

Firms failing as women prove shy in striving for leadership roles

WOMEN face an uphill battle in reaching their career goals of attaining senior positions and companies are devoting insufficient attention to developing future leaders.

A Mercer study says more than 50 per cent of senior executives spend less than 10 per cent of their time with those who could be developed as leaders.

More than 60 per cent of Australian companies have identified hurdles in the career pathways of

women. About 20 per cent of Australian companies believe women are not progressing up the career ladder because they are diffident in reaching out for leadership positions.

The research paper, titled Australia Leadership Development Practice Study, analyses data from 91 Australian companies. It surveyed 663 organisations in the Asia-Pacific region.

Another key finding of the study is that 65 per cent of the

companies surveyed did not have an accountability structure for their managers to develop future leaders. This figure is higher than for the Asia-Pacific region (59 per cent).

“The leadership process in Asia-Pacific is exceptionally inefficient, largely because the infrastructure necessary to execute the leadership agenda is missing,” says Mercer. “Organisations in Australia are even further behind when it comes to enabling technology.”

Two out of three Australian organisations have succession plans but 72 per cent do not have an adequate technology platform to manage the process (compared with 58 per cent in the Asia-Pacific region without the necessary technology). Tracking the careers of existing and future leaders will be a difficult task under these circumstances, says Mercer. On the upside, Australian companies are aware of this problem and are taking steps to overcome it.

Women make up less than 5 per cent of the most senior roles in 37 per cent of companies in Asia-Pacific. In Australia, women hold more than 30 per cent of senior positions in about one in four companies, the study observes.

“Organisations’ leadership development strategies may provide one explanation for the larger percentage of women in top leadership roles in Australia compared with the region as a whole,” says Mercer.

“While 42 per cent of companies across the region specifically address female leaders as a unique segment within their leadership development strategies, 73 per cent of those in Australia do.”

Only 28 per cent of Asia-Pacific companies have a leadership development plan for women. In Australia, 41 per cent of companies have a strategy.

On the whole, “good things are happening” in Australian companies”, notes Mercer.