



Women in Business 2024

Pathways to Parity





The historical picture

For 20 years, Grant Thornton has cast a light on issues surrounding gender diversity in senior management among the world's mid-market businesses, exposing barriers and identifying action for change.

Coinciding with International Women's Day, this ground-breaking research focuses on monitoring and measuring the percentage of women occupying senior management roles in mid-market companies around the world.

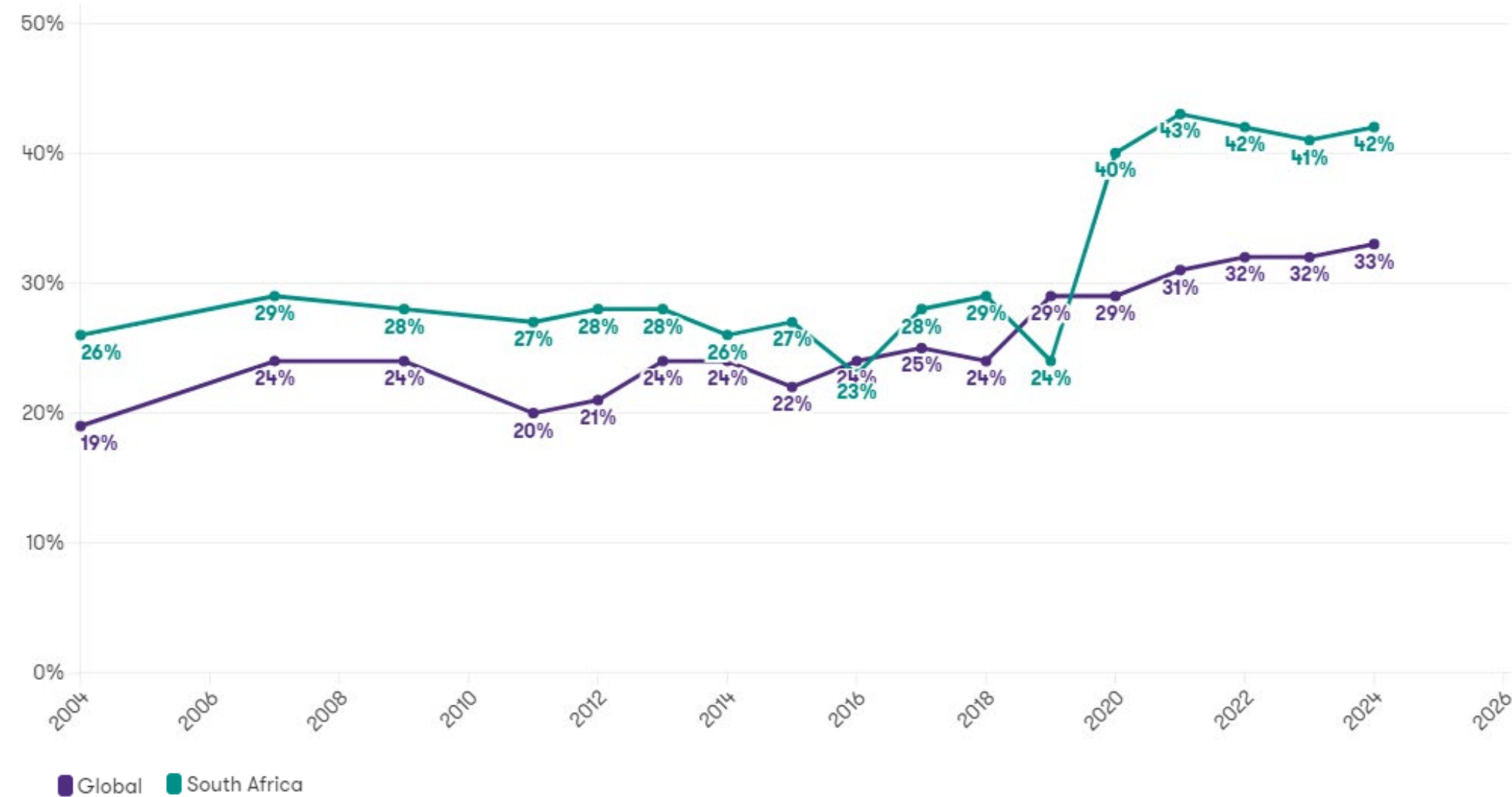
The SNG Grant Thornton *Women in Business (WiB)* report has explored what helps, and what hinders, women in the workplace, whilst offering businesses pragmatic solutions to incubate a culture of diversity, equity and inclusion. Operating in the ever-volatile economic environment, mid-market companies have worked through the Covid-19 pandemic period and are currently contending with the impact of geopolitical tension and conflict.



The global economy continues to shift, and mid-market businesses are under more pressure than ever to adapt. Faced with such challenges, it is crucial that mid-market businesses maintain focus: the business imperative of getting more women into senior management is as urgent as it has never been before. Many mid-market businesses have responded to this imperative, and there have been improvements though much still needs to be done. We must ensure this momentum continues and accelerates if mid-market businesses are to achieve sufficient representation at senior levels.

Historical changes in women in senior leadership by country

Click on each country to show results



When Grant Thornton first began tracking the percentage of women representation 20 years ago, just 19.4% of senior management roles were held by women in the mid-market businesses. Today, that global figure stands at 33.5%, while in South Africa the figure increased significantly in the last 20 years ago from 26% to 42%.

While our research allows us to measure progress, it also enables us to understand what needs to change to accelerate it – to identify the business enablers to drive change and provide actionable steps for businesses.

Pathways to Parity



Leadership:

A member of the C-suite needs to take responsibility, but they must work alongside a female senior leader.



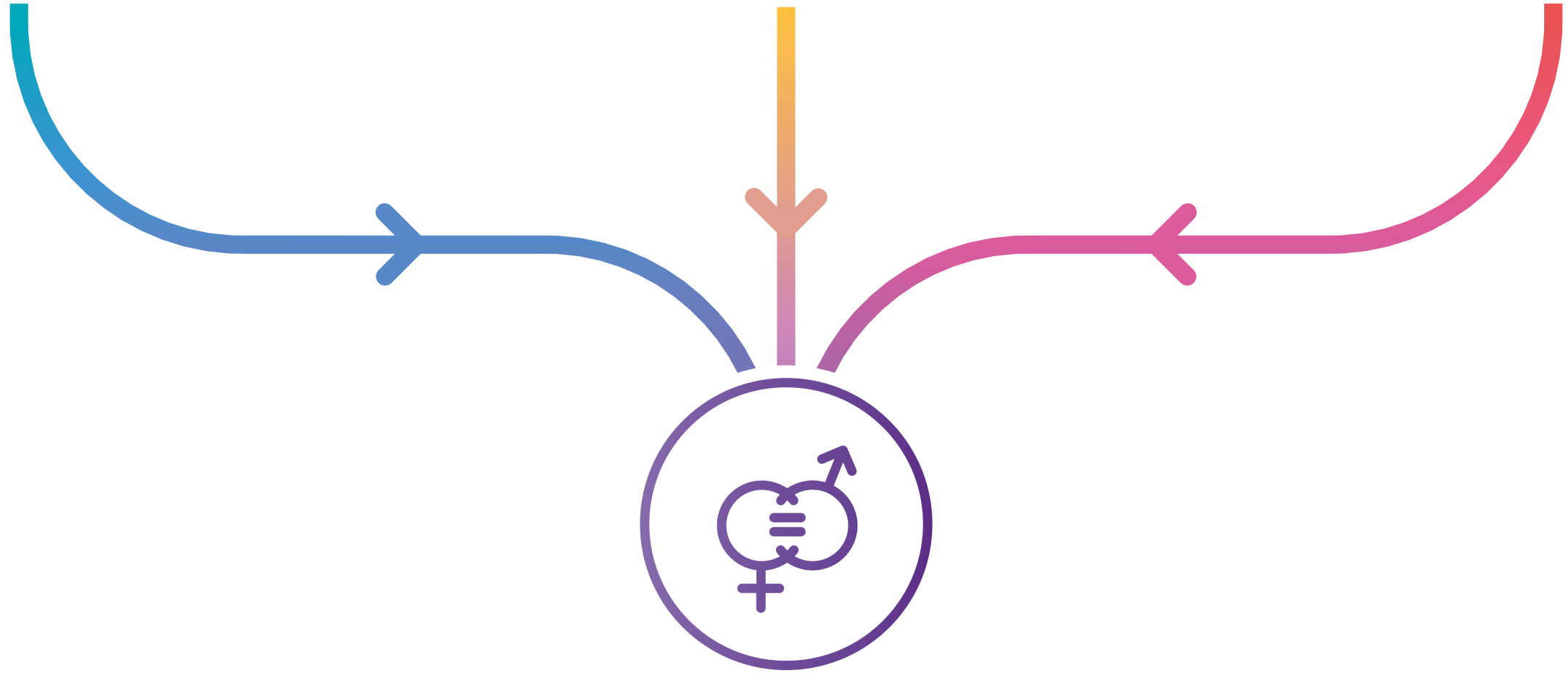
Strategy:

A clear strategy must be in place. Businesses must have specific DE&I goals, and they must regularly measure success.



Ways of working:

Businesses that offer greater flexibility have a higher percentage of senior management roles held by women.



Parity on senior management positions held by women

Source: Grant Thornton IBR

In this year's report, we have set out three clear pathways to ensure gender parity:



1 Who leads Diversity, Equity and Inclusion (DE&I) efforts within an organisation is key.

A member of the C-suite needs to take responsibility, but they must work alongside another female senior leader. This pairing has a clear positive impact on the percentage of senior management roles held by women.



2 A clear strategy must be in place.

Businesses must have specific DE&I goals, and they must regularly measure success.



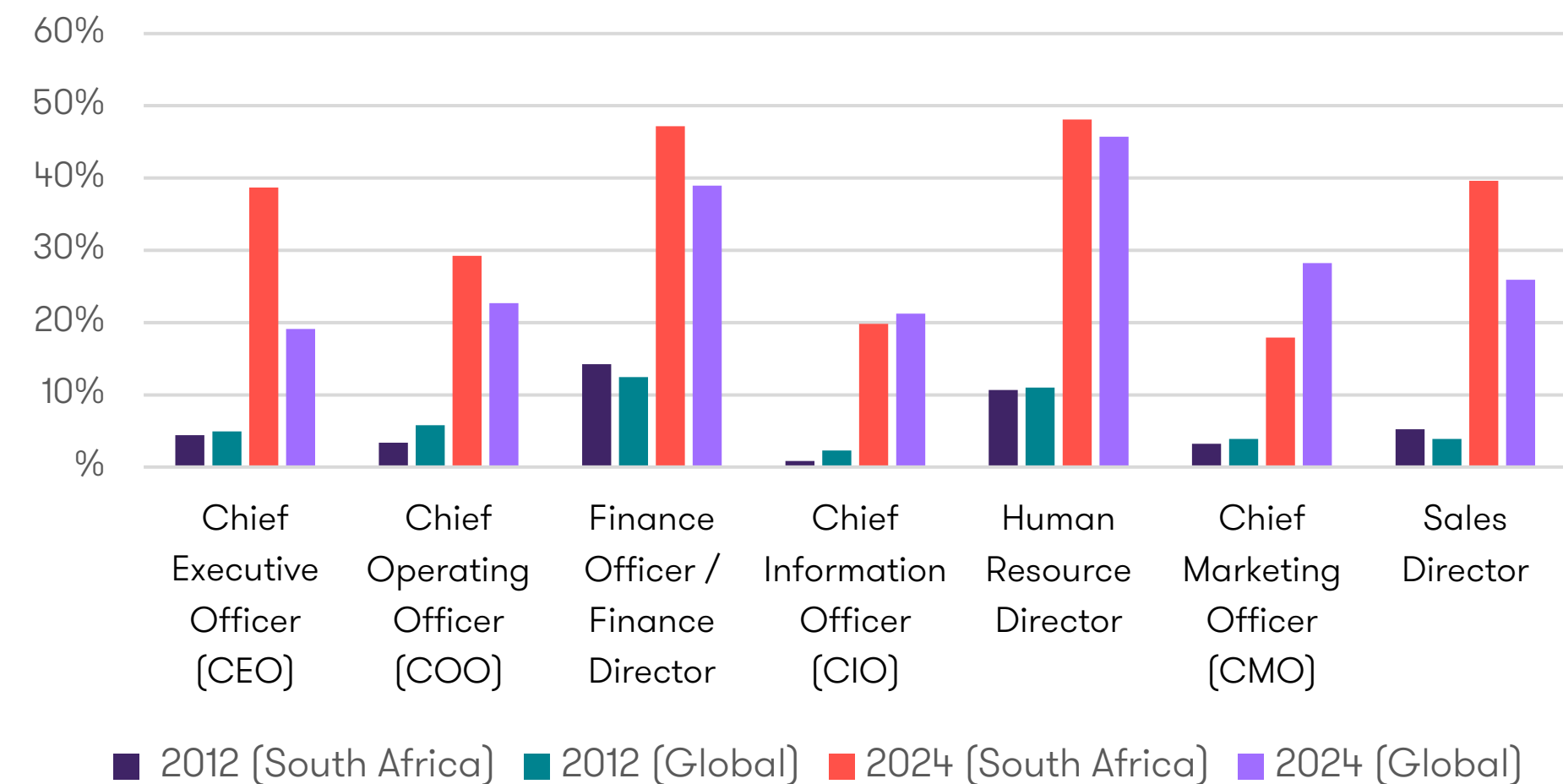
3 Flexibility has a real impact.

Our research reveals a move back towards the office, yet businesses that offer greater flexibility have a higher percentage of senior management roles held by women.



The latest WiB data indicates that progress for women in senior management roles in South Africa has been remarkable, with a nine percent increase in the number of female CEOs in 2024, rising from 30% to 39%. This positive incremental shift, though minor, indicates a continuous positive trend towards women occupying senior positions within mid-market businesses in the country. However, it's noteworthy that global mid-market businesses are lagging behind South Africa by twenty percent, with only 19% of senior management roles held by women.

Women in SM roles 2012-2024



This continuous upwards trend could be attributed to the initiatives that the private and government sectors use to boost the female workforce in South Africa, such as the Women Economic Empowerment Programme.



Pathways to Parity: Leading the way

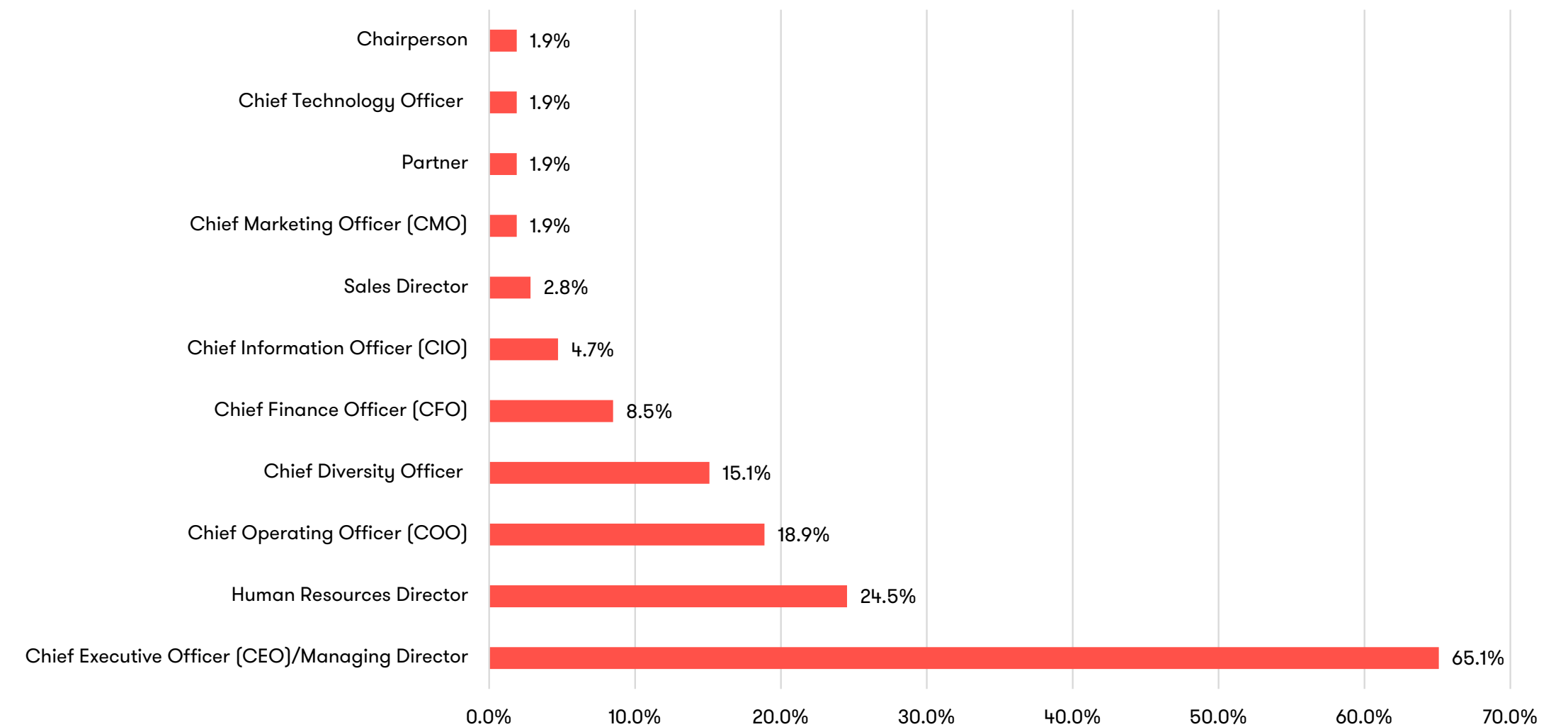


Leading the way

In South Africa, the responsibility for Diversity, Equity, and Inclusion (DE&I) initiatives within senior management is primarily distributed among several key roles. Chief Executive Officer (CEO)/Managing Director holds the highest level of responsibility in making decision regarding DE&I, accounting for 65.1% of the total followed by . Human Resources (HR) Directors representing 24.5%, highlighting the significance of HR in implementing policies and practices to foster diversity and inclusion. Other notable roles involved in DE&I strategies include the Chief Operating Officer (COO) at 18.9%, Chief Finance Officer (CFO) at 8.5%, Chief Marketing Officer (CMO) at 4.7%, and Chief Technology Officer (CTO) at 1.9%, among others.

While certain roles dominate in terms of responsibility, successful DE&I initiatives necessitate collaboration across various departments and levels of the organisation. This data underscores a recognition of the multifaceted nature of DE&I efforts and the importance of inclusive practices in the workplace culture of South African mid-market businesses.

Roles responsible for DE&I



However, just as important as the role and gender of the people who are leading and have responsibility for DE&I are, so is their level of commitment. Multiple interviewees discussed how DE&I must become integral to a company's culture to effect change. This requires all senior leaders in an organisation to drive it forward.

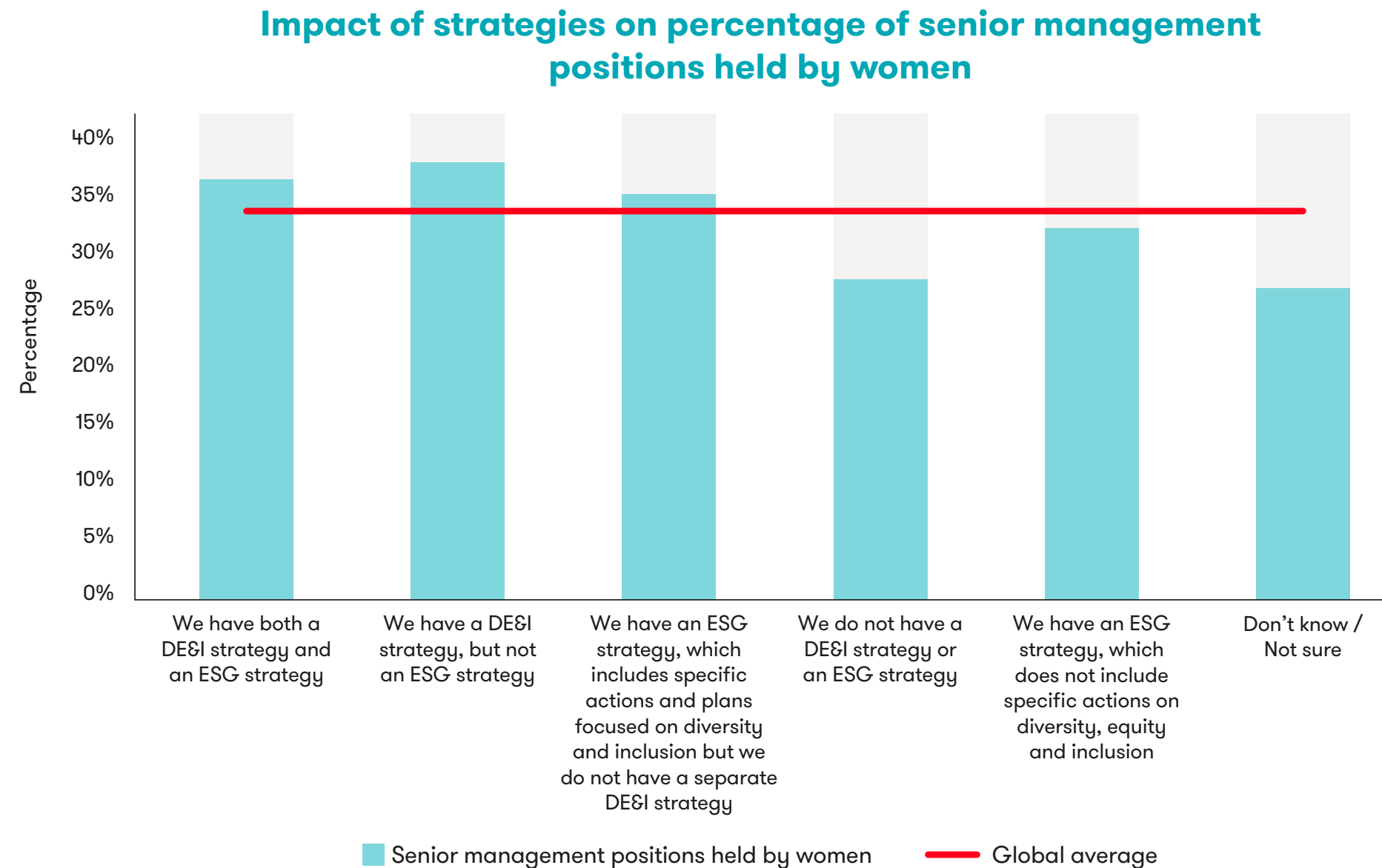
A woman with blonde hair and glasses, wearing a red button-down shirt, is leaning over a table in a modern office. She is looking at a laptop. On the table are several white wind turbine models. To her right, another woman with dark curly hair, wearing a white shirt and a green blazer, is partially visible, looking towards the first woman. The background shows a bright office space with large windows and a black metal frame.

Pathways to Parity: Strategies for success

Strategies for succes

If there is no plan, there is no progress: to achieve parity of women in senior management roles, businesses need to have a DE&I strategy in place. The most successful strategy is one which focuses on DE&I alone, independent of a broader ESG strategy. This is our second pathway.

Mid-market firms with both a DE&I strategy and an ESG strategy, have the highest percentage of 46.2% - more than businesses which have an ESG strategy, which includes specific actions and plans focused on diversity and inclusion, but we do not have (23%). If businesses do not have a DE&I strategy or an ESG strategy, the percentage drops to 7.5%.

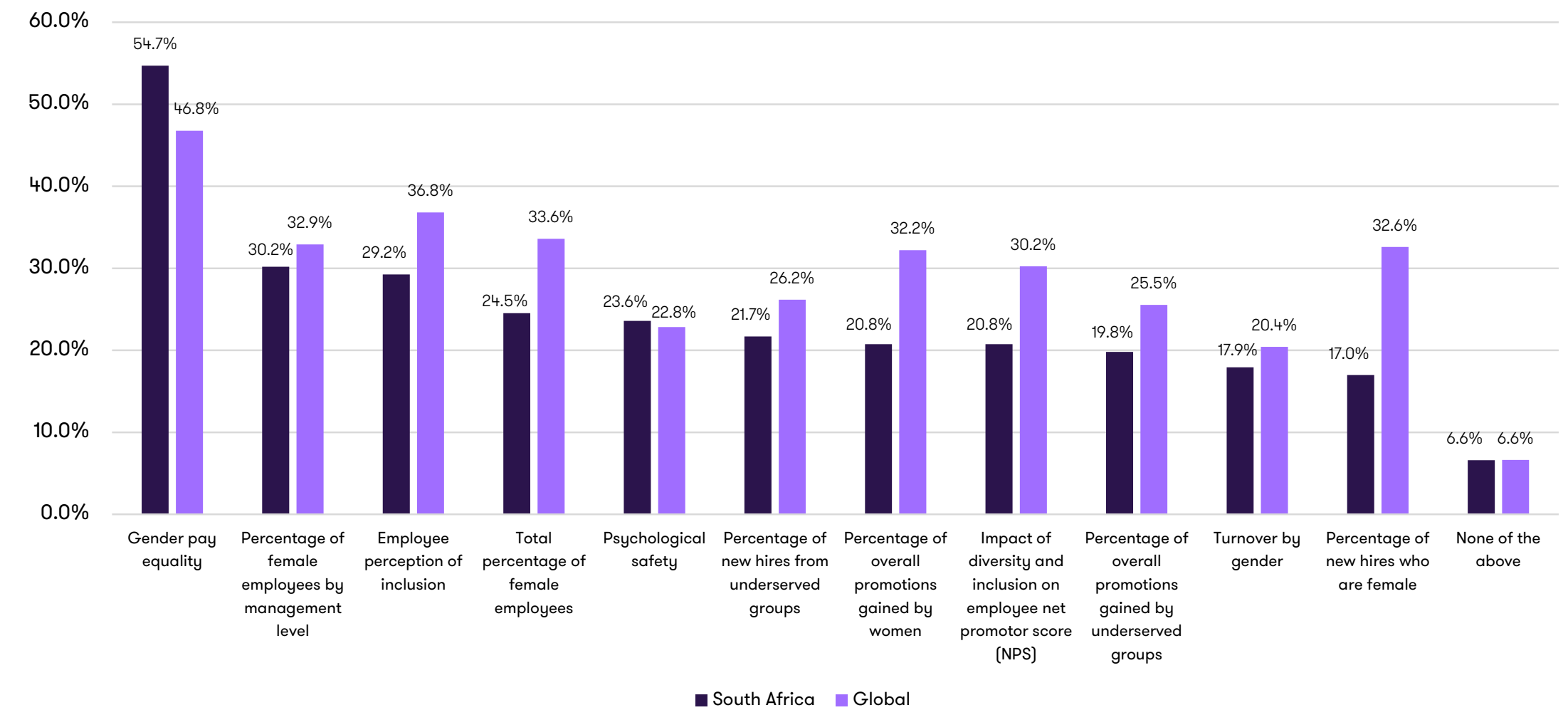


Source: Grant Thornton IBR

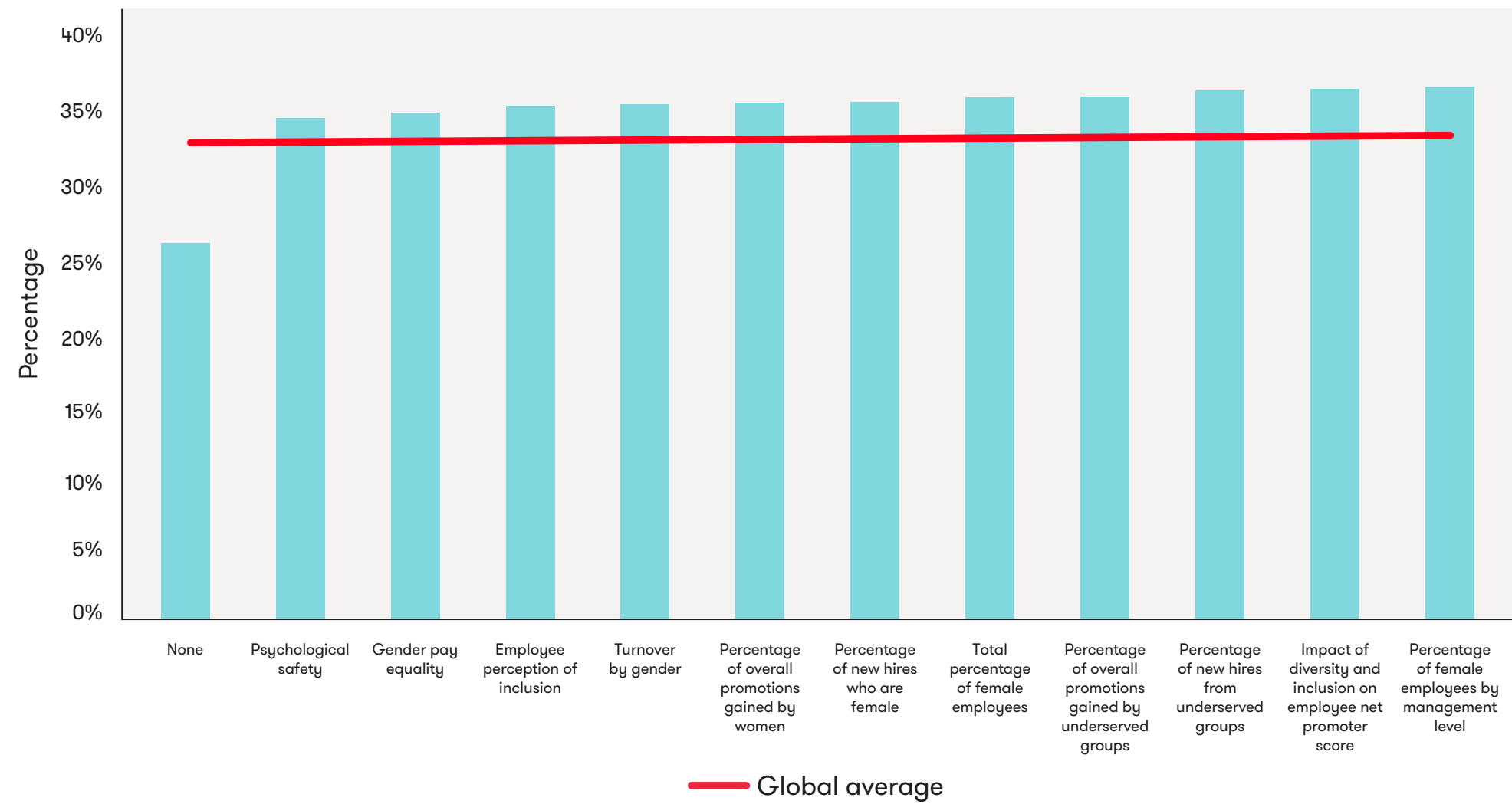
What measurement has the biggest impact?

The analysis of the impact different measurements have on the percentage of senior management roles held by women reveals significant variation, as shown in the graph below. However, if there are clear indicators of DE&I performance being measured, businesses will outperform the global benchmark.

Measuring DEI



How do the measurements in place impact on the percentage of senior management positions held by women



Source: Grant Thornton IBR

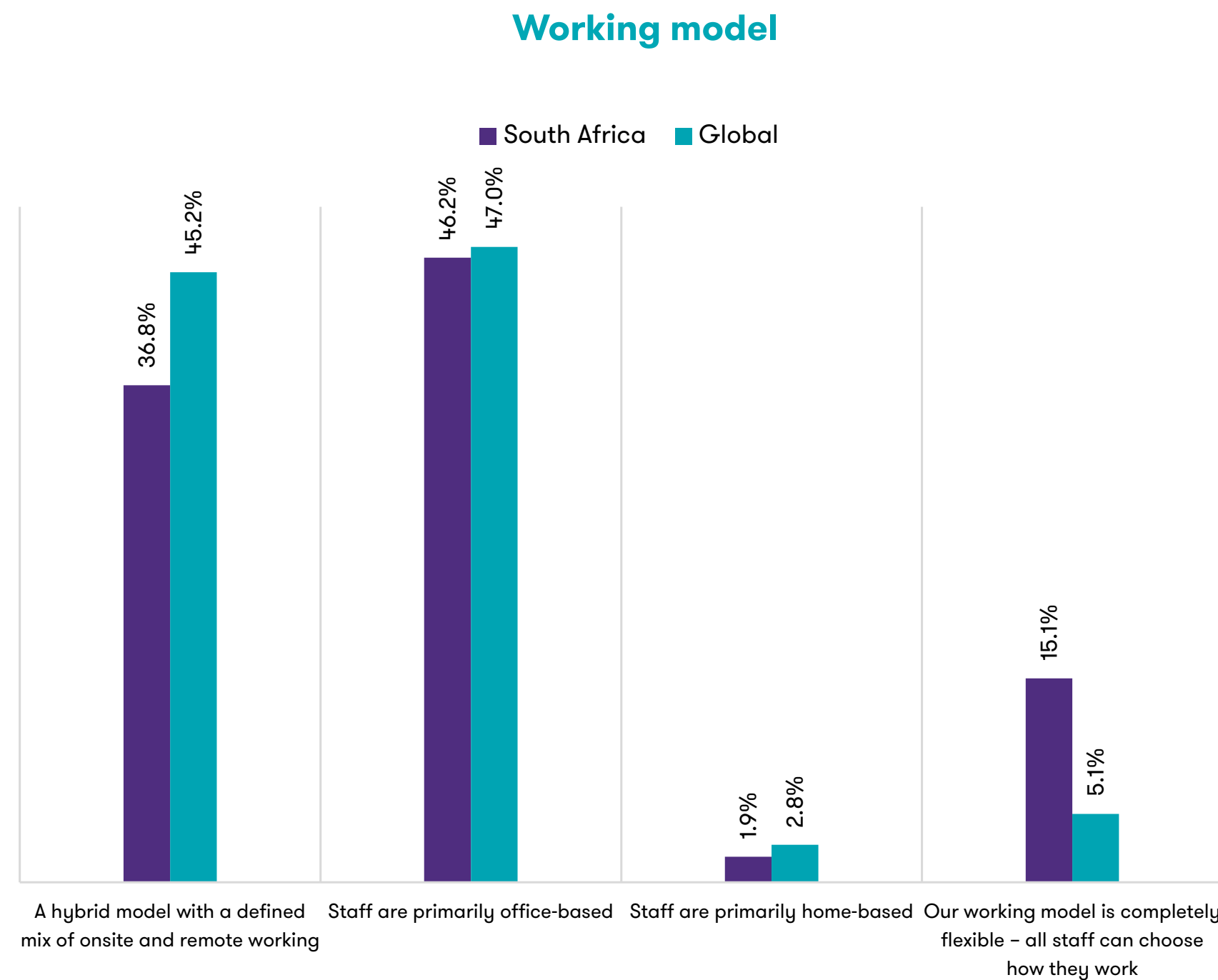


To ensure that measures and progress are discussed and challenged, it is essential that businesses have a psychologically safe environment. A psychologically safe environment can lead to important behavioural changes, as shown in the graph above. By challenging what a ‘traditional’ leadership model looks like, and the expectations to conform, creating a psychologically safe environment can lead to women being their true, authentic self while in leadership roles. In turn, this will allow women to feel more confident speaking up, sharing views, and challenging decisions.

Pathways to Parity: Back to office, a backward step?

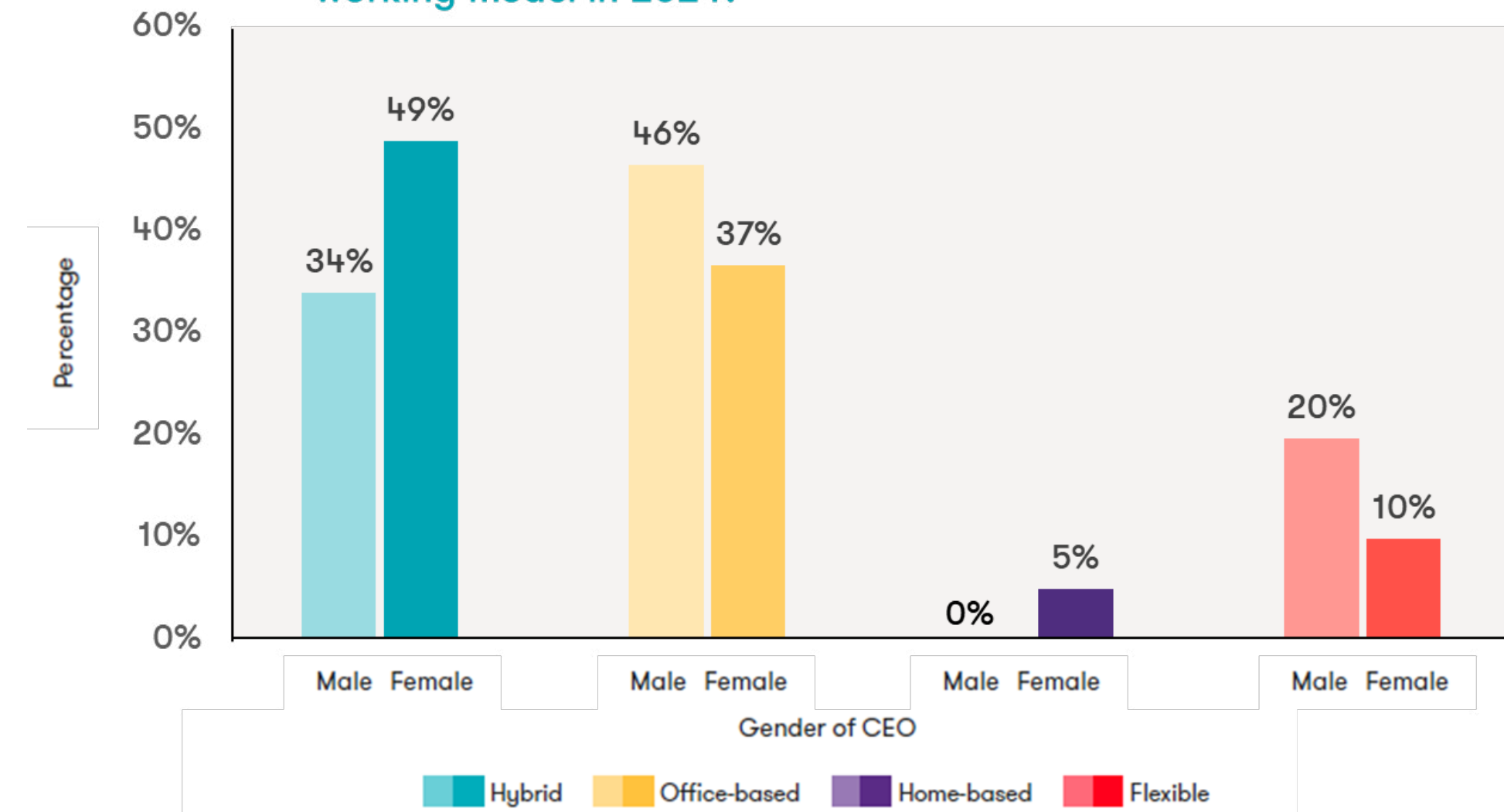
Pathways to Parity: Work flexibility

The final pathway to parity is the ability to work flexibly. There has been a dramatic shift back to office working among global mid-market firms in the past 12 months. 46.2% of businesses are now primarily office-based (compared to 47% globally) and 36.8% are hybrid (compared to 45.2% globally).



Office-based working model is potentially being driven by male and female CEOs depending on the model with 49% of businesses with a female CEO are predominantly hybrid, compared to 34% of female led businesses. While 46.4% of businesses with a male CEO are predominantly office based, compared to 37% of female led businesses.

South Africa: How does the gender of the CEO affect the working model in 2024?



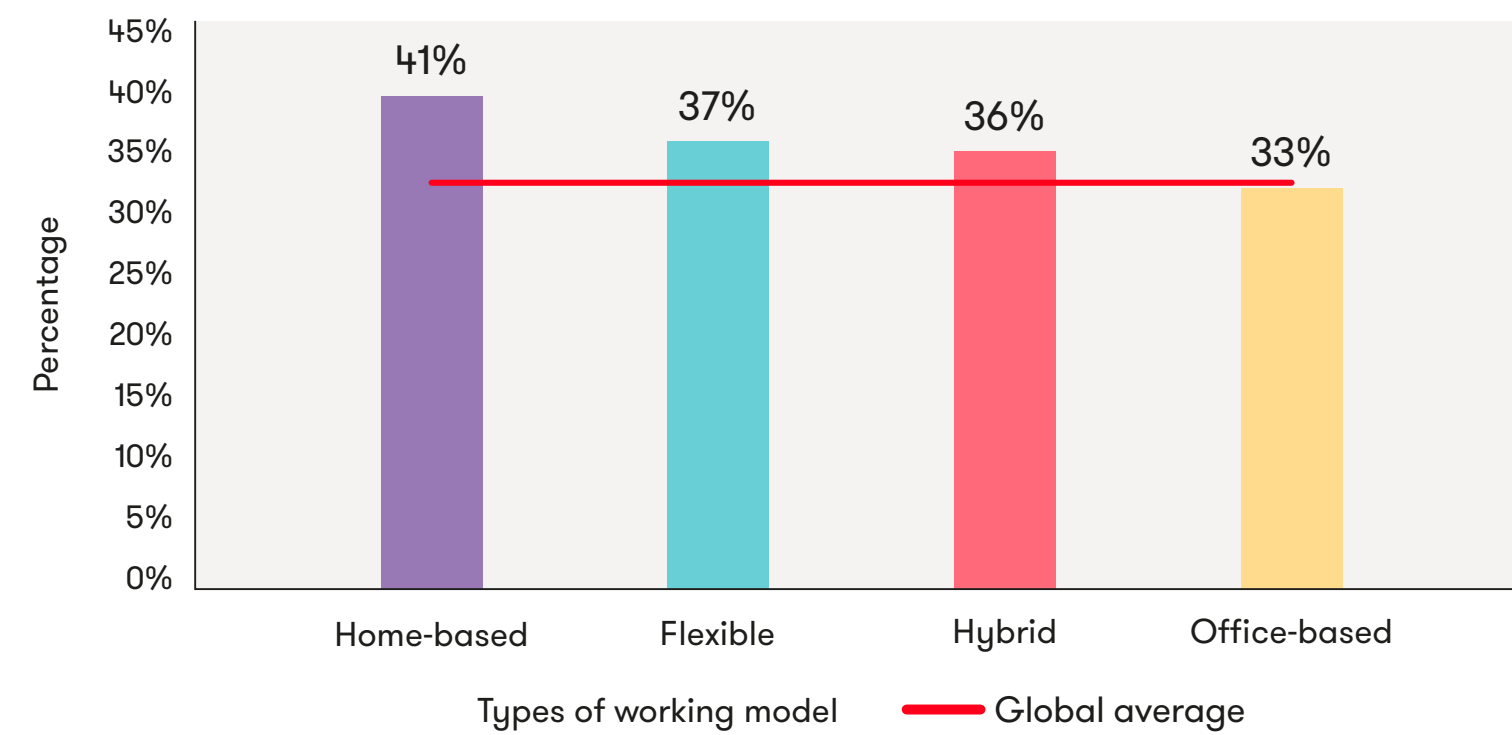
While globally, office-based working model is potentially being driven by male CEOs – 50% of businesses with a male CEO are predominantly office-based, compared to 40% of female led businesses.

Many big businesses have started to put guidelines and incentives in place that are focused on driving employees back to the office five days a week. Some of the benefits include having childcare facilities close to offices, improving workspaces for collaboration and focusing on wellness by having onsite exercise amenities.

Having choice in where we work brings significant benefits to women in business, not just at a senior level, but also to the talent pipeline.

To encourage and retain female talent in the workplace, businesses need to carefully consider the working practices they offer. The research above suggests that these decisions are being made by men – showing the importance of ensuring there is also a female senior leader involved in decision-making around DE&I. If businesses push too hard for a return to the office, then they may unwittingly undo some of the progress made on women in senior management which resulted from the adoption of flexible working practices.

Impact of working practices on percentage of senior management roles held by women



Source: Grant Thornton IBR



A woman wearing a red turban and glasses, dressed in a green button-down shirt, stands in a modern office environment. She is holding a white document and gesturing with her right hand as if speaking or presenting. The background shows office glass partitions and interior lighting. The overall image has a soft, professional aesthetic with a purple-to-blue gradient overlay on the left side.

Follow the pathways

Follow the pathways

Progress on the percentage of senior management roles held by women in the mid-market has been too slow. Without determination to change, and quickly, then the progress we have made risks not just plateauing but slipping back.

Businesses have a clear opportunity to take actionable, tangible steps, and follow our three pathways to accelerate towards parity:

1. Have a senior leader, of any gender, and a female senior leader taking responsibility for, and leading on, DE&I.

It is incredibly important to have buy in from the senior team, alongside the lived experience of a female senior leader.

2. Set a standalone DE&I strategy and review it to ensure that it contains the right elements to increase the percentage of women in senior management roles.

There must be clearly defined steps as to how businesses increase this number and success must be measured. It is not enough to measure only elements which are required by law.

3. Reconsider any decisions made around requests for their workforce to return to the office.

Businesses must ensure that they make decisions about this element based on creating a way of working that empowers all employees to be inspired, trusted, and accountable – not just on their business performance metrics.





Looking forward

Looking Forward

Overall, this year demonstrates that the position of women in senior management, in mid-market businesses, is fragile. As the economy continuously adapts to ever-increasing changes, we cannot afford to lose focus. It is all too easy, and convenient, to slow down on DE&I in the midst of instability and various business priorities, however, our research outlines steps that can keep firms on the right path. Protecting the progress made over the past 20 years while redoubling efforts to push for parity remain vital in the case of challenging times that may lie ahead. SNG Grant Thornton remains committed. It will continue to monitor progress, build understanding and share what is learned. We hope that mid-market businesses take on board our recommendations and that we see accelerated progress.



Methodology

The Grant Thornton International Business Report (IBR) is the world's leading mid-market business survey, interviewing approximately 5,000 senior executives biannually in listed and privately held companies all over the world.

Launched in 1992 in nine European countries, the report now surveys around 10,000 business leaders in 28 countries on an annual basis, providing insights on the economic and commercial issues affecting the growth prospects of companies globally.

The findings in this report are drawn from around 5,000 interviews conducted between October and November 2023 with chief executive officers, managing directors, chairs, and other senior decision-makers from all industry sectors in mid-market businesses in 28 countries.

The definition of mid-market varies across the world: in mainland China, we interview businesses with USD 5 million to USD 500 million in revenue; in the United States, those with USD 100 million to USD 4 billion in annual revenues; in Europe, it's commonly those with 50 to 500 employees.

We have rounded the percentages and data points explored in this report to the nearest whole number. For this reason, some charts may not total 100%.

20 YEARS
OF WOMEN
IN BUSINESS





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