

Introducing...

THE SSON 2018 DIVERSITY REPORT

The Gender Issue



With thanks to our contributors...



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SHARED SERVICES &
OUTSOURCING WEEK

A note from the Editor.



Barbara Hodge
Global Online Editor, Shared Services & Outsourcing Network (SSON)

How is Gender Diversity within Business Services Being Embraced?

This question is one many corporate leaders have been asking themselves over the past year. Spurred on by the exposure of shameful practices and pay inequality that are snowballing across the global business landscape, the issue of diversity and inclusion has been given a much-needed shot in the arm.

Against this backdrop, SSO Week Event Director Hannah Reeve, and I recently hosted an online discussion on how shared services organisations are handling diversity. While the obvious reaction is to adopt a 'women' moniker and analyse workforce demographics and management representation on the basis of gender, the real issue at stake, as it emerged, is bigger than this.

A note from the SSON Event Director, Hannah Reeve.



Dear Reader,

I am delighted to welcome you to SSON's first ever Diversity in Business Services Report!

This report was born off the back of feedback from our female and male delegate cohort received at our events last year that we (and the wider conference industry) need to work harder to ensure more gender diversity. I am now thrilled to say that we have a more gender diverse speaker faculty in 2018 than ever before, as well as having our big Ideas Speaker as the inspirational Cathy O'Dowd, the first woman to climb Everest from both sides.

"Shouldn't you just find the most inspirational speakers with the most interesting stories?"

To a certain extent, yes, and the women speaking at SSON events have all been chosen based on their involvement in inspirational business change initiatives. However, when more women than men work in Business Services globally, but only 14% of it's Directors in Europe are female, and with 80% of women in the UK thinking gender discrimination occurs in the workplace, I feel the onus is on organisations like SSON to be championing, promoting and celebrating female leadership.

"I don't feel that gender stands in the way of my career"

Several of the people we spoke to for this research identified with the above statement, which is heartening to hear. However, if we take into account that in the UK alone 80% of employers who have registered their gender pay, pay men more than women, these women are in the minority or are unaware of sexist practices). It is impossible to deny the fact that there are numerous societal issues which give women fewer opportunities to climb the career ladder.

Upon reading this article, one of the most interesting things for me to read about was Men Advocating Real Change (or MARC) that reminds us all that in order to address the power dynamic, change needs to happen at all levels. I urge you to share this article with your bosses, and to visit onthemarc.org, to learn how diversity and inclusion activities within your organisation can target men.

I hope you enjoy reading,

Hannah

On our call, we were joined by representatives of Central and Eastern Europe operations, UK operations, and Global operations, from FTSE and NYSE-listed global enterprises. What stood out was that although gender seems the obvious criteria, most of the participants pushed back vehemently against focusing on it as the key determinant of diversity.

“We have a ‘Women in [corporation] initiative within our enterprise, but it’s not something that I subscribe to,” explained a global GBS participant. “That focus tends to dilute the real issue at hand, namely, whether we are being inclusive as a corporation and adequately supporting diversity in and across our ranks.”

Another participant with a global role takes it a step further: “When you talk about discrimination, the real issues within the shared services landscape are with nationality, age – and yes, gender, discrimination. But gender alone is not the main issue at stake.”

Cultural prejudice?

From a shared services perspective there are some additional inter-company relationships that need to be re-evaluated through the lens of diversity: first, the servant/master relationship, where it holds, inherently undermines the value of shared services; and secondly, for centres in low-cost regions, the tendency is still to measure contribution primarily in labour arbitrage. These ‘cultural’ prejudices are reflected in many quarters. The concept of ‘lesser partner’ may have taken root under the historic scenario of off-shoring transactional activity, where captive centres were seen primarily as distant, alternative providers of grunt work. Today, as the head of a CEE-based GBS recently told me, there are still remnants of this kind of thinking that are seriously hindering the evolution of shared services as a lever for value.

The data behind ‘gender’

Diversity implies inclusiveness of race, religion, age and gender. All commendable and worthy of deeper analysis.

Let’s take gender. If we take a look at the data, what emerges clearly is that while there are more women working in shared services overall, senior leadership demographics tilt clearly towards men. (Anecdotally, within BPO operations, women in managerial positions are even rarer – if at all present.)

The table below breaks down gender across all shared services roles:



Regions	Female	Male
Africa	33%	67%
Asia	31%	69%
Australia and New Zealand	38%	64%
Europe	50%	50%
Latin America	20%	80%
Middle East	20%	80%
North America	44%	56%
Job Titles	Female	Male
Managers	40%	60%
Directors	26%	74%
Head of Centres	24%	76%
Chief	25%	75%

Source: Analysis of LinkedIn Shared Services roles; by SSON Analytics

The table below identifies the percentage of shared services roles held by women across different regions and leadership positions:

Region	Chief	Head	Director	Manager
Africa	0%	43%	14%	43%
Asia	2%	30%	29%	39%
Australia and NZ	0%	0%	20%	80%
Europe	0%	50%	14%	36%
North America	5%	11%	50%	34%

Source: Analysis of LinkedIn Shared Services roles; by SSON Analytics

At the leadership level, particularly in Western Europe, women are still under-represented, explained one participant. “But we have taken a progressive approach to dealing with this.” Men tend to feel they

need to be invited into diversity discussions, so efforts are being made to design collaborative groups that reach across the workforce.

"We try to avoid the 'women' moniker and have set diversity and inclusion objectives and invite everyone to join," explained an SSO leader. "We brand our effort around a positive work/life balance, and drive initiatives that aid the goal of a more diverse workforce. We need systems that deliver equality in progressing people through the ranks."



Leaders like Geeta Malhotra, believe that "the world is out there for women to capture in Shared Services."

In her current role, Geeta says, she enjoys not only sponsorship from the CFO but equally, support from the broader organisation to this 'new' way of working. "I in no way feel that gender is standing between me and the value I can drive for Avon. The team, including male colleagues, are very respectful and collaborative." She has similar experiences at her previous organisations Geeta says, which included Genpact and IBM.

But while opportunities are certain-

ly there, results are still unbalanced. Recent announcements in the UK exposing the gender pay gap across thousands of companies is raising awareness on this thorny issue. This problem really points back to the system of how (or whether) diversity is being driven – and that the system has failed those thousands exposed in the recent salary report. "The only way to address this systemic problem is through people development and compensation systems that are fair and transparent," was one solution put forward.

Hannah Reeve, European Event Director for SSON, sat down with Kamila Grembowicz to speak about gender diversity within Business Services.

Do you think women are under-represented within SSO leadership positions?



community.

I think representation of women in SSO leadership is proportional to other areas within the wider business

"In many countries and companies female leaders account to less than 20%."

15 years ago, when the SSO industry started to build, most women were starting in lower level positions. Now, after 15 years, many of us have grown into leadership roles.

However, I do observe that, in cases where Head of Shared Services or GBS is treated as a strategic position, companies tend to put men in this role.

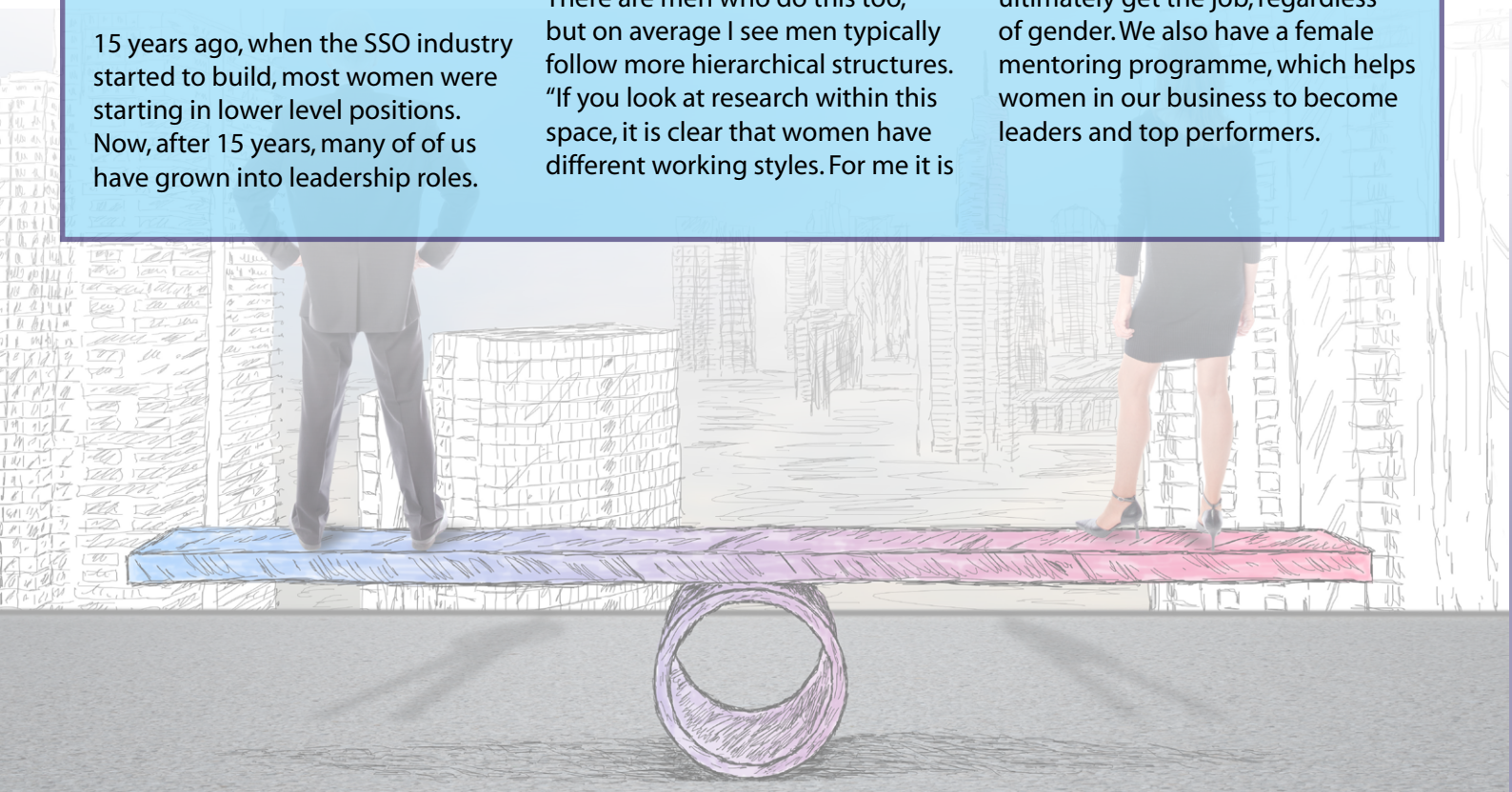
Do you think the qualities women bring to leadership differ to men?

Women often bring a fresh perspective, and a different point of view. We tend to build networks and relationships differently to men and often overlook hierarchies and connect with people at all levels. There are men who do this too, but on average I see men typically follow more hierarchical structures. "If you look at research within this space, it is clear that women have different working styles. For me it is

important that someone's personal style is in line with the culture and values of the organisation. When this is the case, both male and female leaders are effective.

What are you doing to promote diversity in your organisation?

We ensure that for every job we post we have a shortlist of both female and male candidates, so that both men and women are considered, and given equal chance. Of course, the best person will ultimately get the job, regardless of gender. We also have a female mentoring programme, which helps women in our business to become leaders and top performers.



Diversity drives business benefits

Embracing diversity is key to success for executives like Maciej Piwowarczyk, Global Leader of F&A, GBS, at Discovery Communications. Maciej is something of a poster child for today's Shared Services leader: born in Poland, but a global citizen, he derives great joy from leading operational teams across, literally, all continents.



"The energy I gain from the diversity I come in touch with daily is what drives me in my job," he explains. "This diversity is absolutely vital to getting the best out of my teams and to deliver job satisfaction globally."

What's important, he emphasizes, is that diversity should not be a top-down dictum, but embedded in the corporate structure and reflected across all aspects of work – countries, points of view, and hierarchy. "What counts is how this policy is reflected in company values and leadership style. At Discovery we certainly feel this new culture – but in the past, at other organisations, I have experienced quite the opposite. And it did not feel right."

That is a sentiment Stephen Caulfield, VP of DELL EMC's Global Services, identifies with. Stephen heads Dell's Bratislava site of 1800 staff, carrying out a variety of global functions including Finance, Sales & Marketing, Services, HR, Legal etc. He has taken a leading role in Dell's Diversity and Inclusion activities, particularly in driving the MARC (Men Advocating Real Change) programme across the enterprise.



"I was asked to take this on by our regional president, a few years ago. He asked me to attend a conference hosted by Catalyst, and design a strategy for Dell.

I wasn't sure what I was getting into, in all honesty, but once I was exposed to Catalyst's work, I was a quick convert."

Catalyst is an NGO established to promote gender diversity, initially with little impact. However, once it changed its strategy from addressing primarily women (who were, after all, not the main problem) to addressing primarily men, that the needle began to move. Catalyst launched MARC (Men Advocating Real Change) under the guidance of Bill Proudman, who was very specific about the demographic MARC was targeting, and its mission: White men as full diversity partners. More specifically: "Middle-aged white men" were the key group to win over – in other words, the majority of executives with leadership responsibilities around the world.

What Stephen experienced at his first meeting was nothing short of an aha moment. "I expected to be handed a manual and be given training, but what I got was a huge dose of awareness and introspection that highlighted our unconscious biases."

What Stephen learned the importance of dominant/subordinate group dynamics.

"It's important to recognize the inherent bias in our workplace and ourselves, but that does not mean bias is negative. It's just something that exists. Being aware of bias simply means being conscious of the impact you have on others and doing something about it."

It's tempting to explain away the relatively low numbers of women in senior management positions as the result of insufficient numbers of women applying for jobs. But not the whole story, "In the late 1990s," says Stephen, "the Harvard Business School analysed the requirements outlined in job descriptions, against people who applied for them. An interesting finding was that:



"If men could demonstrate one out of four requirements, they would apply for a job. If women could demonstrate three, they still tended not to – because they were missing a 'key' requirement."

The point is, he continues, you simply cannot take a passive approach to explaining the gender discrepancy within corporations. The duty falls on companies to ensure they have a robust, gender-diverse pipeline to choose from. "That also means recognizing that the terminology that we have all come to accept as normal in job descriptions – team player, confident, strong, aggressive, and other sports analogies – is notably biased towards males; it also means the onus is on corporate leaders to encourage women to apply for positions, where they are a good fit. "If 50% of your best candidates are not applying for a job, how are you sure that you are choosing the best candidate for the position?"

Dell have implemented a Culture

Code that is embedded in its leadership principles. This code encourages a break from the past, by actively promoting characteristics like humility, selflessness, etc. "The era of the Wolf of Wall Street character – the alpha male beating himself on the chest – is rapidly coming to an end," says Stephen. "Millennials don't buy into this vision of leadership, and they are already the largest single demographic in our workplace."

Managing this transition won't be easy. There is still a significant and dominant group that refuses to accept gender is an issue, and that believes these discussions only take the focus away from the real business. The trick is not to meet them head on but to draw them in via osmosis, says Stephen. The most effective approach is to sell the business case. "And this is really significant," he adds. The most significant factor

is that customers don't necessarily reflect the look and feel of this dominant group. "Let's face it, your customers are not all like you." "Increasingly customers demand that you share their ideals. It's becoming somewhat of a business imperative, and I have lots of first-hand examples of how that is playing out. Now that the issue is being talked about in the open, people like me, with an eye on our daughters' future, want to ensure that diversity becomes the new normal."

The issues are bigger...

One way of ensuring the workforce and its leadership reflect real diversity is by ensuring we set the right parameters in education. There are still significant differences in graduate demographics across Finance, HR, and IT – both in terms of gender (which impacts supply) and national

origin. In IT, Asia – especially India – offer superb education, knowledge and experience. On the other hand, in Finance and HR, the perceived cultural dominance of enterprise HQs is still felt, to the disadvantage of truly effective global operations. In a recent series of interviews conducted across Malaysia's SSO leaders, the lack of a strong pipeline for local leadership positions still translates into employing, predominantly, ex-pats for these roles. In fact, of the half a dozen interviews not one was with a native Malaysian.

How modern, inclusive and diverse are shared services in 2018? Will the integration of intelligent process automation drive a more inclusive approach to leveraging global talent?

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 - See solution providers showcase solutions to impact your business
- Deep-Dive Workshops leaving you equipped with new solutions to your issues.
- Interactive Discussions: Discuss your challenges with leaders tackling the same
 - Customer Hot-Seats: Talk to implementers who have been through it all

