



BREAKING DOWN THE MATERNAL WALL

How companies can encourage & retain women leaders

Women, including many with advanced degrees, are entering the workforce at similar rates as men, but many companies are not capitalizing on the potential value of this workforce as they grow in their careers.

This is not a hiring problem. It's a retention problem and it's called the Maternal Wall. Breaking down the Maternal Wall requires change, and change requires resources, but there is no magic here. Companies that support working mothers will reap the benefits of that workforce, gain a competitive advantage, and differentiate themselves in a

Women are good for business

Companies that cultivate female leadership reap big rewards. The data shows:¹

- Female representation on a company's board **increases net profits up to 6%**
- On average, the net worth of S&P 1500 companies with women leaders is a noteworthy **\$40 million more** than those with only men at the helm
- Teams that include women are **better at problem-solving, logical analysis, and planning**

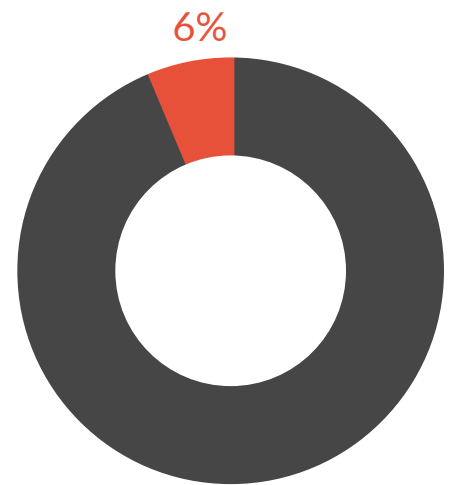
And, not only are companies losing out on revenue and growth potential, but every time an employee leaves, productivity suffers and there is the real financial burden of replacing employees. Replacement costs range from 20% to 213% of the employee's annual salary. Multiply that figure by the number of women leaving every year, and the costs really add up.

The leaky pipeline

Women graduate at higher rates than men, and have for decades. A natural assumption would be that as educated women entered the workforce they would climb the corporate ladder at a similar pace to men. Yet, the number of women who make their way up the corporate ladder takes a sharp decline at executive levels.

At entry level, women make up almost half of the workforce. Yet at the CEO level, only 6% are women.²

Without internal encouragement, with limited resources, and with a lack of female corporate role models, many women who decide to start families off-ramp or leave the workplace completely, taking their experience and insights with them. Because of this leaky pipeline, companies are having to say goodbye to talented team members—with significant costs to the bottom line.



Only 6% of CEOs are women

WHAT IS OFF-RAMPING?

- Leaving a client-facing role
- Moving into a support role



- Transitioning into a part-time position
- Slowing down in climbing the corporate ladder

Where's the leak? The Maternal Wall

While 98% of women say they plan to stay on track in their careers after becoming a mom, 43% of working moms off-ramp and/or exit the workplace.³ Why? Enter the Maternal Wall.

The Maternal Wall is the pervasive belief that a woman can't be both a good mother and a good employee at the same time. This bias, even if implicit, has insidious consequences:

- Managers and leaders deny mothers opportunities for career advancement in the name of "lightening the load"
- Mothers receive fewer raises and bonuses because they aren't moving up the corporate ladder
- Coworkers are more likely to judge mothers for leaving early to care for her children
- Ironically, coworkers are also more likely to judge mothers for working too long and not caring for her children
- When women do leave the workforce, managers and companies often don't recognize the lack of support is the driver

New mothers, especially those who delay having children until further into their careers, are caught off guard and unprepared for the demands of juggling career and family.⁴

DID YOU KNOW?

MORE MOMS THAN EVER

ARE LEAVING THE

WORKFORCE.

The percentage of women in the workplace is 5% lower than it was in 1999. Women aren't abandoning their careers because they'd rather be at home, but because they feel like they don't have any other options. The silver lining? 75% said they'd return if employers offered more family-friendly benefits.⁵

¹ Fortune Magazine, May 2018.

² Ernst & Young: Women. Fast Forward - Financial Services; HBR - Dobbin & Kalev, Nov. 2017

³ Lean In, Sheryl Sandberg

⁴ New York Times, 2018

⁵ Kaiser Family Foundation, New York Times, CBS News Poll, 2014

The cost of being a working mom

After becoming a mom, women see a 4% loss in pay for each child while men experience a 6% boost,⁶ even while 40% of these women are their family's breadwinner. Studies also show that these hardworking mothers pull a "second shift" when they return home, **taking on twice as much childcare and housework as their partner**, while also carrying the mental load of coordinating the family schedule.⁷

Combine this juggling act with the antiquated belief held by the 80% of Americans who believe that only one parent should work full time, and the 40% who believe women should stay home.⁸ Then, consider that when looking for a new job, **non-mothers get 2.1 times as many callbacks as equally qualified mothers**⁹ and it all adds up to significantly diminished career possibilities. Throughout this uphill battle, mothers also feel they must work harder and prove themselves over and over again to validate their presence in the workforce, especially if they have multiple children.

Are we surprised so many women are rushing for the elevator doors?

Until the source of the problem gets addressed the leak will continue to be a steady drain on company resources and profit. So what's the answer?

FAST FACT

THERE'S A 45% WAGE GAP

FOR MOMS WITH MBAS¹¹

A 30-YEAR-OLD
WOMAN WORKING
SINCE 22,
MAKING \$75,000



WILL LOSE OVER
\$1M IN INCOME

due to lost wages, lost wage growth, and lack of retirement /401K benefits and almost **\$6M in potential income if she leaves the workforce for 5 years.**¹⁰

⁶ New York Times, 2014

⁷ Pew Research, 2018

⁸ Kauffman, 2016

⁹ Harvard Kennedy School, 2007

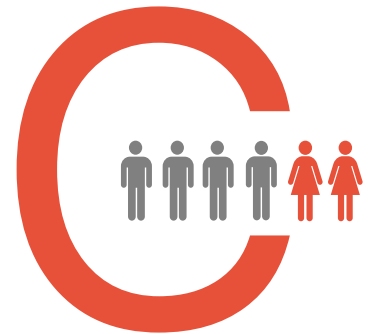
¹⁰ Center for American Progress Childcare Costs Calculator

¹¹ American Economic Journal: Applied Economics, July 2010

Company culture matters

The best way companies can acquire and retain vital talent is by **creating a company culture that values families**. When they dispel the myth that “maternity leave is enough,” companies can set themselves on a trajectory for success. By finding new ways to give working mothers a seat at the table—and encouraging them to stay there—, a company can minimize the cost of disappearing female talent while reaping the exponential benefits of having their unique contributions be a part of their organization.

Every company has a diverse blend of employees and different needs, and every working mom has her own expectations and challenges. A one-size-fits-all approach to retaining working parents simply doesn't work. To stop the drain on the workforce, a company needs a **model that's tailored to real needs within the context of a real work environment**. Customized coaching and training programs help companies move forward in their efforts to support the transition from



Companies with
30% women in the C-suite are
15% more profitable
than companies led only by men.¹²

What companies can do

In today's competitive environment, employees expect healthcare and family leave benefits. But changing the company culture must take on a multifaceted approach. At a minimum, companies must ensure they can focus on important issues like healthcare (both physical and mental), concerns about parental leave, access to Employee Assistance Programs (EAPs), and more. Great companies create policies around breastfeeding and lactation support, provide flexibility as new parents off-board to leave and as they re-engage post-leave. They also recognize that team members may have different needs and unique situations.

¹² Harvard Business Review, 2016

What companies can do

Great companies must train team leaders, management, and HR representatives on how to work with their employees to navigate this significant change in their lives, from planning for leave through returning to work, and help employees create personalized solutions around scheduling, job tasks, and other logistics that affect new parents.

But it doesn't stop with new policies and training. Many high-performing women and men are equally committed to growing their careers and their families. Yet most new parents are unprepared to meet the demands of parenthood and high-performing careers. Providing real, tangible career/life support for your employees is a game changer, and top companies are now offering coaching services as part of their employee benefits package. These sessions give new parents a trustworthy, third-party advocate with whom they can have real conversations about their changing needs and evolving goals, both at home and at work. And they make sense to the bottom line. **Companies that have implemented coaching programs regularly see 10-15% decreases in their turnover rates of new parents and millions of dollars in savings.**¹³

DON'T FORGET

Having a parent-friendly workplace doesn't just help companies keep existing employees, but it helps them attract valuable new talent in a workforce that's increasingly competitive and diverse.



WRK/360

We help companies hire and retain valuable employees by addressing motherhood bias, training managers, and supporting new parents with strategies that help them stay in the workforce, remain engaged in their work, and continue on the leadership track.

When more women have a seat at the table, we all win.

¹³ The Wall Street Journal, 2016