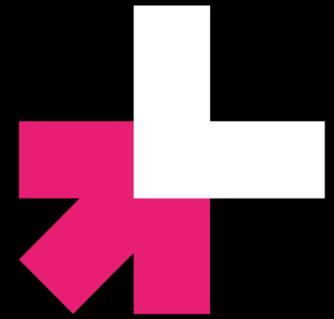


**Proven
Solution**

Equal Representation At Leadership



HeForShe

PwC
**Achieving progress
towards gender parity
at global leadership**



Global Context

In the World Economic Forum's latest Global Gender Gap report, it is estimated that, as the impact of the Covid-19 pandemic continues to be felt, closing the global gender gap has increased by a generation, meaning that it will now take more than 135 years to close the gender gap, compared to the 100 years that was previously estimated.

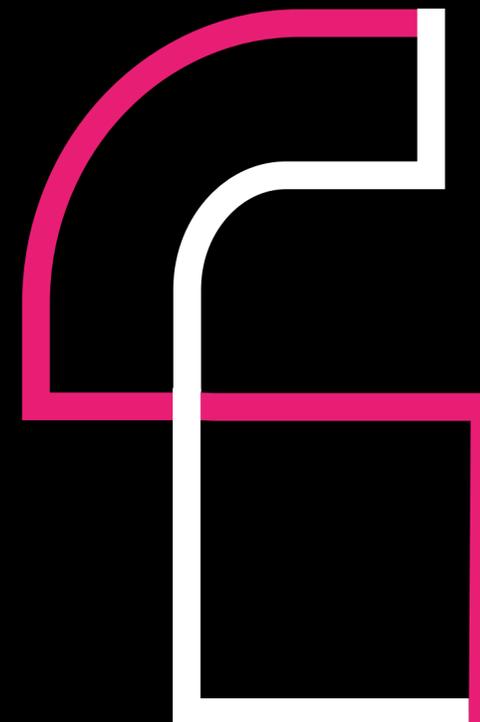
As an accelerator for the Sustainable Development Goals, the United Nations HeForShe movement is a solutions-driven initiative seeking to demonstrate that tangible progress can happen in our own lifetime.

In their role as a HeForShe IMPACT Champion, the PricewaterhouseCoopers Network (PwC Network) made three IMPACT Commitments, one of which was to increase the representation of women in leadership roles. In January 2016, they went from 20% female representation on their Global Leadership Team to 38%* in 2020. Let's take a look at how they did this.

"We are proud of all the work we have done over the past several years to promote gender equality across the PwC Network. We have put inclusion and diversity firmly on the agenda throughout our global Network. Our success in this area shows that – like with any business challenge – planning, measurement and accountability can bring about tangible results. Data-driven decision making has been critical in giving us the ability to make meaningful and measurable progress.

While we are proud of the steps we have taken, we also recognise that there is still much more to be done. Gender equality remains a strategic priority of the firm, and I remain personally committed to developing a diverse pipeline of future leaders to take forward."

Bob Moritz, Global Chairman



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Key Stages of Implementation

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Step 1 Executive Sponsorship

The first step for the PwC Network was to set the tone from the top. Since 2012, the Chair of each member firm has consciously and consistently communicated commitment to diversity throughout the Network by making it a strategic priority for the entire PwC Network.

The Global Chairman appointed a Global Diversity & Inclusion (D&I) Leader and invested in a Global Diversity Team and programme that is supported both globally and in each member firm. In addition, they made a strong commitment to develop a diverse pipeline of future leaders and

enhance the diversity of their leadership team. As a result, they saw the first appointment of a female leader to their Global Leadership Team in 2008 and have increased female representation to 38% in 2020.

Set a consistent tone from the top. Appoint and invest in a Diversity & Inclusion Leader or leadership council who report directly to the Chair or CEO and who commit to demonstrate in every action that I&D is a priority.

Step 2 Leadership Commitment and Accountability

In 2010, the PwC Network engaged an objective third party to conduct extensive deep-dive diversity reviews in four member firms. This was an intensive two-year process that ultimately provided the factual baseline from which they could plan and measure real progress rather than base their assumptions on the external environment.

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Once the PwC Network was able to present these facts, educating their leadership was equally a fundamental step in their journey. Between 2011 and 2013, they specifically engaged the Global Leadership Team and the Strategy Council in diversity awareness and education. They created awareness of the diversity demographics within their Network and conducted unconscious bias training. The process of frequent leadership awareness and engagement continues today.

The PwC Network's proposed governance structure also played a key role with leadership commitment and elevating diversity as a priority. The appointed Global Diversity & Inclusion Leader was responsible for articulating the overall Network diversity and inclusion strategy. This Global Diversity & Inclusion Leader held a seat on the Global Leadership Team, again reiterating this as an important organizational priority.

To further amplify this governance structure, in 2020 the Network I&D council, which is comprised of 11 senior leaders from across the PwC Network and chaired and facilitated by the Global Chairman, was formed. Territory Inclusion and Diversity Leaders (TILs) were appointed in each PwC member firm, and the "2+1" approach to dimensions of diversity was introduced, where each member firm was asked to focus on two common dimensions of diversity: inclusive leadership and gender, as well as at least one other dimension which is particularly important locally.

Conduct a thorough, objective review of your current diversity state so you can move confidently forward based on your own facts rather than external assumptions. Build leadership insight and education to develop understanding and obtain commitment to prioritize diversity and inclusion across the Network. Develop a formal governance structure with a seat at the leadership table reporting to the Chair or CEO.

3

Step 3 Strategic Implementation

Given the complexities of the PwC Network's member firm structure, they have worked hard to create a diverse global pipeline and succession planning with a gender lens that has involved:

- Defining and identifying the mission critical leadership roles required to lead the PwC Network both today and in the future and understanding the current diversity make-

up of those roles as well as committing to achieving parity

- Insisting on diverse pipeline nominations from member firm leadership
- Identifying three successors for each role, at least one being diverse, and implementing development interventions and leadership sponsorship to get each of the successors role-ready.

A fundamental element of the PwC Network's diversity and inclusion strategy has been their data-driven approach. Decisions are informed by current facts and predictive analysis, focusing efforts in the right areas and having impact that creates sustainable progress. Without doubt, this switch to a data-driven approach has been one of the PwC Network's biggest lessons learned as they've travelled to this point on their diversity journey.

When PwC discovered that they were predominantly replacing departing employees with male experienced hires, they identified diverse experienced hires as a critical KPI indicator for their global diversity and inclusion acceleration. This focus has seen the percentage of female experienced hires at manager grades and above increase from 28% in 2010 to 36% in 2020.

Apply a gender lens to succession planning to foster the progression of all genders across the organization. Take action based on real, measured facts rather than 'common sense' or opinion. Bring the same standards of informed decision-making used throughout management to the business of diversity and inclusion.

Step 4 Continuous Monitoring

The PwC Network has learned that when building a diversity strategy, talent data is their most powerful ally. In 2014, they adopted their diversity and inclusion accountability framework: the Global Inclusion Index. This tool provided a comprehensive global evaluation of their leadership pipeline. Each territory continuously uses the data to identify diversity challenges in its pipeline and develop tailored actions to increase diversity in leadership.

The Global Inclusion Index provides a picture of the PwC Network's current diversity reality, their annual diversity progress, and where they should be focusing future action. The Index is a composite comprised of two core buckets: a gender diversity score and an inclusion score. The gender diversity score focuses on pipeline structure, pipeline management, and any differences in the perceptions of women and men at the PwC Network. The inclusion score also features a people perception measure, through which they measure their people's perception of their diversity efforts. The final component

of the inclusion score and overall Index is their maturity model. This was a self-assessment tool which required TILs to self-assess against measures identified under five core categories: strategy and leadership commitment; leadership diversity and pipeline; attraction, progression and engagement; learning and development; and external positioning and client focus.

PwC focused on the Global Inclusion Index for a period of five years, enabling the change required to embed a data-driven continuous monitoring culture across the Network. The PwC Network now combines this culture with more innovative data-driven tools such as predictive analysis tools to drive a more laser-focused approach to progress. From this analysis, PwC discovered that in every PwC territory, not changing how they hire and promote women results in little to no change to the gender composition in five years, overall and at every management level. As such, combining interventions around hiring and promotions can have a huge positive impact on the percentage of women overall, especially at the senior PwC grades.

What gets measured gets managed. Aim for regular, detailed and meaningful measurement to avoid misleading overall figures.



Step 5 Sustaining Momentum

The PwC Network recognises that to achieve sustainable change they must also focus on developing new diverse talent for future leadership roles. Ultimately, they believe it is critical that they drive parallel efforts that tackle enhanced leadership diversity in conjunction with more comprehensive efforts. Many of their formal diversity measures including recruitment, promotions and turnover are formally measured at every grade level as part of their extensive annual diversity analytics process.

In addition, they strengthened their advocacy of flexibility and emphasized that it should be a talent-wide proposition. In particular, this was to address the perception that flexibility is predominately desired by parents, most specifically mothers. The PwC Network created awareness of data points reflecting the perceptions and desires of their talent and the wider workforce, together with the evolving work and family trends of the modern workforce.

The Covid-19 Global Pandemic has amplified this as PwC saw the vast majority of their people move from PwC offices to work-from-home environments throughout 2020 and 2021. As PwC firms plan their return to office strategies they are exploring the future of work which PwC expect to be much more hybrid, digital and inclusive. For example, PwC UK has formally announced that they expect their talent to spend an average of 40-60% of their time co-located with colleagues, either in PwC offices or at client sites and the remainder working from a location of choice be that home or a satellite office location.

Recognise that achieving parity isn't a one-time event but a lifetime commitment and ensure mechanisms are in place to continually strive for progress.

Resources

-  You can learn much more about these efforts and the broader diversity journey of the PwC Network by visiting www.pwc.com/inclusion and reading the PwC Diversity Journey report.

Contact

Any inquiries regarding this Proven Solution or the process undertaken can be directed to:

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