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2020 Women in Supply Chain Survey Highlights Consumer Value Chain Progress

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2020 Women in Supply Chain Survey Highlights

Consumer Value Chain Progress

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Our fifth annual survey, conducted in partnership with AWESOME, shows that a historic 17% of CSCOs in surveyed organizations are women, up from 9% five years ago, with supply chain organizations in the consumer sector showing the strongest leadership pipelines.

Overview

Key Findings

- Representation in C-level roles showed improvement in 2020 and is up significantly since 2016, the first year of the survey.
- Consumer/retail sector organizations lead the way with strongest women's leadership pipelines.
- Integrated pipeline planning is the most significant action to take to improve leadership representation.

Recommendations

Chief supply chain officers (CSCOs) responsible for strategy should:

- Establish integrated pipeline planning processes to ensure that women reach the top ranks. Provide sponsorship and support that encourages calculated career risks. Line responsibility is an important formative experience, for example.
- Define clear, measurable goals and targets for supply chain roles to provide accountability. Put yourself in the driver's seat to run initiatives.
- Prioritize the right initiatives to improve representation — pipeline planning for example — rather than rely solely on employee resource groups (ERGs) and training.

Survey Objective

Gartner's fifth annual Women in Supply Chain Survey was conducted from 14 January through 24 February 2020. Gartner surveyed 177 supply chain professionals, primarily in North America, about their companies' goals and initiatives to improve attraction, development, retention and advancement of women. We also collected baseline data on how many women are in frontline manager, senior manager, director, vice president and executive-level roles within supply chain

organizations. Another goal for this survey was to identify practices that increase the engagement with, and success of, women in supply chain organizations.

Gartner's primary research partner for this project is AWESOME, a U.S.-based nonprofit organization focused on advancing women's supply chain leadership. ¹ We also partnered with the Council for Supply Chain Management Professionals (CSCMP), a U.S.-based nonprofit organization for supply chain professionals, to reach out to a subset of its membership as well. A new partner welcomed in 2020 is boom!, a U.K.-based global community formed to support and link women in the supply chain profession, with membership spanning 30 countries.

This research and analysis is crucial to supply chain leaders for two reasons:

- Women are underutilized resources in the so-called "war for talent" and research studies show that diverse teams are more innovative and perform better.
- Women make up more than 50% of the professional workforce in most developed markets and this number is on the rise.

Data Insights

"We're in a war for customers, a war for service, a war for talent all the time. How could we possibly expect to win if we're limiting our pool of talent to half the population?"

— *Bill Winters, Group CEO, Standard Chartered*²

Winters's point of view is increasingly mainstream in global business circles. It's been helped along by a prolonged war for talent borne of the 2008-09 recession, and women's growing participation in higher education and professional workforces. In supply chain roles, compared with other professions, the talent crunch has been particularly acute. The average days a role is open is higher, there are fewer candidates available per job opening and fewer candidates available per employer. ³ As a result, CSCOs have become more creative than ever in their quest to increase the size of their talent pools and build stronger pipelines that lead to top leadership roles. For example, they are:

- Opening up internships and entry-level roles to college majors outside of supply chain and engineering, reducing tenure and industry expertise thresholds on curriculum vitae (CV).

- Hiring laterally, internally, from adjacent functions such as commercial, finance or quality, or externally from suppliers, customers and consultants.
- Building, from the ground up, localized talent pipelines composed of partnerships with state and local governments, educational institutions and business partners and even competitors.
- Establishing an influential personal online presence through frequent appearances on LinkedIn and various supply chain events, emphasizing the sense of purpose and variety of experience a supply chain career offers.

The above are basic talent gap strategies. If you want to include better gender diversity as an outcome, you need to go beyond that. Basics such as setting goals will help. Since 2016, this survey has shown how setting goals and designing programs to achieve them generates results, specifically, more women in supply chain leadership positions. In 2016, only one-third of respondents had goals in this area. Today, for the second year running, our research shows that a clear majority of supply chain organizations (63%) have specific goals to increase the number of women leaders in their ranks, up from 59% in 2019. Pursuit of gender diversity in supply chain organizations is clearly in the mainstream.

Elsewhere in the 2020 survey, we saw encouraging progress at the CSCO level, slight decreases in representation at other levels and sustained strong pipelines in consumer/retail supply chain organizations compared to other sectors. We also reinforced the finding that integrated pipeline planning and management is the most significant action CSCOs can take to pull more women into supply chain leadership positions. As supply chain takes center stage through 2020's pandemic response, recovery and renewal, we need all the effective and versatile leadership we can get. In this crucible, organizations that effectively attract, retain, engage and promote half the population better than their competitors will have a material advantage.

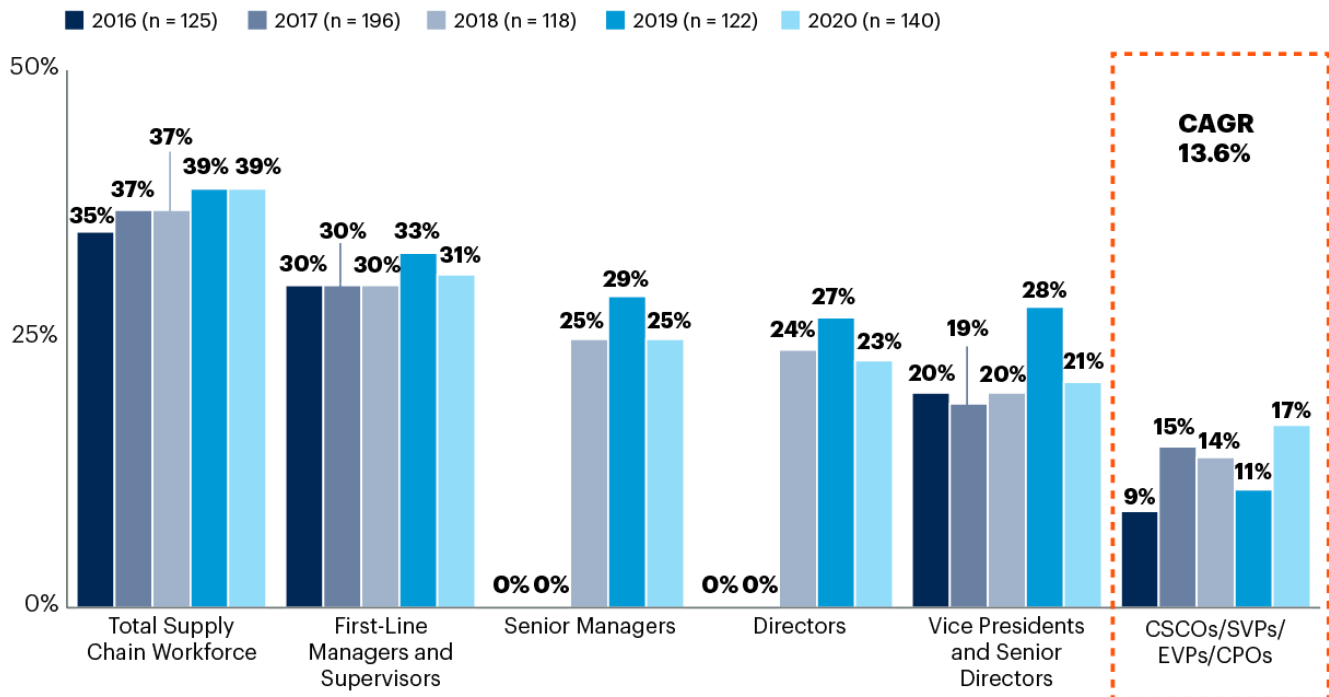
Representation of Women at the Executive Leadership Level Showed Improvement in 2020 – 17% of CSCOs Are Women

The overall picture and trend of female representation within the average 2020 supply chain organization is sobering: it's flat. Women are not consistently making it through the pipeline. However, the increase in women executive leaders over the past year – from 11% to 17% – is quite positive. Over the past three years, representation at the CSCO level has fluctuated, with a pronounced uptick this year (see Figure 1).

Figure 1: C-level Roles Showed Improvement in 2020, Others Back to 2018 Levels

C-Level Roles Showed Improvement in 2020, Others Back to 2018 Levels

Women in Supply Chain Leadership Roles Year-to-Year Comparison



Q: Thinking about all the full-time employees in your supply chain organization/business unit, what percentage are female?

Source: Gartner Women in Supply Chain 2020

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We can point to several potential reasons for progress at this level of leadership. Naturally, with fewer executive-level roles within an organization, the greater the variability in representation we will see when one woman enters or leaves roles at this level of seniority. Even so, we can likely attribute this improvement to a major shift we saw between 2018 and 2019: the jump in representation of women at the vice president level from 20% to 28%. This notable increase created a larger pool of female talent from which to pull from once executive-level roles were vacated.

Shareholders are also increasingly aware of both the benefits of gender diversity and apparent risks of ignoring it within an organization. Companies in the top quartile for gender diversity are 21% more likely to outperform on profitability and 27% more likely to have superior value creation. Meanwhile, companies in the bottom quartile for gender diversity are 29% less likely to achieve above-average profitability than other companies.⁴ As such, positive pressure from company shareholders and more comprehensive corporate social responsibility (CSR) agendas have likely influenced many of the 2019 decisions around who should move into CSCO, CPO, executive vice president (VP) and senior vice president (SVP) positions in supply chain. Gender diversity has increasingly become a priority for leading supply chain organizations and nowhere is gender imbalance more apparent and most prominently displayed than at the executive level of leadership.

The percentage of women reaching the executive level of supply chain is encouraging and in line with other C-level operations roles in consumer and industrial sectors, according to a recent Korn Ferry Study.⁵ Similarly, 2019 data from McKinsey & Co. found 21% representation at the C-suite level.⁶ So, supply chain organizations are trending in the right direction when it comes to representation of women at the highest levels of the hierarchy. Accelerating this trend will require greater action on behalf of supply chain leaders. Our research and others show women reach top leadership positions through integrated pipelining, a combination of decision forum and development projects that pulls in and advances more women to top leadership positions. The concern with the 2020 supply chain data is that VP gains made in 2019 were erased, which is likely to show up as flatness at the CSCO level in the next few years.

What should be called out within this integrated pipelining process? Wisdom from women and men who have already moved into executive level leadership positions may prove particularly helpful in strategically ushering in future eras of female executive leaders. Many women leaders, even beyond supply chain, have noted the necessity of ensuring women have career champions and support along their development journey. This often includes creating mentorship and sponsorship opportunities specifically for women as part of an integrated pipeline approach.

“I’m a mentor and I receive coaching as part of my philosophy to be a lifelong learner. To this day, I still benefit from the coaching and advice I was given early in my career as a mentee. Receiving feedback is a gift as it can help you improve and make adjustments in your career.”

— Annette Clayton, Executive Vice President, Global Supply Chain and President & CEO of North America Operations, Schneider Electric⁷

As an adjunct to sponsorship, this perpetual learning loop via feedback is key, as are recruiting, performance management and succession planning, according to our research. Other research, including AWESOME’s supplementary research in previous years, highlights the importance of risk taking, stretch assignments and developmental rotations, especially into line roles.⁸ An effective mentor or sponsor really ties this all together: connecting you to networks, suggesting stretch assignments, advocating for you in those assignments and giving you guidance as you navigate risky ventures. Invariably, when you attend panels on leadership and hear people describe their journeys, there are mentors and sponsors playing active roles.

Action Item

Establish integrated pipeline planning processes that result in women reaching the top ranks. Include mentoring, sponsorship and support that encourage calculated career risks, particularly

opportunities that involve profit and loss (P&L) responsibility. Ensure that gender stereotypes are not applied to hiring or promotion activities into executive level leadership. In order to reduce bias, define a structured assessment approach that focuses on how well a candidate aligns with the necessary capabilities, leadership style and expertise to be successful in the role (see [“Toolkit: Interview and Select a CSCO Who Fits Your Business Needs”](#)).

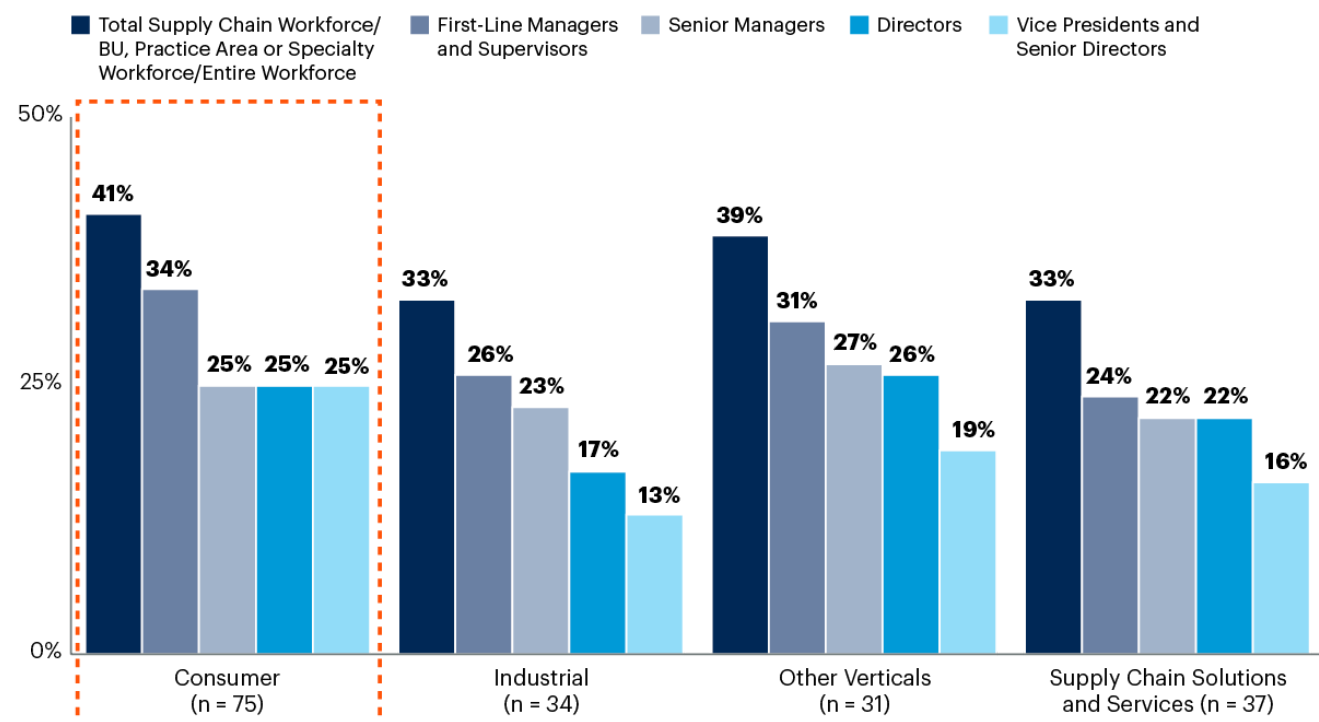
Consumer Value Chain Organizations Lead With Strong Practices and Pipelines

What types of organizations are cracking the code when it comes to gender diversity? Our industry data cut shows that consumer and retail organizations lead the way, while industrial manufacturers and supply chain service providers lag (see Figure 2). Consumer organizations’ representation of women at VP level is nearly twice that of industrial organizations, helped along by setting measurable goals as well as more flexibility on degree type preferred.

Figure 2: Women in Supply Chain Leadership Roles

Women in Supply Chain Leadership Roles

By Industry Segment



Base: End-User and Supply Chain Solution Respondents

Q: Thinking about all the full-time employees in your supply chain organization/business unit, what percentage are female?

Source: Gartner Women in Supply Chain 2020

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Consumer and retail organizations maintain a steady level of women in senior leadership roles: 25% for senior managers (there is certainly room for improvement here), directors and vice presidents. In industrial organizations, the number of women in midlevel to senior leader positions shows a decline, with only 13% of women represented in vice president roles. The picture for “other” verticals and supply chain solutions in Figure 2 shows that a pipeline of women in

leadership positions is being built, but this has not yet translated into as much representation at the VP level.

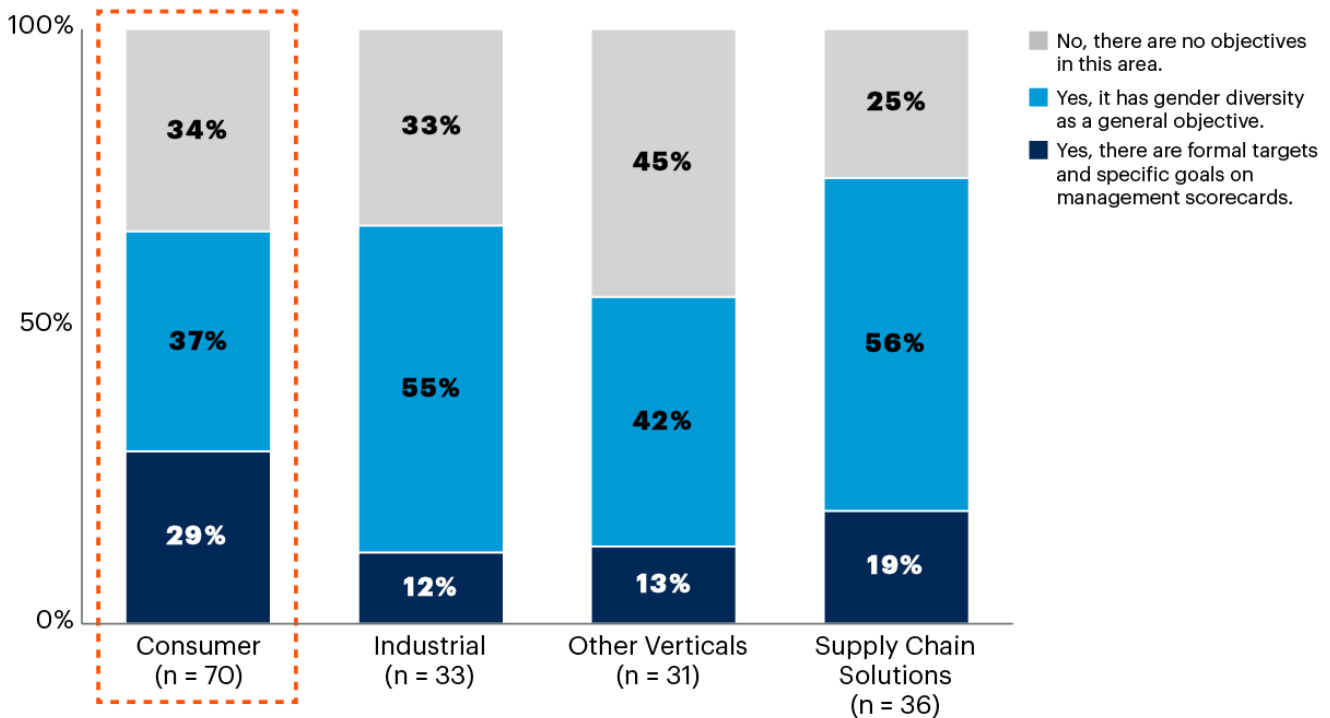
What could be some of the reasons for the industrial organizations' lag? Diving into the technical degree preference of the sector — 55% of industrial respondents prefer a science, technology, engineering and math (STEM) degree for senior hires, compared to 39% of consumer sector organizations. Part of the answer may lie in the STEM education pipeline, specifically engineering. A 2017/18 study conducted by the Universities and Colleges Admissions Service (UCAS) and the Higher Education Statistics Agency (HESA), showed that 35% of STEM students in higher education in the U.K. are women, with women less likely to take computer science (19%) and engineering technology (19%) degrees compared to physical sciences (39%) and mathematical sciences (37%).⁹

The United Nations Educational, Scientific and Cultural Organization's (UNESCO's) 2017 report on "Cracking the Code on Girls' and Women's Education in STEM" shows that while 35% of STEM students in higher education globally are women, only 27% of engineering students are.¹⁰ In the U.S., the proportion of young women majoring in engineering has ticked up in recent years, but is still just 21.9%.¹¹ The gap is cause for concern in industrial supply chain organizations, as many future roles will require greater technical skills; however, a high proportion of future workers (women) are not engaged in these subjects at a high level.

Another notable difference between industrial and consumer supply chain organizations is goal setting. Consumer and retail organizations were more than twice as likely to have formal targets and specific goals in management scorecards for gender diversity (see Figure 3). In fact, when we looked at a subset of industrial organizations that had observed an increase of representation at director level, what differentiated these organizations is that they had formal targets, goals and objectives. The data is clear: having measurable targets is correlated with improved gender representation. While industrial, "other" industries and supply chain solution providers all had general objectives on gender diversity, this soft approach is not yielding strong results.

Figure 3: Companies With Stated Objectives to Increase Women Leaders

Companies With Stated Objectives to Increase Women Leaders
By Industry Segment



Base: End-User Respondents

Q: Does your organization/business unit have a stated objective to increase the number of women leaders in supply chain?

Source: Gartner Women in Supply Chain 2020

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Action Item

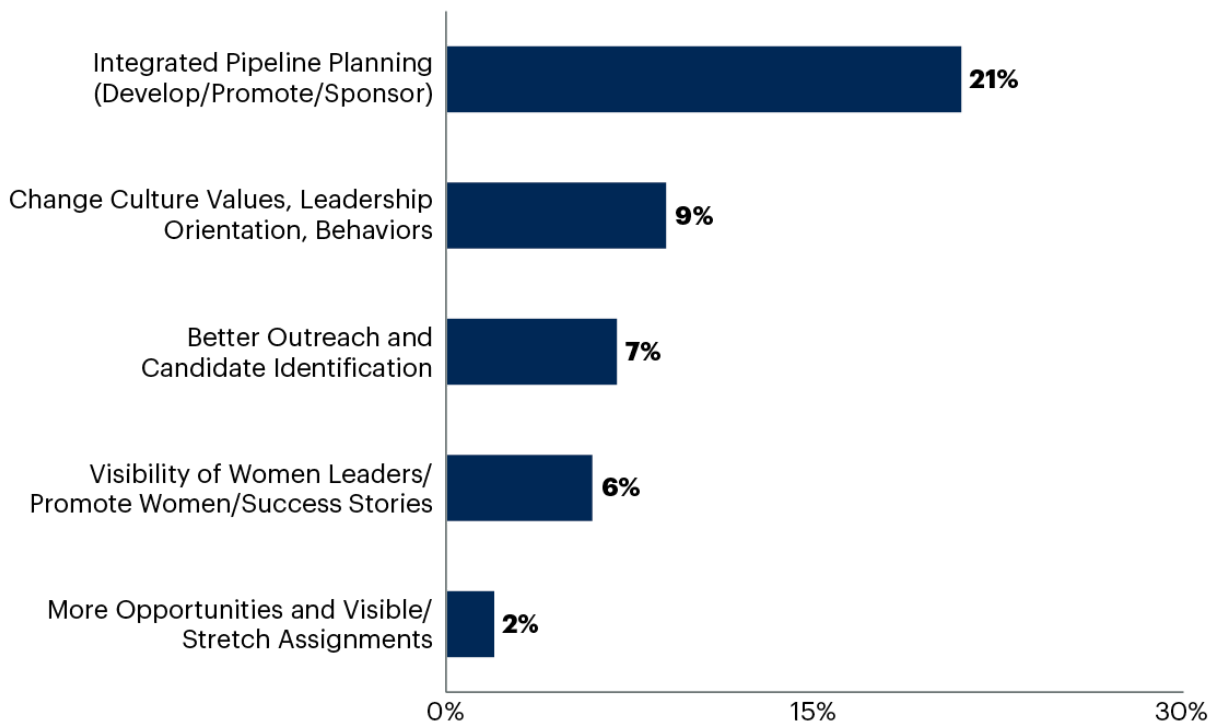
Define clear, measurable targets to achieve better representation of women across all supply chain roles. Ensure that supply chain is in the driver’s seat to run initiatives and is held accountable for results. Enterprisewide programs, such as women’s networking groups, have benefits, but by themselves will not lead to tangible improvements in advancement of women into leadership positions. Proactively engage with schools and universities to promote STEM subjects with girls and women, to build a future pipeline of talent for roles or in industries requiring STEM degrees. In addition, also evaluate roles to determine that they do in fact require a STEM profile.

Integrated Pipeline Planning Is the Most Significant Action to Take to Improve Leadership Representation

Reinforcing survey findings and best practices from previous years, 1 out of 5 respondents said integrated pipeline planning was the top action supply chain leaders should take to progress women into top roles. Culture change remains the second most important action (see Figure 4). When we look at the detail on how supply chain organizations are pursuing holistic approaches to building and operating strong pipelines, culture emerges as a key element of their projects and initiatives.

Figure 4: The Top Action Your Company Should Take to Better Progress Women to Top Jobs

The Top Action Your Company Should Take to Better Progress Women to Top Jobs



n = 177

Q: In your opinion, what is the most important thing your organization can do to better progress women to top jobs?

Source: Gartner Women in Supply Chain 2020

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Gender-focused inclusion and diversity initiatives until recent years focused nearly exclusively on employee resource groups and women's development programs: improving women. This did not change representation meaningfully in supply-chain-intensive industries, although it became more common to see perhaps one woman on a management team or board. Today, we recognize that while there are benefits to ERGs and leadership development activities, we know that to move women into top jobs, organizations need to focus on management practices that improve pipeline planning and management. Formal decision forums across that pipeline, including recruiting, performance management and succession planning, are key and are supplemented by development programs that emphasize sponsorship and stretch assignments. Culture shows up as an important component, too, most often demonstrated by the degree to which inclusion is baked into processes or explicitly mentioned as a business imperative.

One \$10 billion industrial process manufacturer described its women in supply chain leadership efforts this way: "It is not a leadership program or initiative – it is built into our strategies and KPIs across the function." Leaders are measured on inclusion alongside other business measures. This organization reported improvements in representation at every level in the pipeline. With a balanced 50/50 gender split in their supply chain workforce overall, this supply chain organization

has 30% female representation through the middle of its pipeline that then increases at the VP and executive level.

A large, global consumer products manufacturer with strong HR practices and high-profile women supply chain leaders in some regions pushed itself further in recent years. The group launched an initiative to more meaningfully involve male leaders in different development and decision forums to address bias and its fallout head on, emphasizing manufacturing in particular. The company also significantly extended paid leave for both men and women, building better infrastructure for an inclusive and diverse workforce. This company is investing big resources and executive focus on a cultural shift in values, betting that it will pay off with a better employee experience, hiring brand and consumer sales.

A \$10 billion supply chain provider extended what was initially an employee resource group into a more formal, integrated recruiting and pipelining initiative that still retains the community activist flavor of the best ERGs. While the company has a very low percentage of women in its workforce overall (in the teens), 1 in 4 supervisors and senior managers are women. In addition, the percentage of women at director and VP level are still higher than the percentage of women in the overall workforce. One of the main reasons the provider cited for its success is its customers are demanding more diversity in their suppliers and are focused on their own diversity and inclusion initiatives, too.

A handful of respondents said the top action was outside recruitment/outreach that had resulted in improvements (see Figure 4). This arguably would affect culture as well.

No respondents cited employee resource groups as top actions for progressing women to senior leadership roles in supply chain. Nor did they cite leadership development programs or improved work-life balance. This reinforces our findings over the years that the right place to focus for senior leadership impacts is the pipeline and the decisions and processes that support it.

Action Item

Prioritize initiatives that are most likely to produce results; for example, integrated pipeline planning, or pieces of it, such as recruiting or succession planning. Use tools like [“Embed Bias Mitigation to Create Diverse Succession Slates”](#) to spur discussion and redesign processes.

Future State

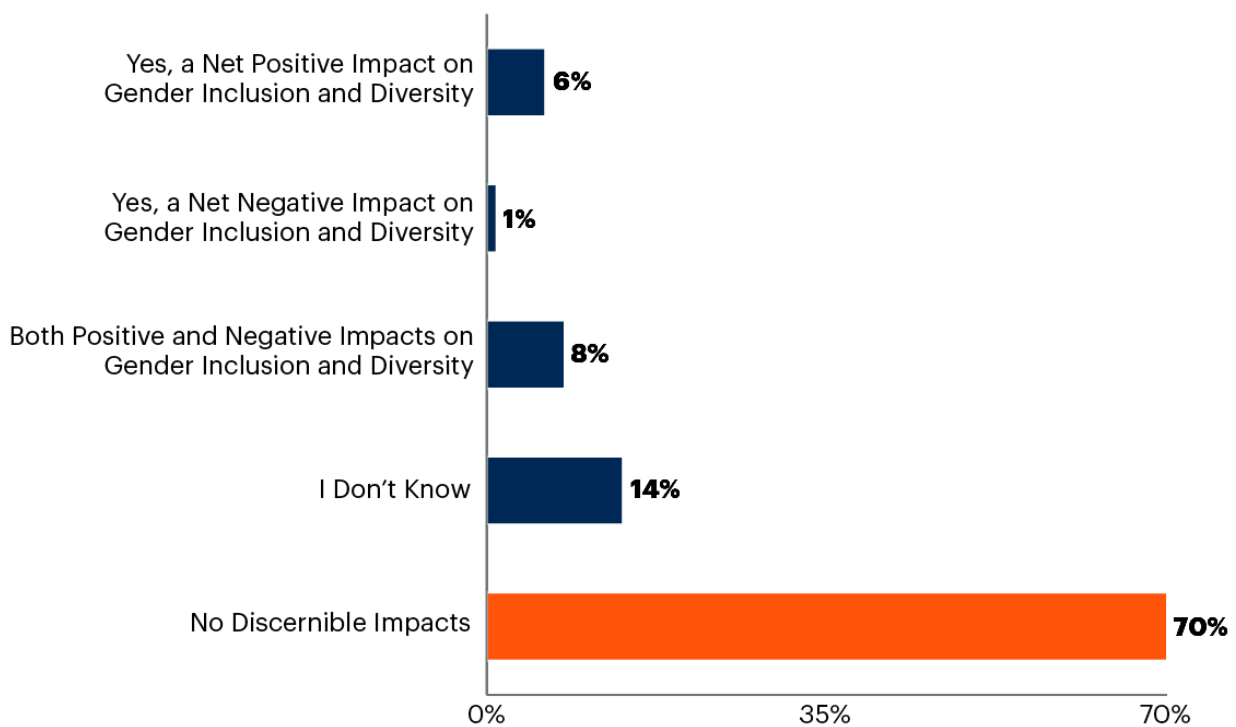
This year marks the five-year anniversary of the Gartner/AWESOME Women in Supply Chain Survey project. We’ve established a tradition of celebrating progress where we find it, while bemoaning little improvement in the profession’s overall average pipeline: the numbers are stubborn. Yet we’ve been able to clearly establish what works to most effectively recruit, develop and advance women into senior leadership roles based on demonstrated practices and results in the companies that have made progress. We’ve shown the importance of men’s active participation in ensuring progress, which this year’s survey results only strengthened. It turns out that companies with initiatives that include men are not only more likely to report improvement in women’s

advancement to top leadership levels, they're far less likely to report negative progress. Men's involvement is important. (Or, as we reported last year, men matter!)

Further optimistic news on the gender relations front were results from a new question we put to respondents this year: Has your organization experienced any impacts associated with the "Me Too" (#MeToo) movement? In informal discussions the past two years, many supply chain leaders expressed concern that increased and higher profile sexual harassment lawsuits would hurt initial gender diversity gains made in supply chain organizations. We were pleasantly surprised that 70% of respondents reported no discernible impact on gender inclusion and diversity in their organizations, and only 1% reported a net negative impact (see Figure 5). The 8% who reported both positive and negative impacts were the most likely to comment alongside their responses, in most cases citing that, indeed, some men were raising concerns about hiring and mentoring women, particularly young women. We had expected the percentage of negative and mixed positive/negative impact responses would be higher.

Figure 5: Most Supply Chain Organizations Report No Discernible #MeToo Impact

Most Supply Chain Organizations Report No Discernible #MeToo Impact
Impact of the #MeToo Movement



n = 134, Supply Chain Organization Respondents

Q: Has your organization/business unit experienced any impacts associated with the #MeToo movement?

Source: Gartner Women in Supply Chain 2020

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As small as this number was, we'll need to continue to track associated fallout and how it might affect pipelines; male leaders and allies are crucial to progress. Any weakness earlier in pipelines caused by their reluctance to engage will affect women's representation at senior levels and also generate a variety of suboptimal business outcomes.

Lack of progress is something we can ill afford at the moment. Supply chain's role in the COVID-19 pandemic and recovery is being played out on a global stage, with lives and livelihoods at stake. This is a pivotal time for many women in midlevel and senior management supply chain positions. Careers will be made or broken.

Some predict that women's career progress will take a hit relative to male colleagues, with primary responsibility for emotional and domestic labor on the homefront. Others find that men are becoming more engaged as a result of time at home and women bring critical strengths to address the kind of unexpected, significant shifts we are experiencing, where they can make a significant difference. What we do know is that supply chain leadership has never been more crucial. We need the best talent available to overcome this crisis and position our organizations for an uncertain future.

Methodology

- Gartner's 2020 Women in Supply Chain Survey: This study was conducted to track progress on attracting, retaining and promoting women in the supply chain profession.
- The research was conducted online from 14 January through 24 February 2020, among 177 respondents primarily in North America. AWESOME partnered with Gartner to develop the survey and recruit participants. The sample was augmented with recruitment efforts by other supply chain organizations (e.g., Supply Chain Waves).
- Qualified participants work in organizations that have an internal supply chain organization or in organizations where supply chain is a separate business unit, specialty or practice area, or those who are vendors of supply chain services and solutions. Of the 177 respondents, 140 were organizations with internal supply chain, 37 were supply chain business services and solutions. Organizations also had to have a minimum of \$100 million in annual revenue.
- The survey was developed collaboratively by a team of Gartner analysts who follow supply chain enablers and AWESOME leadership and was reviewed, tested and administered by Gartner's Research Data and Analytics team.

Additional research contribution and review

Heather Ternet

Evidence

¹ Founded in 2013, AWESOME is the supply chain's most active and prominent organization focused on advancing supply chain leadership for women. Involving senior executives in a wide range of supply chain roles, the group:

- Facilitates networking among senior leaders.

- Enhances visibility for the accomplishments and expertise of senior supply chain leaders.
- Collaborates with others in the profession to improve the climate for advancing women.
- Inspires and encourages the development of emerging leaders and young professionals.

² “Invest in a More Equal Future,” Bloomberg.

³ Gartner TalentNeuron Supply Chain Hiring Guide Data.

⁴ “Delivering Through Diversity,” McKinsey and Co.

⁵ “Korn Ferry Analysis of Largest U.S. Companies Shows Percentage of Women in C-Suite Roles Inches Up From Previous Year,” Business Wire.

⁶ “Women in the Workplace 2019,” McKinsey and Co.

⁷ “My Observations About Our Gender Equality Journey,” Schneider Electric.

⁸ “Women Leaders: How We Got Here,” Spencer Stuart.

⁹ “Women in STEM | Percentages of Women in STEM Statistics,” STEM Women.

¹⁰ “Girls’ and Women’s Education In Science, Technology, Engineering and Mathematics (STEM),” UNESCO

¹¹ “Engineering by the Numbers,” American Society for Engineering Education.

Recommended by the Authors

Address the Gender Diversity Gap to Improve Logistics Performance

Ignition Guide to Building a Talent Strategy for Supply Chain

Map Your Supply Chain Future With the Supply Chain Talent Maturity Model (2.0)

Supply Chain Brief: How to Compete for Millennial and Gen Z Talent

Recommended For You

China Summary Translation: Why and How I&O Should Lead Edge Computing

Learning Sprints (Bose Corporation)

U.S. Healthcare Payer CIOs Must Match Digital Platform Models to Their Local Provider

Engagement Strategy

5 Actions U.S. Healthcare Payer CIOs Must Take When Purchasing Risk Adjustment Management Systems

Healthcare Payer CIOs: Prepare for the Next Generation of Care Management

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