

The ROI of Developing Your Women Leaders

It isn't what you think.



Investing in women leaders is important.

We all know we should do it. We feel compelled in today's media charged world that we ought to do it. We are surrounded by positive, social momentum to absolve ourselves of unconscious bias and to be better organizations, individuals, and humans, to support our women leaders.

And yet, even though we know we should be investing in the development of our women leaders from the perspective of a social and human responsibility, business leaders rarely understand the in-depth data behind why developing women leaders makes a tangible, measurable impact to organizations.

Research consistently demonstrates, there is real financial value in investing in women. Studies show gains of 34% increase in profit margins, 16% return on sales, improved problem solving capabilities, increased innovation and more, when companies invest in women leaders.

But high-level research doesn't explain *why* investing in women pays off.

Our team wanted to uncover exactly what makes a difference in the development of women leaders, how it truly makes a tangible change in organizations and why it leads to monetary gains.

To dissect the reasons why investment in developing women leaders makes a financial impact for organizations, we conducted an [Impact Study](#) of a Women's Leadership Development program within an organization. The following is a summary of the findings revealed in the 85-page [Impact Study](#) report.



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¹ Adler, Roy (2001) *Women in the Executive Suite Correlate to High Profits*; Catalyst Research; Credit Suisse Gender 3000 Report (2014).

² Carter, Nancy, Wagner, H.M., *The Bottom Line: Corporate Performance and Women's Representation on Boards* (2004-2008) (Catalyst, 2011); Lois Joy, Nancy M. Carter, Harvey M. Wagner, and Sriram Narayanan, *The Bottom Line: Corporate Performance and Women's Representation on Boards* (Catalyst, 2007); Catalyst, *The Bottom Line: Connecting Corporate Performance and Gender Diversity* (2004).

³ "Groups of Diverse Problem Solvers Can Outperform Groups of High-Ability Problem Solvers," *Proceedings of the National Academy of Sciences of the United States of America* (2004); "Collective Intelligence: Number of women in Group Linked to Effectiveness in Solving Difficult Problems," *Science Daily*, October 2, 2010.

⁴ Angela Ka-yee Leung, William W. Maddux, Adam D. Galinsky, and Chi-yue Chiu, "Multicultural Experience Enhances Creativity: The When and How," *American Psychologist*, vol. 63, no 3 (April, 2008).

PARTICIPANT

What did you gain from the program?

“ I gained confidence to work across groups to call a truce. Now, we have faster delivery time because we aren't arguing so much. We can talk about the right priorities and we fixed headcount reduction. We estimate headcount savings are about 4 people, which equates to approximately \$1m in savings. About half of that savings is due to the WiRL program.



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What We Did

ABOUT THE ORGANIZATION WE STUDIED:

The target of our [Impact Study](#) was a large, world-renown, tech giant. Based out of Seattle, Washington this organization has more than 115,000 employees worldwide. It's a stable and strong company financially, continually growing product depth, breadth, and innovation.

This popular brand grew extremely large, fast, and continues on that trajectory. It's success, culture, and brand make the competition for top talent something fierce.

More importantly, a skills shortage for specific roles is clearly evident and the need for innovation from the organization's knowledge workers is a continuously pressing need.

The employer is exceptional, and while the company is attractive to women, there are few female engineers and few female leaders. The organization knows hiring women is essential to their future success and business innovation.

BRINGING CHANGE

A bright light and catalyst for change, the head of a Technology team was, and continues to be, a proponent for supporting and developing women leaders. He believes with conviction that women bring diversity of experience, background, and thought – providing for greater innovation and optimization. Therefore, he made it his goal to build a team that women aspire to be a part of, a technical team where women would *want* to work.

This leader also keenly understood that in addition to bringing his vision to life, he needed to understand the evidence and data behind what made a women's leadership development program successful; both to share with others, and to drive continuous improvement. To do this, he partnered with HUMiN Inclusion Partners focusing specifically on one of their most successful programs, "WiRL" (Women in Real Life).

THE RIGHT PARTNER FOR SUCCESS

Because of the sponsor's passion about the project, he required a partner who intimately understood the unique requirements for the journey ahead.

HUMiN was the ideal partner. Known for their unique content specifically related to women and women's development such as gender intelligence, taking leaps, and amplifying the contributions of others, they made immense impact on the organization.

The WiRL program provides curated content specially designed to support the leader's goals and featuring an [Impact Study](#) to share tangible and evidenced results of their development work together.

How We Did It

THE WIRL PROGRAM

Over a period of six (6) months, WiRL implemented a women's leadership development program that included coaching. Collaborating with Lisa Ann Edwards, they carefully collected, measured, and analyzed data.

In total, twelve (12) women participated in the program from start to finish.

The WiRL program covered nine (9) topics, ranging from setting goals, gender intelligence, to strategic thinking. (Figure 1.1). To aid in retention and accommodate for different learning styles, content was provided online, in facilitated meet-ups, reflection exercises and worksheets, and 1:1 coaching.



Figure 1.1. Learning topics and behavioral competencies by developmental areas.

RESULTS & IMPACT

The results demonstrated that the program had an effect on women's insights, and their behavior and contributed to financial gains to the organization.

Specifically, women made the most progress in growing their awareness. In fact, women gained clarity in eight (8) of the nine (9) learning topics covered (Figure 1.2). Women gained at least some new clarity on the following topics:

1. What it means to be an effective leader
2. Core values
3. The ways they learn and grow best
4. How they let their inner critic get in their way
5. How to be more influential
6. The ways gender gaps play out in the work environment
7. How to be a more effective communicator
8. The ways they second guess themselves



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PARTICIPANT

What did you gain from the program?

“I’m more confident in my abilities – in the past I would have doubted myself more. I have started meeting more senior leaders – I see myself representing myself in a better way, setting the agenda, and getting to an outcome at the end. This is making an impact. In a recent project, we were going to hire contractors in a limited timeframe, for a critical project. For a long time, I was discussing the need to hire a contractor with another manager. Ultimately, we decided we could confidently forgo the need to hire another contractor, saving costs. At least 20% of this savings was due to what I learned the program.”



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Upon closer inspection, it’s evident that not only did women learn about what it means to be leaders, but they also gained awareness about some the ways their own gender played a role of getting in their way of success.

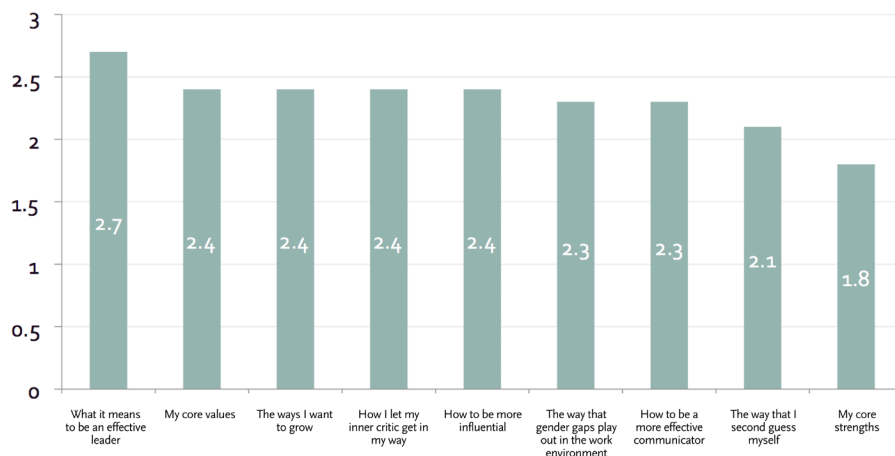


Figure 1.2. Average rating on clarity gained as reported by participants.

Scale: 1=No new clarity; 2=Some clarity; 3=Significant clarity; N=12

In addition to clarity gained, behavior change was also measured. Interestingly, there were only two (2) areas where behavior change was significant: *taking leaps* and *amplifying the contributions of others*. Specifically, women were willing to, and took action, towards making bigger leaps and amplifying the contribution of others (Figure 1.3).

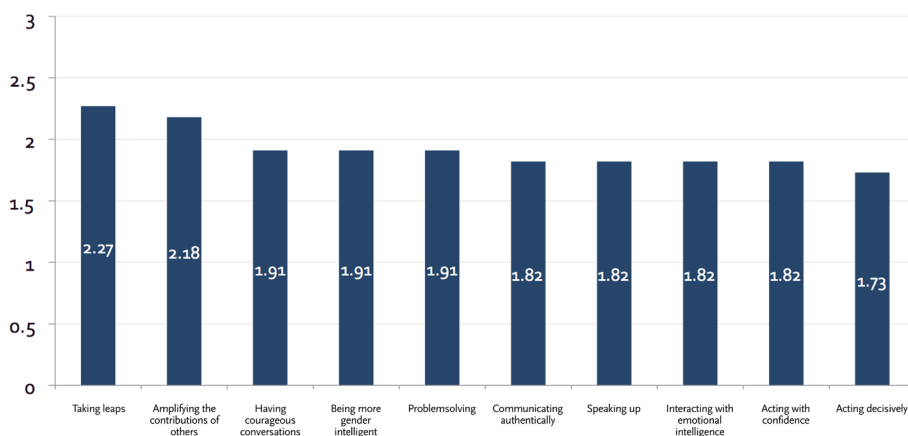


Figure 1.3. Average rating on actions taken as reported by participants.

Scale: 1=No new change; 2=Some change; 3=Significant change; N=12

Don’t underestimate the importance of these changes.

While they may seem small, it proved to be a catalyst for something much bigger. These new behaviors lead to a significant chain reaction, providing financial impact. To be specific, the program generated financial monetary gains of \$2,306,040 with an ROI of 2,271%, which was validated by the Sponsor (Table 1.2).

ITEM	MONETARY VALUE
Total Monetary Savings from Program Participants	\$2,306,040
Cost of Program	\$97,270
ROI	2271%

Table 1.2. Monetary impact of the WiRL program.

Why It Worked

The final results beg the question we started with: *Why does it work?*

The answer lies in the personal stories the women participants shared as a part of the interviewing process.

Woman by woman, experiences were shared that sounded something like this, “*I didn’t know other women faced these same challenges.*” “*I didn’t know other women also experience self-doubts and an inner critic.*” “*I didn’t know other women feel their voices aren’t heard. I didn’t know other women feel that they have to work harder to prove themselves than men do.*”

Each woman went on to describe how being amongst peers, hearing their stories, hearing the ways they overcame those challenges and participating in these conversations validated their experiences and observations, and gave them the confidence they needed to take leaps!

More importantly, these women became champions for each other by amplifying each other’s contributions so that that their voices could be heard.

Validated and emboldened by their female peers, they had the courage and the confidence to have meaningful conversations with their male colleagues, which resulted in negotiating better contracts with vendors and reducing costs. Additionally, they collaborated more effectively with other male-dominated teams, resulting in improved productivity or reduced headcount, saving associated costs.

The ripple effect was a \$2.3 million dollar gain and a 2,271% ROI on the program.

The three biggest gains from the program: *Self-awareness*, *taking leaps*, and *amplifying the contributions of others*, paid off!

An investment that originally seemed like a nice thing to do, but without any clear-cut tangible value that could be pinpointed, was now clearly justified and valued.

These results demonstrate what we all know to be true about the importance of investing in the development of women. We must do it.

Win New Business with an Impact Study

Download our complimentary step by step guide on how to leverage an Impact Study to demonstrate value to prospective clients.

 DOWNLOAD



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ABOUT THE AUTHORS

Lisa Ann Edwards

Lisa Ann Edwards, leading expert in the field of coaching, possesses a unique skill-set — cultivating excellence in others while delivering tangible results. Her specialized ability to provide measurable return on investment for clients has demonstrated upwards of 251% ROI, and lifted employee engagement nearly 20%. Lisa is the globally acknowledged pioneer and thought leader on *Coaching with ROI*, a methodology she developed for coaches to deliver measurable and tangible results in a traditionally unmeasured space, elevating the perception, impact, and importance of coaching worldwide. Lisa has presented to noteworthy audiences around the world as a featured speaker at 60+ universities and professional associations. She has authored/contributed to nine books related to coaching, talent management and development. Her current pro bono work includes evaluating the impact of the International Coaching Federation Foundation's coaching work in collaboration with the United Nations. Lisa may be contacted at: Lisa@LisaAnnEdwards.com.

Michelle (Mitch) Shepard

HUMiN Founder, Mitch Shepard, is an Applied Behavioral Scientist and trusted advisor to some of the world's top leaders. Mitch has been working with diverse people from various walks of life for the past 25 years, beginning with nearly a decade spent leading people on wilderness expeditions, guiding teams to achieve extraordinarily challenging goals despite often unpredictable environments and ever-changing landscapes. She has since built three companies focused on helping companies recognize and leverage the unique differences diverse talent can bring to the table. Mitch has worked with teams and leaders in many different industries including Amazon, Microsoft, FedEx, Juno Therapeutics, Edwards Lifesciences, Avid Budget Group & BDO. She works with a wide spectrum of disciplines including sales, marketing, engineering, finance, HR, operations, services, and IT. Mitch holds a bachelor's degree in Business Economics and Accounting from UC Santa Barbara, and a Masters degree in Applied Behavioral Science from Bastyr University. Mitch may be contacted at: Mitch@humininc.com.

Launching an Impact Study to research the effects a development + coaching program has for your client is an effective way to communicate the power and value of your program in previously untapped ways.



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