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The Sponsor Effect: Breaking Through the Last Glass Ceiling

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RESEARCH REPORT

EXECUTIVE SUMMARY

Women just aren't making it to the very top. Despite making gains in middle and senior management, they hold just 3 percent of *Fortune* 500 CEO positions. In the C-suite, they're outnumbered four to one. They account for less than 16 percent of all corporate officers, and comprise only 7.6 percent of *Fortune* 500 top earner positions.

What's keeping them under this last glass ceiling? What we uncover in this report is not a male conspiracy, but rather, a surprising absence of male (and female) advocacy. Women who are qualified to lead simply don't have the powerful backing necessary to inspire, propel, and protect them through the perilous straits of upper management. Women lack, in a word, *sponsorship*.

Spearheaded by American Express, Deloitte, Intel, and Morgan Stanley, the Hidden Brain Drain Task Force launched a study in the fall of 2009 to determine the nature and impact of sponsorship and examine just why women fail to either access or make better use of it.¹ We found that the majority of ambitious women underestimate the pivotal role sponsorship plays in their advancement—not just within their current firm, but throughout their career and across their industry. More surprisingly, however, we found that women who do grasp the importance of relationship capital fail to cultivate it effectively. While they're happy putting favors into others' banks, they're squeamish about cashing in on those deposits, lest they appear to be self-serving—or for fear they'll be turned down. Many feel that getting ahead based on “who you know” is an inherently unfair—even a “dirty”—tactic. Even as they're passed over for a plum assignment, a pay raise, or a promotion, they persist in believing that hard work alone will succeed in turning heads and netting them the reward they deserve.

But we also found that women's reluctance to seek out and actively engage senior colleagues as allies is amply justified. Sponsorship, which often involves an older, married male spending one-on-one time, often off site and after hours, with a younger, unmarried female, can look like an affair; and the greater the power disparity between the male and the female, the more intense the speculation becomes that the relationship is more than professional. If the woman is subsequently promoted, her achievement will be undermined by office gossip that she earned it illicitly. But the senior man does not walk away scot-free. If it appears he spent too much time with the junior female, he incurs the risk of a sexual harassment suit or even dismissal (just think of Mark Hurd, former CEO of Hewlett Packard). In short, because sponsorship can be misconstrued as sexual interest, highly qualified women and highly placed men avoid it.

Sex may be the most egregious tripwire women encounter, but the road to the top is set with other traps as well. We found that women invite greater scrutiny than men and must scale a higher bar on a number of fronts. They must have “executive presence” in their dress and bearing, but if they get it wrong, no one will tell them—least of all a senior male. Women must likewise navigate a minefield of unspoken judgments with regard to their personal lives. If they're married with children, their superiors and would-be sponsors presume they are less available, less flexible, and less dedicated to their work—a cascade of assumptions that often labels them as unsuitable for top leadership positions. And yet a woman who lacks a spouse or offspring is viewed by colleagues and supervisors as not quite normal, someone whom married males in senior management reflexively avoid because they cannot relate to her or find her threatening. It's a classic catch-22: a woman's private choices, whatever they may be, invariably brand her as “not quite leadership material.”

What will it take to sow sponsorship in this difficult terrain? In 2010, leading-edge companies are stepping up to the plate. Successful initiatives are addressing the sponsorship shortfall by eliminating the very pitfalls we have identified in this study. In particular they are making one-on-one relationships between sponsors and protégés “safe” and transparent, and they are coaching and incentivizing the C-suite to put aside misperceptions and offer serious “heavy lifting” to high-potential males and females alike. Much work remains to be done, in part because sponsorship seems less of a corporate priority in sectors dealing with high and stubborn rates of unemployment. Yet companies that are making significant investments in creating pathways to sponsorship for their standout women (American Express, Cisco, Deloitte, Intel, Morgan Stanley, Unilever) understand that cracking this last glass ceiling will give them significant competitive advantage in talent markets the world over.