

IS THERE A GENDER GAP IN EMPLOYEE ENGAGEMENT?

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It is commonly believed that employee engagement increases as employees advance within a company. As they take on more responsibility and have more direct interaction with senior executives, employees tend to develop a greater emotional commitment to the organization and its goals. But researchers have found companies with lower overall engagement scores tend to have a sizable engagement gender gap among employees in senior positions.¹

Women still lag behind men in advancement and pay, and these trends likely contribute to the gender gap in engagement at the senior level.

Women now comprise nearly 47% of the U.S. workforce² but hold only 19.9% of board seats and 25.1% of executive, senior level and manager positions in Standard & Poor's 500 companies.³

Although salary inequity is narrowing, especially among younger workers, the U.S. Census Bureau found women earn only 80% of what their male counterparts earn.⁴ Even Ivy League female graduates earn 30% less on average than their male peers.⁵

Researchers at Boston Consulting Group have delved into the issue of declining engagement among senior-level women and identified several factors contributing to the gender gap:⁶

- **Appreciation** — Senior women employees highly value recognition and appreciation for their work from their superiors. Those who are less engaged — meaning they care less about their work and their company — cite a lack of appreciation and a culture that is not supportive of expressing appreciation.
- **Work-life balance** — Flexibility is an important factor for both women and men. However, as men rise through the ranks, they report more support for non-work obligations, while senior women say they receive less support.
- **Cooperation and co-worker relationships** — As women advance through a company with overall low employee engagement, they become more skeptical of how honestly their managers behave and report feeling a lack of trust and support among colleagues.
- **Mentorship and relationships with managers** — Senior women employees are less satisfied with mentoring experiences than junior women. As they advance, senior women note they receive less help in their professional growth, while men report receiving more assistance and interest from their managers.
- **Compensation and advancement opportunities** — As men advance in a company, they increasingly believe teams and employees who perform well will be recognized for their efforts. As women advance, they express less certainty about this correlation.



- **Job attributes** — Both men and women believe job attributes such as communications skills, analytical ability, flexibility and management potential are important and linked to engagement, but senior women report feeling under-leveraged as leaders. Many women believe their skills and abilities are not being put to the best use.
- **Company objectives and aspirations** — Junior women employees feel more connected than senior women to their company's goals and aspirations when compared with their male colleagues.

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FOCUSING ON SOLUTIONS

High employee engagement benefits companies financially as well as culturally, turning organizations into workplaces that draw talented candidates who are productive, effective and make positive contributions. Gallup has found a positive correlation between employee engagement and several performance measures, including absenteeism, turnover, productivity and profit.⁷

Boston Consulting Group recommends that companies look closely at the engagement scores of their women employees and work to:

- Understand the unique issues women face in their organizations
- Rethink feedback and recognition mechanisms
- Allow senior managers to share responsibilities to broaden experiences and lessen workloads
- Make mentoring and sponsorship a priority

Senior women in organizations play a critical role in shaping corporate culture, engaging employees for higher productivity and performance, and cultivating an environment that leads to higher business results. When senior women are enthusiastic and engaged in the workplace, the entire organization wins.

To discuss these topics in more detail, please contact your PNC Relationship Manager.

¹ "The Rewards of an Engaged Female Workforce," by Matt Krenz, Clair Tracey, Miki Tsusaka, Rainer Strack, Jennifer Garcia-Alonso, Diana Dosik and Julie Kilmann, The Boston Consulting Group, Oct. 27, 2016. Available at: <https://www.bcg.com/publications/2016/people-organization-leadership-talent-rewards-engaged-female-workforce.aspx>

² "12 Stats About Working Women," by Mark Wolff, U.S. Department of Labor blog, March 1, 2017. Available at: <https://blog.dol.gov/2017/03/01/12-stats-about-working-women>

³ "Catalyst Pyramid: Women in S&P 500 Companies," Catalyst, June 14, 2017. Available at: <http://www.catalyst.org/knowledge/women-sp-500-companies>

⁴ "The narrowing, but persistent, gender gap in pay," by Anna Brown and Eileen Patten, Pew Research Center, April 3, 2017. Available at: <http://www.pewresearch.org/fact-tank/2017/04/03/gender-pay-gap-facts/>

⁵ "The Ivy League's Gender Pay-Gap Problem," by Caroline Kitchener, The Atlantic, Feb. 2, 2017. Available at: <https://www.theatlantic.com/education/archive/2017/02/the-ivy-leagues-gender-pay-gap-problem/515382/>

⁶ "The Rewards of an Engaged Female Workforce," by Matt Krenz, Clair Tracey, Miki Tsusaka, Rainer Strack, Jennifer Garcia-Alonso, Diana Dosik and Julie Kilmann, The Boston Consulting Group, Oct. 27, 2016. Available at: <https://www.bcg.com/publications/2016/people-organization-leadership-talent-rewards-engaged-female-workforce.aspx>

⁷ "Women Lead Men on Key Workplace Engagement Measures," by Jane Miller and Amy Adkins, Gallup, Nov. 16, 2016. Available at: <http://www.gallup.com/businessjournal/197552/women-lead-men-key-workplace-engagement-measures.aspx>

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