Women In Procurement
- Aspects from an International Survey -

John Everett
Date: 5th October 2016

Presentation at
CIPS-Switzerland in Zurich
Agenda

• INTRODUCTION
• BACKGROUND and RECENT STUDIES
• METHODOLOGY
• FINDINGS and OBSERVATIONS
• SUMMARY
INTRODUCTION

1. Representation in Leadership
   -> Catalyst survey of S&P-500 companies

<table>
<thead>
<tr>
<th>Position</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEOs</td>
<td>4.4%</td>
</tr>
<tr>
<td>Top Earners</td>
<td>9.5%</td>
</tr>
<tr>
<td>Board Seats</td>
<td>19.9%</td>
</tr>
<tr>
<td>Executive/Senior-Level</td>
<td>25.1%</td>
</tr>
<tr>
<td>Officers and Managers</td>
<td></td>
</tr>
<tr>
<td>First/Mid-Level</td>
<td>36.4%</td>
</tr>
<tr>
<td>Officers and Managers</td>
<td></td>
</tr>
<tr>
<td>Total Employees</td>
<td>44.3%</td>
</tr>
</tbody>
</table>

2. Gender Value Proposition
   Paterson Institute publication

   22,000 companies globally, 2014 data
   60% had no female board members, 50% had no female C-suite executives
   Firms with 30% female leadership is associated with a 1% in net margin,
   translates to a 15% increase in profitability

3. How about the procurement profession – how does it shape up?

   Surveyed 22 Purchasing Associations (PA's), with 230,000 members

http://www.catalyst.org/knowledge/women-sp-500-companies
https://piie.com/publications/op-eds/study-firms-more-women-c-suite-are-more-profitable
90 years of Journey

“Woman’s Dilemma”, 1926

When she does as much work outside the home as her husband, there would seem to be no reason why she should in the future be responsible for all domestic chores.

1986, New graduate hiring

There’s not enough ladies entering science, your role is to “sell” us to them.

2016, contemporary procurement examples:

• The CIPS-HAY survey from the UK charts wage disparity between men and women in procurement.
• ATKearney’s podcast titled "The Rise of the Female Economy in B2B" argued that companies can gain a competitive edge in the global marketplace by better connecting with female buyers.
• Australian-based psychologist Karen Morley, via Procurious.com, has a serious of articles highly relevant to the broader topic of organizational gender equality including "What Price Inequality?", "Queen Bee Syndrome debunked", "Affirmative Action " and "Token Representation to Critical Mass"
• Gender participation from an international PA perspective has not yet been compared & documented...
Over 30 national Purchasing Associations (PA's) were approached for their participation in a "Women in Procurement" survey.

The following 22 replied:
Australia, Austria, Argentina, Belgium, Canada, Denmark, France, Germany, Greece, Hong Kong, Indonesia, Italy, Japan, Netherlands, Poland, Portugal, Russia, Thailand, Turkey, UK, USA, Vietnam.

-> total membership of these PA’s = 230,000 people

The PA's where sent a short survey that had a combination of quantitative and qualitative questions
**FINDINGS and OBSERVATIONS**

- **Female Membership**

Four clusters have been created from 21 sets of relevant PA data (out of the 22 respondents).

This identifies that the majority of the PA's have considerable opportunity to approach membership gender parity:

<table>
<thead>
<tr>
<th>Name:</th>
<th>Cluster-1</th>
<th>Cluster-2</th>
<th>Cluster-3</th>
<th>Cluster-4</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA % Female Membership</td>
<td>≤ 15</td>
<td>16-30</td>
<td>31-40</td>
<td>≥ 41</td>
</tr>
<tr>
<td>Number of countries*</td>
<td>3</td>
<td>7</td>
<td>9</td>
<td>2</td>
</tr>
</tbody>
</table>

* Specific country names (association) not published for confidentiality reasons
FINDINGS and OBSERVATIONS

Country Example:
CIPS Global Member Community
Q1-2016 data

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>50.05%</td>
<td>58659</td>
</tr>
<tr>
<td>M</td>
<td>49.95%</td>
<td>58535</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
<td>117194</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender Split by Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
</tr>
<tr>
<td>Americas</td>
</tr>
<tr>
<td>Asia</td>
</tr>
<tr>
<td>Australasia &amp; Oceania</td>
</tr>
<tr>
<td>China</td>
</tr>
<tr>
<td>Europe</td>
</tr>
<tr>
<td>MENA</td>
</tr>
<tr>
<td>United Kingdom</td>
</tr>
</tbody>
</table>

Middle East & North Africa

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>26.62%</td>
<td>505</td>
</tr>
<tr>
<td>M</td>
<td>73.38%</td>
<td>1392</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
<td>1897</td>
</tr>
</tbody>
</table>

All Africa

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>48.94%</td>
<td>7860</td>
</tr>
<tr>
<td>M</td>
<td>51.06%</td>
<td>8201</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
<td>16061</td>
</tr>
</tbody>
</table>
What could be the reasons for the PA female participation pyramid...??
Despite being informed by the MD of one PA that they are “not interested in this topic”, the survey research has been able to collate snapshots from different PA's and associated organizations around the world addressing that are addressing the Women in Procurement topic in a variety of different ways:

- **Germany's BME** over several years held over 25 events and in April 2016 hosted a forum titled "Successful Women in Purchasing - Determined, Flexible and Networked". One-to-one mentoring is encouraged. [http://www.bme.de/frauen-einkauf](http://www.bme.de/frauen-einkauf) and [http://www.bme.de/fileadmin/_horusdam/4047-BME_Frauen_erfolgreich_im_Einkauf_Internet.pdf](http://www.bme.de/fileadmin/_horusdam/4047-BME_Frauen_erfolgreich_im_Einkauf_Internet.pdf)


SUMMARY

Three key findings (opportunities) found:

• Purchasing Associations (PA's) have considerable opportunity to approach membership gender parity
  -> The vast majority of them have <40% female membership
  -> Several have <15% female members

• There’s a diminishing female participation in PA membership, event and presentations (so-called participation pyramid)

• A handful of PA’s are addressing the “Women in Procurement” topic with seminars, conferences, mentoring programs. More could be done by nearly all PA’s
Acknowledgements
Bill Young for proof-reading and significant suggestions

About the Author
John Everett is the CIPS-Switzerland branch chairperson as well as the EMEAI regional purchasing director for The Dow Chemical Company.

His 30 year career spans product innovation, business development, procurement and business services leadership.

His opinion in this article is entirely his own. He can be contacted via: jeverett@dow.com
APPENDIX
INTRODUCTION

1. Catalyst survey of S&P-500

2. Paterson Institute publication

22,000 companies globally, 2014 data
60% had no female board members, 50%
had no female C-suite executives
Firms with 30% female leadership isassociated with a 1% in net margin,translates to a 15% increase in profitability

3. Surveyed 22 Purchasing Associations (PA's), with 220,000 members

41% Female Members
30% Female event attendance
20% Female event speakers

4. Only a handful of PA's addressing the “Women in Procurement” topic
Near-term Future Events

• University of Geneva, via Giuseppe Conti, 7th Nov 2016
  Women and Negotiation - Tools & Techniques to maximise professional success
  http://seminaires-cui.unige.ch/wan1

• Prof. Francesca Gino (Harvard) and Giuseppe Conti, Zurich, 29th Nov 2016
  Decision Making & Influence: Understanding Managing Gender Differences in the Workplace
  https://www.eventbrite.co.uk/e/decision-making-influence-two-day-workshop-tickets-26676996615

• ISM NJ branch, New Jersey, Oct 13 - 14, 2016
  https://www.ismnj.org/insidepages/meetings/details.cfm?meetingid=132D414C-5056-8960-3E84-9B6754EEDF4C

• ProcureCon 2016, Berlin, 08 - 10 November, 2016
  http://procureconeu.wbresearch.com/mildred-matesan-speaker

• ProcureCon Healthcare 2017, Zurich, 28 February - 02 March, 2017
  http://procureconhealthcare.wbresearch.com/agenda-mc

• ProcureCon Indirect East, Florida, March 06 - 08, 2017
  http://procureconeast.wbresearch.com/women-in-procurement

• AUSTRALIA 2017
Other relevant links articles


- Spend Matter established from Q4 2015 series of > 8 articles from experienced female leaders on "Women in Procurement”
  https://spendmatters.com/2016/05/02/susan-grelling-women-in-procurement

- Stanford University: Center for the Advancement of Women's Leadership, special topic negotiation
  https://womensleadership.stanford.edu/negotiation

  https://research.hks.harvard.edu/publications/citation.aspx?PubId=8638&type=FN&PersonId=89

- Australia’s Jigsaw Talent Management on the topic, Parts 1 and 2 in 2015 and 2016