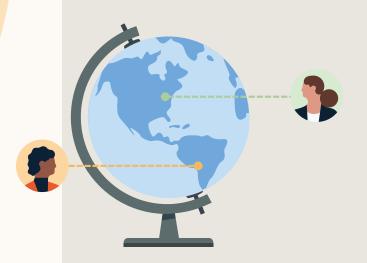
WOMEN IN LEADERSHIP REPORT





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Executive Summary

Global

- Gender imbalances exist globally in the workplace, with fewer women in both management and leadership positions – this trend is particularly stark in traditionally male-dominated industries.
- Although the share of leadership positions held by women globally is only 31%, progress is being made. However the rate of change is slow with men still 33% more likely than women to be promoted internally, whilst the total share of women either hired into or promoted into leadership positions remained far from equal in 2022 (37%).
- Looking across seniority levels shows the significant drop-offs that exist, with the high share of women in entry level roles (46%) not then reflected in the most senior roles (25%).

UK

- The UK performs just below the global average in terms of the share of women in leadership positions (30%).
 The UK has a gender imbalance in leadership roles in every industry, even in those sectors where women make up the majority of the workforce.
- Progress has been made, with the share of women entering leadership positions growing rapidly in recent years so that the UK has caught up with the global average for female representation in senior roles.
- Concerningly, in the UK men remain 21% more likely to be promoted internally into leadership positions.
 However, this is better than the global average of 33%.
- Businesses and women are responding to these imbalances. Remote roles are more common in the UK than globally, although we are seeing a drop off in 2022, and women in the UK are founding significantly more businesses than men, ahead of global trends.

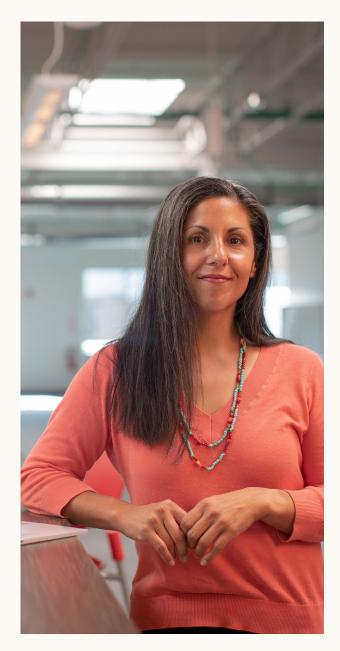


Executive Summary

Recommendations

- Supporting women to reach manager roles is essential, as this is the first step into a leadership position. This should involve examining internal mobility initiatives, especially when it comes to women in premanager positions.
- Ensure hiring practices are inclusive and give everyone equal opportunity to get a leadership role, with this acknowledged both when promoting internally and hiring externally. This will require removing bias from job descriptions, having representative candidate slates and including women on interview panels.
- Provide career flexibility and allow for remote roles. LinkedIn insights shows that women are 24% more likely than men to apply for remote roles, underscoring the importance of flexibility and the role it plays in making workplaces equitable.

- Accept career breaks as a normal part
 of working-life, especially as women's
 opportunities to enter leadership roles tail
 off after ten years at a time when many start
 families. LinkedIn's new 'career break' tool
 allows members to reflect work breaks on
 their profiles, working to normalise career
 breaks.
- Deliver a balance between work and family life through good quality affordable childcare. This will support with addressing current gender imbalances, with women traditionally more likely to take time off from work to care for children.



Working Women Face Systemic Challenges

First, the bad news.

We saw clearly during the pandemic that women's careers are more vulnerable to systemic shocks, and women pay a high price when there are economic upsets. That is particularly concerning when we consider what may lie ahead.

During the pandemic, female-dominated service industries like retail and hospitality bore the brunt of the lockdowns. Meanwhile, many women bore the double burden of work and care, or were forced to step back from the workplace altogether. The best employers met women halfway and offered the flexibility many needed. Others did not.

The LinkedIn insights in this report shows that the UK has a gender imbalance in leadership roles in every industry, in common with many countries round the world. Women are severely under-represented in leadership, holding less than a third of leadership positions in the UK. There is a narrow pipeline for female talent that shrinks with each rung of seniority.

Equally concerning is that LinkedIn's new data reveals men have a significantly higher chance of being promoted into leadership roles than their female colleagues. Comparing the global average for men and women in 2021, men were 33% more likely to receive an internal leadership promotion than women. In the UK men are 21% more likely to get promoted internally.

It's very clear that women are facing systemic challenges in the workplace, preventing them from achieving full and equal participation in the labour market.

COVID-19 HAS CONTRIBUTED TO A RISE IN FEMALE FOUNDERS

The report's insights paints a difficult picture for working women and their ability to make it to the top, but there was another trend in LinkedIn data that particularly stood out: a surge in female founders.

Women are starting their own businesses at a faster rate than men, with a marked increase during 2020. Globally, the share of founders grew by 45% in 2020 for women and by 32%



for men, compared to the previous year, an acceleration of a longer-term labour market trend. In the UK this was markedly higher, at 60% for women and 42% for men.

Why did so many more women choose to start a business — which would be daunting enough in normal times — during all the uncertainty and instability of a global pandemic?

While some undoubtedly started businesses to pursue long-held passions, many in this period likely became "necessity entrepreneurs". In the face of economic headwinds and inequitable workplaces, these female founders sought to take more control of their careers — fuelled by a need for income, for greater flexibility or because of a lack of opportunities at work.

Ultimately, we don't know enough yet to say if this trend is a good or a bad thing for women. We uncovered some truly inspiring stories of resilience and entrepreneurialism as women struck out on their own. But we need to face the fact that many likely had their hand forced by inequitable working structures. At LinkedIn, we will continue to monitor this trend so that we can better understand its impact on women and the labour market.

There is some better news: The data shows that progress is possible, but it is happening extremely slowly. Women have entered into leadership roles in increasing numbers since 2016. While progress stalled during the pandemic, with the annual share of women entering into leadership positions static in 2020 in the UK — it increased to 36% in 2021 and 37% in 2022. While the numbers are going in the right direction, it's from a low base, and we're not going anywhere near fast enough.

TARGETED ACTION IS NEEDED TO ADDRESS THE GENDER GAP

Overall, the data is troubling on many levels. But it also shines a light on where improvements can be made.

What can we do to solve the disproportionate challenges facing working women and turn the tide on the inequality that prevents them from participating fully in the global economy?

We know that the problems are systemic — which means we need a systemic response. Urgent, targeted action is needed to make workplaces fairer and more equal. Governments and businesses need to go further, faster, to help women overcome the imbalance that they face

every day. There are three key areas where we must do more: inclusive hiring, internal mobility and flexibility.

We need to take a hard look at hiring practices, which must be inclusive and fair. Practical steps include removing bias from job descriptions, including women on interview panels and having representative candidate shortlists.

There should be more support for women's internal mobility and progression. This means creating targeted mentoring and training programs for women — in particular at the pre-manager level — and increasing awareness about unconscious bias within organizations.

We know that affordable access to childcare for parents is vital to ensure access to the Labour Market, and this is a major issue in the UK as the cost of living crisis bites.

And with LinkedIn data showing women are 24% more likely than men to apply to remote roles, we need to make flexible working and career breaks the norm for everyone if we want a diverse pool of talent. To help people find the job that suits their needs, LinkedIn has introduced dedicated filters for remote, hybrid and on-site roles; as well as a new 'career break' tool to allow members to reflect this on their profiles.



Women in leadership

FEMALE REPRESENTATION IN THE WORKFORCE

Globally, there remains a significant imbalance in female leadership, with women only holding 31% of leadership roles. The UK broadly tracks the global average, at around 30%.

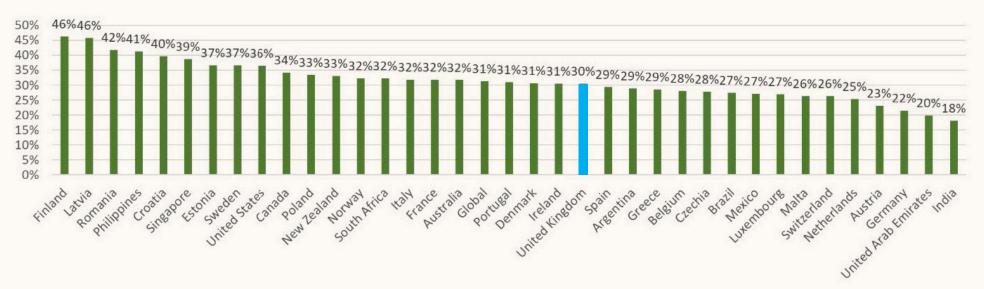
Although progress has been made, the differing levels of success by country are stark, with Finland's leadership representation almost approaching balance (46%), whereas India's lags far behind (18%).

In the UK there are no industries where women hold the majority of leadership roles, even in those sectors where women represent the majority of the workforce. This aligns with the global trend, although in the Nordic countries and the US there are sectors where women also are the majority in leadership positions.

Female participation in certain traditionally male dominated industries in the UK – such as Construction, Energy & Mining and Manufacturing – also remains at very low levels, below 25%.

There are some other interesting differences if we dig a bit deeper in the data.

Female Leadership Representation by Country



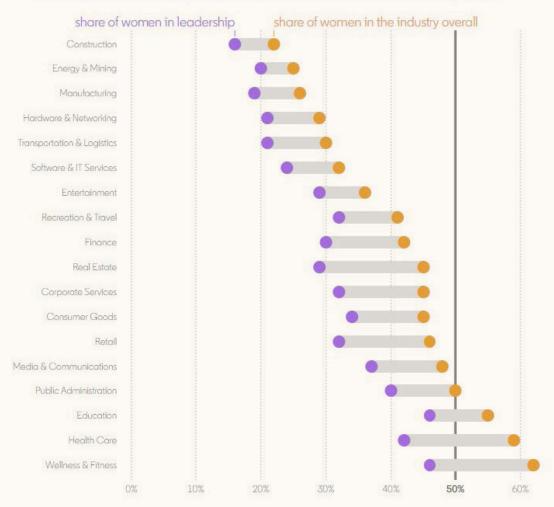
For each of the 18 core industries classified in LinkedIn data, we see what we have called the 'Leadership Gap' – the gap between the share of women in the industry and share in leadership positions. This means women hold a disproportionately low number of leadership roles compared to the number of women in the sector.

This Leadership Gap is often greater proportionally in those industries that have more women employed overall.

This means that in many of the industries where women represent a majority – such as Health Care and Wellness & Fitness – the difference between the share of women overall and the share of women in leadership is actually proportionally greater than it is in sectors that have less women are in the workforce. This highlights a particular inability at the top of these sectors to convert the greater number of women in the industry into women in leadership positions.

Global: Woman are underrepresnted in leadership across industries

Share of women in leadership compared to the share of women in that industry overall

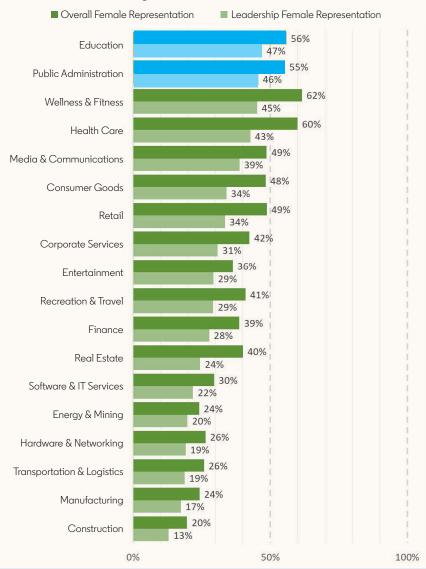


In the UK, this Leadership Gap trend broadly mirrors the global picture, particularly in Wellness & Fitness and Health Care – the two industries where women hold the most roles.

However, this is not reflected in Education and Public Administration, which may indicate that promotion and hiring approaches in these sectors better support women to advance into leadership positions, potentially providing lessons for other sectors.



UK Female Representation in the Workforce



Women in leadership

WHEN DOES THE LEADERSHIP GAP KICK IN?

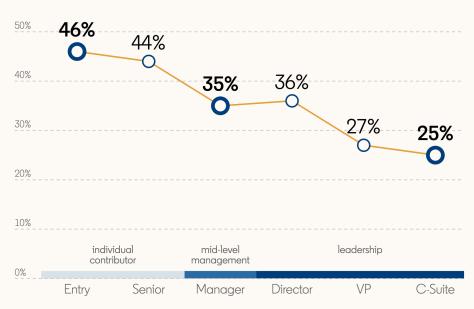
The Leadership Gap between women in leadership positions and those in the industry more generally is evident from data on female participation at each level of seniority.

Both globally and in the UK women hold almost 50% of all entry-level roles, but this begins dropping at an early stage at the manager level, before falling much more substantially when entering director or senior leadership positions.

Globally, whist the headline figure shows 31% of women are in leadership roles, this masks a steeper drop off. From 46% at entry level roles, this then falls to women only holding 25% of the most senior leadership roles.

In the UK, the most significant falls are when transitioning from senior entry-level roles into junior management positions, with a further sizable drop off when going from midmanagement director positions to senior leadership Vice-President positions.

Global Representation of Women by Seniority

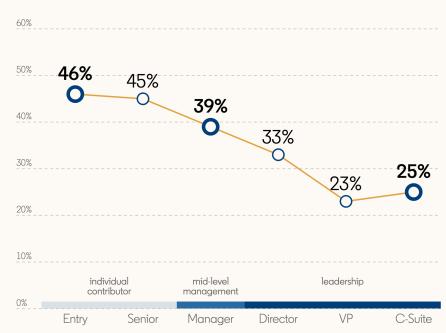


This broadly reflects the global average, although the drop off from mid-management to leadership positions is greater in the UK compared to both the global position and competitors such as the US.

The disproportionately low female representation in management and early leadership roles in the UK will also have an impact on the number of women that eventually take on senior leadership positions, potentially putting the UK further behind when it comes to board room representation.

As a result, faster progress in women taking on junior management and junior leadership positions is likely an important factor to securing greater change at the top of the chain. A focus purely on boardroom equality would therefore not address this.

UK Representation of Women by Seniority



Explaining the leadership gap

To understand why women were underrepresented we examined both:

- (i) the total share of women entering into leadership positions
- (ii) the share of women promoted internally.

FEMALE REPRESENTATION IN LEADERSHIP POSITIONS

In the UK, the share of women in leadership positions increased from a base in 2015 of 31% to 37% in 2022. This trend has shown a steady but gradual rise every year, perhaps indicating that generational attitudes and systematic changes are driving real improvements.

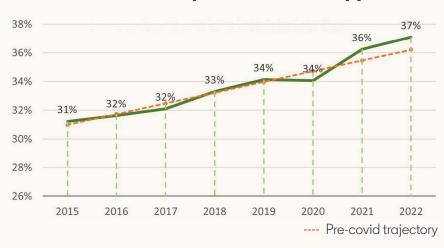
However, the UK was starting from a lower base. Therefore, the share of women in leadership positions in the UK is only now in line with the global average, and is still considerably lower than would need to be the case if the share of women in leadership is to approach parity.

The 2020 pandemic also had a significant impact both globally and in the UK. LinkedIn data shows the rate of progress slowing and, in some cases, regressing. This may be attributable to the so-called 'double shift' – where women were disproportionately required to do more at home which consequently led to them stepping back from work or leaving the workplace altogether.

Global share of women hired or promoted into leadership positions



UK share of women hired or promoted into leadership positions



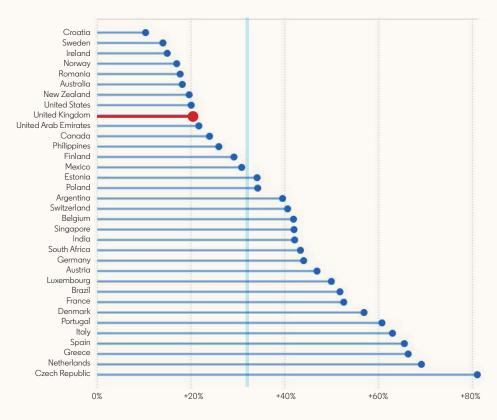
INTERNAL PROMOTIONS INTO LEADERSHIP POSITIONS

This situation is also reflected in our data on internal promotions, which shows that globally men are 33% more likely than women to be promoted internally into a leadership position. Notably, this is one area in which the UK is significantly ahead, with the figure only 21%.

However, as men in the UK are still more likely to be promoted into a leadership position, and already hold more leadership positions, gender imbalances will persist unless more initiatives to address this are progressed.



Likelihood of internal promotions into leadership for men compared to women 2021 data



Global average - 33%

Responding to the challenge

The challenge women face getting to leadership roles in the workplace is driven by a range of factors.

Data suggests various steps available to UK businesses to address this challenge, and there are indications that women are taking matters into their own hands by increasingly starting new businesses.

REMOTE WORK AVAILABILITY

The share of jobs posted as remote on LinkedIn increased significantly during the pandemic. In the UK this started from a base of only 1% in February 2020, which then rose to over 14% in February 2022, and this does not include those jobs posted as hybrid.

Although there has been a fall in the UK in recent months, so far this does not reflect a total shift back to traditional in-person ways of working.

LinkedIn recently commissioned survey data which found that in the UK 52% of women had either left or considered leaving their roles due to a lack of flexible working. This will impact female representation in

Share of jobs posted as remote in the United Kingdom



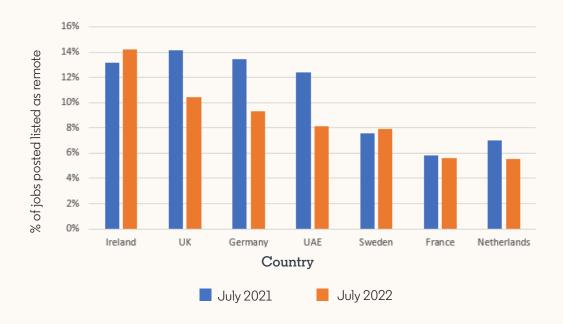


leadership positions, with 50% of all women who have left a job because of a lack of flexible working saying either their career progression was hindered or they took a career break as a result. This also maps to LinkedIn data showing that women are 24% more likely to apply for a remote role than men.

The increasing prevalence of remote jobs could therefore help address current gender imbalances in leadership positions. Although if remote work is stigmatised, as 25% of women believe, this could further exacerbate the situation, particularly if women are increasingly taking on remote jobs.

80% of businesses believe they have improved their flexible working offering since the pandemic. Therefore, although many other countries have made up ground or even surpassed the UK since, such as Ireland, the UK remains a leader in terms of the approach to remote work.

Share of jobs posted as remote by country



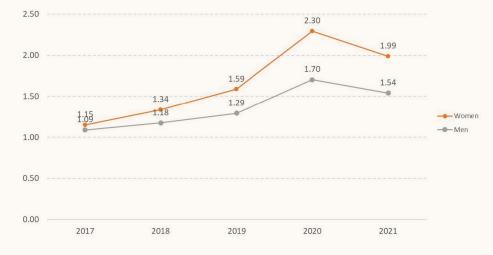
FEMALE ENTREPRENEURSHIP

Globally since 2017 women on LinkedIn have been more likely to found a businesses than men, with this shift accelerating particularly during the pandemic in 2020 before dropping slightly to a level still above that of 2019.

In the UK, on average more men and women on LinkedIn are starting businesses than globally, with the number of women starting businesses also proportionally higher – mirroring the global picture.

A portion of these founders were women who were already at the point of re-evaluating their careers based on their passions.

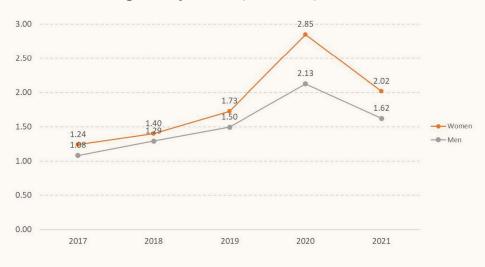
Global
LinkedIn Founding Rate by Gender (2016 index)



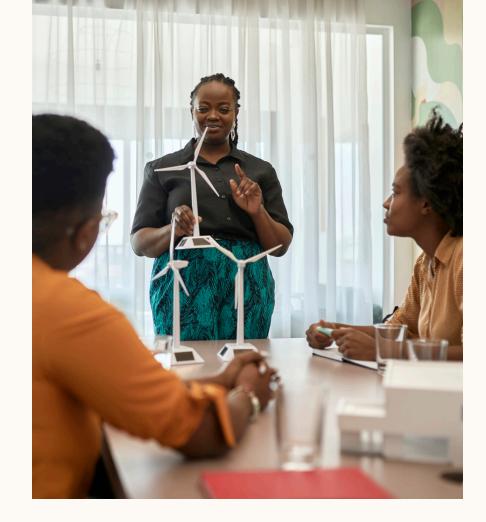
Another significant portion includes 'necessity founders', since the job scarcity disproportionately affected women during the pandemic.

The higher founding rate among women therefore could potentially be driven by the more limited opportunities that exist for women to progress in the workplace.

UK
LinkedIn Founding Rate by Gender (2016 index)



Recommendations:
How can government,
policy-makers and
business leaders
address this?



The current imbalance in the number of women in leadership roles should be of concern to policy-makers, businesses and wider society. Not only does it reflect a failure of business to catch up with broader sentiment, but also limits both the attainment opportunities available to women and harms business – given the lost talent and innovation being missed out on due to narrow hiring practices.

BASED ON THE CHALLENGES IDENTIFIED THROUGH LINKEDIN INSIGHTS, THERE ARE FIVE CLEAR STEPS THAT BUSINESS, SOCIETY AND GOVERNMENTS CAN TAKE.

L. Tackle the challenges women face when seeking to reach manager roles, which is often the first step into a leadership position.

Businesses therefore need to examine their internal mobility initiatives, especially when it comes to women in pre-manager positions. This could involve developing targeted mentoring and training programmes for women working at the pre-manager level, as well as steps to drive increased awareness of unconscious bigs for hiring managers and interviewers recruiting and promoting at this level.

2. Ensure hiring practices are inclusive and give everyone equal opportunity to get a leadership role, with this acknowledged both when promoting internally and hiring externally. This will require removing bias from job descriptions, having representative candidate slates and including women on interview panels.

3. Where possible ensure career flexibility and remote roles.

LinkedIn hiring data shows that women are 24% more likely than men to apply for remote roles, underscoring the importance of flexibility and the role it plays in making workplaces equitable. However, to make sure that flexibility isn't just 'helping' women carry the double responsibility of care and work, flexibility must be the standard for everyone.

- Acknowledge that career breaks are a normal part of working-life and avoid attaching stigma to those who have taken time off. Women's opportunities to enter leadership roles tail off after ten years, which broadly maps to the time at which many will start families. To address this companies should recognise flexible career choices and to normalise this LinkedIn has launched a new 'career break' option - allowing members to reflect breaks from work on their LinkedIn profile.

5. Build a better balance between work and family life by promoting good quality affordable childcare.

This would help
everyone balance work
and family life, and
could impact on the
Leadership Gap, where
we see women – who
still provide the majority
of child care in most
households- leaving or
not progressing at key
stages in their careers.



