



HOW TO HOLD ONTO TALENT IN THE 'PINCHED MIDDLE'

Lighten the way, lessen the load

EXECUTIVE SUMMARY

It's a well-known fact that management consulting firms are all struggling with retaining women and promoting them to the highest ranks. Diversity at the top remains elusive, with the vast majority of firms only managing a small proportion of female partners at best.

A common dropout point is what we're terming the 'pinched middle'. These are women at manager and senior manager grade—in their late 20s and early 30s—who, just as they're expected to be at full-throttle with their career, are also becoming busier at home too. It's the point at which many reflect on the kind of life they want, the trade-offs they're willing to make, and what it takes to be successful in consulting. Unfortunately for consulting firms, an awful lot of women decide it's either not doable or not worth it, so they leave the industry altogether.

Much has been written about the problems women face, both within firms and in society at large. The reality is that consulting firms are not going to change societal norms—from why so few men take paternity leave, to why caring and looking after the home is seen as women's work—all by themselves. But there are things firms could do to make the lot of women in consulting easier.

This report, therefore, is focused on **the practical steps consulting firms can take today** to help women through this tricky stage of their career and life. All the ideas come from conversations we've had with managers and senior managers working at global consulting firms in Europe, both male and female. We use their words and stories where possible to articulate what's wrong with existing support, and what they'd like to see change to make it work better. It's backed up by the findings of a wider survey of senior managers in Europe.

We propose a ten-point framework for change. Some of the points are things consulting firms have heard before—and many would argue that they already offer. But there are plenty of reasons why even the best-intentioned policies aren't currently doing much to retain women in the 'pinched middle', and this report explores the key building blocks required to make consulting a more manageable—and attractive—career to them.

A key thing to note is that if firms are to succeed in establishing real change, they'll need to implement all ten points of the plan rather than a select two or three. Each is connected to the other; the points at the top around flexibility and predictability will remain only theoretically available unless the foundations beneath it are also there. When reading this report, it's important to keep in mind that **we're not recommending a tweak here, or some fine-tuning there—we're recommending an overhaul of how senior managers are assessed, what behaviours firms reward, and a broadening of what being a senior manager at a consulting firm can look like.**

So while a firm may look at some of the recommendations and think it's already got it covered, it needs to honestly assess whether it's really taking the practical steps to ensure these policies are really working. The shortfall of women at the top speaks for itself: most firms will be found wanting.

Ultimately the lifestyle will be the reason I leave—I couldn't have a family and remain in consulting. I just don't see how I can do what I do with a family.

I had a bit of an epiphany when I was 33. I remember going to a recruitment event—I looked around me I suddenly realised I was surrounded by all these white collar guys. I felt I didn't fit in there, and I asked myself if this was the kind of environment I wanted to continue in.

I certainly won't compromise on what is important to me when it comes to my family life and if they can't accommodate, I'll just leave.

Most women decide to leave consulting because the hours are too demanding and it's too difficult to plan your life.

I've come to the conclusion that I am going to leave consulting. I wasn't sure if this was just my firm or the consulting industry as a whole, but after a couple of interviews at other consulting firms I can see that it is all just the same and I am tired of it.

All quotes from female senior managers in Europe

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A note from our sponsor

Consulting is a business reliant on its people, and yet ironically, that's where the industry faces one of its biggest challenges: retaining only half of the well-trained, experienced talent pool. While the industry may be successful in recruiting gender-balanced intakes at a graduate level, female consultants often end up leaving the industry at manager and senior manager grades, and are underrepresented at a leadership level. And yes, it matters: there's evidence that diverse teams perform better, are more productive, and are more successful at avoiding the perils of groupthink. As consultants, we provide our clients with the brightest and best minds to meet their needs, and that means bringing diverse perspectives to the table.

At EY, we take this important issue very seriously, and are pleased to have sponsored this important research into the challenges that can face women at a critical stage of their careers: the point where they contemplate the balance of long-term career progression with broader life plans. The findings present hugely valuable feedback for the industry as a whole and we welcome the identification of practical steps that firms can take. EY has been at the forefront of adapting our business to the challenges faced by a new generation of people, however, there's no room for complacency.

This report challenges many of the accepted norms of the consulting industry and raises important questions: which behaviours we reward, which we don't, what defines success, and what career paths can look like. Today the template for potential career advancement is too limited, and this report is full of suggestions from managers and senior managers about what firms can do to broaden it and retain the very best of all our talent.

I hope you find this report as compelling as I do.

Adrian Edwards

Partner
Ernst & Young LLP
Deputy Leader, EMEIA Advisory

SUMMARY OF THE TEN-POINT FRAMEWORK FOR CHANGE

What needs to change

What happens today

What senior managers say would keep them in consulting

1 More predictability around travel and workload

All firms have policies around this area, but many senior managers say these are only available in theory rather than in practice.

2 Greater access to flexible working—and conversations with clients about it

Same as above, all firms have policies around this area, but many senior managers say these are only available in theory rather than in practice.

What needs to be in place if that's to happen

3 Continuity of teams to build trust in flexible arrangements

Working in regular teams is the exception rather than the norm.

4 Different career paths and roles that contribute to career progression

Part-time work is available, but isn't valued and doesn't contribute towards career progression. Roles are often back-office and not client-facing.

5 Clearer and more tailored promotion expectations about more than just revenues

Senior managers' performance is measured on revenues, and revenues only. No consideration is given to those working part-time or returning from maternity leave.

Why it's not working today

Practical steps required

Expectation that whatever demands are made, they are accommodated, no matter how last minute.
 Lack of empathy from engagement partners.
 Revenues are all that matter—consultants therefore feel they can't say no.

Agree working patterns in advance.
 Make consent part of the scheduling process.
 Help with childcare while consultants are travelling.
 Establish trust by working with the same teams more regularly.
 Extra support for those considering a sabbatical—it's often a sign of burnout.

Engagement partners fail to set expectations with clients.
 'Old school' attitude that working from home isn't really "working".
 Needs partner, director, and client cooperation to work—often at least one party is not supportive.

Talk to clients—they're often open to the idea of flexible working.
 Incentivise partners by including management of teams and diversity in their assessment.
 Schedule meetings at reasonable times.
 Pair women working part time with more experienced teams.

Focus on revenues above all else means personal circumstances are often ignored.
 Differing attitudes among partner and director group to flexible and part-time working; finding helpful teams is still a chance event rather than the norm.

Scheduling teams, rather than individuals.
 Give people a say—a more bottom-up approach in which senior managers can make suggestions would allow small, ready-made teams to be used over and over again.
 Get buy-in from partners by making management of teams part of their assessment.

Prevailing attitude among partners that there's only one path to partnership, and it looks like the one they themselves took.
 Culture that says you're not committed unless you're working full time; lack of respect and support from seniors, peers, and even juniors.
 Narrow focus of annual reviews, often measures purely in revenues.

Create subject matter expert career paths.
 Split sales from delivery—allow a senior manager to focus on one or the other.
 Prioritise office-based roles for women back from maternity leave—but make those roles client-facing where possible.
 Be clear about how these roles fit into promotion.
 View career plans as life plans—look further ahead than the next end of year review.

Outdated attitude towards flexible working and time taken out for family life.
 Too great a focus on revenues as the only thing that matters.
 Existing processes perpetuate poor attitudes towards modernising consulting working practices.

Stop auto-populating targets.
 Expand assessment beyond revenue targets.
 Conduct promotion conversations in more open forums.
 Don't automatically write off the years during and after pregnancy.

What needs to change

What happens today

Reinforce change through...

6 Support and training around maternity and unconscious bias

At best, patchy support in some firms for women returning from maternity.
Some firms investing in unconscious bias training.

7 Role models people can relate to

Women who have made it to the top have often made choices that many others wouldn't have—as a result, they're not realistic role models. The path to partnership therefore looks pretty unattractive to many women.

Consider...

8 Feeding the talent pipeline—widen the net for experienced hires

Roughly 50:50 graduate intakes start to unbalance at manager grade.

All of the above needs to be underpinned by...

9 Incentivise partners to change their attitudes

While consulting leadership teams are very interested in the retention of women, individual partners are not incentivised to take it seriously.

10 Empowerment—making sure people decide for themselves

Some women feel they can't speak up because they'll be seen as making a fuss, or that if they take advantage of flexible working it'll be the end of their career (with good reason).

Why it's not working today

Practical steps required

Belief that unconscious bias isn't an issue.
 Women not wanting to make a fuss and fearing it could damage their reputation.
 Belief that having children is a lifestyle choice taken in full knowledge that it will damage careers.

Unconscious bias training for women—and men too.
 Investment in programmes to support women before and after maternity leave.

Lack of openness in discussing the challenges facing women—perhaps a fear of putting younger women off if they're too honest.
 Unattractive choices seem to be the only way as so few have access to flexible working and support when having a family.
 Dearth of women in leadership positions can lead to a narrow perception of how to get to partner.
 Many women simply think a work/life balance isn't achievable.

Open and honest women's networks.
 Encouraging women to seek mentors, sponsors, and coaches.
 Reverse mentoring to remind consulting leaders how tricky the 'pinched middle' years can be.

Resistance to quotas for promotions and hires.
 Firms lose the women they invest in at graduate level because many believe that consulting and family life can't be combined.
 Lack of realistic role models mean some don't aspire to be partner because they think it isn't worth it.
 Relationships between consulting firms and recruiters is very transactional.

Implement the new working practices outlined above to retain the women firms attract at graduate level.
 Incentivise recruitment partners to go deeper into the market to identify more diverse talent.
 Nurture long-term relationships with the female talent pool.
 Support women with role models, sponsors, and mentors.

No incentive to change. The status quo suits a lot of people, and it's easier to blame women for not fitting in.
 Some partners don't think there is a problem—they don't see why women can't have the same career path as them.
 Client entertainment is often centred around drinking in the pub or playing golf—women don't join in with this so much because they've often got commitments at home.

Make diversity targets part of partner assessment.
 Open up promotions discussions to enable biased decisions to be challenged.
 Make the management of teams part of individual assessment.

Cultural change required in the partner group at large.
 Consulting firms assume their people feel empowered, and that's clearly not the case.

Firms need to offer a menu of options to help women through the 'pinched middle' years, and women should be encouraged to take advantage to make it work for them.
 Setting goals which aren't just financial—recognise the value of a broader set of skills to motivate women.
 Pay women more—they're still often paid less than men.

TODAY'S REALITY

Women in the 'pinched middle' leave consulting at far higher rates than men

All senior managers at consulting firms are busy. The expectation is that you will juggle client commitments, manage juniors, win new work, network within the firm as well as with clients, all while developing yourself professionally and keeping up with the cutting-edge developments in your clients' industries. It's the point at which most people feel the need to fully commit to consulting and carve out their path to partnership—or to get out of it completely.

Those expectations don't change whether you're male or female. But the reality is that it's mostly women that drop out of consulting careers at this stage, creating vast imbalances further up the pyramid. "At partner and director level there are hardly any women," says one female senior manager. "From manager grade is when the numbers start dipping."

There's no easy answer as to why this is: the reasons are complex, intertwined, and often difficult to separate from one another. Many lie in societal factors and the long-standing cultural expectations that both men and women have of a woman's role; problems a consulting firm will not solve. Others lie in more unfortunate coincidences: that many women are hitting this pivotal stage of their career while also deciding to start families, often requiring time out. For all these reasons, and many more, lots of women come to the conclusion that it's just unsustainable; stretched on all fronts, something has to give, and more often than not it's the consulting career.

I absolutely agree with the "pinched middle" assertion. So often you see where there are problems that it is the woman who makes the compromise and ends up leaving the firm, to make both their lives easier. It could certainly be a more manageable career but it all comes down to leadership. The leaders set the tone and the framework for how the business will run.

Female senior manager

I only know of one man to also ask for reduced hours. This is very unusual in Spain as it tends to be the women that will adjust their working schedules.

Male senior manager

I totally agree with the notion of the 'pinched middle'. I'm a mother of two kids in my 30s. Work is very busy so having two kids in parallel is pretty hard. It's difficult to stay in contact with my family every day.

Female senior manager

Consulting firms are trying, but they're still missing the mark

It's not like this is 'new' news—consulting firms are acutely aware of their diversity issues, and have invested in initiatives and policies aimed at improving the balance.

Little, however, is specifically designed with the 'pinched middle' in mind. New graduates get plenty of support in the early parts of their career, but that starts to disappear further up the pyramid. "The support is missing in the middle part," explains a senior manager. "You don't get the same coaching and development support, unless you actively seek it out. It's an issue for both men and women." Others think there's a gap in specific help for women: "I don't see that there are any programmes in place to support women with balancing their work and home life; I cannot see that they are trying to make life easier," says another female senior manager.

Where there are initiatives, women often feel they're too theoretical or generic. "In the end, everyone's situation is different so solutions really need to be quite tailored," says one senior manager. Others say that initiatives aren't relevant until it's too late: "I came back into consulting after one year of maternity leave, and it was only then I realised that it was going to be very difficult to manage work and travelling alongside my family life and seeing my little boy." There's also the cruel irony that these women are sometimes too busy with everything to take advantage of initiatives on offer.

But perhaps the biggest issue is that while a firm may boast flexible working policies, or that it has fulfilling part-time roles, it can be ignored at an individual partner or director level. All it takes is one partner or engagement manager who doesn't think much of working part-time and a woman's career is on ice, or worse, over. It breeds a certain amount of cynicism; employees start to see diversity initiatives as mere slogans for the leadership or PR exercises for the firm. It's particularly frustrating for women, who know that a big consulting firm should be able to do more for them.

Because taking advantage of initiatives is still not considered the norm, existing policies haven't broken some very damaging and widely-held beliefs about consulting as a career:

- *50% of women think that people in their organisation still think that having a career in consulting and looking after a family is mutually exclusive—as do 40% of men.*

- *58% of women feel they can't be honest about the work and home pressures they face.*

- *41% of women think their firm only pays lip service to gender diversity.*

- *61% of women say it is seen as career-limiting to take advantage of the opportunities around flexible working and maternity leave—and half of men agree (50%).*

The men and women we spoke to acknowledge that being a senior manager in a global consulting firm isn't easy for men either. Indeed, many of the proposed solutions would be welcomed with open arms by men, too. But it's clear that when summing the combined pressures of home and life, men feel it less than women overall. In many cases it's because men have a partner who either doesn't work or works part time, and they take care of managing home life. "Lots of my male colleagues have wives and girlfriends who stay at home with the kids—it's a conscious decision that's been made, and it gives the man so much more freedom," says one female senior manager. It's the set-up that most men in leadership positions also have, so they never really face the same challenges that female senior managers do; they don't really have much of an idea what women are balancing at this stage in their career—they just expect them to follow the same path they did.

As a result, just 52% of women say they are happy with their work-life balance, compared with 65% of men.



There are no networks or meetings or courses for women coming back into work after maternity. It's up to you to find out the information, to make contact with your boss, and to see what they can do for you.

Female senior manager

A framework for change

There are huge problems, but the men and women we spoke to had plenty of ideas about what needs to change—and crucially, what that should look like in practical terms.

When we spoke with managers and senior managers, the two things that nearly all women said would keep them in consulting would be more predictability around travel and workload, and greater access to flexible working. Both these things are already generally offered in theory by consulting firms, so here we look at what steps can be taken to make this work in practice. It quickly became clear from our conversations with women who had a successful, flexible set-up that there are other foundations on which it has to be built: continuity of teams who understand their personal circumstances and trust them to deliver; tailored roles for the trickiest times that still contribute towards career development; and clearer, more tailored promotion expectations.

To reinforce change, senior managers want training and coaching to help them through the 'pinched middle', and they also desperately want to see more people they can relate to in senior positions. Being able to see a path to partnership that's relevant to them is crucial, and having role models they admire who've forged a different path really helps women to believe it's achievable. To increase the chances of women making it to the top, firms should consider how they feed the talent pipeline, both organically and through experienced hires.

All of this has to be underpinned by a change in attitude among the partner group at large. While leadership teams tend to be very engaged in solving retention issues, individual partners aren't incentivised to do so; some may not even think there is a problem.

And of course, there are the women themselves. They need to feel empowered to take decisions, ask for what they need, and that they will be respected for doing so.

We've distilled this into ten key areas, which the rest of this report goes through in detail. For each we analyse:

- *Why this is important and would help keep female senior managers in consulting*

- *How it would work—practical steps about what each could look like in a way that benefits women, the firm and the client*

- *A brief look at what the current barriers are to achieving it.*



My husband works in audit and he needs to travel; someone needs to stay at home. We can't both be away all the time.

Female senior manager

About our research

Qualitative research

To understand more about the challenges facing women in the 'pinched middle', we interviewed 25 managers and senior managers based in Europe. Many had worked in several different countries and for more than one firm; all work for leading global consulting firms. We spoke to men and women, to gain a rounded view of the challenges. The interviews took place in July and August 2016.

Figure 14

Profile of interview respondents by gender

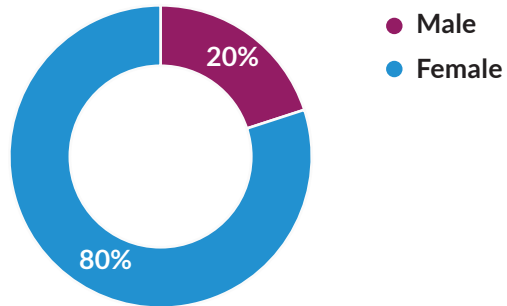
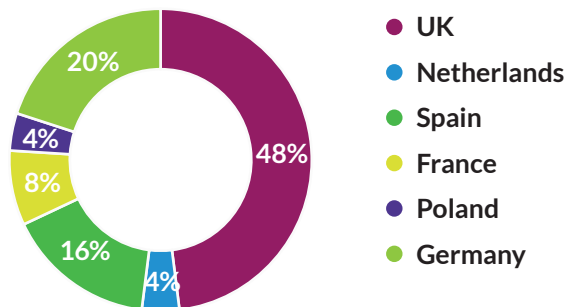


Figure 15

Profile of interview respondents by the country they are currently based in



Quantitative research

To test some of the emerging ideas from our programme of interviews, we also conducted an online survey from October to November 2016. We have responses from 261 senior managers who work in a range of firm types and represent the full range of consulting services.

Figure 16

Breakdown of respondents by where they are based

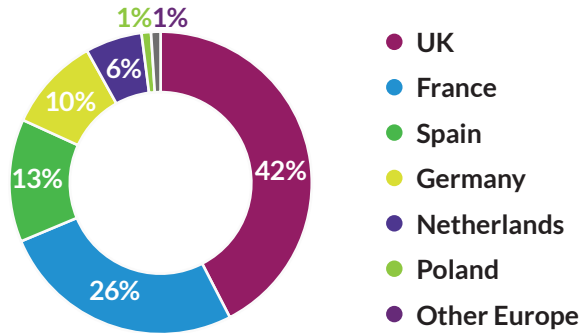


Figure 17

Breakdown of respondents by firm size

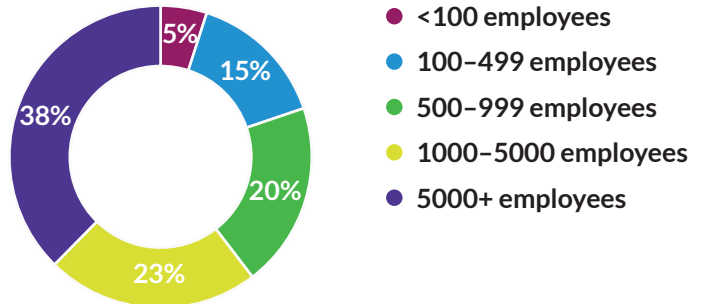


Figure 18

Breakdown of respondents by type of firm

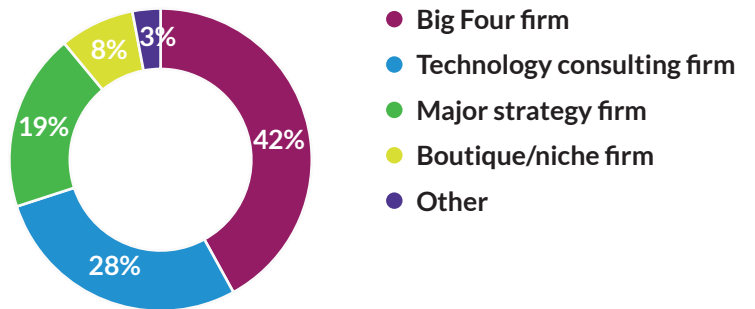
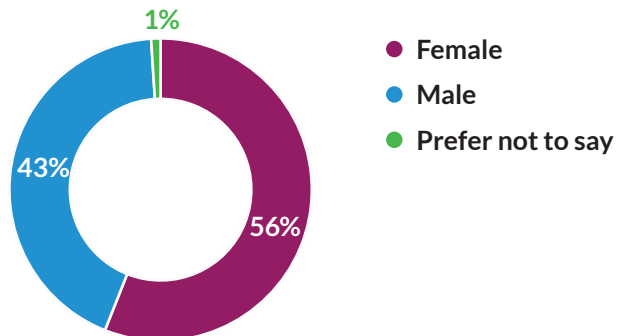


Figure 18

Breakdown of respondents by gender



About Source

Source Global Research is a leading provider of information about the market for management consulting. Set up in 2007 with offices in London and Dubai, Source serves both consulting firms and their clients with expert analysis, research, and reporting. We draw not only on our extensive in-house experience but also on the breadth of our relationships with both suppliers and buyers. All of our work is underpinned by our core values of intelligence, integrity, efficiency, and transparency.

Source was founded by Fiona Czerniawska and Joy Burnford. Fiona is one of the world's leading experts on the consulting industry. She has written numerous books on the industry including *The Intelligent Client* and *The Economist* books *Business Consulting: A Guide to How it Works* and *How to Make it Work* and *Buying Professional Services*.

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About Unida

Unida is a specialist diversity consulting firm that helps clients understand, sustain and promote diverse talent. We are workforce strategists with an active global community of diverse talent. Our purpose is to help make parity in the workplace a reality.

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