proportion of women who work part-time (in relation to all women) and the proportion of men who work part-time (in relation to all men).

## The Swiss female pipeline leak is three and a half times as big as the one for non-Swiss women

The notion that there is a specifically Swiss cultural element at play is strengthened when we look at the development of Swiss vs. non-Swiss women along the leadership pipeline. Whereas the leak for non-Swiss women from non-management to top management lies at -6 percentage points, it amounts to a staggering -21 percentage points for Swiss women.

### Representation of gender and nationality by management level

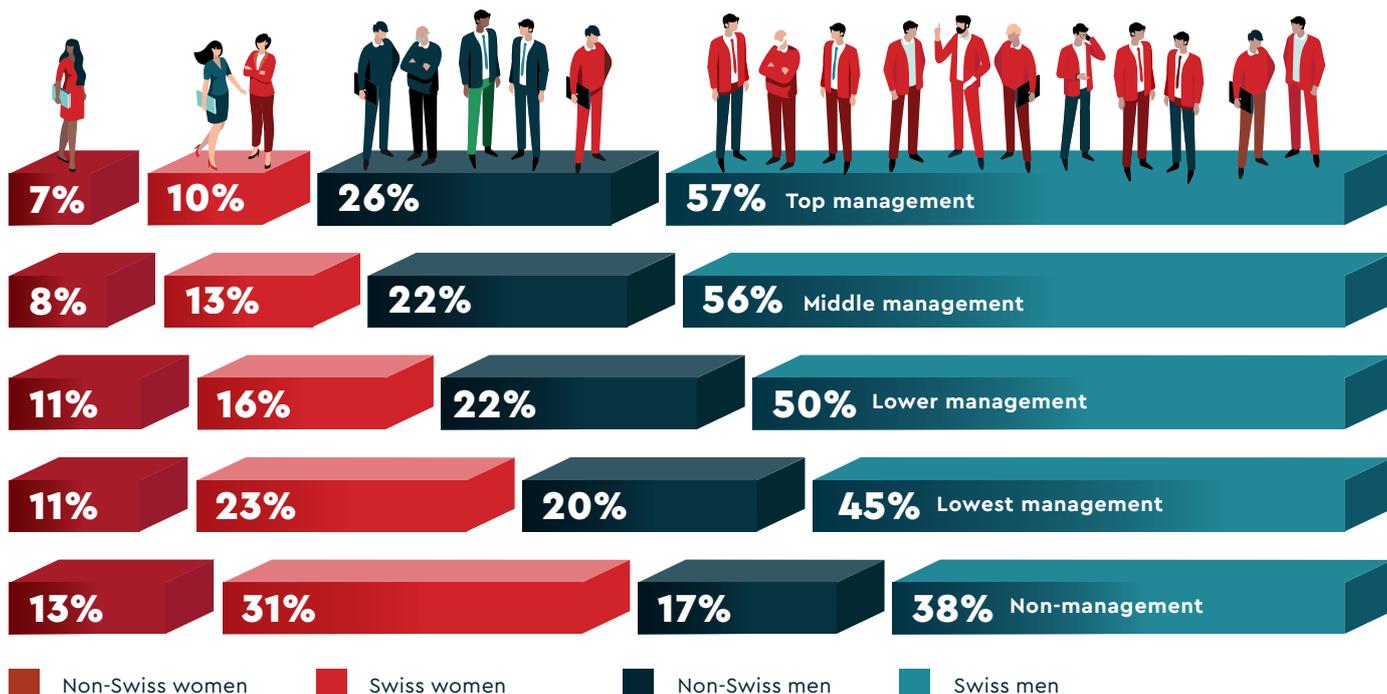


Figure 9: Representation of gender and nationality by management level – full sample

## Swiss frameworks among the reasons for this leak

A likely explanation for the Swiss female pipeline leak are the structural, cultural and societal frameworks in Switzerland, which still incentivize traditional heteronormative gender roles with a full-time male breadwinner and a mostly part-time working female partner.

While this model may have been adequate – and affordable – in the past, the indicators are piling up fast that it will not be sustainable in the future. This lack of sustainability is in consideration of the rising demand for skilled talent and the many challenges that demographic change brings, such as pension fund gaps.

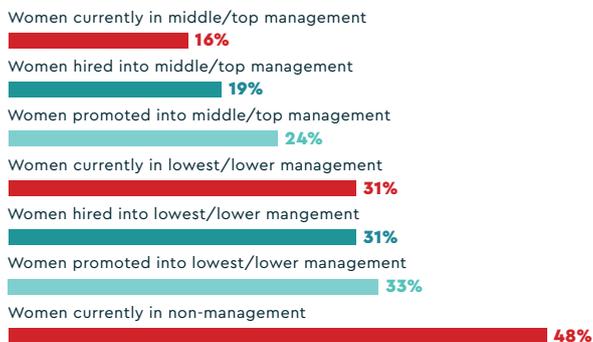
In today's society, individual economic sustainability needs to become a priority for women too, even more so after the recent change in the Swiss divorce law according to which a former husband is no longer obliged to financially support his former wife.

# HOW WELL ARE DIFFERENT INDUSTRIES UTILIZING THEIR TALENT PIPELINES?

Each industry has its unique challenges, specific cultural traits, and different starting points. Therefore, it is compelling to compare how they perform in utilizing their internal and external talent potential via promotions and recruitment.

**How to read the charts below:** In order to increase the female representation on a certain management level, the percentage of female hires and promotions should be higher than the current percentage at this level. To utilize the talent pipeline well, the percentage of female promotions should correspond to the percentage of women at the management level below.

## BANKING INDUSTRY



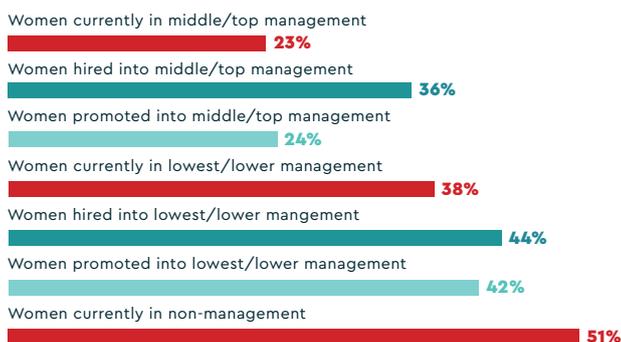
**Promising fact:** The talent pipeline is bursting with young female talent: 45% of women in lowest and lower management are 40 or younger.

**Main challenge:** The Banking sector is significantly underutilizing its diverse internal talent pipeline compared to most other industries.



Industry deep-dive Banking

## CONSULTING INDUSTRY



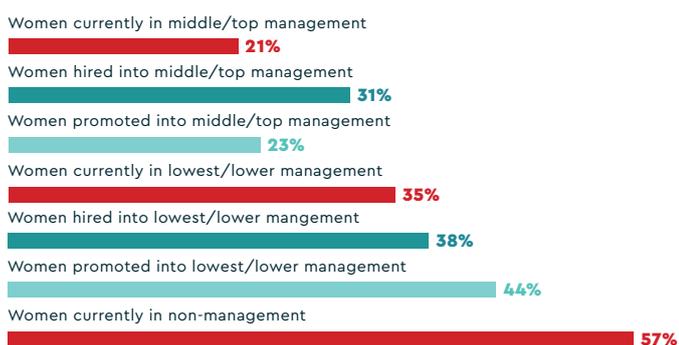
**Promising fact:** External recruitment significantly increases the share of women in middle and top management: 36% of new hires at this level are women.

**Main challenge:** The internal talent pipeline is underutilized. In no other industry is the "leak" from middle to top management as big as in Consulting.



Industry deep-dive Consulting

## INSURANCE INDUSTRY



**Promising fact:** This industry has one of the strongest female representations at the base (57%) and one of the biggest shares of female hires into lower/lowest management (44%).

**Main challenge:** Insurance displays one of the biggest education gaps – especially in young talent. Are men hired for leadership and women for "assistant" roles?



Industry deep-dive Insurance

### MEM INDUSTRY



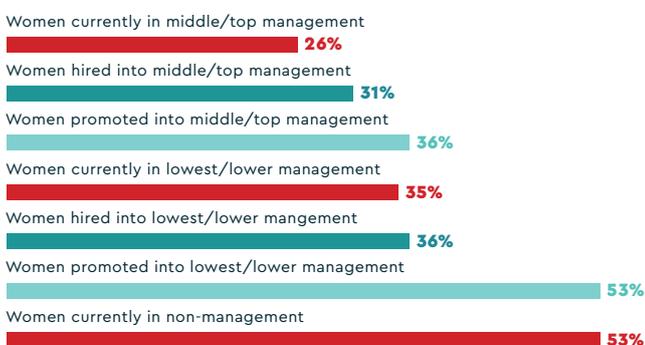
**Promising fact:** The MEM industry is fully utilizing its (thin) female talent pipeline for promotions and hiring to increase the share of women across all management levels.

**Main challenge:** Increasing the number of incoming female talent keeps being difficult. The strong full-time culture in this industry may turn out as a stumbling stone.



Industry deep-dive MEM

### MEDIA INDUSTRY



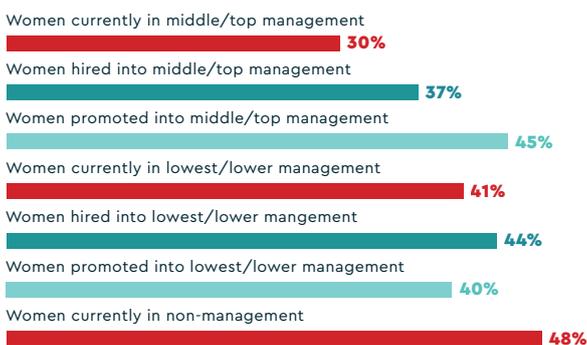
**Promising fact:** Promotions work well for all management levels in Media. Noteworthy: This is the only industry in which women in non-management are higher educated than men.

**Main challenge:** Hiring is not utilized to increase the share of women in lowest and lower management. Interestingly, the hiring gap is particularly high between 31 and 40 and much smaller between 41 and 50.



Industry deep-dive Media

### PHARMA/MED-TECH



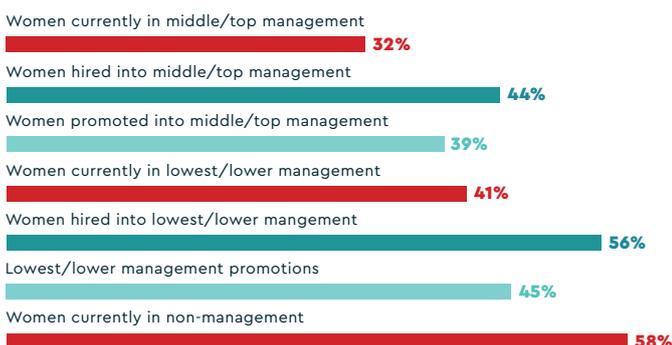
**Promising fact:** This industry excels in utilizing its internal talent pipeline to increase the share of women in middle and top management. Not by chance: Pharma/Med-tech is an inclusion leader.

**Main challenge:** Employment percentages are high across all hierarchy levels and age groups. This indicates a strong full-time working culture that may be unattractive to diverse employees with diverse needs.



Industry deep-dive Pharma/Med-tech

### PUBLIC SECTOR



**Promising fact:** Women are slightly overrepresented in new hires into management: The "typical" new management hire is female, Swiss, and between 21 and 50 years old.

**Main challenge:** Promotions still favor men: The "typical" employee making the move into management is Swiss, male, between 31 and 40, and has a tertiary degree. Women's part-time tendency may well play a role in this.



Industry deep-dive Public sector

# WHAT IS IT THAT HIGH PERFORMERS DO DIFFERENTLY?

Based on the rich insights gathered from the industry analysis, we distilled key success factors underlying high performance. These success factors are derived from what proves to work in organizations and industries with a good Glass Ceiling Index and a high degree of diverse talent utilization. So, what is it that high performers do differently?

TO BOOST DIVERSITY AND INCLUSION,  
ANCHORING BOTH IS KEY

Champions internalize the interconnectedness of inclusion and diversity. The more both are anchored in the corporate strategy, the better the GCI. Pharma/Med-tech is clearly a leader here, whereas the Banking industry and the Public sector are much more likely to anchor diversity over inclusion. Inclusion is the means, diversity the end.

INCLUSION TARGETS FOR MANAGERS  
PROVE GAME-CHANGING

In the two industries with the best GCI – MEM and Pharma/Med-tech – inclusion goals for managers are standard. Holding managers accountable for inclusion not only matters, it proves to be a veritable game changer. Of course, this entails enabling managers to act, communicate, and lead their teams in an inclusive way and outline clear consequences if they don't. Examples of such inclusion goals can be: "Ensure a sense of belonging for all your direct reports and check via a quarterly pulse", "Actively engage in an ERG of your choice", "Act as a mentor for at least 1 person from an underrepresented group".

PROMOTING AND HIRING FOR INCLUSION SKILLS  
HAS AN IMPACT

Organizations in industries with a good GCI tend to use inclusion skills as criteria in key HR processes such as promotions and to a lesser extent recruitment. New hires and newly promoted managers provide an opportunity to ensure that leadership lives up to inclusion as a strategically important value.



For inspiration on what works in other companies, visit the rich selection of Best Practices published with the Gender Intelligence Report.

## EXCELLING ORGANIZATIONS HIRE WOMEN

## WITH LEADERSHIP ROLES IN MIND

The gender gap regarding educational backgrounds and roles with personnel responsibility is considerably smaller in those organizations that belong to the two industries with the best GCI. They manage their pipelines more gender-equitably and hire women with leadership potential in mind.

## LEADERS IN GENDER EQUALITY AND INCLUSION

## RECOGNIZE SPONSORSHIP AS KEY

Sponsorship is a highly effective and common practice in most leading companies. Sponsorship means that senior leaders spot female talent with potential, show interest in their work and achievements, and actively create opportunities for them to thrive and develop.

## PARENTAL LEAVE AND SUPPORTING ALL PARENTS

## AT WORK MATTERS GREATLY

Living up to gender equity standards is particularly relevant for the age group 31 to 40 when family prime-time starts. It is here where female talent is most "at risk". Gender equality leaders have implemented proactive initiatives supporting working parents in addition to offering flexibility, part-time, and parental leave. Some organizations even make it mandatory for fathers to take their leave.

## High performers systematically integrate inclusion and diversity in all organizational dimensions

As equality (or inequality) is a systemic topic, it should be no surprise that the champions show systematic integration of inclusion and diversity in processes, structures, and their culture.

Pharma/Med-tech as the industry with the best Glass Ceiling Index overall, in middle and top management and in lower and lowest management stands out at championing inclusion in nearly every key performance indicator relevant for D&I performance:

- ✓ anchoring inclusion in the corporate strategy
- ✓ measurable organization-wide inclusion goals
- ✓ inclusion goals for managers
- ✓ inclusion competencies as a criterion for promotion and recruitment
- ✓ offering parental leave (i.e. shared leave entitlement) and offering it longer than the legal minimum required

# INCLUSION IS THE NAME OF THE GAME – HERE IS HOW YOU PLAY

Inclusive leadership is one of the keys for sustainable diverse talent management. Apart from anchoring it in processes and policies, it is ultimately leaders' behavior that makes the difference. As the concept is still relatively new in Switzerland, you may find guidance in CCDI's House of Inclusive Leadership Framework along four dimensions, enriched by concrete behavioral inspirations for typical daily business situations.

## CCDI's House of Inclusive Leadership Framework

### 1. BECOME INFORMED

An inclusive leader values the uniqueness of each employee. This value is derived from an informed view of the (past and present) systemic, institutional, and individual injustices that impact a diverse employee's experiences in professional and personal settings. As an inclusive leader, educate yourself (cf. recommended reads and podcasts below).

### 2. GAIN INSIGHTS

Nothing compares to listening to real-life experiences. Talk and listen to diverse team members, be open and curious instead of assuming.

### 3. MITIGATE ISSUES

Based on what you have learned in exchanges with people from minority groups (women in management included), actions may be needed to mitigate issues employees face. Typical issues concern (unconscious) biases, microaggressions, gaslighting, or overt acts of discrimination.

### 4. CREATE INSPIRATION

The fourth dimension calls upon leaders to carry the torch and champion inclusion not only by role modelling inclusive behavior but also by proactively making it a topic and openly talking about it.

For more in-depth guidance on Inclusive Leadership, visit the full report here.



## Recommended reads and podcast

Good Guys – How Men Can Be Better Allies for Women in the Workplace, David G. Smith & W. Brad Johnson (2020, Harvard Business Review Press)

Showing Up – How Men Can Become Effective Allies in the Workplace, Ray Arata (2022, Diversion Books)

Our Racism, Podcast to hear directly from diverse voices who share their experiences ([www.ourcontexts.org](http://www.ourcontexts.org))

## Behavioral inspirations for typical business situations

### WHEN INTERACTING WITH YOUR TEAM

- Go for inclusive personalities for your team. If you have "excluders," take dedicated interventions. Transparent inclusion targets for each manager are the best-in-class practice.
- Consider introducing an "inclusive code of conduct", co-created by your team, to be used in daily business situations such as meetings.
- Yes, it's achievers you want to promote. Go for those who have inclusion skills as well.
- Consciously sponsor diverse talent with leadership potential. Create opportunities for them to grow, network and gain visibility.
- Speak up when noticing inadequate behaviors towards any of your colleagues. Try doing it in a non-judgmental way, as very often people are not aware or don't do it intentionally. You can start like this: "I noticed you said [...] to person X. What did you mean when you said...?"
- Create psychological safety for people to thrive, learn, speak up and innovate. Key ingredients of psychological safety are being open, non-judgmental and respectful.

### WHEN REVIEWING PERFORMANCE

- Be mindful of non-discriminatory wording and consciously encourage inclusive behaviors. A positive example is: "[Employee] exceeds the standard by including voices of all team members during meetings."
- Be curious rather than assuming. A helpful way to start is by asking: "How are you coping with [...]?", "What would you need to feel and do better?"
- Keep biases in mind and back your evaluations with facts; switching your perspective is a great way to verify your appraisals.
- Put yourself in the shoes of the other and empathize with feelings of disappointment or failure. Offer your support to help pick someone up after they fall. Mistakes are great opportunities to learn.

### WHEN DEALING WITH "SILENT" OR "TOO LOUD" EMPLOYEES

- Interrupt the interrupter when someone's airtime is repeatedly cut short.
- Proactively ask those who tend to be more introverted (and often silent) to prepare contributions to the discussion in advance.
- Be mindful of equal airtime for all genders – you may even give someone the role of "timekeeper", flagging if someone grabs the floor too much at the cost of others who may have relevant contributions.

### WHEN MAKING A MISTAKE YOURSELF

- Leaders often find it difficult to own up for mistakes, as many have internalized that leaders "ought to be invulnerable and know it all".
- Owning one's mistakes without armoring up and finding blame elsewhere is a sign of courage, role models a healthy error culture, and will encourage others to do so too.



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# JOIN THE MOVEMENT!

## – Together, we #advance faster!

In cooperation with the University of St. Gallen, Advance is continuously developing diversity insights and resources to support companies along the way.

- Find valuable in-depth guidance in the full version of the Gender Intelligence Report, and check out a rich selection of Advance member companies' best practices.
- Explore the Advance program including C-Level exchanges, skill-building offers, awareness trainings and campaigns, high-level mentoring and many more membership benefits.
- Consider participating in the St. Gallen benchmarking for deeper in-company analysis and cross-company comparison.

Read the  
full report here.

