30% Club Ireland
Professional Services Firms' Group

30% Club
GROWTH THROUGH DIVERSITY

COUNTING FOR PROGRESS

A STUDY OF GENDER BALANCE IN PROFESSIONAL SERVICES IN IRELAND

Contents

Introduction

Better gender balance at all decision-making levels within organisations leads to better business performance and better outcomes for employees, shareholders, customers and wider stakeholders. But what shifts the dial for progress, and what opportunities can be leveraged for best success in individual professional services firms, as well as across the full Irish economy? By focusing on data within the professional services sector, we can see patterns that can prompt genuine act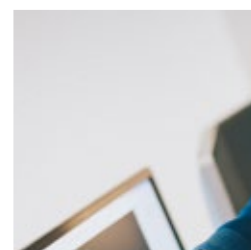ion plans for change. And that's what this report, and the supporting data behind it, aims to do – to be useful to professional services firms in assessing where they are now and planning where and when they need to make progress.

Research Objectives

The purpose of this research was twofold – to measure the gender balance at different levels of seniority in professional services firms in Ireland, and to provide clarity on the key enablers and barriers to change. The findings will enable measures to be put in place by professional services firms that will close the gender gap and contribute to better balance at senior decision-making levels across the sector. This report includes the high-level findings from the survey and focuses on the following questions and objectives.

QUESTION	OBJECTIVE
What does the pipeline of gender representation look like in professional services in Ireland	Establish a benchmark of gender representation at all levels within professional services in Ireland
What impacts the current and future state of that pipeline	Identify the key factors influencing progression, as identified by both men and women within the sector
How does the culture and availability of a more modern workplace impact on the pipeline and engagement	Set out the value of a more agile environment, as perceived by employees; together with experience and reality of application at local level
What is the impact of senior leadership	Determine/analyse the progress against indicators of senior commitment e.g. target setting, role modelling, sponsorship
What should next steps look like	Describe potential actions for firms to take, relative to the maturity of their D&I strategy, that will lead to practical steps for progress in relation to policy, process and employee experience

Methodology

To ensure the confidentiality of the process and the robustness of the results, the research was carried out by an external research partner, Coyne Research. It is based on:

- **an organisation view,** completed by the HR function to include demographic data and information on policies and procedures; and

- **an employee view** completed by the professionals themselves with a focus on issues, support and policy availability.

Research data was collected via online surveys during March and April 2019 - responses were received from 14 firms and involved over 2,000 responses, 61% from women and 39% from men.
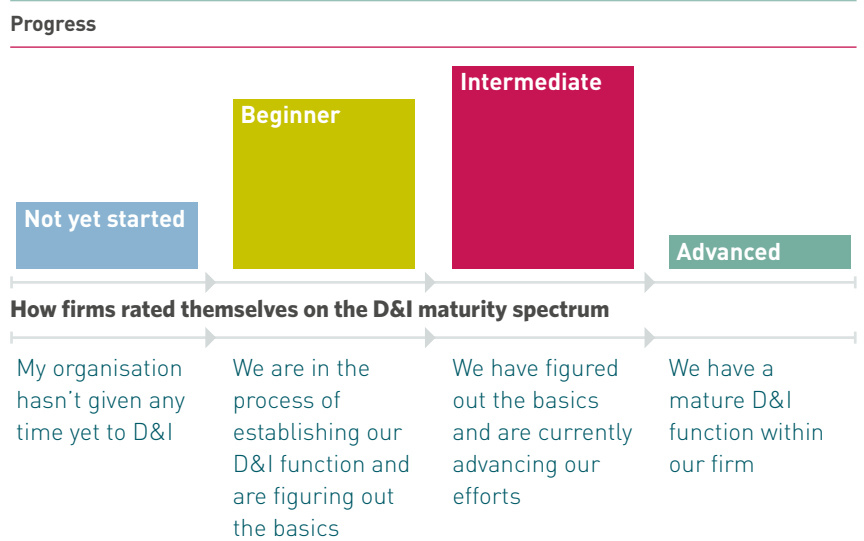
The Current Count

What the numbers show in relation to responses, representation and D&I progress

Responses

The survey was completed by 14 firms within the professional services sector, and by 2,050 employees within those firms. 61% of the individual respondents were female and 39% male.

The average length of service across respondents was 6 – 8 years and average age 33 – 36 years. Individual participants represented all levels within the firms.

Progress

		Intermediate	
	Beginner		
Not yet started			Advanced

How firms rated themselves on the D&I maturity spectrum

My organisation hasn't given any time yet to D&I	We are in the process of establishing our D&I function and are figuring out the basics	We have figured out the basics and are currently advancing our efforts	We have a mature D&I function within our firm

Representation

The professional services firms that took part in the survey reported an overall split of almost 50:50 between male and female professionals.

However, there is a marked decline in female representation as careers advance to senior levels. At equity partner levels in particular, there remains a significant difference in female representation, with female partners accounting for only 20-25% of partnerships in the sector.

% Female/Male representation

	Law		Accounting/Consulting	
Equity Partner	25%	75%	21%	79%
Non-equity Partner / Associate Partner	44%	56%	40%	60%
Senior Manager / Associate Director	62%	38%	47%	53%
Senior Associate / Manager	66%	34%	49%	51%
Associate / Consultant	60%	40%	48%	52%
Trainee / Analyst	59%	41%	47%	53%
	50%		50%	
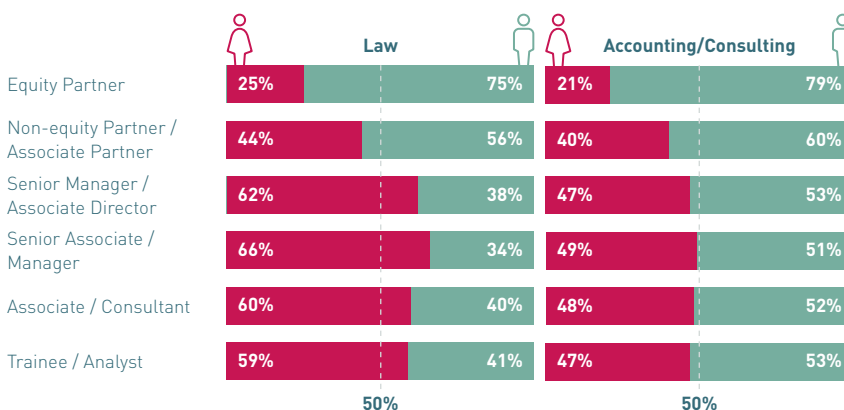
Improving the Talent Pipeline
What impacts the current and future state of the pipeline for talent

Ambition and Opportunity

There is very strong evidence of individual ambition across survey respondents. More than 80% of men and women state the ambition to progress to the next level. However, in relation to longer term progress we see less positive responses, with confidence levels in relation to opportunity dropping to just over 60% in accounting/consulting and as low as 42% among women in law firms.
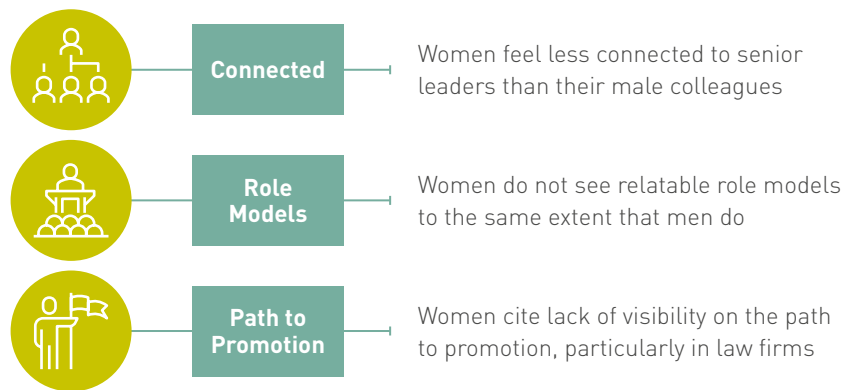
Additionally women responded less positively on other aspects of pipeline, including

Connected — Women feel less connected to senior leaders than their male colleagues

Role Models — Women do not see relatable role models to the same extent that men do

Path to Promotion — Women cite lack of visibility on the path to promotion, particularly in law firms

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% Responses on Ambition and Progression   ● Law ● Accounting/Consulting

I have the ambition to progress to the next level

	Strongly Disagree	Neutral	Strongly Agree
Women	5% / 5%	12% / 8%	83% / 87%
Men	2% / 5%	12% / 11%	86% / 84%
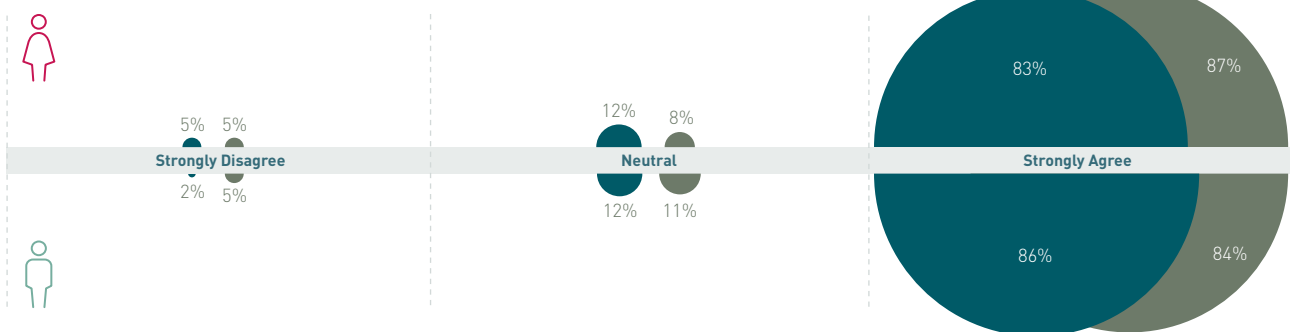
I am confident I will have the opportunity to move up in the firm

	Strongly Disagree	Neutral	Strongly Agree
Women	31% / 18%	27% / 20%	42% / 62%
Men	9% / 14%	26% / 21%	65% / 65%
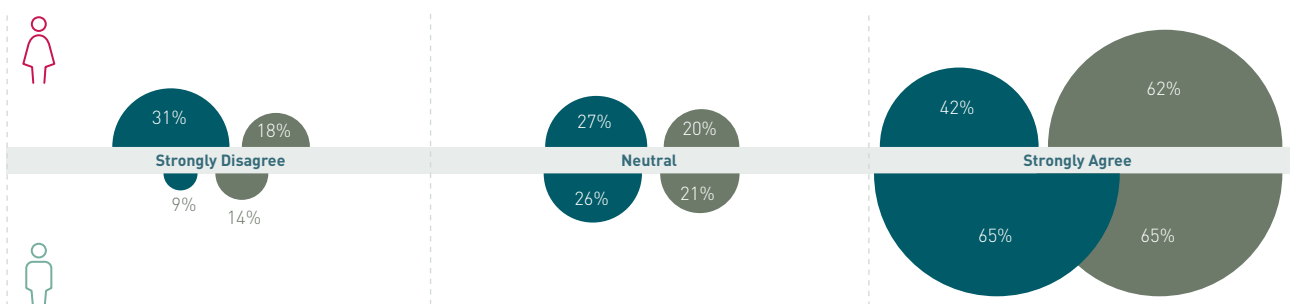
Talent Pools and Progression

Whilst 100% of accounting/consulting firms have high performance talent pools, only 43% of law firms do. Within these pools at least 40% of places are occupied by women with a slightly higher representation cited by the law firms.

And there is progress - more females than males have been promoted in the law firms in the last 12 months at all levels except equity partner. In the accounting/consulting firms, progression numbers were also equally balanced other than those who were promoted to equity partner, where 4 in 5 were male.

% Female/Male representation

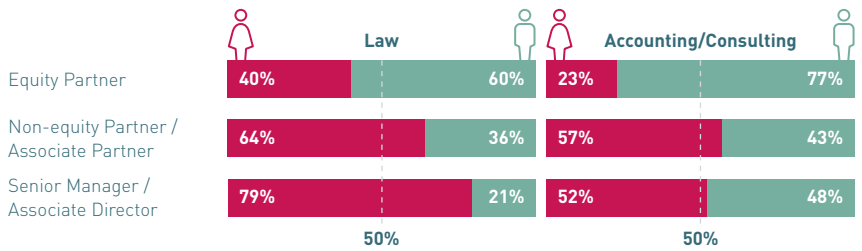|	Law		Accounting/Consulting	
Equity Partner	40%	60%	23%	77%
Non-equity Partner / Associate Partner	64%	36%	57%	43%
Senior Manager / Associate Director	79%	21%	52%	48%

50%   50%

Equal Opportunities

However, there is still a strong perception amongst women that they do not have equal opportunity for advancement. There is also a significant gap between male and female views on opportunities for women, with men scoring on average 1.5 times higher in their views of equal opportunities being available for women.

% Female/Male responses   ● Law   ● Accounting/Consulting

Women have equal opportunities for advancement compared to men

	Strongly Disagree	Neutral	Strongly Agree
Female Law	49%	22%	29%
Female Accounting/Consulting	27%	23%	50%
Male Law	19%	23%	58%
Male Accounting/Consulting	8%	12%	80%
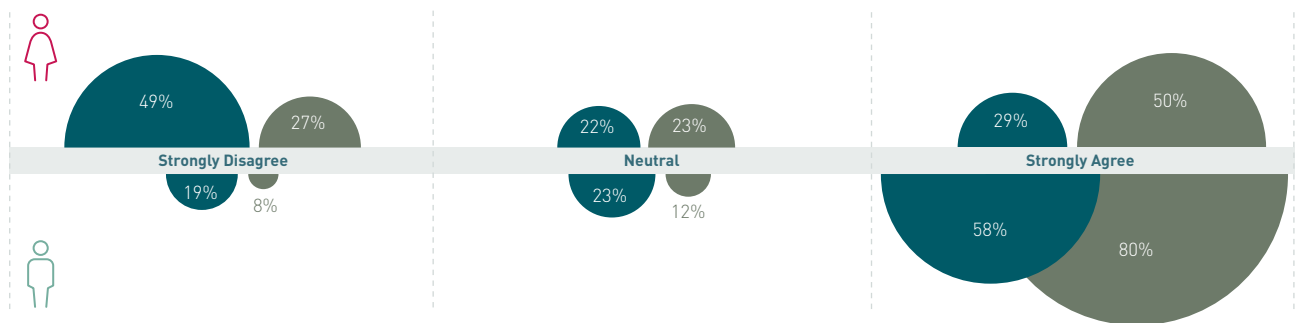
Career Advancement Factors

What are the key drivers assisting women to progress in their careers – as assessed by both men and women

Across a list of 10 factors, three were rated consistently as the most important drivers by men and women, in both law and accounting/consulting firms. These were knowledge, skills & experience; confidence and career mentoring.

There were some differences however across male and female perspectives in like for like analysis, which could be influential in design and execution of selection systems e.g. merit criteria, job requirements and evaluation criteria.

1
Knowledge Skills & Experience

2
Confidence

3
Career mentoring

For example

Men rated experience in revenue-generating roles, self management of career and knowledge skills & experience more highly than women did

Women rated the appraisal process and line engagement more highly than men did

4
Stretch Opportunities

5
Workplace Activity Participation

6
Networking

7
Revenue Generating Roles

8
Appraisal Process & Line Engagement

9
**Career Self Management**

10
Sponsors

Attitudes to Gender Diversity and Business Performance ✳

- More than 90% of women believe that a diverse partnership improves performance, compared to approx. 80% of men

- 84% of women believe that more female partners in their firm would have a positive impact on the business, compared to approx. 65% of men

Work Allocation

This is the approach that a firm takes to assigning client work to client-facing staff. This may include a formal work allocation system/process or a dedicated resource manager. Alternatively, it may involve an informal approach, such as an arrangement whereby individual partners independently select who they would like to work on a particular assignment or client engagement. A well-defined work allocation process is critical to ensuring a balanced portfolio of experience for future progression.

Only 4 out of the 14 firms surveyed confirmed that they had a formal work allocation process in place.
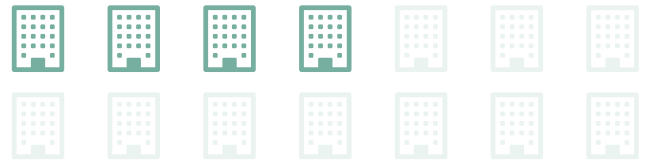
Performance Evaluation

While women rate the performance evaluation process as more important for career progress than men do, they have significantly less confidence than men in the process being either a) fair and based on merit or b) being gender neutral and taking account of different leadership styles.

We will see later that both men and women also believe that the performance evaluation system is not sufficiently adapted to flexible working choices.

Only 50% of the firms surveyed confirm that they regularly review their performance evaluations to ensure there is no bias or discrimination.

% Responses on Performance Evaluation   ● Law ● Accounting/Consulting

The evaluation system is fair and based on merit

	Strongly Disagree	Neutral	Strongly Agree
Women	27% / 20%	36% / 27%	37% / 53%
Men	14% / 7%	23% / 23%	63% / 70%
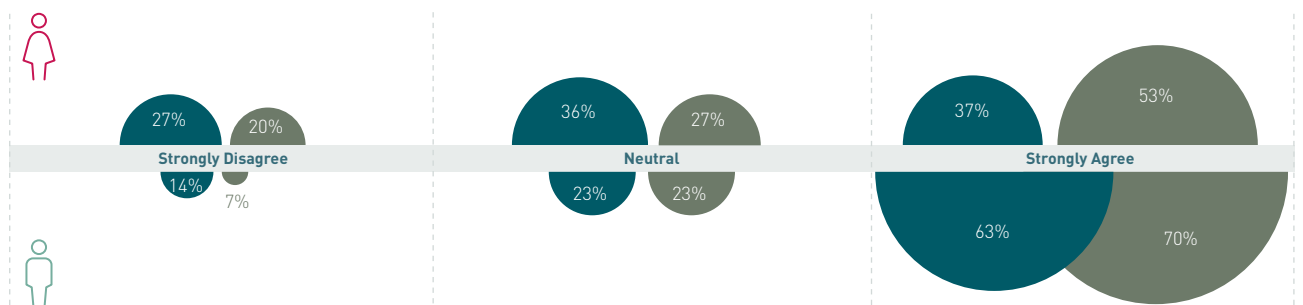
The evaluation system is gender neutral and takes account of different leadership styles

	Strongly Disagree	Neutral	Strongly Agree
Women	35% / 25%	29% / 32%	36% / 43%
Men	13% / 20%	27% / 28%	60% / 52%
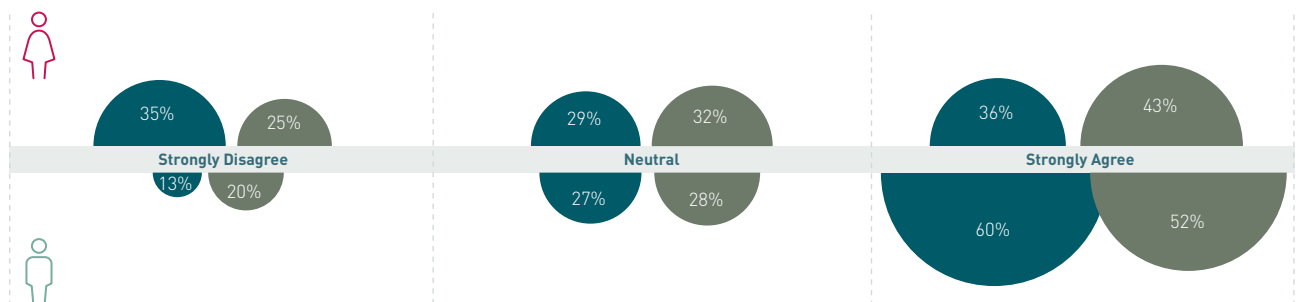
Agile and Modern Workplaces

How does the culture and availability of a more agile working arrangement impact the pipeline of talent, and employee engagement

How important is it

The availability of agile or flexible working practices is seen as the most important policy enabler across the survey – almost 4 times more popular than any other policy. This importance rating is equal across men and women. However, more than 40% of all respondents, men and women, believe that by taking advantage of flexible arrangements, their commitment to the firms would be questioned, with women in law firms showing the highest concern at 55%.
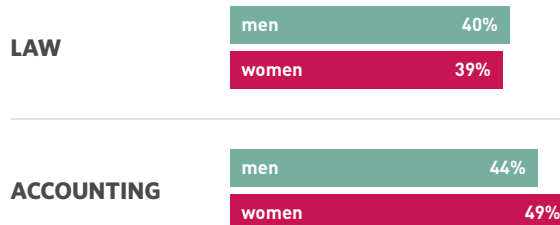
There are also concerns as to whether performance evaluation systems are sufficiently adapted to reflect flexibility choices, with more than 30% of female respondents and 20% of male respondents believing they are not.

Take up

The take up of agile/flexible working in the last five years has been just under 50%, which is comparable to the averages seen in similar surveys across other sectors. In both law and accounting/consulting firms the take up is relatively equal across men and women – the option to work from home is the most availed of facility.

Working from home is the most popular feature amongst law (90%) and accounting/consulting employees (78%). Flexible start/end times are more popular and more available for accounting/consulting employees.

Availing of flexible arrangements in last five years

LAW	men	40%
	women	39%
ACCOUNTING	men	44%
	women	49%

Options availed of by %

Working from home	law	90%
	accounting	78%
Flexible start/ end times		32%
		72%
Reduced hours		11%
		16%
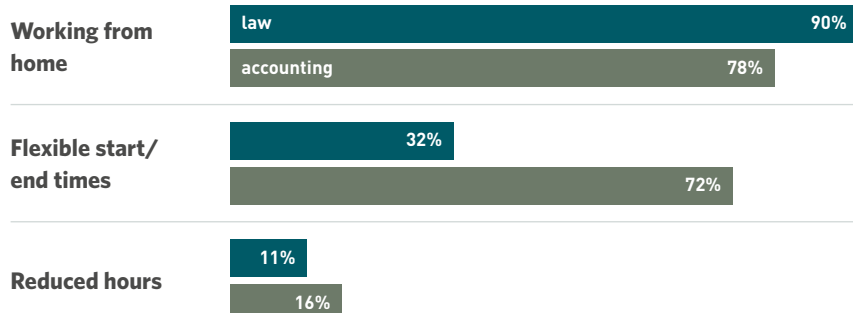
Role modelling & career impact

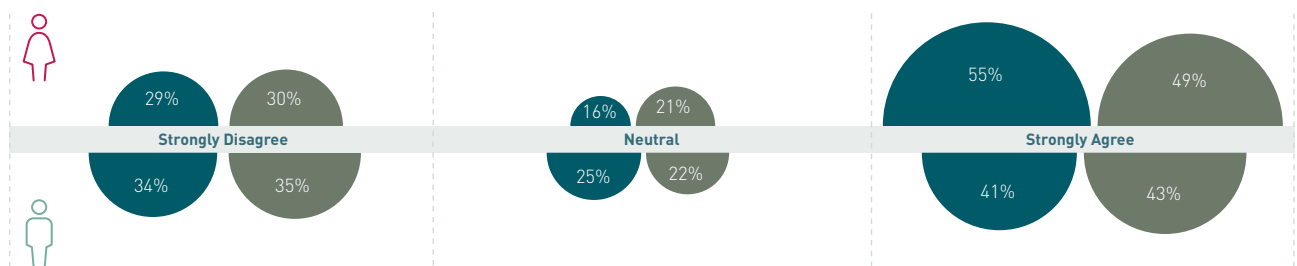There is slightly higher evidence of senior role modelling and support for agile workers' career progression, in accounting/consulting firms; but again a consistent concern across the sector around agile working impacting on career prospects. More than 30% of respondents believe it to be a negative factor, with slightly higher level of concern expressed by women.
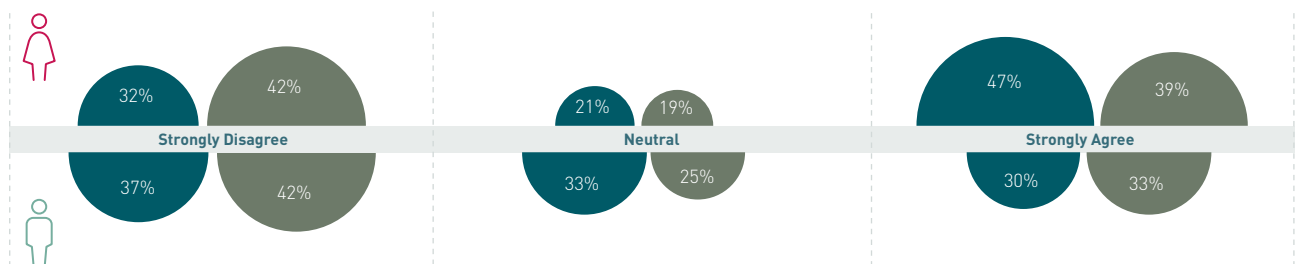
% Responses on Agile Perceptions　　　● Law　● Accounting/Consulting

I believe that by taking advantage of flexible working arrangements my commitment to the organisation would be questioned

	Strongly Disagree	Neutral	Strongly Agree
Women	29%	16%	55%
(Accounting)	30%	21%	49%
Men	34%	25%	41%
(Accounting)	35%	22%	43%

I believe that by taking advantage of flexible working arrangements will impact negatively on my career

	Strongly Disagree	Neutral	Strongly Agree
Women	32%	21%	47%
(Accounting)	42%	19%	39%
Men	37%	33%	30%
(Accounting)	42%	25%	33%

Why I haven't taken it up

'Not the done thing' is the most prevalent reason among the 50% who have not yet availed of agile working.

Organisational culture – it is not the done thing in my organisation
law **40%**
accounting **45%**

My role isn't suitable for flexible working arrangements
33%
28%

I felt my commitment to the organisation would be questioned
25%
29%

My organisation does not provide any flexible working arrangements
24%
22%

I thought it may hamper my career progression
22%
27%

I had no interest in availing of flexible working arrangements
20%
21%

Not available to all level employees
5%
0%

Impact of Senior Leadership

Demonstrating commitment to accountability and progress

Gender targets

12 of the 14 firms who responded reported that they count gender targets as one of their top 10 strategic priorities.

Yet only 1 of the 7 law firms claim to have gender targets in the most senior leadership team and none for fee-earning or client-facing staff. 3 of the 7 accounting/consulting firms have gender targets at the most senior leadership team, but only 1 has set targets for fee-earning or client-facing staff.

However there is a higher incidence of target review across individual policies, including:
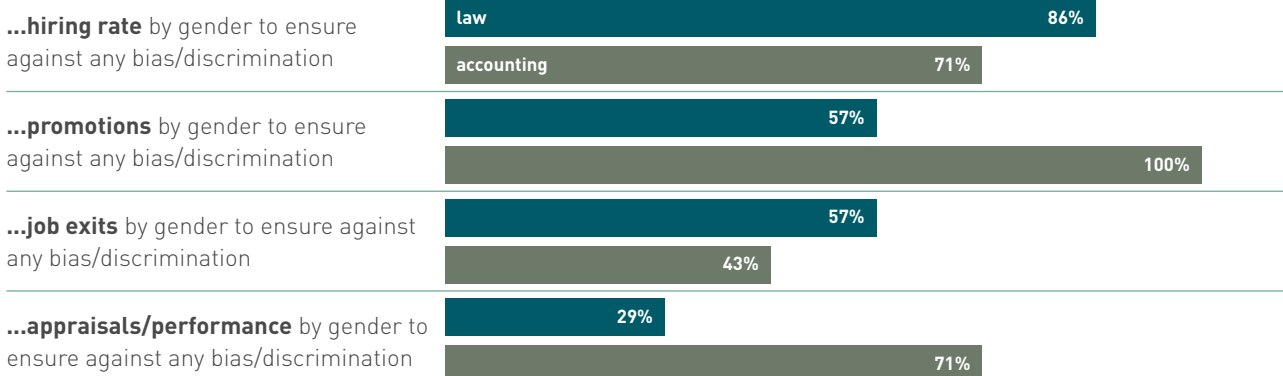
Legal firms 1/7

Accounting/Consulting firms 3/7

Belief in Organisation Commitment ✱

38% of female law employees believe their firm's commitment to gender diversity is high, compared to 67% of male employees.

Similarly, there is a difference of 25% amongst female and male accounting/consulting employees, 52% v 77%.

My organisation routinely reviews...

...hiring rate by gender to ensure against any bias/discrimination
- law 86%
- accounting 71%

...promotions by gender to ensure against any bias/discrimination
- 57%
- 100%

...job exits by gender to ensure against any bias/discrimination
- 57%
- 43%

...appraisals/performance by gender to ensure against any bias/discrimination
- 29%
- 71%

Attitudes to Gender Diversity and Senior Leadership ✱

While the average scores are above 60%, approx. 20% less women than men believe that the Managing Partner is visibly committed to gender diversity

Sponsorship

Sponsorship is a relationship in which a senior person (the sponsor) uses his/her power and influence to support and advocate for the career progression of another (the sponsee). Sponsorship is a 2-way relationship which benefits both parties – the sponsor aids the sponsee's career progression, while the sponsee will have earned this support through consistent on the job high performance.
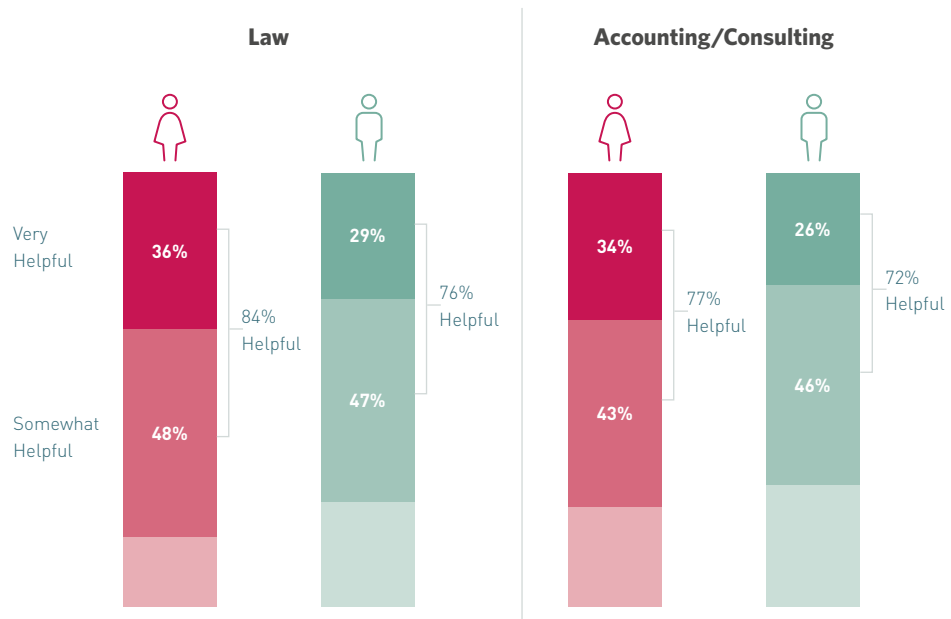
In research carried out by McKinsey on UK professional services firms, sponsorship has been identified as critical to the development of gender balanced careers. However, our survey identified that only 5 of the 14 firms who responded have a formal or informal sponsorship programme in place. Yet across the employee survey, a very high proportion of employees believe that a sponsorship programme is available.

Scope for definition

The variations in scores on availability of sponsorship programmes between firms and employees are possibly related to lack of understanding on the precise definition and would suggest scope for greater definition and understanding of coaching v mentoring v sponsorship programmes.

Sponsorship programmes' contribution to career progression

Law

Very Helpful — 36% / 29%

84% Helpful / 76% Helpful

Somewhat Helpful — 48% / 47%

Accounting/Consulting

34% / 26%

77% Helpful / 72% Helpful

43% / 46%

Conclusions

We set out to find	The data showed that
What does the pipeline of gender representation look like in Professional Services in Ireland	While the sector is split almost 50/50, there is a marked decrease in female representation at the most senior decision-making levels within all firms. Progress is being made, with stronger balance evident in promotions in the last 12 months. With talent pools currently comprised of 40%+ female, more work needs to be done to move the dial.
What impacts the current and future state of that pipeline	There is strong evidence of individual ambition and organisation talent initiatives, but there are mixed perceptions on opportunity and progress. Career advancement drivers for success are clear in terms of knowledge and skills, confidence and mentoring, but lack of confidence in performance evaluation systems and absence of work allocation systems are limiting factors for progress. The lack of relatable career role models for women is also strongly evidenced.
How does the culture and availability of a more modern workplace impact on the pipeline and engagement	The ability to work in a more agile way is rated as the most important factor in modern careers, by both men and women alike. However availing of more agile options is still seen as career limiting or a sign of reduced commitment to firm and career.
Where is the impact of senior leadership	While there is recognition of the strategic importance of gender targets and measurement, there is still limited action in this regard. Similarly there is very low evidence of balanced gender sponsorship as a visible demonstration of senior commitment to change.

How can we address the findings

It is important that each firm feels confident in building a unique action plan that reflects its culture, values and diversity maturity. However there are some standard actions that could be considered in addressing each of the key questions in terms of

- Introduction of changes to policy
- Evaluation of processes to ensure alignment with policy and a drive towards successful delivery
- An assessment of experience to ensure that employees and people leaders receive the full value that the policy promises

We have provided a number of suggestions that could drive the commencement of such action plans. As part of the 2020 delivery plan for the 30% Club Professional Services Firms' Group we will collaborate across the sector to provide tools, masterclasses and learning opportunities, to help to bring these actions to life

Changing for Progress
Template for future action

Areas of Focus	Policy	Process	Employee Experience
Creating the benchmark for change across the sector	Put in place a firm Diversity & Inclusion Policy.	Review and update all HR processes to remove potential for bias and discrimination.	Ensure diversity is part of the firm conversation and business strategy
Improving Talent Pipelines	Review policies around career path and promotion, including how talent is evaluated and valued. Consider how visibility can be further supported by the organisation and easily demonstrated by employees at different levels by setting key milestones and targets at each career level.	Ensure transparency around promotion process, clarity of required competencies for progression and coaching support in place from senior leaders. Ensure senior leaders are measured on their contribution to this process.	Identify 'relatable' senior role models both internal and external to the firm at partner level who can tell their story in a way which will engage with those progressing to the next level, with a focus on valuing different skills and perspectives.
Removing Barriers to Progression	Pilot the introduction of work allocation policies in organisations where they have not been adopted and carry out a review of existing work allocation policies to assess how opportunities to develop experience, knowledge and skills are allocated.	Drive management review of allocation of work to ensure equal opportunities to gain expertise and experience are available to all.	Regularly check to ensure that work allocation is not impacted by any form of family absence. Recognise people leaders who successfully manage work allocation as part of on boarding and off boarding processes.
Creating a more Agile and Modern Work Environment	Carry out a review of agile and flexible working policies and assess if appropriate for a modern workforce. Pay particular attention to ensuring options are attractive to encourage take up across all genders. Challenge if the breadth of the policy is being experienced on the ground. Consider and learn from best practice examples.	Drive management review of all roles to assess greater potential for flexibility. Look at internal work practices that conflict with potential for start/finish flexibility (e.g. team meetings). Review performance evaluation / promotion/progression policies for potential agile work negative bias. Measure take-up of agile options across the total workforce and monitor for equal improvement in take-up.	Role model from the most senior levels (all genders) within the organisation. Ensure people leaders are fully supported and enabled to deliver more flexible arrangements. Openly recognise and promote good examples of agile arrangements – across leaders and employees.
Impact of Senior Leadership	Turn priorities into reality by implementing a policy of gender targets, with senior accountability for delivery. Introduce a Sponsorship Programme, separate but complementary to any existing coaching and/or mentor programmes.	Determine a simple target and timeframe (e.g. "50/50 by 2025"). Identify key factors to influence and relative importance, i.e. recruiting, promotion, retention. Review current performance and progression processes to ensure no existing sponsorship bias and to encourage balanced sponsorship process.	Give active consideration to publishing targets internally and externally. Maintain as a fixed agenda item for senior partner and board discussions. Leverage experience from the UK to be prepared for gender pay gap reporting. Leverage experience from firms who already have sponsorship programmes in place and encourage a more open form of sponsorship across all levels of the firm to encourage a more open culture for progression.

Supporting Organisations
30% Club Ireland Professional Services Firms' Group

We would like to thank the Managing Partners, HR Directors and Employees who supported this research

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Mason Hayes & Curran | PwC | Ronan Daly Jermyn | William Fry

About the 30% Club Ireland

Established in Ireland in 2015, the 30% Club and its members are committed to better gender balance at all levels of their organisations based on a shared understanding that improved diversity leads to better business, individual and social outcomes. In Ireland, the group now represents more than 250 of Ireland's largest employers comprising in excess of 600,000 employees