

Women Matter 2014

GCC Women in Leadership –

# from the first to the norm

Unlocking women's  
potential to enhance  
organizational effectiveness  
in the Gulf Cooperation  
Council (GCC) states



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# Table of contents

Executive summary	3
Preface – about this report	5
<b>1. Introduction: From “the first woman” to “the norm”</b>	<b>6</b>
I. Gender diversity: A driver of organizational effectiveness	7
a. Mix of leadership strengths	8
b. Diversity of perspectives and ideas	11
c. Improvements in leadership team dynamics	12
II. Expanding the national talent pool	13
<b>2. Current context for women leaders in the GCC</b>	<b>14</b>
I. Women in the workforce in the GCC	14
a. Educational achievements	14
b. Labor participation and employment	15
II. Representation of GCC women in top management	16
<b>3. Core challenges for GCC women in leadership</b>	<b>18</b>
I. The double-burden syndrome	19
II. Biases towards women in leadership	19
III. Lack of appropriate infrastructure and supporting policies	20
IV. Limited networking environments and women's leadership development programs	22
<b>4. A call for action</b>	<b>23</b>
I. Top management commitment	23
II. Targeted leadership development programs	25
a. Taking a personal and centered path to leadership	25
b. Removing gender biases	26
III. Collective enablers: Supporting HR policies and infrastructure	27
Conclusion	29
Authors	30
Team members	31
Acknowledgments	31
Methodology	32

EXHIBIT 1



# Executive summary

“From the first to the norm” expresses a vision for women in leadership positions in the Gulf Cooperation Council (GCC) states – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia (KSA), and the United Arab Emirates (UAE) (*Exhibit 1*). In the past decade, several dozen GCC women have advanced to senior leadership in GCC companies, government bodies, or nongovernmental organizations (NGOs). Most (~90% of the women interviewed) are the first woman ever to fill their role, and most are still the only woman “at the top.” While sheer quantity is only part of any story about organizational performance and health, the still small number of women leaders is a further important facet of the large gender gap that puts the GCC states at the low end of global gender gap comparisons.

Therefore, the next horizon in unlocking women's potential to enhance organizational effectiveness in the GCC is to make women in leadership positions the norm, rather than the exception they still are today.

One important measure towards this vision would be an ambitious 2020 goal:

- (a) For organizations with a strong female pioneer in their executive teams or boards: to enable *the “second and third woman”* to rise into senior leadership positions, following the remarkable footsteps of the pioneer
- (b) For organizations without women in leadership positions yet: to leapfrog the step of “remarkable pioneers” and enable a *group* of women to rise to the top right away.

This “Women Matter” report – part of our continuing global series – contributes to this goal by providing a fact base and practical recommendations. With findings from survey and desk research tested in interviews with over 50 leading executives in GCC organizations, our authors describe the status of women in leadership in the region today, outline reasons why gender diversity is important in the GCC, and discuss what senior leaders can do in practical terms to promote women's participation in the workforce and specifically in leadership roles, the focus of our research.

Our findings in brief:

- Companies greatly benefit from gender diversity in leadership positions, with more diversity going hand in hand with higher organizational effectiveness. The cornerstone finding from analysis of McKinsey's Organizational Health Index database (includes 900+ organizations worldwide, of which 100+ have been analyzed in detail with regard to gender) shows that companies with three or more women in senior management functions score higher on all nine dimensions of organizational effectiveness.<sup>1</sup>
- Our research in the GCC states illustrates the positive impact of gender diversity, with over 60% of all (male and female) survey respondents ranking more involvement of women in leadership positions as a “very important” driver of organizational effectiveness.
- The positive effect is seen to be driven in part by (1) complementary leadership strengths applied by men and women, (2) a greater diversity of perspectives and ideas captured for use, and (3) the beneficial effects of gender diversity on leadership team dynamics:
  - Women apply transformational leadership styles correlated with organizational effectiveness at least as much as men – if not slightly more.

<sup>1</sup> The nine outcome dimensions: direction, leadership, culture and climate, accountability, coordination and control, capability, motivation, external orientation, and innovation and learning.

- Women bring a “new” and often wider perspective to management problem solving. Many empirical examples indicate that women bring a new angle to the solutions, not only in the consumer industry, where half of the GCC states’ local consumers are women, but also in other areas where market research capabilities are not yet consistently developed and social environments are characterized by relatively high gender separation.
- Women, in a gender-diverse team, also have a positive effect on meeting dynamics, with many leaders noting that meetings become more formal, professional, and more results oriented when both genders are present at the table.
- In addition, expanding female participation in the workforce will expand the pool of talent that GCC organizations can tap into, supporting ambitious and essential economic development and workforce nationalization goals.
- There are clear signs of progress in the GCC’s macro-environment for women leaders, as the average female tertiary education enrollment rate is high (28%) and average female labor force participation across the GCC is increasing, with Qatar, the UAE, and Kuwait close to European levels (40 to 50%). While those three countries have female labor participation of 51%, 47%, and 43% respectively, the KSA (GCC country with the largest labor force) has the lowest female participation (18%) and highest female unemployment rate.
- The positive developments related to women’s ambition levels reflect that the region owes a lot to its notable pioneer women who have shown the world and the younger GCC generation that women can lead – also in the GCC. The time has now come for the next advancement: moving from “the first” women leaders to women leaders as “the norm”.
- However, our research also reveals several remaining challenges. The most significant concerns are family and social pressures, the “double-burden” syndrome, biases regarding women in leadership and the workplace, limited opportunities for women to network and build relationships with mentors in their organizations, and a lack of supporting infrastructure.
- Our call for action puts forward an agenda to address these challenges. Leaders of both genders, as catalysts and coaches, need to commit their organizations explicitly to promoting gender diversity; set up or adjust targeted leadership development programs so that they include elements directed at women, such as “finding your own leadership style,” and training in overcoming biases (“de-biasing”) for men and women; and install collective enablers such as stronger and more flexible human resources (HR) policies and supporting infrastructure.

\* \* \*

Our research indicates that a majority of GCC executives understand the importance of developing women leaders as an under-tapped source of knowledge, skills, and experience. By forging ahead and systematically fostering women leaders as the norm, they will not only enable women to realize their full potential but also contribute to their own organizations’ effectiveness and to the strength and resilience of their economies.



## Preface – about this report

Since 2007, McKinsey has been investigating the impact of increasing gender diversity in leadership and opportunities to enable more women to reach leadership positions. In a series of “Women Matter” reports, we have addressed these topics both at the international level and within specific regional contexts, including Asia, Europe, and Latin America.

Across these diverse contexts, we have consistently found that companies greatly benefit from gender diversity in leadership positions, with more diversity being correlated with higher organizational effectiveness.

This report brings a unique perspective to the topic of women in leadership in the GCC and tests our international findings within the GCC context:

- The report draws insights from a survey of over 550 male and female middle and senior managers across a diverse sample of organizations,<sup>2</sup> and over 50 interviews with senior leaders<sup>3</sup> of public and private sector organizations across a diverse group of industries and domains.
- Within the broader landscape of organizations active in the GCC, this particular report focuses primarily on GCC-based (rather than multinational) organizations and the experiences of and context for GCC national women leaders (rather than expatriate women).

Our recommendations thus incorporate insights from national organizations and populations that form the core of GCC economies and societies, and focus on approaches to enable women leaders that are both sensitive to the local context and sustainable over the long term.

As the vast majority of our interviews were conducted with pioneering “first women” in top management roles, we quote their comments extensively for their aptness and authenticity. We deeply appreciate our interviewees' time and thoughtfulness in speaking with us, but use only generic attributions, as any errors or omissions in transcription remain, of course, our own.

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<sup>2</sup> Survey sample includes respondents from diverse public sector bodies, high-profile private sector firms, and social sector institutions. The sample includes respondents from organizations with operations and/or mandates covering a representative selection of industries and domains, including energy and minerals industries, finance and institutional investing, retail and trade, telecommunications and media, manufacturing, education, healthcare, and other areas. Details on the survey methodology are provided in the appendix.

<sup>3</sup> Senior leaders include female board members, CxO through N-2 level leaders in privately owned companies, semi-government entities, family businesses, ministers, deputy ministers, and other high-ranking public sector officials.

# 1. Introduction: From “the first woman” to “the norm”

In recent decades, public and private sector organizations across the GCC states have achieved important milestones in enabling women to reach leadership positions, with many government bodies and industry-leading companies appointing or promoting highly talented women to senior leadership positions for the first time. These outstanding “first women” have demonstrated profound capabilities and commitment, and have contributed to transforming social attitudes towards women in leadership while serving as role models for the younger generation.

The achievements of these women reflect a strong and encouragingly positive trajectory in the GCC states. Yet more work must be done to reach a new status quo in which building diverse leadership teams featuring multiple highly qualified women becomes standard practice.

This report explores the potential impact, the current situation, and the path ahead in order to support the success of current and future women leaders in GCC organizations, and to transform the prevailing aspiration on gender diversity from “the first woman” to “the norm”.

Through extensive research both at the international level and in specific regions, McKinsey has found evidence that gender diversity in leadership has the potential to drive superior organizational effectiveness.

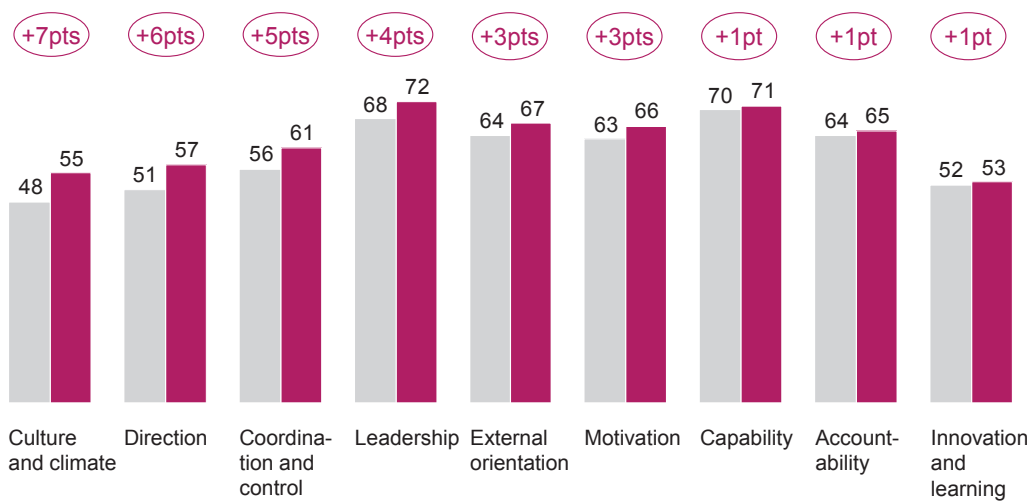
In particular, *Exhibit 2* illustrates that organizations with three or more women in top management positions have a statistically significant “edge” over those with fewer women across multiple dimensions of organizational effectiveness.

EXHIBIT 2

## To what extent is your company effective in each of the 9 organizational dimensions?

■ Companies with no women (n = 45)  
 ■ Companies with 3 or more women (n = 13)

Percent of employees with positive evaluation<sup>1</sup>



<sup>1</sup> Analysis conducted on a sample of 101 worldwide companies, or 58,240 persons surveyed  
 Note: Given the sample size, a 1% difference is statistically significant  
 SOURCE: McKinsey



Our research in the GCC supports the hypothesis that similar beneficial effects can be achieved in this region if more organizations build diverse leadership teams.

This is discussed below in section *I. Gender diversity: A driver of organizational effectiveness.*

In addition, the GCC states have also framed explicit policy objectives to boost economic performance and increase the national talent pool. Enabling more women to pursue careers and become leaders could have a positive impact on core national priorities in GCC countries, particularly workforce nationalization targets. We discuss this in section *II. Expanding the national talent pool.*

### I. Gender diversity: A driver of organizational effectiveness

Among GCC professionals, general perceptions of the impact of women in leadership in the GCC are positive. According to the survey we conducted with over 550 male and female managers across a diverse range of sectors in the GCC (with more than 50% GCC nationals), over 60% of all respondents indicated that more involvement of women in leadership positions

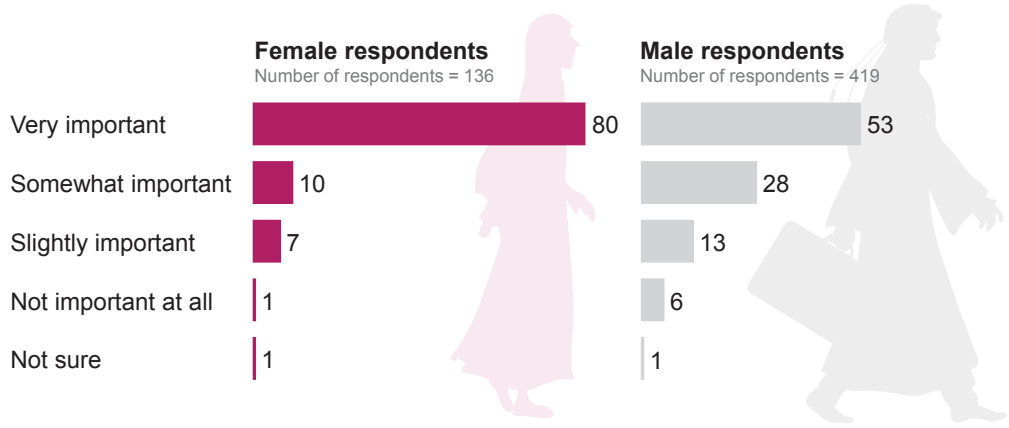
is a “very important” driver of organizational effectiveness (*Exhibit 3*).

To shed light on *how* gender diversity might have this impact, we interviewed a diverse group of over 50 senior leaders (a predominantly female group, including a large share of board and CxO-level leaders, as well as senior government officials).

EXHIBIT 3

~50% of GCC men believe women in leadership is a “very important” driver of organizational effectiveness while ~80% of women are convinced

*“How important, if at all, do you believe more involvement of women in leadership positions is as a driver of overall organizational effectiveness?”*  
Percent of respondents



SOURCE: McKinsey Women Matter GCC Survey

## A new vision: From “first woman” to “the norm”

There have been strong signs of progress towards gender diversity across the GCC in recent years, with many organizations promoting “the first woman” to a leadership position. The time has come to raise the aspiration to making the promotion of talented women alongside men “the norm” in GCC leadership teams.

*“We now have great success stories of powerful women, but many of us are isolated examples [in our organizations].”*

– Senior executive, financial institution, Kuwait

*“Still, truly broad opportunities for women can only be found in a few sectors, like education and healthcare today.”*

– Senior manager, healthcare sector, KSA

*“We need to get more women at the top as a group, as a team. We need to make women in leadership sound uneventful and normal.”*

– Sr. Executive, oil and gas sector, KSA

They identified three core mechanisms in behaviors, perspectives, and interactions:

- (a) The mix of leadership strengths  
men and women exhibit
- (b) The diversity of perspectives  
and ideas captured
- (c) The improvements in leadership  
team dynamics observed as  
teams grow more diverse.

### a. Mix of leadership strengths

When McKinsey first studied the impact of gender diversity at an international level in 2007, we began by analyzing a global sample of results from our proprietary organizational health survey (includes 900+ organizations worldwide, of which 100+ have been analyzed in detail with regard to gender) to test whether organizational effectiveness was correlated with leadership team diversity. Our respective “Women Matter” report found that companies with three or more women in senior management functions score higher on all nine dimensions of organizational effectiveness.<sup>4</sup>

To understand the mechanisms underlying this correlation, subsequent reports investigated academic research (notably a study by Alice H. Eagly et al.)<sup>5</sup> on specific leadership behaviors, and found that women and men exhibit several behaviors linked to particular dimensions of organizational effectiveness with varying frequency.

Women apply behaviors linked to organizational effectiveness at least as often as men – potentially even more frequently than their male colleagues. These specific leadership behaviors are often bundled and referred to as a “transformational leadership style.”

<sup>4</sup> The nine outcome dimensions: direction, leadership, culture and climate, accountability, coordination and control, capability, motivation, external orientation, and innovation and learning.

<sup>5</sup> Alice H. Eagly, Johanness-Schmidt, and Van Engen, *Transformational, Transactional, and Laissez-Faire Leadership Styles*, 2003.

*Our survey on the GCC reveals similar insights.* Women in the GCC exhibit leadership behaviors correlated with organizational effectiveness at least as often as their male counterparts – and again, exploring the result below, they seem to show a transformational leadership style even more often than men (*Exhibit 4*).

Based on our survey there is a general perception across organizations that women apply people development, inspiration, efficient communication, and participatory decision making slightly more often than men do, while men apply individualistic decision making as well as control and corrective action more often than women do, with no or little difference between the genders observed in the dimensions of intellectual stimulation, expectations and rewards, or role modeling.

These results are generally consistent with international research.

*“Women focus more on nurturing talent – in my organization, they are much more likely to sign up to be coaches.”*

– Senior executive, banking sector, Kuwait

*“Women are more inclusive, they try to bring more people into the conversation.”*

– Senior official, public sector, Bahrain

*“A lot of my time is dedicated to coaching and developing new talent.”*

– Senior executive, banking sector, UAE

*“Women are more likely to solicit input – they are more eager to ensure everyone is with them, that they have buy-in. Men have a much easier time making calls quickly, and giving top-down direction. It’s best to have a combination.”*

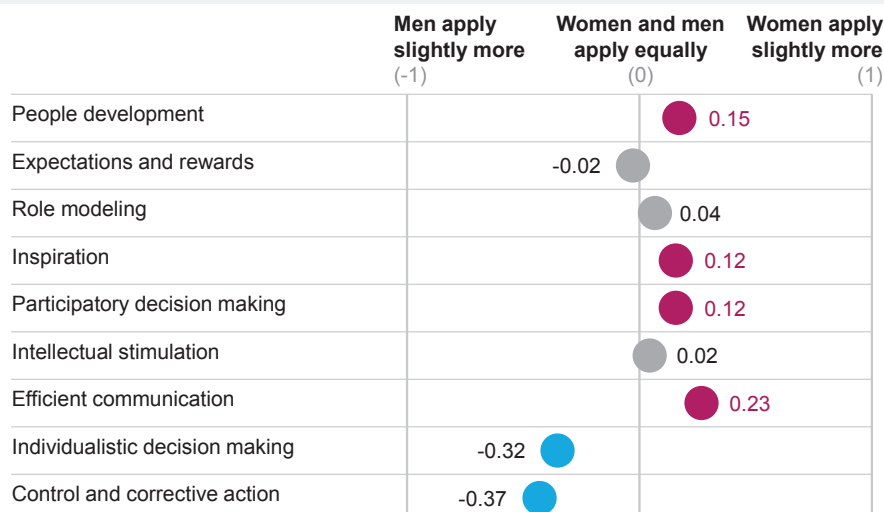
– Senior manager, diversified family business, UAE

EXHIBIT 4

**Women leaders are more closely associated with 4 of the 9 organizational effectiveness behaviors**

*“Do you see women or men applying the following behaviors more frequently?”*

Average of respondents, number of respondents = 555<sup>1</sup>



<sup>1</sup> The sample in our research allowed us to draw the conclusion with a marginal statistical error <5% and with a confidence level (1-alpha, type 1 error) of 95%  
SOURCE: McKinsey Women Matter GCC Survey

## Gender diversity can have a beneficial impact on organizational effectiveness – also in the GCC

Increasing gender diversity in leadership can have a significant positive impact in GCC organizations by providing a more balanced mix of leadership strengths, contributing to the diversity of ideas captured, and improving leadership team dynamics.

*“Mixed-gender teams deliver much more than single-gender teams.”*

– Deputy head, public sector, KSA

*“I think a mixture [of men and women] is very important – they often take different approaches which complement each other.”*

– Senior official, public sector, Bahrain

*“I’ve seen that more diversity of any kind increases organizational effectiveness – it increases the variety of ideas, perspectives, and modes of thinking.”*

– Managing director, family business, UAE

*“There is less of a hierarchy within leadership teams when there is a woman involved. It’s not ‘whatever the CEO says’ – when there is a woman involved there is generally a discussion.”*

– Executive director, NGO, Oman

Many of our interviewees also commented on a rather negligible difference between male and female leadership styles, pointing out that women show essential leadership behavior at least as often as men.

This insight on “Women in the GCC displaying a transformational leadership style at least as often as men” even has some further relevance.

When we asked over 650 global business leaders in McKinsey & Company’s previous “Women Matter” reports about their view on leadership behaviors most relevant to address global future challenges, they named “intellectual stimulation, inspiration, participative decision making, expectations and rewards” as such. GCC women leaders are seen to display all of these behaviors at least as often as men.

Furthermore, the four behaviors women are seen to display even more often than men, namely people development, inspiration, efficient communication, and participatory decision making are mentioned by these global business leaders as “showing the most significant gap between current prevalence of behaviors and future needs.” The sample in our research allowed us to draw the conclusion with a marginal statistical error <5% and with a confidence level (1-alpha, type 1 error) of 95%.

Organizations in the GCC can therefore greatly benefit from gender diversity at the top – leveraging a transformational leadership style to face future global (business) challenges.

## b. Diversity of perspectives and ideas

Beyond differences in leadership behaviors, senior leaders we interviewed across both the private and public sector mentioned that mixed-gender teams benefit from a greater diversity of ideas, as men and women bring different perspectives and will often focus on different dimensions of the same problem.

Leaders we interviewed across the GCC frequently highlighted the potential impact of involving women more in developing products and services where women are a key demographic – an observation we have heard from leaders in other regions (interviewed for other “Women Matter” reports) as well. Several women leaders we spoke with noted that having female employees and leaders is particularly important within GCC companies, given that market research capabilities are not yet consistently developed and social environments are relatively gender separated.

*“In the GCC, most [local] services and products are designed by men in isolation, and you only get the women’s perspective later, via their spending. It makes a huge difference to get that insight at an earlier stage.”*

– Director, public sector, KSA

In addition, our interviewees mentioned that within the context of decision meetings at their organizations, women leaders tend to be more aware of organizational implications and potential stakeholder reactions to decisions, whereas the men tend to maintain a more technical focus.

In the experiences of the GCC leaders we spoke to, capturing ideas and perspectives from both male and female leaders in turn results in more “outside the box” thinking and more innovative solutions.

## Gender diversity is experienced as broadening an organization’s wealth of insights

*“In the discussions now, we take a more holistic approach to talking about our performance. The discussion used to focus only on the bottom-line numbers, but now we look more at long-term strategy, capability building, and what I call ‘instrumental softer issues’ that really drive performance and effectiveness.”*

– Senior executive, banking sector, Kuwait

*“Simple things that one gender takes for granted are sometimes a shock [for the other gender] to hear [...] Having men and women together brings a more holistic and realistic set of perspectives to the table.”*

– Director, public sector institution, KSA

*“In settings with my fellow male colleagues, it’s often very dry, and the attitude is ‘this is what we need to do, let’s go and do it’. In settings with females, there are a lot more observations on other dimensions, especially people dimensions and the organizational impact of decisions.”*

– Senior official, public sector, Bahrain

*“I never send a team that is only one gender [to meet with a client] – when both genders are in the meeting, the end result is much better. The most important part is the creativity – women and men have different perspectives. Women understand emotions more, and they understand where a client is coming from.”*

– Founder, media company, KSA

*“The way that men and women think is inherently different. Especially in a high-level leadership team, it’s interesting to see the bouncing of ideas back and forth between the men and the women.”*

– CEO, NGO, Oman



## Gender diversity at the top can improve leadership team dynamic

*“When men and women are in a meeting together, the atmosphere is automatically more formal [...] Mixed groups are generally more focused on the task at hand, and more efficient. [Men and women] are on their best behavior.”*

– Senior executive, financial sector

*“When we have teams that include both men and women, they’re much more collaborative – the egos seem to get set aside, and they listen to each other. Instead of competing for opportunities and recognition, [teams] are more likely to divide up the work in a way that makes the most of each member’s strengths.”*

– Board chairperson, Oman

*“When you have women in the meeting, it goes better ... There’s a lot more value that they bring to the table [...] and the dynamic does change, there’s a lot more interactive discussion, rather than one-way [...] there’s more sharing of ideas and open brainstorming.”*

– Senior official, public sector, KSA

*“When you have women in serious meetings, the communication is more respectful – people behave better, and they think more before they speak. It’s a much healthier atmosphere in mixed-gender meetings.”*

– Senior executive, banking sector, Kuwait

*“Having a mixed environment tones down bad habits of both men and women.”*

– Founder, NGO, KSA

*“When you have true gender diversity, the dynamics change. With [more than just one woman in the executive committee], we are moving more towards examining ‘what are we achieving as a group’ rather than ‘what have I achieved as an individual’.”*

– Senior executive, banking sector, Kuwait

## c. Improvements in leadership team dynamics

When asked whether greater gender diversity affects leadership team dynamics, over 90% of the female GCC interviewees observed that creating mixed-gender leadership teams leads to more effective decision making. Our study identified two underlying reasons for this.

First, the majority of interviewees mentioned that in the GCC, mixed-gender settings create a “higher degree of formality” in meetings, leading to more task-focused and efficient discussions.

Second, several interviewees observed that men and women tend to take different approaches to communicating and building alignment. In particular, women are seen more often playing mediator/facilitator roles, synthesizing multiple viewpoints, and investing in relationship building to develop alignment in support of their goals. In particular, multiple interviewees mentioned that as leadership teams begin to include more than one woman, the focus of the group tends to shift towards team accomplishments rather than individual accomplishments.

Linking our findings in the GCC with our global findings on the correlation between gender diversity and organizational effectiveness – in which a statistically significant advantage existed only for organizations with three or more female leaders – underscores the importance of moving beyond the approach of promoting “the first woman” to one that aspires to make increasingly gender-balanced teams “the norm”.

## II. Expanding the national talent pool

Increasing women's participation and leadership could provide an additional, critically important benefit within the GCC context by contributing to increasing the share of nationals in the overall workforce. Expatriate populations within the GCC have expanded rapidly (reaching >80% of the total population in both the UAE and Qatar), and so have public sector employment rates of GCC nationals. Leaders in all six GCC countries have made boosting nationals' participation in the private sector – and in key leadership positions of major companies – a core strategic priority.

The importance of increasing workforce nationalization for the long-term sustainability of local economies is reflected in public policies and initiatives across the GCC.

The UAE first introduced Emiratization quotas for companies in the private sector over a decade ago, and Qatar has set a Qatarization target of 50% for the industry and energy sectors.<sup>6</sup> In the mid-2000s, Bahrain defined an ambitious economic development and diversification program, reformed labor policies, and created a capability building institute (*Tamkeen*) to channel more Bahrainis into private sector employment.<sup>7</sup> More recently, KSA has created incentives for Saudization by establishing the “*Nitaqat*” system, which requires Saudi companies to “Saudize” a share of their workforce that is dependent on company size and sector as well as the current Saudization averages in the market within given size/sector brackets. Since the prescribed quotas are effectively enforced by, e.g., access to visas, the system has been successful in driving up Saudi employment. The Saudi government is now putting strong emphasis on complementing it with improved training of nationals to ensure Saudi companies remain competitive.<sup>8</sup>

Many GCC countries have meanwhile introduced systems to more carefully control the cost of foreign labor and use the proceeds to upskill the national workforce.

Encouraging and enabling more GCC women (who make up ~50% of the GCC national populations) to enter the workforce and find employment would unlock new talent pools within the GCC, and could significantly accelerate progress towards workforce nationalization targets. Providing groups of high-potential women with mentorship, development opportunities, and other support to help them reach leadership positions in larger numbers could contribute to ensuring that accelerated nationalization extends into the top levels of business, government, and civil society.

<sup>6</sup> Information obtained from website: [www.qatarization.com.qa/](http://www.qatarization.com.qa/) on April 10, 2014

<sup>7</sup> *Bahrain Vision 2030*, Bahrain Economic Development Board (2013)

<sup>8</sup> *Labor and Nitaqat System Saudi Hollandi Capital* (2012)

## 2. Current context for women leaders in the GCC

Although all six GCC countries have shown signs of progress, in particular in female education rates and levels, female labor force participation and employment rates remain low, as does female representation on executive committees and boards. Therefore, the effort needs to focus on forging a much stronger link for women between getting an education and becoming gainfully employed.

### I. Women in the workforce in the GCC

The GCC currently faces a strong mismatch between women’s education and employment: while girls’ and women’s educational achievements are often higher on average than for men, female participation in the workforce is sharply lower and unemployment sharply higher.

#### a. Educational achievements

Women in the GCC are as well educated as men when it comes to tertiary education: female enrollment in tertiary education programs is even slightly higher for GCC women than GCC men (28% versus 22%), and 78% of unemployed women in the KSA have a tertiary degree compared with just 17% of men.

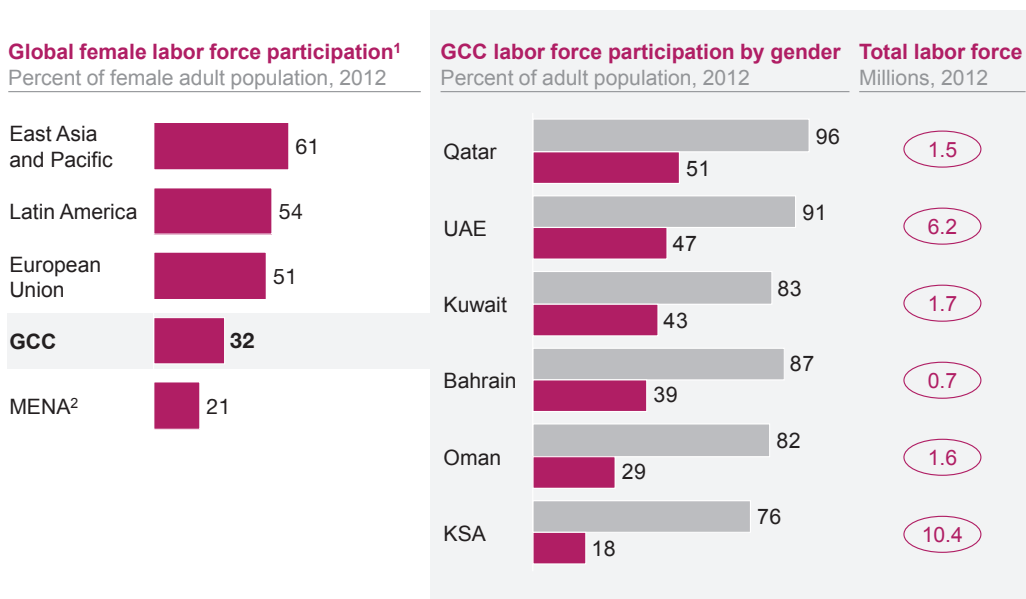
Further, at the Kindergarten to 12th-grade (K-12) level, GCC girls score higher on international tests than boys do by some of the biggest margins worldwide.<sup>9</sup>

<sup>9</sup> Based on analysis of TIMSS cognitive application score distribution by gender

EXHIBIT 5

**GCC female labor force participation is higher than in the MENA region as a whole but lags globally, with an extreme case in the KSA**

■ Male ■ Female



<sup>1</sup> Regions as defined by World Bank, including expats

<sup>2</sup> Middle East and North Africa

SOURCE: World Bank

## b. Labor participation and employment

Despite high tertiary education levels, low female labor force participation imposes a significant limit on the pool of potential women leaders. In the GCC, total average female labor force participation is 32% compared with 51% in Europe and other OECD countries.

Although this rate is higher than the overall MENA average of 21%, with UAE, Qatar, and Kuwait reaching international benchmarks at 47%, 51%, and 43% respectively, the higher numbers are partly driven by higher participation rates among expatriate women.

Among women who do participate in the labor force, high unemployment represents a further issue (*Exhibit 6*). In OECD and European countries, unemployment rates tend to be relatively consistent between men and women (10% and 11%, respectively). In the GCC, the difference is far more pronounced, with 15% female unemployment and to 3% for men.

Among GCC states, Kuwait and Qatar have two of the lowest female unemployment rates in the GCC (1% and 4%, respectively) and the smallest difference between male and female unemployment (percentage gaps of 1 and 4, respectively). In contrast, the KSA, UAE, Bahrain, and Oman face double-digit unemployment for women, with the official reported rate in the KSA reaching 21% (36% for KSA national and 10% for expat). In reality, the actual rate in the KSA could be significantly higher – up to 50% – if unemployed women in the state welfare program (~1.2 million, currently excluded from the official statistics on unemployed women) were included.<sup>10</sup>

Finally, although GCC rulers and their top government leaders have taken notable steps towards supporting female participation in the labor force and opportunities for women to lead, some policy barriers remain, particularly in the KSA. Mixed-gender work environments are permitted in five out of six GCC countries. The requirement in the KSA for all organizations employing women

## A large under-tapped talent pool

Women are a large and under-tapped source of knowledge, skills, and experience in the GCC: high female education rates, even slightly higher than the rates for men, contrast with low female labor force participation and low employment rates. Remarkable women have made it to the top of organizations or into senior executive teams – where their leadership is rather the exception than the norm – and are carefully watched by their colleagues and the public.

*“In the GCC, the enrollment numbers of women in universities is higher than the ones for men – with at least the same outcomes ... and often even better.”*

– Senior executive, education sector, Qatar

*“I can see a bright future for women ... there is a new generation that is getting education in more fields that are new for us ... they have higher expectations of their careers.”*

– Senior official, public sector, KSA

*“Employing women in Saudi, however, is a special case in the GCC. It means: totally new bathrooms, meeting rooms, entrances. It can be expensive.”*

– Senior advisor, nonprofit sector, KSA

*“The ‘first woman’ trend puts women at the top of institutions under immense pressure – women feel they need to work harder to prove themselves. Sometimes it feels like being under a microscope.”*

– Senior executive, financial sector, Kuwait

*“I wanted more and more to succeed because if I succeed, they will say women can succeed.”*

– Entrepreneur, telecommunications sector, KSA

<sup>10</sup> These women are excluded from statistics on the assumption that they are not actively looking for work.

to invest in separate facilities (working areas, eating areas, etc.) and the ambiguity around it creates a disincentive to hiring women for many organizations.

In addition, women in the KSA have historically been represented by male relatives in executing certain professional contracts, such as setting up

businesses and signing employment contracts. Although some of these policies have begun to change in recent years, remaining legal obstacles, time lags in implementation of new policies, and other issues, including limited access to transportation, contribute to sustained challenges for some Saudi professional women.

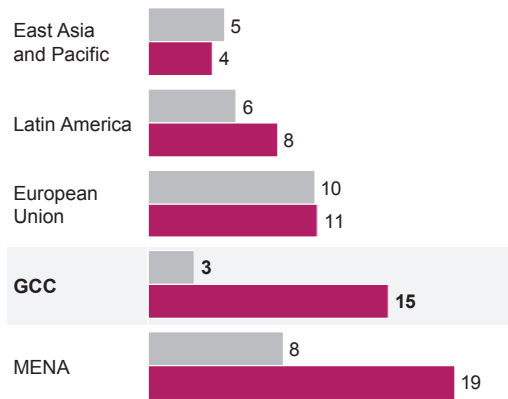
EXHIBIT 6

**GCC female unemployment is 5 times higher than for men, driven in large part by 21% female unemployment in the KSA**

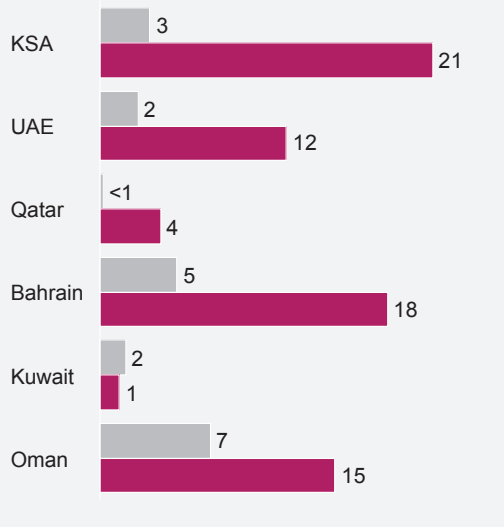
Percent of labor force, 2012

■ Male ■ Female

**Global unemployment rate by gender**



**GCC unemployment rate<sup>1</sup>**



<sup>1</sup> Includes expats  
SOURCE: World Bank

**II. Representation of GCC women in top management**

While the achievements of many “first women” who have reached senior leadership positions in the GCC are cause for celebration, GCC women today remain significantly underrepresented on boards and executive committees in the region. GCC Board of Directors Institute (BDI) research indicates that GCC women currently hold <1% of executive committee and board positions (*Exhibit 7*). These figures are among the lowest worldwide, below Latin America (8% and 5%, respectively), Asia (8% and 6%), and Europe (10% and 17%) (*Exhibit 7*).

Recent public policy developments in GCC offer signs that these numbers could improve in the near future.

In the GCC as a whole, sovereign leaders have been supportive of increasing the number of women in leadership positions in the past decade, appointing the “first batch of women” to ministerial positions. In 2013, Saudi Arabia’s King Abdullah appointed 30 women to the Shura Council (the royal advisory committee in the KSA) and made it obligatory to always have 20% female participation in the council. Political leaders



are also beginning to pressure corporations to increase the participation of women in leadership roles. For example, in 2012, a ruling was issued by the UAE Cabinet stipulating that all state-owned corporations must include at least one female board member.

In our interviews, support from GCC countries’ leadership has been pointed out as an essential factor in enabling women to lead.

Making highly accomplished women visible to the public also helps generate confidence in the next generation of women leaders to come.

*“Top-down support from Bahrain’s leaders has been very important, creating opportunities and ensuring public support for talented women, e.g., enabling them to study abroad on scholarships.”*

– Senior physician, Bahrain

*“Having such a central figure [the Emir Father] support and encourage women in leadership, simply by having his wife to play such a visible role has been utmost important.”*

– Senior executive, education sector, Qatar

*“The commitment from the King to women’s advancement is the main driving force for positive change and most important factor that will drive future change. Top leaders have a major influence on prevailing social attitudes.”*

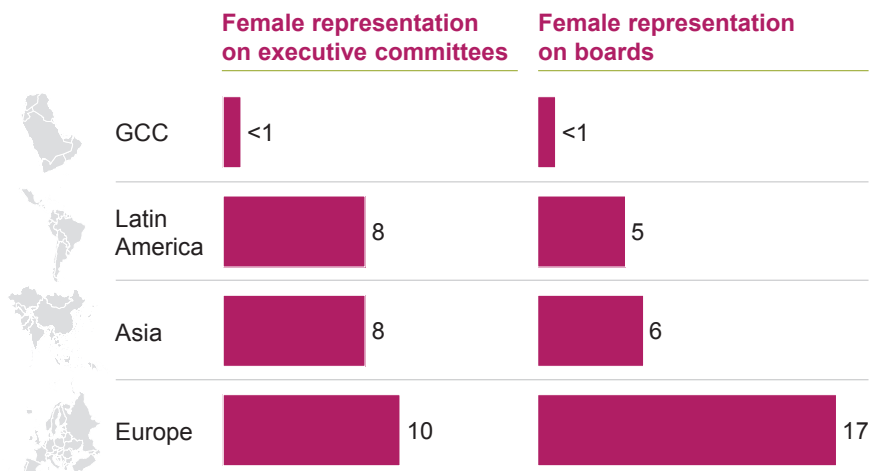
– Professor and scientist, KSA

*“Girls in school today look at [leading female figures] and have no doubt that they will have opportunities to lead. This is a major difference between the youth and their mothers’ generation.”*

– Minister, Qatar

EXHIBIT 7

**Female representation in top GCC management positions is less than 1%**  
Percent



1 Includes KSA, UAE, Qatar, Kuwait, Bahrain, and Oman

2 Includes Argentina, Brazil, Chile, Colombia, Mexico, and Peru

3 Includes Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, and Taiwan

4 Includes Belgium, Czech Republic, France, Germany, Italy, the Netherlands, Norway, Sweden, and the United Kingdom

Note: Data for GCC is 2014 and 2011 for all other countries

Note: The executive committee is composed by the CEO and the C suite. With board we mean the board of directors of a company

SOURCE: GCC Board of Directors proprietary database; Catalyst.org

### 3. Core challenges for GCC women in leadership

Although all six GCC countries have shown signs of progress, female labor force participation and employment rates remain low, as does female representation on executive committees and boards. Our research suggests that core challenges driving this phenomenon include:

- I. Family and social expectations of women resulting in the double-burden syndrome (enhanced by corporations' "anytime, anywhere" performance model)
- II. Biases regarding women in leadership (displayed by both men and women)
- III. Infrastructure gaps such as transportation and not yet fully developed HR functions with supporting policies for women in leadership
- IV. Limited networking opportunities and lack of targeted leadership programs.

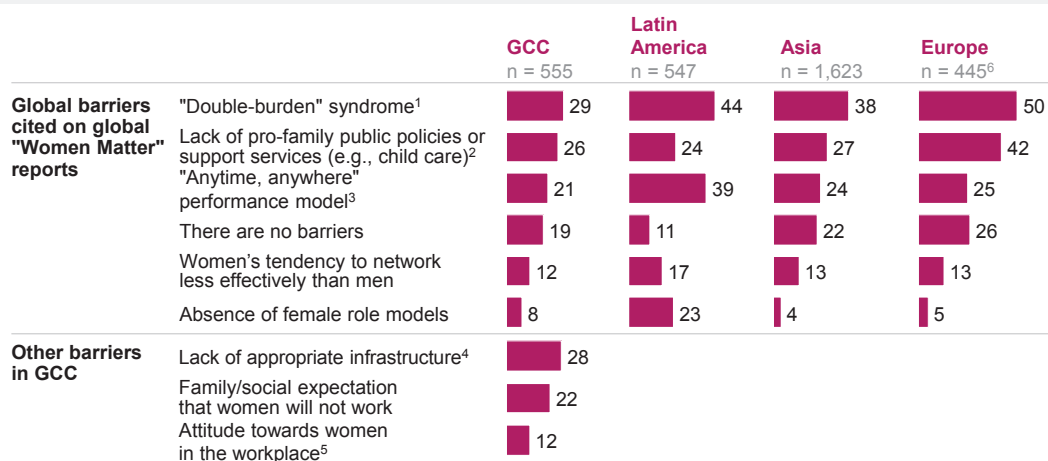
These findings are reflected in the survey responses (*Exhibit 8*) and substantiated as well as broadened by the interviews with women leaders, in particular when it comes to biases and limited networking opportunities. As illustrated in the following chapter, responses also differ from country to country, with particularly pronounced gaps in the infrastructure and supporting policy in the KSA.

#### EXHIBIT 8

#### GCC seems to be broadly aligned with the rest of the world on key challenges – but also has sharp specific issues

*"Of the following options, what are the biggest barriers, if any, to increasing the number of local GCC women in leadership positions at your organization?"*

Percent of respondents<sup>7</sup>



<sup>1</sup> Women balancing work and domestic responsibilities

<sup>2</sup> For example, child care facilities

<sup>3</sup> Work model requiring unfailing availability and geographical mobility at all times

<sup>4</sup> For example, transportation, women-only facilities, or videoconference for women requiring gender-segregated environment

SOURCE: McKinsey Women Matter GCC Survey

<sup>5</sup> For example, assumptions about women's capabilities, commitment, or availability

<sup>6</sup> C-level respondents only

<sup>7</sup> Survey respondents were allowed to mark all the answers they deemed fit

## I. The double-burden syndrome

When asked to prioritize the biggest challenges women leaders face, survey respondents across all GCC countries identified the double-burden syndrome as the top barrier to more women becoming leaders. The term double-burden reflects the responsibility (in addition to the joy) of being a caretaker within a family and a leader in the professional world at the same time. This double-burden is often amplified by the anytime, anywhere performance model of many corporations.

## II. Biases towards women in leadership

Along with attitudes about family and home life, attitudes towards women in the workplace emerged in our interviews as an important challenge, with also >1 in 10 of our survey respondents selecting this as a top barrier for women. Our interviewees pointed out that both male and female colleagues can exhibit biases. These biases are reflected in widely held assumptions that women are less committed to continuous, long-term careers than men are, and tendencies to give disproportionate weight to experiences or observations that confirm negative assumptions about women.

*“You hear biases in the way men talk about female employees, e.g., ‘why should I invest in her, when she will only leave as soon as she gets married’ – they feel they need to have a ‘backup man’ in case the woman quits.”*

– Senior manager, oil and gas sector, UAE

*“At the recruitment level, there is a tendency to favor the male applicant.”*

– Executive and board member, family business, Oman

*“I’ve noticed that if a man fails in a particular area, people tend to assume he has other strengths, and they move him to another area and give him a second chance. If a woman fails, she is marked by this, and she typically won’t be given another opportunity.”*

– Senior executive, oil and gas sector, KSA

## Multiple obstacles for women to reach leadership positions

Reaching the top is never easy. Women in the GCC face a set of challenges similar to those that female leaders would face internationally, e.g., the double-burden syndrome, as well as some more region- and even country-specific ones, e.g., infrastructure requirements.

*“I hear it almost daily [from my family] – why are you working so many hours? They always separate between your job and your life – they don’t see job as a major driver of happiness.”*

– Founder, media company, KSA

*“There are a lot of assumptions and attitudes towards women – e.g., stereotypes of female managers as ‘too nice’ or ‘like mothers’ or ‘too harsh, tougher than men.’”*

– Senior manager, oil and gas, UAE

*“There is huge reluctance to hire women in small companies, because they would need to set up parallel infrastructure ... it’s expensive.”*

– Senior official, government agency, KSA

*“Men are in social settings with other men, and that has an impact on networking. Women have to [network] in formal situations like conferences and workshops.”*

– Senior executive, NGO, Oman

*“[Now that I have a family], some colleagues – both men and women – do not see my strong performance or productivity, they only count my leaves ... they assume they cannot rely on me.”*

– Department head, oil and gas sector, UAE

## Multiple obstacles for women to reach leadership positions (continued)

*“The culture here is that the woman should be home before the men – there are a lot of social commitments. It’s not a normal thing for a lady to stay in the office after working hours. You need to have people around you who understand your choices. That’s why you see a lot of women who can’t balance it – there are a lot of pressures to take the easy route, work in government, retire early.”*

– Senior executive, banking sector, Kuwait

*“Our industry is 24/7. When it comes to the women, this can be very challenging [...] A lot of thinking is oriented towards family.”*

– Founder, media company, KSA

*“What I think really helped me succeed was having a supportive family – they know I work with men, and they’re fine with it. For most women, if you don’t have the support of your family, it’s not going to work.”*

– Senior official, public sector, KSA

*“As an employer, you have to be sensitive, making sure that women have the leaves they need, yet this creates real challenges for employers.”*

– Senior executive, NGO, Oman

*“If someone takes a year off, you really can’t rely on them – it’s just true. Sometimes companies are just not really able to accommodate that. If you look at the fact that most of the businesses are small – losing one or two people is a problem.”*

– Senior official, public sector, KSA

*“In some meetings, I notice [the men] wouldn’t listen to me unless my male colleague makes the same point.”*

– Department head, media company, KSA

*“[Some of the men in my organization] are suspicious of women’s abilities to work long hours, about their ability to inspire respect.”*

– Senior manager, oil and gas sector, KSA

*“[As a female leader], I found that the men were more accepting of reporting to me than the women.”*

– Senior official, government agency, KSA

## III. Lack of appropriate infrastructure and supporting policies

While intangible traditions and biases are generally rated the most powerful barrier to female leaders becoming the norm, tangible barriers in the form of a lack of infrastructure and formal policies also play an important role, especially in the KSA (*Exhibit 9*).

Respondents from the KSA, the largest labor market in the GCC, ranked a lack of appropriate infrastructure to accommodate the requirement for separate facilities for men and women as the top barrier. In addition, female respondents in the KSA have strongly highlighted a lack of public policies and family/social pressure among the main barriers.

As organizations are currently responsible for bearing the cost of providing the missing infrastructure required in the KSA (and not in other GCC countries), which typically includes support spaces and separate working areas, choosing to employ women has direct financial implications. In addition, many employers believe that they are also required to invest in even more costly infrastructure, such as separate entrances and elevator banks, although there is ambiguity about the extent to which this is actually required by law, and practices can vary from region to region. This ambiguity encourages caution among businesses, which indirectly raises the cost of hiring women; particularly for SMEs, this can represent a significant disincentive to hiring women.

*“Some of the basics are still not in place – e.g., only one female bathroom in an entire government building – the women from the other towers all come to use our toilet.”*

– Official, public sector, KSA

Additional infrastructure gaps mentioned by KSA interviewees included insufficient access to safe, reliable public or company-provided transportation, as well as on-site child care facilities.

*“Good, safe public transportation is key, and it’s more critical for women.”*

– Founder, NGO, KSA

In addition to infrastructure requirements, insufficient HR policies to support women in leadership in the GCC are also highlighted. Laws and regulations in the different GCC countries have been designed and are enabling the changes. However, there is still room for

improvement (e.g., granting women and men the same wage levels and prohibiting cancellation of employment contracts with women due to maternity leave or due to marriage).

*“We face what I would call ‘out of date’ HR, as there are yet too few HR policies equal for men and women, e.g., housing allowance, educational support for children, salaries. Updating and equalizing HR policies for equal work/ qualifications should be a top priority.”*

– Senior executive, oil and gas sector, UAE

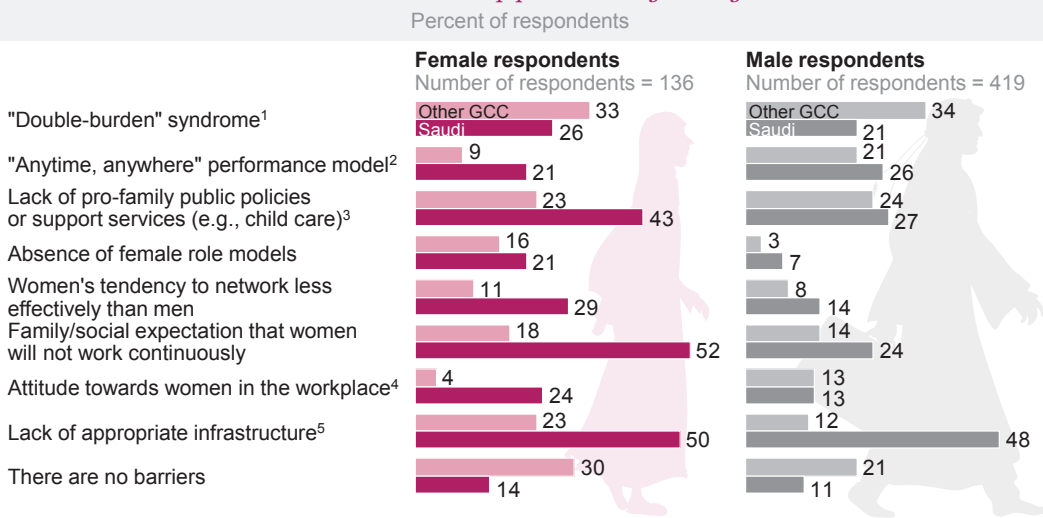
*“Lack of formal, clear HR policies to ensure equal opportunities and entitlements – hiring, promotion, salaries, and benefits, as well as behavior – is a major issue. HR departments are still developing at a lot of organizations in this region.”*

– Director, philanthropic sector, KSA

EXHIBIT 9

While “double-burden” seems to be the key challenges for GCC, the focus in the KSA is more on public policies, family pressure, and infrastructure

*“Of the following options, what are the biggest barriers, if any, to increasing the number of local GCC women in leadership positions at your organization?”*



1 Women balancing work and domestic responsibilities

2 Work model requiring unfailing availability and geographical mobility at all times

3 For example, child care facilities

4 For example, assumptions about women’s capabilities, commitment, or availability

5 For example, transportation, women-only facilities, or video conference for women requiring separate gender environment



## On networking and leadership development

*“In the GCC in particular, we still live in a society where networking is quite difficult between the genders – women have fewer opportunities to network.”*

– Executive and board member, family business, Oman

*“Men share a lot of information in the Majalis ... they always seem to be better informed than the women [in the organization].”*

– Minister, Qatar

*“Part of the challenge is the networking – you can’t have an easygoing, friendly relationship with male colleagues. Deals get made in these informal settings, e.g., the Diwaniya. I joined a lot of networking organizations, which helps me get meetings. Chambers of Commerce can also facilitate networking. But women need to work a bit harder to take advantage of the opportunities that are out there.”*

– Senior executive, family business, KSA

*“It’s not impossible for women to network if their bosses are male, but it’s much more difficult – I’ve seen examples of really strong women who managed to make their way up, but I don’t think it’s very easy for women to break into the social network of men in GCC contexts.”*

– Senior official, public sector, Bahrain

*“A lot of decisions are made outside of formal settings ... women may not have access to the realm in which decisions are actually getting made.”*

– Senior manager, oil and gas sector, KSA

*“If I need to have a business lunch with a man, my society looks upon it as something I should not do – but I have no choice.”*

– CEO and entrepreneur, Oman

*“Our HR function does not yet have the type of leadership development programs like I see at other institutions – in my opinion this affects the women negatively more than the men.”*

– Senior executive, energy sector, UAE

Finally, our interviews revealed two further, interrelated challenges: (1) differences in women’s and men’s access to networking environments and (2) nonexistent or weak leadership development programs for women.

## IV. Limited networking environments and women’s leadership development programs

As cultural and social norms in the GCC states limit the extent to which men and women socialize outside of professional environments, women do not participate in activities such as the *Majalis* or *Diwaniya*<sup>11</sup> – culturally important social gatherings where many men exchange information informally and expand their networks. As a result, GCC women tend to network and seek mentoring more exclusively within formal professional contexts than men do. Such opportunities are still limited.

Interviewees report that structured career development programs, such as connectivity initiatives and mentorship programs, are underdeveloped at many GCC organizations.

Our interviewees also mentioned that too few organizations have development programs that support women in overcoming some of the difficulties regarding the lack of networking and the related mentorship opportunities.

<sup>11</sup> Majalis (Arabic): place of sitting, council; Diwaniya (Arabic): guest house

## 4. A call for action

Each organization will need to develop specific agendas that align gender diversity measures with the organization's strategy. However, in each arena, it is possible to identify practical steps that senior leaders can take to achieve a substantial positive impact.

What will help to support a change program focused on establishing women leaders as the norm is an integrated "ecosystem" of direction-setting, enabling training practices and mentorship as well as supportive policies and procedures, as outlined in this section of this report.

Taking into consideration the global status of progress on gender balance, organizations in the GCC can learn from mistakes made elsewhere and focus on the set of measures that truly yields the desired impact.

At the simplest level, the set consists of action in three arenas – direction-setting leadership, employee capability building, and the organizational framework that supports them:

### I. Top management commitment

A prominent theme in the interviews we conducted is the importance of clear, visible, and consistent commitment from organization leaders and managers to the goal of increasing gender diversity. Our survey indicates that such management commitment is beginning to gain traction within the GCC (*Exhibit 10*). In total, ~65% of the respondents reported that gender diversity is currently on the strategic agenda of their organization – in the UAE, for example, this figure was more than 85%; in the KSA less than 50%. Furthermore, in the KSA this percentage has mostly spiked only in the last 2 to 5 years. In general, 80% of respondents believe that the importance of gender diversity on their organizations' agendas will increase (*Exhibit 11*).

**What leaders can do:** In practical terms, the top team should treat the subject of developing female leaders as a business imperative. They can demonstrate this commitment by

- I. Top management commitment to gender diversity
  - Make it a strategic priority
  - Measure and track it like any other business initiative
- II. Targeted leadership development programs that address employee mindsets and behaviors
  - Support high-potential women in finding their "personal and centered path" towards leadership
  - Provide training in recognizing and overcoming biases, and support retention of the lessons with feedback and networks
- III. Collective enablers, including HR policies and/or infrastructure that formally reinforce the desired change.

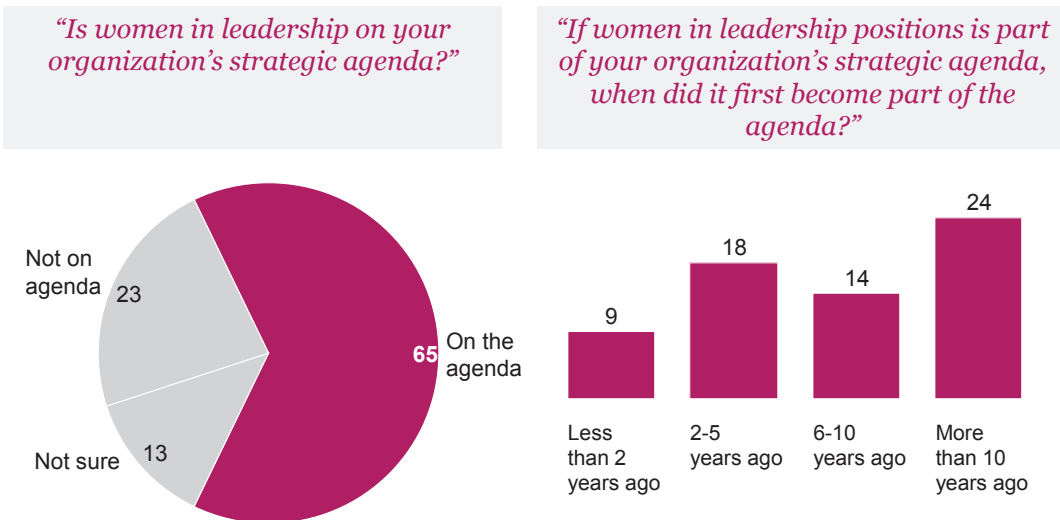
establishing gender diversity as a strategic priority for the organization and cascading it through communications to middle managers and junior staff. Like any strategic priority, the overall goal must be tied to the organization's overall mission and broken into quantified targets and actions that are tracked at each level. Setting aspirational goals and consistently tracking company performance in hiring, retaining, and promoting women can provide the transparency needed for organizations to develop internal insights on barriers or "leaks" in the pipeline of female talent.

Key objective and relative metrics that organizations should track include the share of women at each stage in the corporate pipeline, the share of women in each business unit and function, the number of women promoted as a percentage of women eligible for promotion, attrition rates of men and women at each level, and total compensation packages for both men and women at all levels.

EXHIBIT 10

Steadily growing number of GCC organizations are prioritizing gender diversity, with ~65% reporting that it is on the strategic agenda

Percent of respondents, n = 555



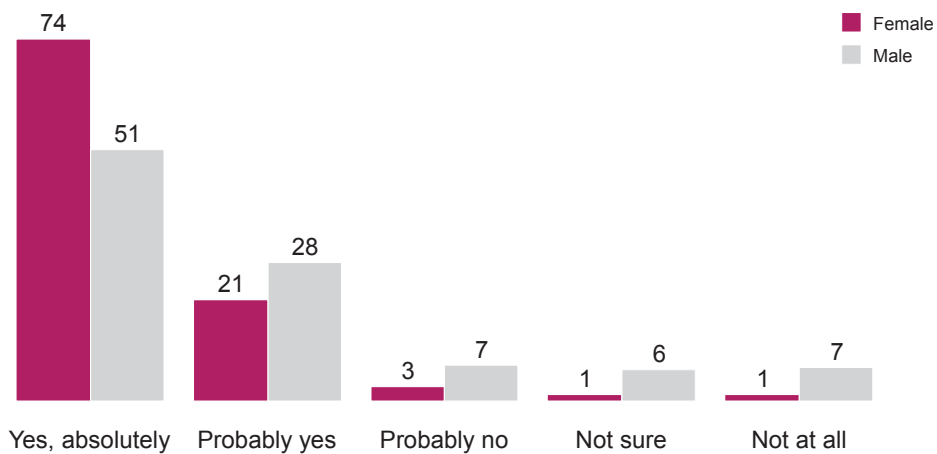
SOURCE: McKinsey Women Matter GCC Survey

EXHIBIT 11

Looking forward, ~75% of female and ~50% of male respondents believe women in leadership will gain increasing importance

*“In the next 5 years, do you expect that women in leadership positions will be increasingly important on your organization’s strategic agenda?”*

Percent of respondents, n = 555



SOURCE: McKinsey Women Matter GCC Survey

## II. Targeted leadership development programs

Given the scarcity of role models, women need organizational support in their development as leaders, particularly in finding their personal and centered path between acting in line with and against female stereotypes.

In addition to leadership training for all high potentials, organizations also need to provide training in thinking and behaving in new ways – specifically, shedding biases regarding women in leadership.

### a. Taking a personal and centered path to leadership

The scarcity and importance of talent make it valuable to establish comprehensive leadership development programs; to promote gender diversity, they should include components specifically tailored to supporting female leaders. The keywords being: networking, mentoring, and explicit leadership training.

**What leaders can do:** To address the GCC states' specific culture of greater gender separation outside of the workplace, including in social settings such as the *Majalis* that serve as core networking platforms for men, it will be especially important to create **formal networking** opportunities that enable women to get exposure to and build relationships with senior leaders in their organizations. Given women's limited informal opportunities to network in the GCC, they tend to find alternative channels and rely, for example, on media coverage to get a hearing for their ideas. This is a source of strength worth preserving, but must be supplemented with options inside the organization.

In addition to networking, GCC organizations should develop **formal mentorship** programs, arranging for high-potential women to interact with and learn from senior leaders regularly over a sustained period of time.

*“The number one priority for supporting women should be exposure to mentors.”*

– SVP, banking sector, KSA

## What senior leaders can do

To establish gender diversity as “the norm” in GCC leadership teams, senior management must address the core challenges facing women leaders today. The critical actions are demonstrating strong management commitment to gender diversity; providing networking, mentoring, and targeted leadership development programs; and installing collective enablers such as infrastructure and supporting HR policies.

*“What is needed is education – not education from college, but education from the top leaders themselves to the next generation of leaders.”*

– Senior manager, healthcare sector, KSA

*“I’ve seen many talented women leave because they don’t see the value of what they do – leaders need to spend more time with them.”*

– Senior executive, banking sector, Kuwait

*“Making policies such as hiring and promotion policies more concrete would be helpful – the current policies are not discriminatory, but they are vague and incomplete, and leave things up to the interpretation and preference of the individual.”*

– Senior manager, oil and gas sector, UAE

Building “people development” and “opportunity creation” for junior team members into managers’ KPIs can help align incentives to ensure managers invest in creating step-up opportunities, e.g., for junior team members to present their ideas to leaders.

The GCC can benefit a lot by also building mentorship (and peer-to-peer) programs for their female leaders across the broader region as well as (where applicable) globally.

Each of these initiatives can be applied equally to male and female employees, creating benefits for both.

*“Nowadays you can see that Saudi women go all around the world, and not just to represent their country, but to represent themselves!”*

– Entrepreneur and journalist, KSA

Finally, structured *leadership skill-building* programs are a key component of enabling women to succeed. While GCC organizations provide such programs for their leaders, they should generally add some elements that specifically address the needs and challenges faced by female leaders, e.g., “finding your own leadership style.” Specific training and mastery builds confidence and can thus encourage more women to “raise their hands” for leadership roles and equip them to succeed.

*“We have established the first set of corporate programs dedicated to women-in-business and women-in-leadership and are receiving tremendously positive responses from all participants.”*

– Senior executive, oil and gas, KSA

*“It is really challenging and sometimes you feel underestimated or people look at you like you aren’t capable because of the stereotyping. It comes from inside – you have to believe in your knowledge and capabilities.”*

– Entrepreneur and scientist, KSA

## b. Removing gender biases

The biggest bias about gender is believing that we are not biased. Every leader, and this holds true for both male and female leaders, has some preconceived notions of the two genders in mind, which implicitly guide his or her decisions and actions. Given that biases about gender are often not conscious, it requires a concerted effort to break through them. Trainings and methods meanwhile exist to make such biases visible, so that leaders can explicitly flag them and act to correct them.

In the GCC, the great female pioneers of the region have done enormous good for the advancement of women by showing that women can lead. At the same time, the notion of being “the first” or “the one” or “the only” has instilled a sense that room at the top is truly scarce for women, a bias that needs to be addressed.

*“When you’re fewer, there is much more competition than when there is a larger pool.”*

– Senior official, government authority, KSA

Therefore it is helpful to reframe this notion as the goal of ensuring that the “first woman” becomes “the norm”.

*What leaders can do:* Some practical ways for leaders to encourage such reframing away from “scarcity of room for women at the top” include:

- For every new leadership position that you fill, make it a habit to ask for a CV from a woman to be added to the candidates. Simply ask: “Why not her?”
- For every conference that you get invited to, let the organizers know that you will only attend if there is at least one (other) woman who will be giving a keynote or joining the panel with you.
- When you use the generic word “leader” in a speech, follow up with the pronouns of “he” and “she” interchangeably.

Once these behaviors have become second nature, you can also start to make them criteria for choosing whom you collaborate with – thus encouraging your suppliers to develop and apply the same practical habits.



### III. Collective enablers: Supporting HR policies and infrastructure

Expanding opportunities and creating a supportive workplace environment for women to ensure that gender diversity takes root and flourishes also depend on several collective enablers. These are changes that, alone, will not achieve impact, but do significantly reinforce the catalyst effect of leaders' commitment and employees' acquisition of new skills, ways of thinking, and confidence. In the GCC context, these enablers include HR policies and services relating to gender diversity, much the same as applied in other regions, and infrastructure changes to accommodate female employees, many of which reflect GCC-specific practices.

**What leaders can do:** Leaders we spoke to across all six GCC states highlighted the importance of developing comprehensive, transparent HR policies stipulating equal opportunities and compensation for men and women with equivalent qualifications and experience as well as clear policies on appropriate behavior.

Several GCC women at organizations with already highly developed HR functions mention that clear guidelines are especially critical in GCC contexts, where male and female employees often come from gender-split educational backgrounds. Some organizations also provide induction programs on how to interact appropriately with the opposite gender.

*“The most important thing our bank does to support women in the organization is providing very strong governance on issues related to gender. We are very formal and structured when it comes to gender relations, and this is very helpful, particularly since we are working in the Saudi cultural and social context. The expectations and the red lines are clear.”*

– Senior executive, financial sector, KSA

*“Even when pay is equal on paper, men often get paid a lot more. We need to create transparency for women on what they should expect in terms of positions and compensation.”*

– Senior executive, family business, KSA

Finally, providing infrastructure, e.g., ensuring company-provided or company-facilitated transportation and child care, can be a critical enabler, especially in situations where a woman's family is not living close by or is not supportive of her dedicating significant parts of her life to her career.

*“I tend to tell younger women that I would always prioritize having my children in good hands over my career [...] Hopefully the younger generation will no longer have to make this ‘either, or’ choice.”*

– Managing director, family business, UAE

Flexible working arrangements (e.g., tele-work) and career paths are being developed around the world and to some extent in the GCC to enable people, and especially women, to manage the competing demands of work and family. Developing part-time tracks or options to work part-time on a temporary basis and rotate back onto a full-time track helps to ensure women do not get permanently “derailed” from the leadership track – and deprive their organizations of their experience and skills – due to short-term needs for flexibility.

*“One important initiative should be expanding opportunities for part-time work, with options to transition back to a full-time track.”*

– Senior official, public sector, KSA

*“There’s no flexibility for opting out and opting back in – if you leave the workforce [and want to return], you have to become an entrepreneur or freelancer.”*

– Senior executive, family business, KSA

*“In some cases [a female employee] may want to continue working, but the husband wants her to stay home [so she leaves]. But then a few years later they’re ready to come back. I try to keep them involved on a project basis, or part-time, so you don’t lose the connection.”*

– Founder, NGO, KSA

Putting in place these enablers needs to go hand-in-hand with the work previously described on changing biases and fostering leadership development. This is the only way that leaders can ensure that women can take true advantage of these flexibility offerings – more than the generation of pioneers has been able to do.

*“As pioneers, women in leadership feel immense pressure to disprove stereotypes. For a long time I never left the office during the day, although this would be very common for men to do. I wanted to ensure I don’t give anyone a reason to doubt my commitment. Women, however, should not have to go so far to prove themselves. This is neither healthy nor sustainable.”*

– Manager, oil and gas sector, UAE

In summary, there is a compelling business case for greater gender diversity in the leadership of organizations. For the economies of the GCC states, leaders have also begun to recognize that realizing the full potential of women will be instrumental to achieve their countries’ and organizations’ ambitions.

*“As pioneers, it has been our duty and responsibility to show our organizations that there is nothing wrong with women in leadership – and nothing has gone wrong, indeed [...] At this point we need to move away from the spotlight on the pioneers and make women in leadership ‘normal practice’.”*

– Sr. Executive, oil and gas sector, KSA

# Conclusion

A successful breakthrough has been made by the first GCC women to advance into leadership roles. Among other findings, we note that the commitment of CEOs and other male and female leaders – the critical catalysts for enabling women to succeed – also exists in many organizations within the GCC. In addition, lessons from other regions around the world and an array of proven training, tools, and methods are meanwhile available to help remove biases and barriers that currently hold women leaders back.

Current leaders working together can set bold targets to develop more female leaders – either to join or follow a current pioneer or to form a group of women to move into top management in parallel instead of only one by one. This should accelerate progress towards greater organizational effectiveness and provide mentors to help more junior women step up and excel in leadership.

Real progress will come beyond the next wave of firsts – the first “second woman” and the first “third woman” – with many more women who take on the challenges of leadership at the top. As they join the ranks of GCC’s “first women” pioneers, they will make a strong contribution to realizing the vision of making women in leadership “the norm”.

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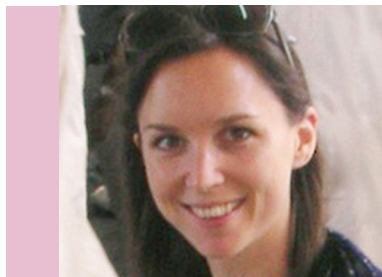
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## Team members



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## Acknowledgments

The authors are grateful to the many senior executives and academic researchers who offered valuable insights for this study.

They would also like to thank the following senior McKinsey colleagues for their support and contribution: Tarek Elmasry, Dieter Roelen, Ibrahim El-Husseini, Dirk Schmutzter, Rima Assi, Hasan Muzaffar, Ahmed Youssef, Amer Afioni, Amadeo Di Lodovico, and Gassan Al-Kibsi.

The team would also like to acknowledge Sandrine Devillard-Hoellinger, Sandra Sancier-Sultan, and Cecile Kossoff for their commitment to pursuing our understanding of this topic, as well as Anabel Fall, Adnan Chaudhry, Terry Gilman, and Rahul Agarwal for their support in creating this specific report, together with Elena Yaropolova, Lena Bolanz, Tony Sam, and Shuaib Mohammed Moinuddin.

# Methodology

This study is based on three main sources of information:

- An online survey of over 550 middle and senior managers in the GCC states. The survey, which was administered in 2014, focused on barriers to female representation in top management and on initiatives being implemented to reduce those barriers.
- Interviews with 50 CEOs or senior executives of family business as well as leading private sector, semi-government, and government organizations in the GCC states to understand the ways their organizations approach gender diversity, the barriers and challenges they face, and the measures they take to increase gender diversity. The purpose of the interviews was to gain a deeper qualitative understanding of how those leaders perceive and approach gender diversity in their organizations. We also explored the main reasons for low female representation in top management positions, and tested whether the topic was on the CEO's agenda and how committed senior management was. Finally, we explored what initiatives to improve gender diversity were in place and their perceived impact.
- Detailed desktop research of all public information available concerning GCC companies active in the Middle East and covering the following types of companies: family business as well as semi-government, private sector, and government companies.





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July 2014  
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