

NOTION

Which diversity measures work?

What are North America & Europe's Unicorns doing to improve their gender balance, and which measures correlate with the best results?



What is this report about?

This report looks into the gender divide (particularly in senior positions) at 20 B2B software Unicorns in North America and Europe.

It also analyses how D&I initiatives undertaken by the Unicorns correlate with the proportion and tenure of females in leadership, the proportion of females within the whole workforce, and Glassdoor scores.

What we've studied: company data

We've used a combination of publicly available information on LinkedIn and Glassdoor, software which predicts gender based on individuals' first names and data published by Unicorns to find the following data points:

- Percentage of VP/CXO/Founders that we assume are female, based on their first name
- Tenure of female VP/CXO/Founders
- Percentage of all staff that are female, based on their first name
- Glassdoor scores of each Unicorn

What we've studied: diversity initiative data

For each of the Unicorns included in the research, we have reviewed their publicly available D&I (Diversity & Inclusion) information to understand if they have carried out any of the following initiatives in the last three years:

- Worked with external community groups
- Set up internal affinity groups
- Released a statement from the CEO or one of the Founders about inclusion at their organisation
- Published an official D&I statement
- Set D&I goals
- Appointed at least one female CXO
- Appointed a dedicated head of D&I

We have also reviewed length of fully-paid Maternity and Paternity leave for companies based in the USA, where there is no obligation for employers to give paid parental leave.

This report only looks at an estimate of the female proportion of workforces in the Unicorn companies outlined in the previous slide, in comparison to initiatives undertaken to include all people of non cis male genders. When we refer to a group of people in the subsequent slides as 'leaders that are female' or 'staff that are female' we have abbreviated this from the full explanation, which should be 'leaders that we have identified as having a traditionally female first name' or 'staff that we have identified as having a traditionally female first name'.

Non-Binary, Transgender, Gender Non-Conforming, Bi-gender, Transfeminine and Transmasculine

In an ideal situation, we would have included these gender groups alongside 'female' and 'male' to get a full picture of the levels of inclusion of all genders in the Unicorns we studied. However, we were not able to find gender prediction software that could provide this and so - for this reason - we have categorised the names of people as 'female' or 'male' or 'not identifiable as a male or female conforming name'.

Correlation vs Causation

This research covers Correlation only. Causation would ideally be addressed by conversation and dialogue. We did contact People, Ops, and D&I focussed employees at each of the companies included in the research for this reason, but they all declined to be interviewed.

Ethnicity and sexual orientation

Under GDPR regulations we are not allowed to assume the ethnicity or sexual orientation of a person unless they give us explicit consent to do so. All of the Unicorns declined to collaborate on this project, and the majority of them (12 out of 20) do not publish their ethnic or sexual orientation breakdown, therefore we were not able to research these fields. We really hope that this changes in the future so that we can create a more open and transparent industry.

If you are reading this report and have any suggestions for how we might improve on this - please do let us know.

Part 1: The relationship between female leaders and women in the Unicorn's wider organisation

1.78

The average tenure of female leaders (for men, it's 2.66 years)

21%

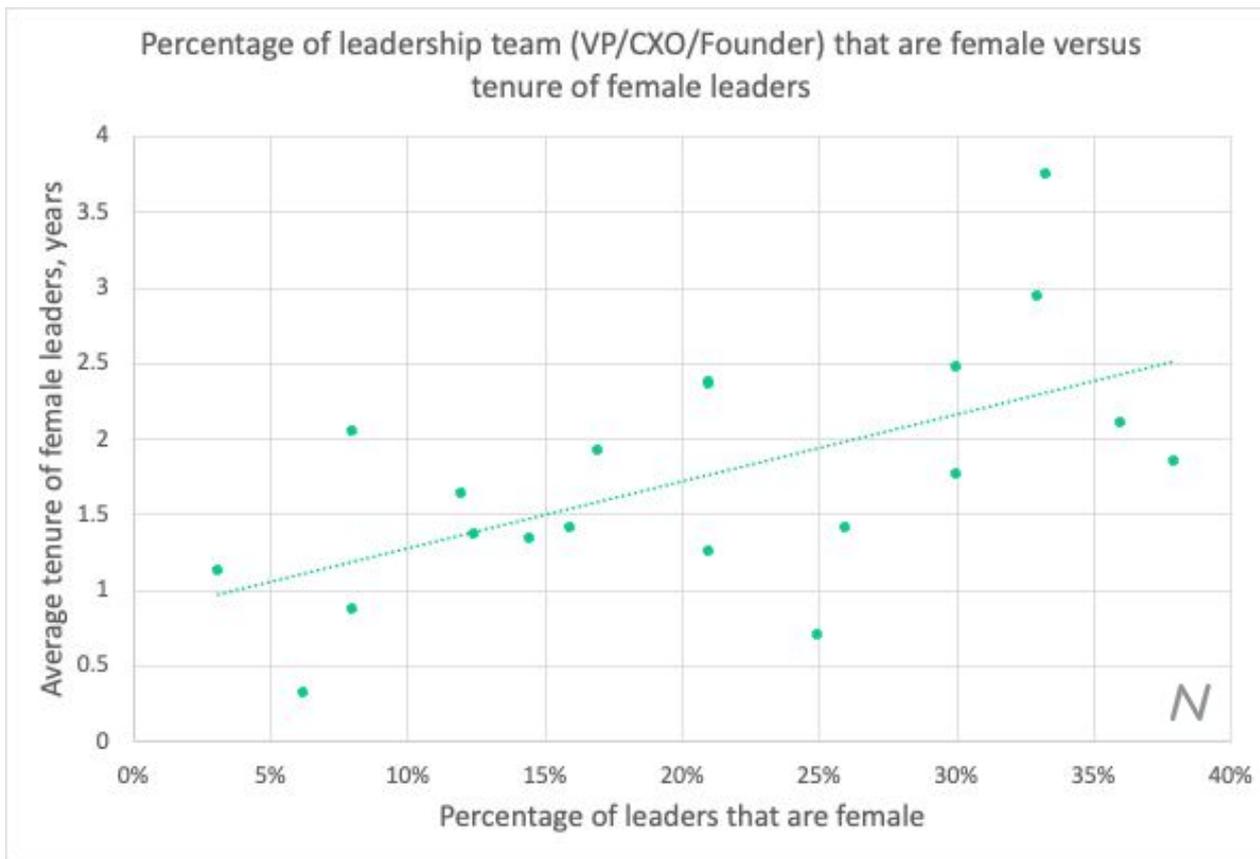
The average proportion of leaders that are female

34%

The average proportion of all staff that are female

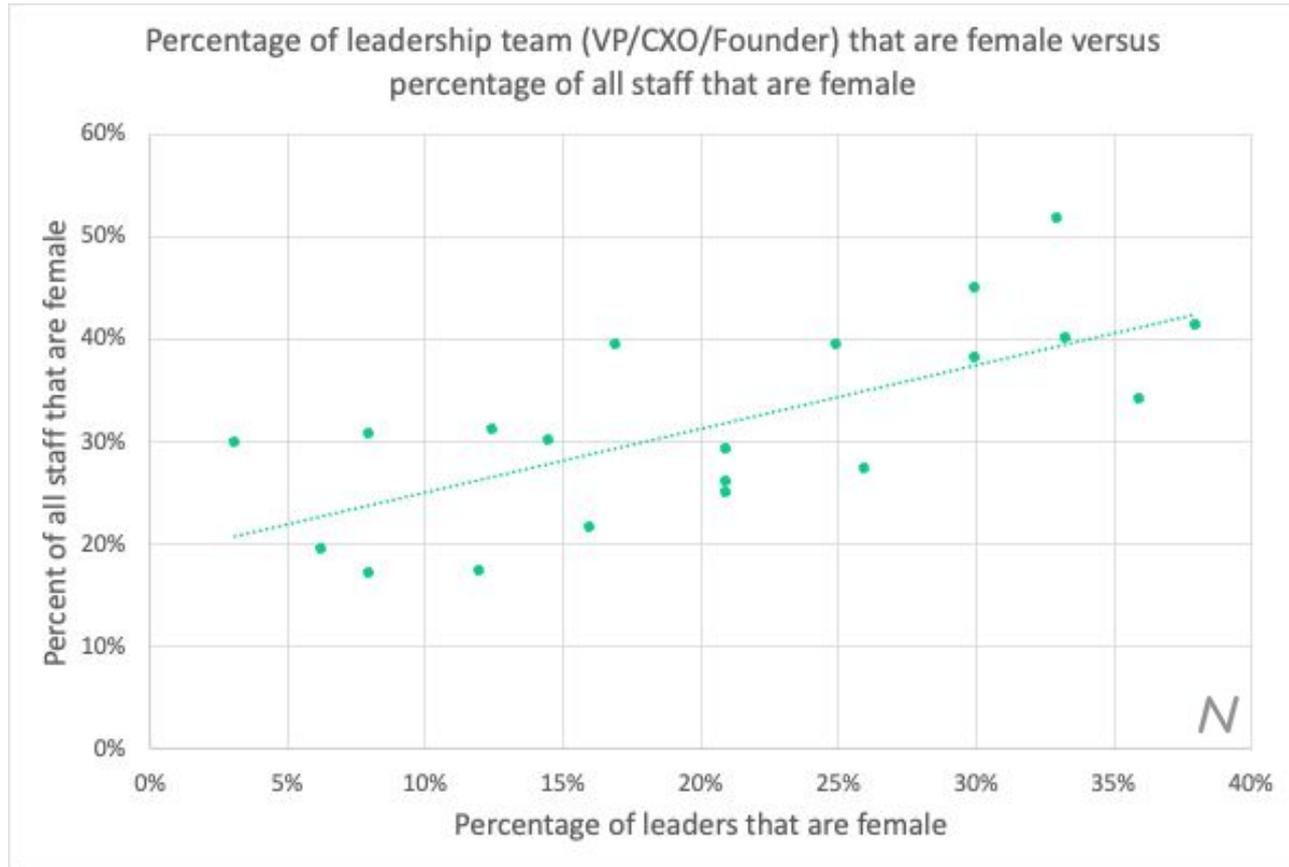
The more female leaders there are at a Unicorn, the longer that female leaders stay in their roles.

N



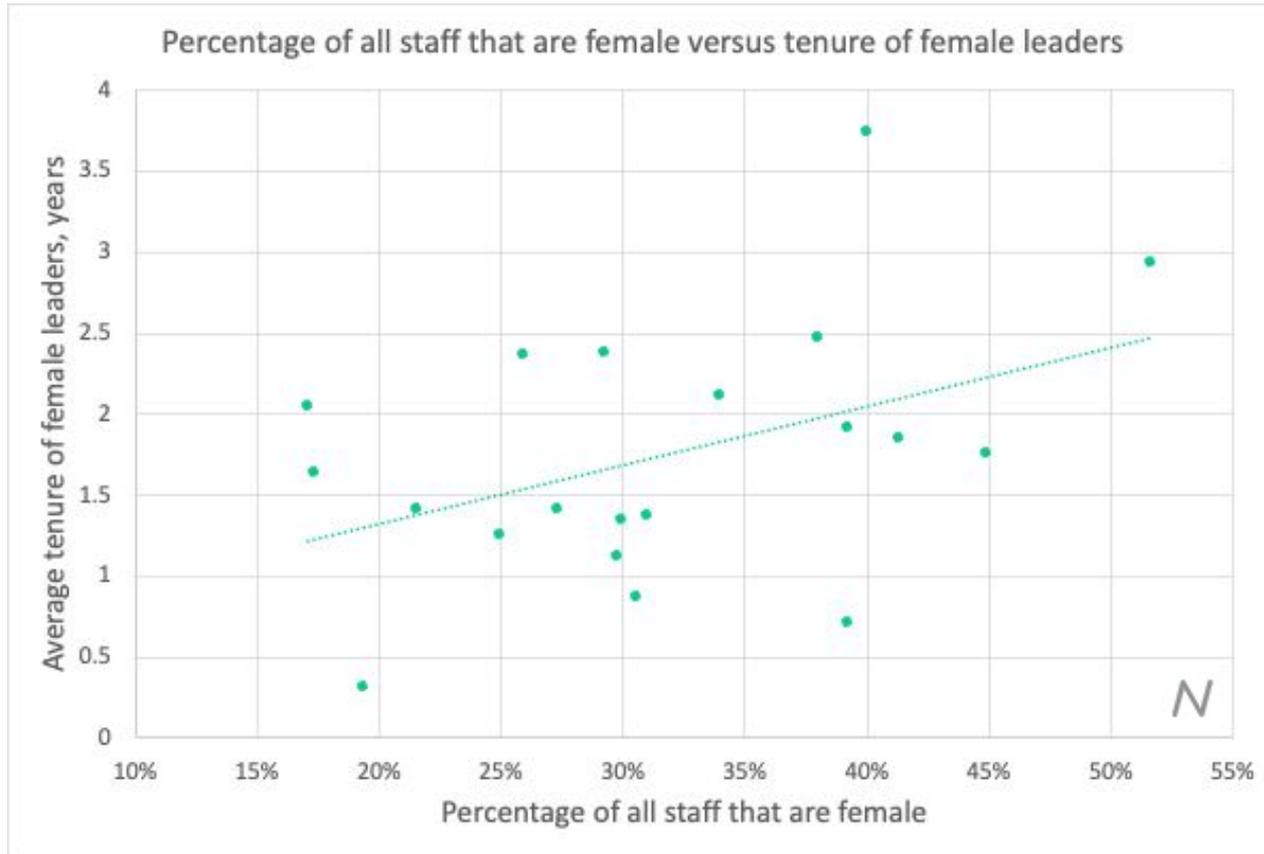
Similarly, the more female leaders there are, the more female staff there are.

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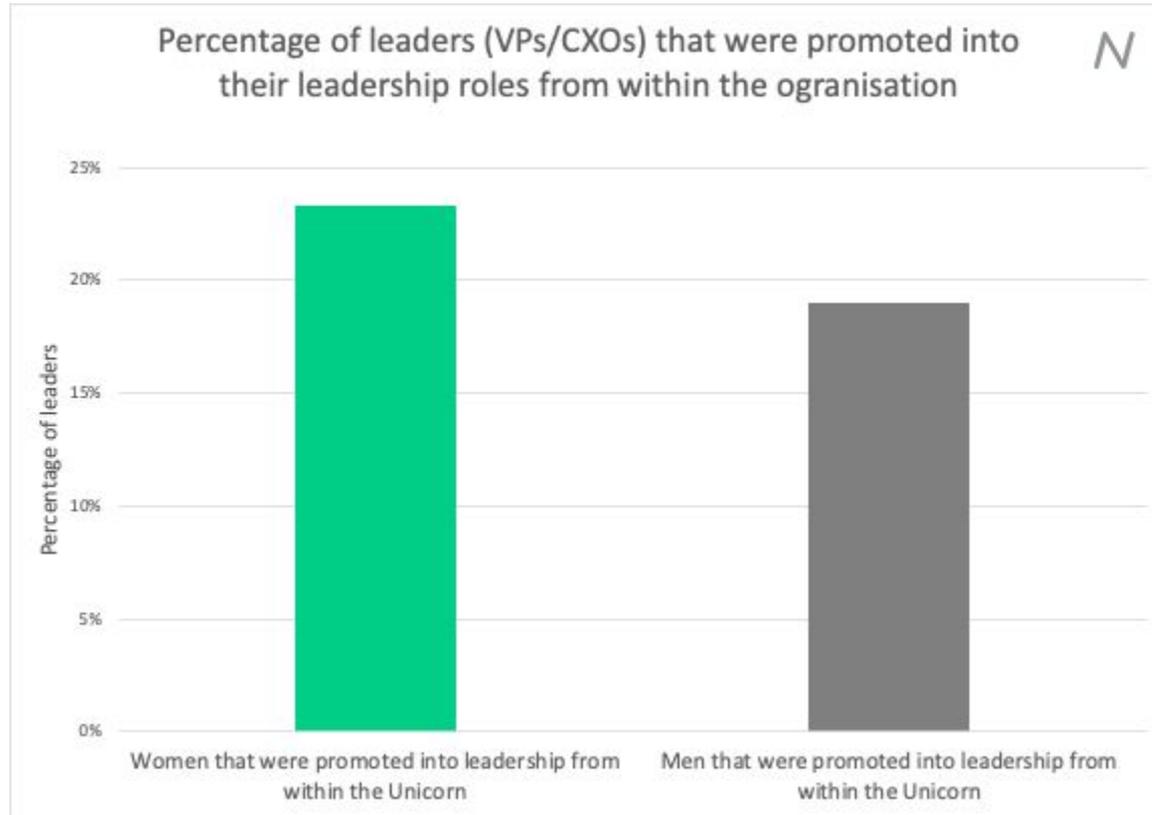
Longer tenure of female leaders also correlates with an increase of female staff.

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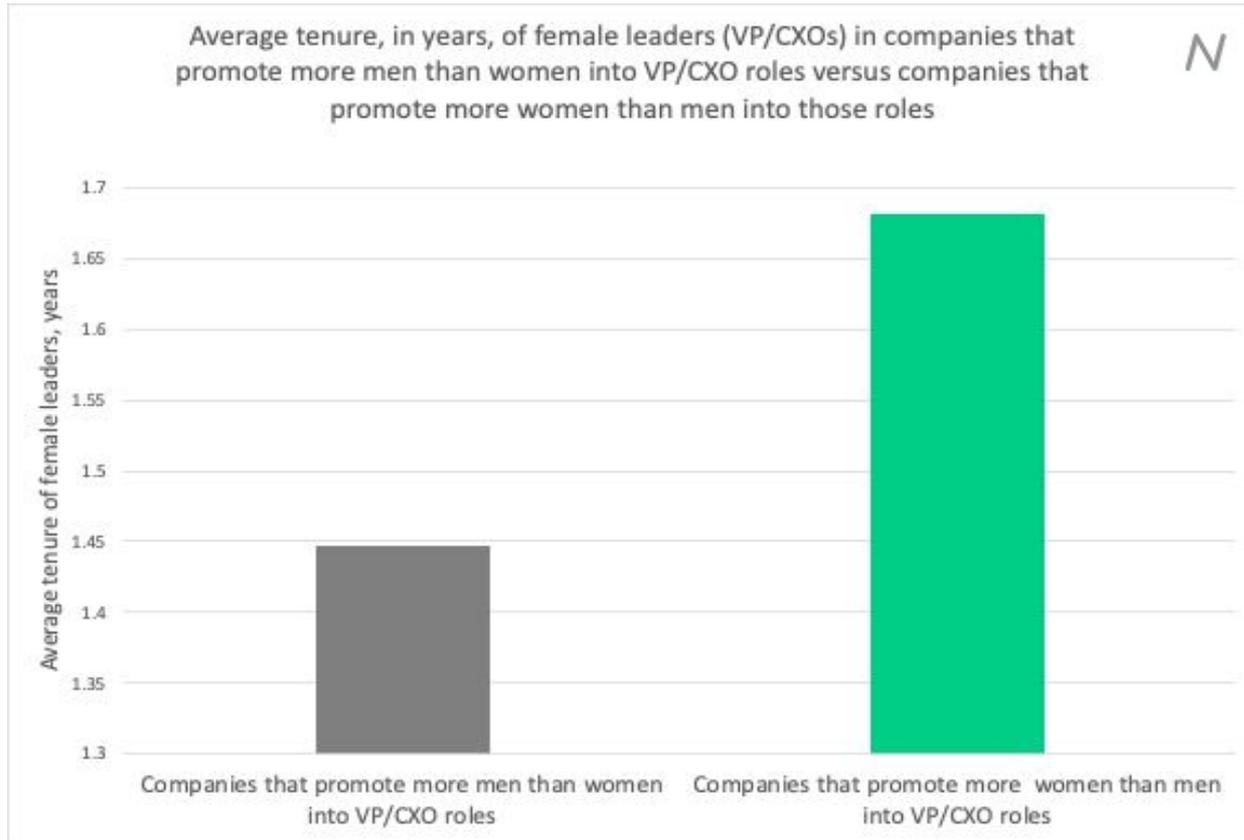
The Unicorns in this study internally promote proportionally more women into leadership roles than they do men, on average...

N



Finally, companies that internally promote more women than men into leadership positions have a greater average tenure of female leaders, than companies that promote more men than women.

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In summary...

In summary, the percentage of leaders that are female, percentage of all staff that are female and tenure of female leaders are all positively correlated.

On top of this, if more women than men are promoted into leadership roles, female leaders are likely to stay with the company for longer.

Does Maternity & Paternity leave
correlate with inclusion of females at
US Unicorns?

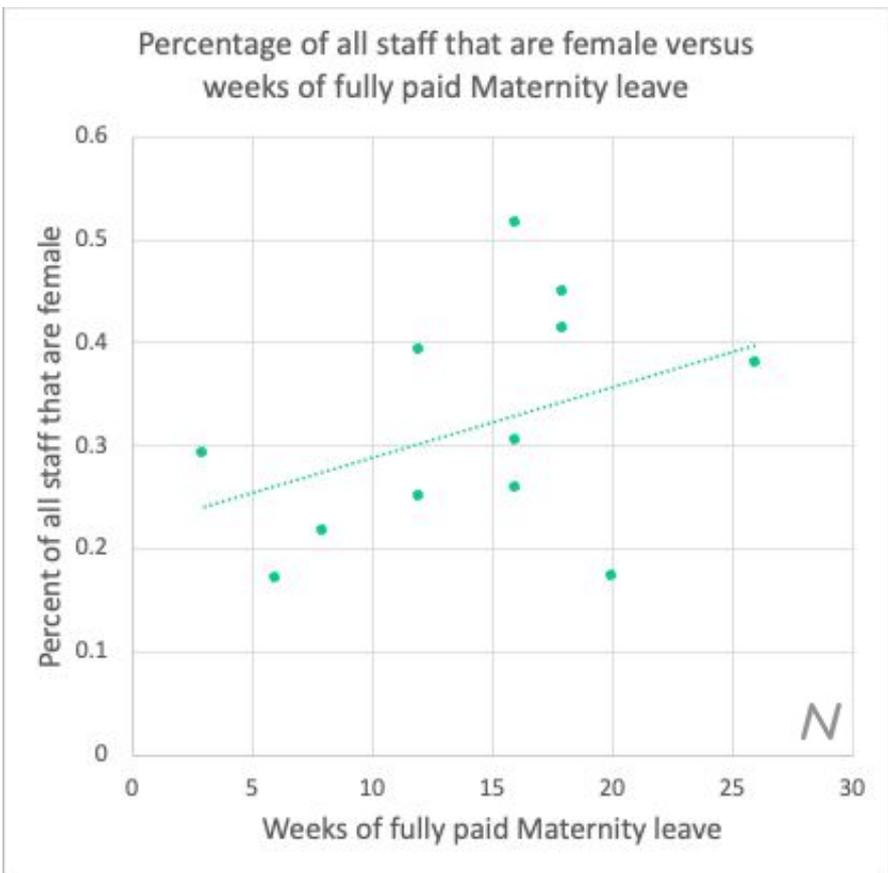
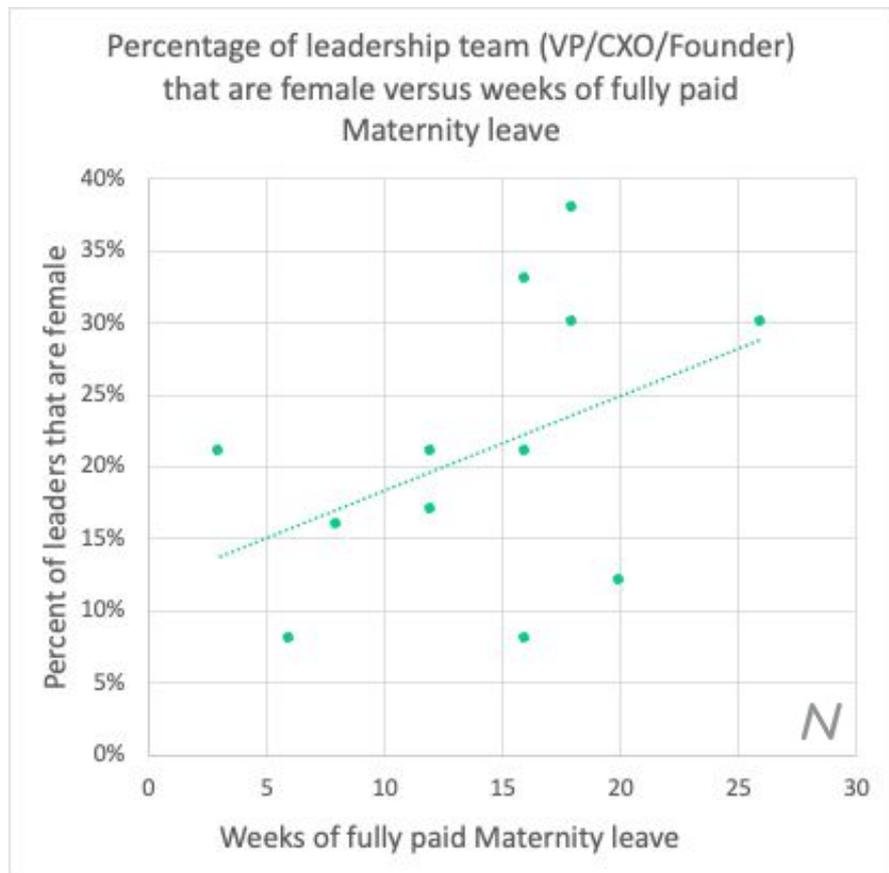
In this section we've only used Maternity and Paternity leave for Unicorns that have a US presence.

This is because Maternity and Paternity leave policies are different in each European company as a result of the statutory minimum restrictions, so comparing them didn't give an equal footing.

In the US, however, where the statutory minimum is consistent across all Unicorns, we could get a better gauge of how policies correlate with female inclusion.

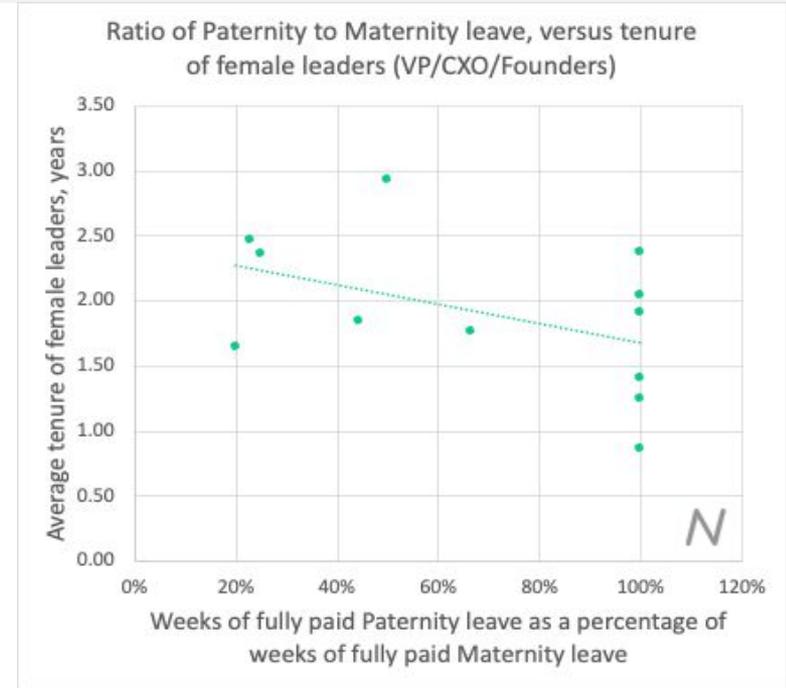
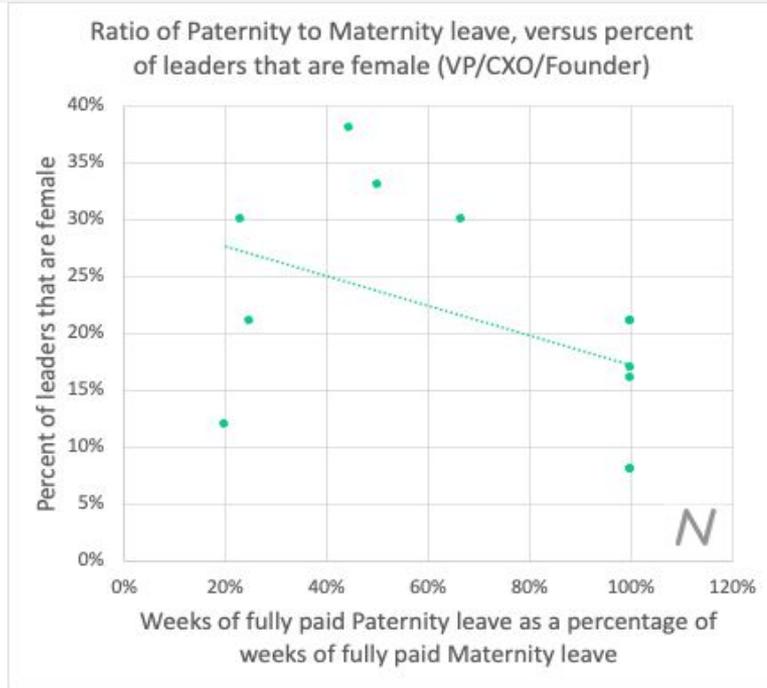
There is a positive correlation between the length of fully paid Maternity leave on offer and the percentage of females in leadership positions... and in organisations as a whole.

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A very interesting finding was that the more closely the generosity of Paternity leave matches the generosity of Maternity leave, the fewer female leaders there are, and the shorter their tenure.

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Why is this? The length of Paternity leave included in this data set only relates to fathers who are not the primary carer. In other words, if you offer mothers who are the full-time carer the same paid leave as fathers who aren't the full-time carer, it's likely that tenure and proportion of female leaders in your company will be at the lower end of the scale.

In summary...

In summary, at US Unicorns, longer fully paid Maternity leave correlates with more women in leadership positions as well as in the entire workforce.

However, the closer paid Paternity leave and paid Maternity leave are, when the woman is still the primary carer, the more likely organisations are to have fewer female leaders, and their tenure will be shorter.

This report was brought to you by...

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With huge thanks to Happy Fiala, Stephan Thoma, Sinead Daly and David Barker for their input.

This report is published by Notion, 91 Wimpole Street, London W1G 0EF.

Registered address: 91 Wimpole Street, London W1G 0EF.

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Thank you

