



accenture

**GETTING TO EQUAL 2020
SOUTH AFRICA**

THE HIDDEN VALUE OF CULTURE MAKERS

Where Culture Makers lead,
organisations grow twice as fast

 **INTO THE NEW**

Provocative thinking, transformative insights, tangible outcomes

Put ‘culture of equality’ at the top of your strategic agenda



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The policies are in place. Intellectuals, rights organisations, business leaders agree—and rational thinking dictates—“women must be equal”. Research shows there are potent economic and societal advantages: equality and advancement for women in the workplace is good for men, for business, for society and for the economy. When she rises, we all rise.

So why is “getting to equal” taking so long.

Accenture’s 2020 Getting to Equal research tells us what’s really happening on the ground.

The only cure is real action.

Closing the perception gap starts with leaders understanding that there is a gap.

To put creating a culture of equality at the top of the business agenda, there needs to be a belief that diversity is not only the right thing to do, but a business imperative—and that it must be treated the same as any other strategic priority. The findings and recommendations of this research can empower leaders to take action, no matter where they are on their journey to a culture of equality.

DIVERSITY AT ACCENTURE

Diversity is an important cornerstone of Accenture’s business. It makes us stronger and more innovative.

We believe a culture of equality is one in which everyone—regardless of age, ability, ethnicity, gender identity and expression, religion or sexual orientation—can bring their whole selves to work and thrive.

At Accenture, our goal is to achieve a 50/50 gender split by 2025. We are well on our way to achieving this target.

Our annual **Getting to Equal** research aims to uncover insights that can help organisations accelerate achieving a culture of equality.

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THINK YOUR WORKPLACE CULTURE IS INCLUSIVE?

Your employees might think differently.
Closing this perception gap will yield
substantial benefits for companies and their
employees.

We are at an inflection point:

When it comes to workplace culture, there is a large gap between what leaders think is going on and what employees say is happening on the ground.

Employees care increasingly about workplace culture and more companies recognise the importance of equality, yet progress remains dismal!

Despite growing awareness, progress just isn't fast enough.

Why aren't companies more diverse and inclusive when the business case for it is clear?

Why is the number of women in the C-suite still so low?

Our 2020 Getting to Equal research reveals the answer:

There is a large gap between what leaders think is going on and what employees say is happening.

Closing this gap will help companies thrive in a hyper-competitive economic environment and benefit all employees, especially women.

The findings and recommendations of this research can empower leaders to take action, no matter where they are on their journey to a culture of equality.

TURNING CARING INTO DOING



Globally, women are still incredibly scarce at the top—just under 3 percent of FORTUNE Global 500 CEOs¹ are women and just one-in-five start-ups have a woman founder.²

In South Africa, women continue to be underrepresented at top executive and board levels, and gender targets are not being met.

Our [2018](#) research showed that while South Africa ranked ninth in the world in terms of women in parliament and in ministerial positions,³ almost a third of organisations had no women in senior management positions and less than five percent of organisations had women CEOs.

The World Economic Forum Global Gender Gap Report 2020⁴ concurs.

The move towards parity is slow, and at the present rate it will take 100 years to close this gap. While South Africa has moved up two places from 19th in 2018 to 17th in 2020 (out of 153 countries), the country performs badly in terms of economic participation. South Africa comes in at 121 for wage equality for similar work, but ranks in 10th position in political empowerment and opportunity.

The reasons for the economic gender gap include low levels of women in managerial or leadership positions, wage stagnation, lower labour force participation and income. This gap is being widened by a number of factors.

Women are more highly represented in roles that have been hit hardest by automation, for example, retail and white-collar clerical roles, and a lack of care infrastructure and access to capital further limit women's workforce opportunities. In addition, not enough women are entering professions such as those in technology, where wage growth has been most pronounced. Most women find themselves in low-middle wage positions where there has been very little income growth.

In [2019](#) and 2020, Accenture's research indicates that commitment to build an inclusive culture remains low.

Companies are ticking the boxes on paper but are failing to implement on the ground.

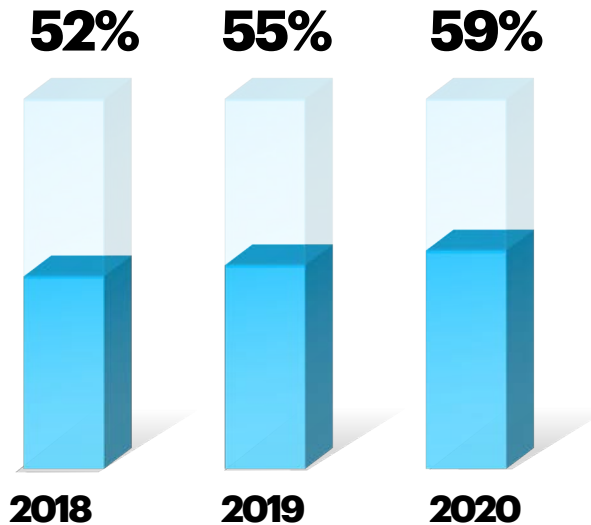
This adds to the perception gap in South Africa!



**TWO CULTURES,
ONE COMPANY?**

Employee perception of leaders' efforts to build a more inclusive culture has remained steady.

Index showing employee perception of leaders' efforts to build more inclusive cultures.



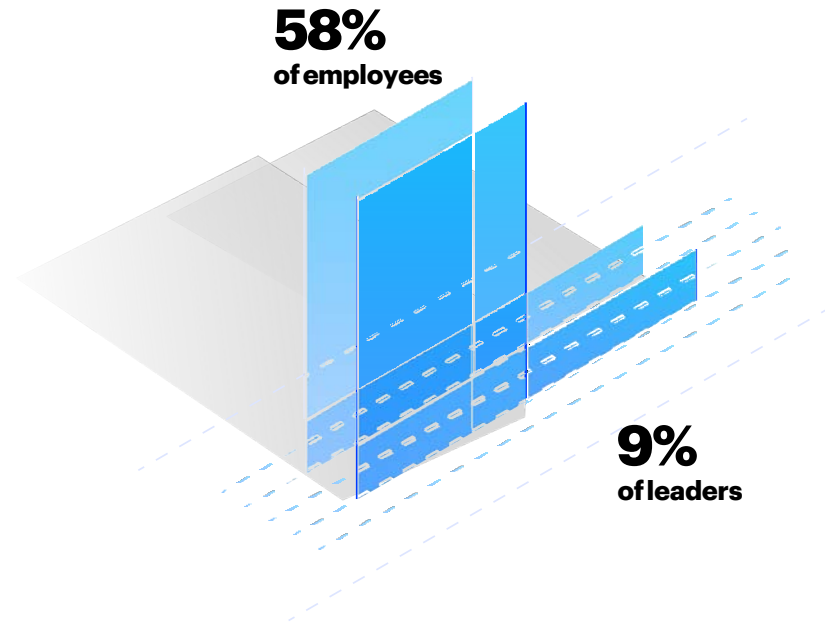
(Score out of 100, where 100 is complete commitment)

For the past three years, we have asked employees to share their perceptions of leaders' actions around building more inclusive cultures. Our questions targeted key actions needed to drive inclusivity—e.g., “Is your organisation fully committed to hiring, progressing and retaining women?”. We grouped the answers of nine such questions together to create an overall scorecard.

We found that little has changed over three years. Perception scores have increased by only seven points.

This pattern is a warning sign for leaders, because employee expectations are set to increase—we found that younger generations (e.g., Gen Z) are more concerned with workplace culture than their older counterparts.

The proportion of employees who do not feel included in their organisations (i.e., who do not feel they are welcome at work and can contribute fully and thrive) is **6x higher than leaders believe.**

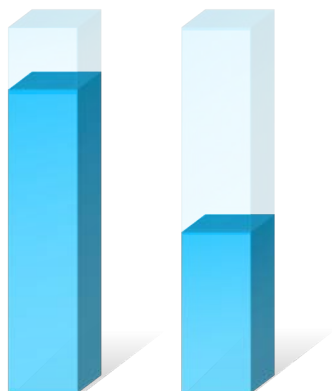


This year, we found that leaders say a culture of equality is important, and they think their organisations are inclusive. But employees feel very differently.

Since we have proven that a culture of equality allows everyone to advance and thrive, the perception gap is noteworthy:

83%
of leaders

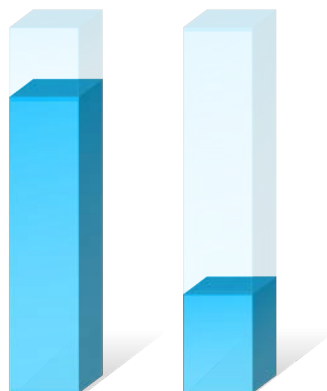
44%
of employees



Over 80 percent of leaders feel they create empowering environments in which employees can be themselves, can raise concerns and can innovate without fear of failure. Less than half (44 percent) of employees agree.

81%
of leaders

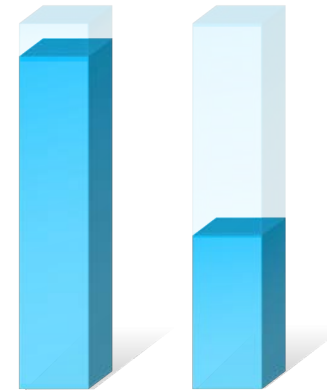
27%
of employees



More than 80 percent of leaders say employees have good control over when, where and how they work. Just 27 percent of employees agree.

91%
of leaders

42%
of employees



More than 90 percent of executives feel their employees are included, only 42 percent of employees agree.

Our 2019 Getting to Equal research found that while 95 percent of employees in South Africa want to innovate, only 44 percent feel empowered to.

To make equality a reality, it has to be a priority.

In 2018, we identified 40 factors [see [appendix](#) for full list] that are proven to influence advancement, and we organised them into three pillars:



BOLD LEADERSHIP=

A diverse leadership team that sets, shares and measures equality targets openly.



COMPREHENSIVE ACTION=

Policies and practices that are family-friendly, support all genders and are bias-free in attracting and retaining people.



EMPOWERING ENVIRONMENT=

One that trusts employees, respects individuals and offers the freedom to be creative and train and work flexibly.

When she rises, everyone rises

In 2018, we found that workplace culture is critical for women's advancement, and that when women rise, men rise too. In organisations where the 40 factors are most common, women's odds of progress improve, helping close the gender gap.

The impact of an equal culture on advancement, GDP and pay.



In more equal cultures, women are 43 percent more likely to advance to manager level and beyond, and almost four times more likely to advance to senior manager/director level and beyond.



In more equal cultures women who, on average, earn R59 for every R100 that a man earns, could earn as much as R87 for every R100 a man earns. That's a 47 percent salary increase.



Furthermore, just by uplifting 13 percent of women in the workplace to fill medium rather than low-skill roles, South Africa could add R319 billion to its GDP.

Innovation mindset is almost twice as high where cultures are more EQUAL

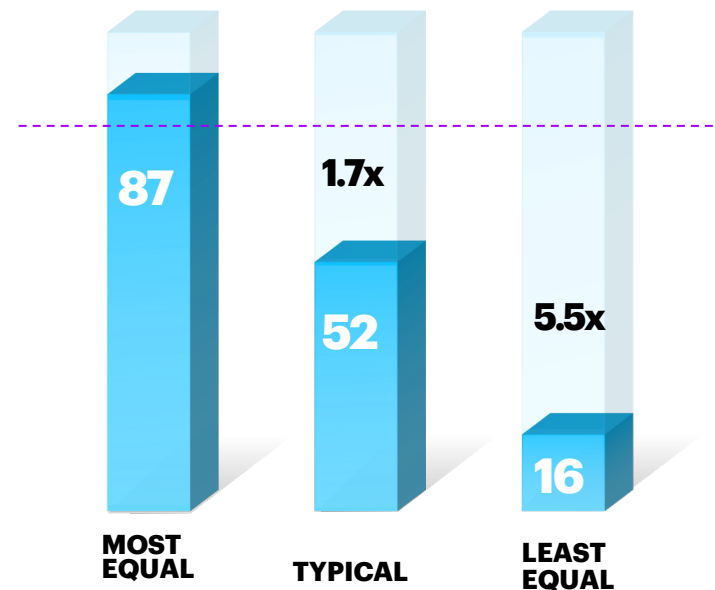
A culture of equality is a powerful multiplier of workplace innovation and growth.

In 2019, our research found that innovation is a powerful multiplier of growth. In South Africa, employees' "innovation mindset"—their willingness and ability to innovate at work—is nearly six times higher in companies with a robust culture of equality than in least-equal companies.

While diversity factors alone (e.g., a diverse leadership team and a gender-balanced workforce) significantly impact innovation mindset, a culture of equality is the essential multiplier to help companies maximise innovation.

Innovation Mindset score

Min=0; Max=100



A photograph of four diverse professionals standing in an office setting. From left to right: a man with a beard wearing a grey sweater, a woman with blonde hair wearing a black turtleneck, a man in a dark blue polo shirt, and a woman with glasses and braids wearing a dark blue sweater. They are all looking towards the camera with neutral to slight smiles. The background shows large windows with a cityscape view.

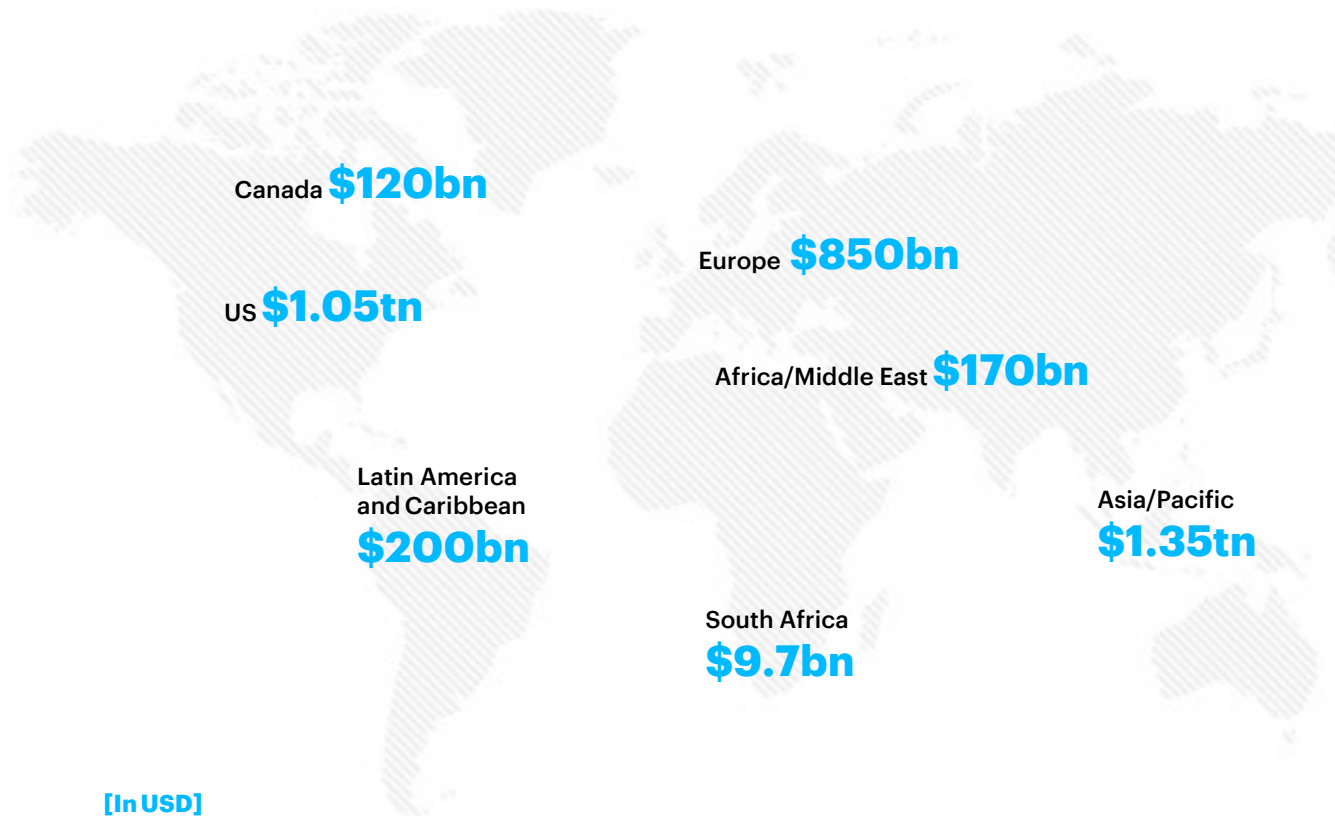
MAKE THE WIN WITH CULTURE

If the leader/employee perception gap were narrowed, employees—and the organisations they work for—could benefit significantly.

That's because equality = growth.

If the employee perception gap were narrowed by 50 percent...

We estimate that global profits would be higher by 33 percent, equivalent to \$3.7 trillion in 2019.



Employees would benefit, too:



The proportion of women who feel like a key component of their team with real influence over decisions would rise **from one in five to over three in 10.**



The proportion of women planning to stay with their current employer over the next 12 months would rise by **10 percent from 81 percent to 89 percent.**



MEET THE CULTURE MAKERS

A small group of leaders—we call them **CultureMakers—are ahead of the curve.**

We looked at leaders along the “say-do-drive” spectrum of commitment to building more equal cultures.

These leaders...

SAY:

Building a more inclusive culture is an organisational priority.

DO:

Recognise the importance of culture and identify change as a personal goal.

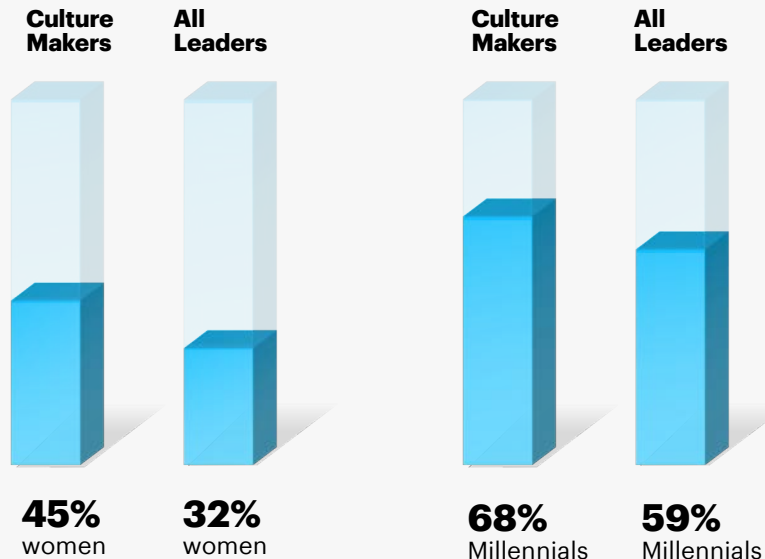
DRIVE:

Reward their people for building a more inclusive culture.

Culture Makers make the difference.

They are more in tune with the workforce, and they recognise the importance of cultural factors like pay transparency, the availability of family leave and the freedom to be creative in helping employees thrive.

Interestingly, they skew female and younger. They are a more gender-balanced group, since 45 percent of them are women, whereas women comprise just 32 percent of all the leaders we surveyed. A full 68 percent of them are Millennials, compared to 59 percent of all leaders.



They are much more likely to have spoken out on a range of issues, including gender equality (52 percent vs. 35 percent of all leaders) and sexual harassment/discrimination (51 percent vs. 30 percent). They hold themselves accountable, leading organisations that are 1.8x more likely to have publicly announced a target to get more women into the workforce.

And they model being the same person both inside and outside of work—85 percent of them believe that senior leaders who talk openly about personal hardships and challenges are stronger leaders.

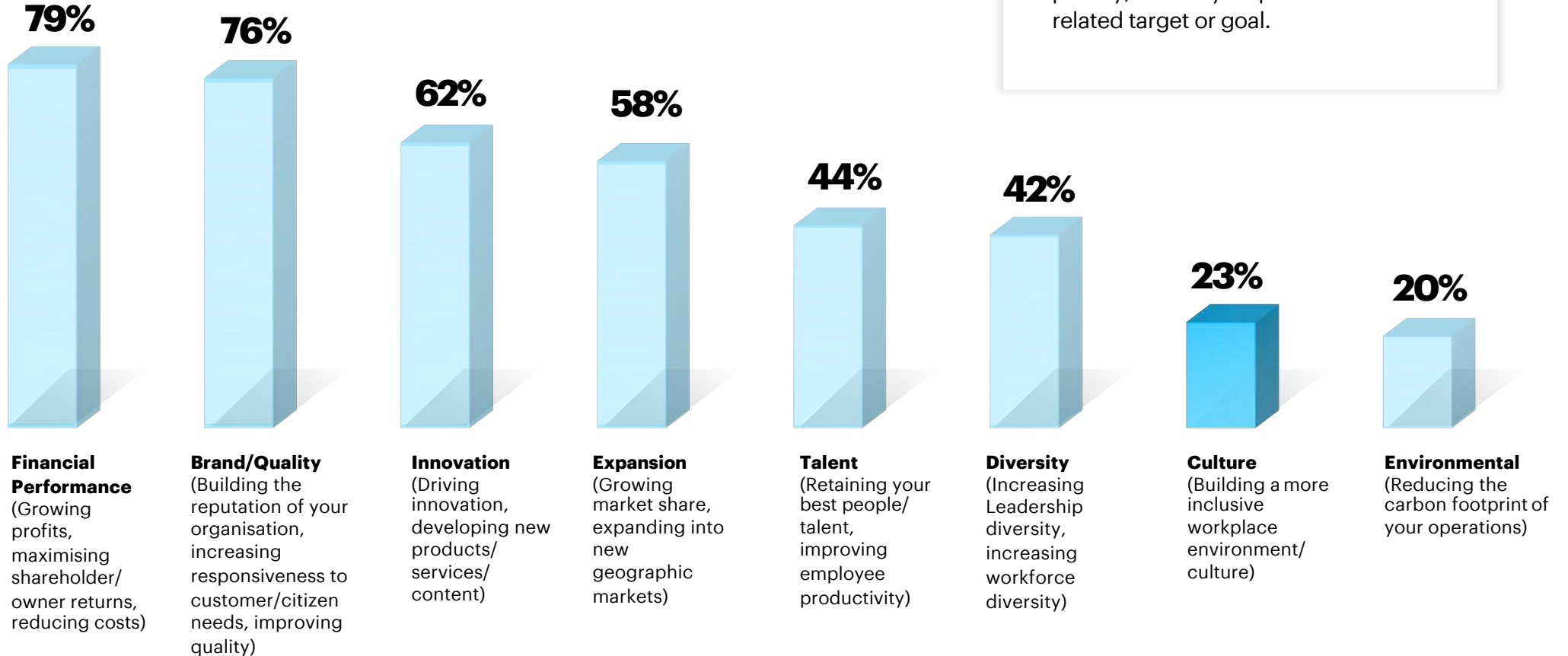
Notably, they lead organisations that are growing more than twice as fast as those of their peers. **In fact, they report their sales are 2.2x higher and their profits are 3.2x higher.**

Unfortunately, Culture Makers are still few and far between. Only six percent of leaders in our survey (rising to nine percent of women leaders) reach the standard.



**PRIORITISE
CULTURE, GET
AHEAD OF
THE CURVE**

Leader priorities:



While leaders think culture is important, most of them are not prioritising it. Just 23 percent identify culture as a top priority, and only 42 percent have set a related target or goal.

Our research examines the root causes of why culture is low on the list and reveals the hurdles to progress:

We asked leaders who do not have targets in place around building a more inclusive environment—but who think they should have them—what limits their organisations' ability to set those targets.

2 in 3

Over two in three South African executives say it's hard to link culture to business performance.

50%

Over 50 percent say they have other priorities as a business.

2 in 5

Two in five say it's too hard to measure and that not all of their organisation's leaders believe it's important.

In conclusion

Now that leaders are armed with an awareness of both the perception gap and the barriers to building more equal cultures, they can “say, do and drive” the behaviours and policies that will close the gap and overcome the obstacles in their organisations.

If leaders prioritise a culture of equality now, they will create an environment that is more likely to produce the financial results they want and need.

If people feel a sense of belonging and are valued by their employers for their unique contributions, perspectives and circumstances, they are empowered to innovate more. Everyone will rise.

And with more gender-balanced leadership teams, workplace cultures will continue to become more inclusive.

Eventually, leaders will evolve to see profit and culture not as separate endeavours at all, but as tightly interdependent goals, equally crucial to success.



**BRING EVERYONE IN,
LIFT EVERYONE UP**

CASE STUDY: **Microsoft**

After years of working to create a diverse and inclusive culture, tech giant Microsoft found it was not meeting its goals, and in some cases losing ground. In 2016 Microsoft made a bold move to energise and spark broader leadership engagement by making diversity one of the strategic performance goals that determine annual incentives. Senior executives are also evaluated on qualitative performance categories related to culture in the context of inclusion. In fact, Microsoft has now made diversity and inclusion a “core priority” for everyone working there, factoring how well employees meet that standard into their performance conversations.

Today, Microsoft has about 22 percent more women employees globally than in 2016, and in technical roles alone, Microsoft has 49 percent more women. Since 2016, Microsoft has seen a 56 percent increase in women executives, and the number of women executives in technical roles has almost doubled in three years, a 95 percent increase. This progress is attributable to many factors and the work of many people, including the work done to engage executives on Microsoft’s broader cultural transformation of which diversity and inclusion is one aspect.

Locally, Microsoft South Africa appointed a woman as its new Managing Director in January 2019.⁵ She has been pivotal in re-igniting the South African chapter of Women@Microsoft and spurring a culture that embraces gender equality in the workplace. She is a patron of the Dream Girls International Outreach and Mentoring Programme of South Africa.



CASE STUDY: **Accenture**

Accenture is committed to accelerating equality in the workplace as responsible business leaders and to drive our innovation agenda. Because we believe a culture of equality is one where everyone can bring their whole selves to work and thrive, we trust, respect and empower our people. We offer them the freedom to be creative and constant access to learning, training and support to help elevate their careers.

Several years ago, we set two clear goals: to achieve a gender-balanced workforce by 2025, and to increase the diversity of our leadership by growing the percentage of women managing directors to at least 25 percent by the end of 2020.

Today, our workforce is 44 percent women and the percentage of women managing directors is 24 percent.

Treating our gender goals like any other business priority, we hold leaders accountable, collect data, measure progress and publish workforce demographics across key geographies.



METHODOLOGY

1 Survey:

The study was built upon the established methodology for measuring the culture of the workplace (developed for the 2018 study, *When She Rises, We All Rise* and leveraged again for *Equality = Innovation*).

Two global online surveys were designed: one for senior executives and one for employees. These contained considerable overlap to allow the comparison and contrast of responses:

- The employee study (completed by 30,382 individuals) included quotas to ensure a 50:50 split by gender as well as broad representation by industry, size and seniority.
- The senior executive study (completed by 1,748 individuals) was completed by individuals in the senior leadership team/management committee of organisations employing 50+ employees.

Both surveys were fielded across 28 countries, between October and November 2019.

2 Modelling:

Over 40 statistically significant cultural differences (“perception gaps”) between what executives say and what employees experience were identified by comparing paired questions across the two surveys. These gaps were based on country-level differences; assigning each individual in the survey with a perception gap measure for each question based on country of location. The study leveraged modelling to assess perception gaps and scenarios to simulate what the impact of a 50 percent decrease in all perception gaps would have on employees’ sense of inclusion, aspirations and retention (split by gender).

3 Impact on Profitability:

To calculate the South African impact on profitability, we used a combination of our global modelling and S&P Capital IQ:

- The global econometric model revealed that across the globe, there will be a 33 percent profit uplift by closing the perception by 50 percent.
- We calculated the latest available financial year profit of 333 companies listed on the JSE using S&P Capital IQ.
- We applied the 33 percent global profit impact to the 333 companies.

The 40 factors that influence advancement and characterise a culture of equality

BOLD LEADERSHIP

- Gender diversity is a priority for management*
- A diversity target or goal is shared outside the organisation*
- The organisation clearly states gender pay gap goals and ambitions*
- Progress on gender diversity is measured and shared with employees
- Leaders are held accountable for improving gender diversity
- A diversity target or goal is shared inside the organisation
- The leadership team is diverse

*14 cultural drivers

COMPREHENSIVE ACTION

- Progress has been made in attracting, retaining and progressing women*
- The company has a women's network open only to women*
- The company has a women's network that is open to both women and men*
- Men are encouraged to take parental leave*
- Employees trust that the organisation pays women and men equally for the same work
- The proportion of women in senior leadership has increased over the last five years
- The organisation is fully committed to hiring, progressing and retaining women
- Progress has been made in improving gender equality in senior leadership
- There is a clear maternity policy in place
- Women are encouraged to take maternity leave
- There is a clear parental policy in place
- The organisation hires people from a variety of backgrounds
- Leaders take action to get more women into senior roles

EMPOWERING ENVIRONMENT

- Employees have never been asked to change their appearance to conform to company culture*
 - Employees have the freedom to be creative and innovative*
 - Virtual/remote working is widely available and is common practice*
 - The organisation provides training to keep their employees' skills relevant*
 - Employees can avoid overseas or long-distance travel via virtual meetings*
 - Employees can work from home on a day when they have a personal commitment*
 - Employees are comfortable reporting sexual discrimination/harassment incident(s) to the company*
 - Employees feel trusted and are given responsibility
 - Employees have the freedom to be themselves at work
- Leadership has a positive attitude toward failure
 - Leaders set a positive example around work-life balance
 - Networking events with company leaders take place during office hours
 - Employees can decline a request to work later without negative consequences
 - Employees can decline a request to attend early morning/late evening meetings without negative consequences
 - Sexual discrimination/harassment is not tolerated at work
 - The company has made progress in reducing tolerance of sex discrimination or gender-biased language
- Company training times and formats are flexible
 - Supervisors respond favourably to flexible working requests
 - The organisation respects employees' needs to balance work with other commitments
 - The organisation has made progress on building a workplace where no one feels excluded

*14 cultural drivers

ACKNOWLEDGMENTS

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⁴ World Economic Forum, [Global Gender Gap Report 2020](#)

⁵ <https://news.microsoft.com/en-xm/2019/01/14/microsoft-south-africa-appoints-lillian-barnard-as-new-managing-director/>

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