

# Diversity Leads

Women & Racialized People  
in Senior Leadership Positions

 GREATER  
MONTREAL AREA | 2019



TED  
ROGERS  
SCHOOL  
OF MANAGEMENT

DiVERSITY  
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# DiVERSITY INSTITUTE

The Diversity Institute undertakes research on diversity in the workplace to improve practices in organizations. We work with organizations to develop customized strategies, programming, and resources to promote new, interdisciplinary knowledge and practice about diversity with respect to gender, race/ethnicity, Indigenous peoples, abilities and sexual orientation. Using an ecological model of change, our action-oriented, evidence-based approach is driving social innovation across sectors.



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# Contents

<b>The Business Case for Diversity</b>	<b>1</b>
<b>Project Scope</b>	<b>2</b>
<b>Methodology</b>	<b>4</b>
<b>Key Findings</b>	<b>5</b>
Women	5
Racialized People	7
<b>The Way Forward</b>	<b>10</b>
Societal Level	10
Organizational Level	11
Individual Level	16
<b>Looking Ahead</b>	<b>16</b>

# The Business Case for Diversity

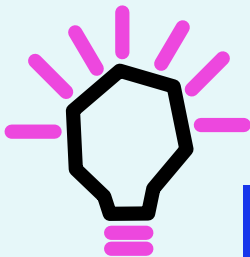
There are widespread social impacts that result from increasing representation of women and racialized people in leadership roles. Several studies have shown the positive economic advantages that diverse leaders bring to an organization. Among these benefits, prioritizing equal representation of women and racialized people allows an organization to:



> Broaden the talent pool and overcome skills gaps



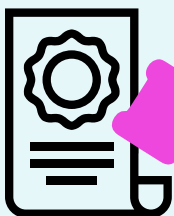
> Respond to increasingly diverse markets, while gaining support from diverse investors



> Foster innovation, creativity and diverse thought



> Increase employee satisfaction and reduce turnover



> Mitigate legal and reputational costs

# Project Scope

This report analyzes the representation of women and racialized people in senior leadership roles in Greater Montreal. The Diversity Institute collected data on the number of women in senior leadership positions in each of these sectors, as well as the number of racialized people in leadership roles within in the following sectors:

- > public
- > corporate
- > voluntary
- > education
- > hospitals
- > elected officials
- > appointments to agencies, boards and commissions (ABCs)

The study focuses on the state of leadership diversity in Greater Montreal, Quebec. The analysis is based on data collected in 2019 from 2,537 individuals in senior leadership roles in organizations across these seven sectors.<sup>1</sup>

The seven sectors are further broken down into sub-sectors, and comparisons were made both between and within the sectors. DiversityLeads concludes the report with recommendations on best practices to advance women and racialized people into senior leadership positions.

<sup>1</sup> The Diversity Institute has previously undertaken similar reports that are focused on the Greater Toronto Area and Montreal in the years 2009-2017.



*Data was collected on 2,537 individuals in senior leadership roles*

## Sectors examined:



Public



Corporate



Voluntary



Education



Hospitals



ABCs

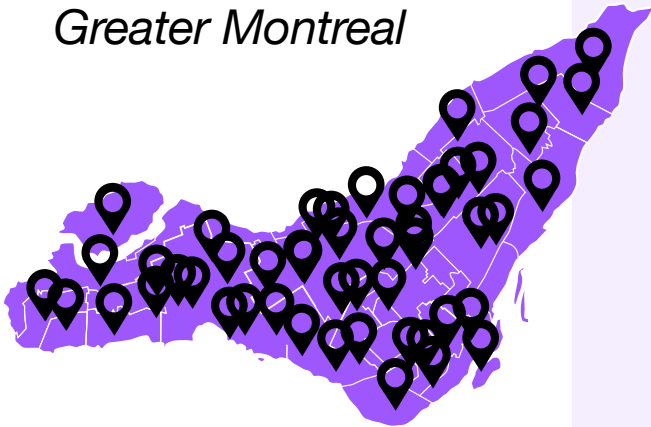
(Appointments to Agencies, Boards & Commissions)<sup>1</sup>



Elected Officials



*This report examined 2,537 senior leaders in the largest organizations by revenue that are headquartered in Greater Montreal*



## Methodology








The study is based on data collected in 2019. Our sample includes 2,537 senior leaders in the largest organizations by revenue that are headquartered in Greater Montreal. This includes the Island of Montreal, which consists of 16 municipalities, and the municipalities of Laval, Brossard, and Longueuil.

The study relies on publicly available information on senior leadership roles in the targeted sectors mentioned above. Where possible, we identified the gender and racialized status of leaders using captioned photographs and biographies. When captioned photographs were not available, biographical information was used to track pronouns to identify the individual's gender.

When there was insufficient information to code an individual's gender or racialized status, the individual was coded as 'unsure' and was excluded from the analysis. If more than 50% of an organization's senior leaders were coded as 'unsure,' the entire organization was excluded from the analysis. Table 1 on page 5 provides a summary of the data.



## Number of Individuals Analyzed

Sector	Organizations Analyzed	Gender		Racialized Minority	
		ANALYZED	NOT ANALYZED	ANALYZED	NOT ANALYZED
 Public Sector	8 Municipalities, 2 Police Forces	213	2	180	35
 Corporate Sector	35	714	0	705	9
 Voluntary Sector	20	312	2	304	10
 Education Sector	16 Universities/Colleges, 8 School Boards	442	7	384	65
 Hospitals	8	153	3	120	36
 Elected Officials	14 Municipalities	279	1	273	7
 Government Appointments to ABCs	22 Municipal, <sup>2</sup> 13 Provincial	412	0	399	13
<b>Total</b>		<b>2525</b>	<b>15</b>	<b>2365</b>	<b>175</b>

The researchers for this report were trained to apply a common set of definitions to the data from government sources, for the categories of ‘male,’ ‘female,’ ‘racialized minority,’ and ‘non-racialized minority.’ All data were coded three times and inter-coder reliability exceeded 95%. Where there was uncertainty or differences of opinion amongst coders, another coder was brought in to review the final decision.

This approach has been praised by the Ontario Human Rights Commission (OHRC, 2010) which reviewed reports using this method and concluded that “the strong, rigorous data collection methods gave the work more credibility.”

<sup>2</sup> For Toronto ABCs, the dataset was derived from the publicly available *Diversity in Public Appointments Dashboard* provided by the City of Toronto.



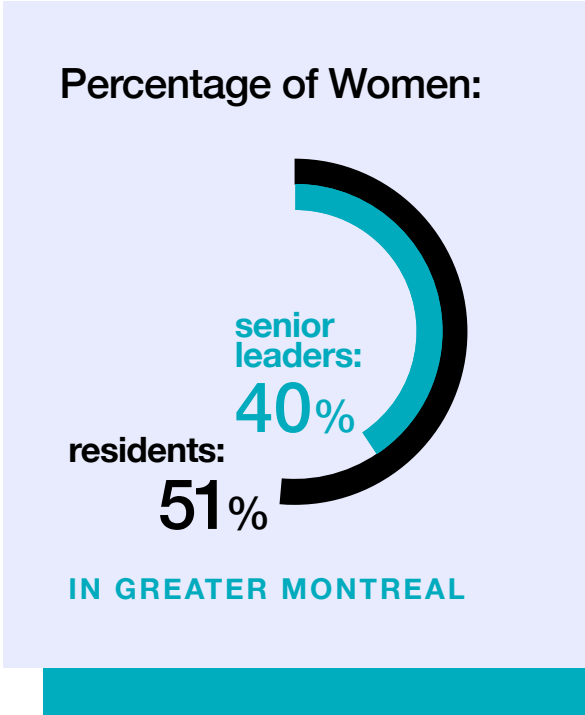
*All data were coded three times and inter-coder reliability exceeded 95%*

# Key Findings

## Women

Women are still underrepresented in senior leadership positions. While women account for 51.4% of residents in Greater Montreal, women held 40.7% of senior leadership positions across the various sectors in 2019, which marked increases of 8.1% from 2016 (37.6%) and 29.9% from 2012 (31.3%). Below is a sector-by-sector analysis:

- > The following sectors have the highest representation of women in senior leadership positions: government appointments to ABCs (54.9%), hospitals (52.9%), the education sector (47.1%), and the voluntary sector. From 2016 to 2019, representation of women in senior leadership positions increased in government appointments to ABCs by 10.4% and in the education sector by 7.7%, while representation decreased 7.9% in the voluntary sector. Comparing 2012 to 2019, the increases were larger at 16.2% for government appointments to ABCs (from 47.2%) and 15.5% for the education sector (from 40.7%), with the voluntary sector showing an increase of 30.3% from 2012 (from 35.9%).
- > These sectors have the lowest representation of women in senior leadership positions: the corporate sector (24.9%), the public sector (36.2%), and among elected officials (40.2%). For the corporate sector, this was an increase of 17.0% when compared to 2016 (from 21.3%) and an increase of 66.2% (from 15.0%). The elected sector saw an increase of 4.2% from 2016 (38.6%) and 6.4% from 2012 (37.8%) and the public sector saw a decrease of 10.3% from 2016 (39.8%) but saw an increase of 19.7% from 2012 (29.8%).

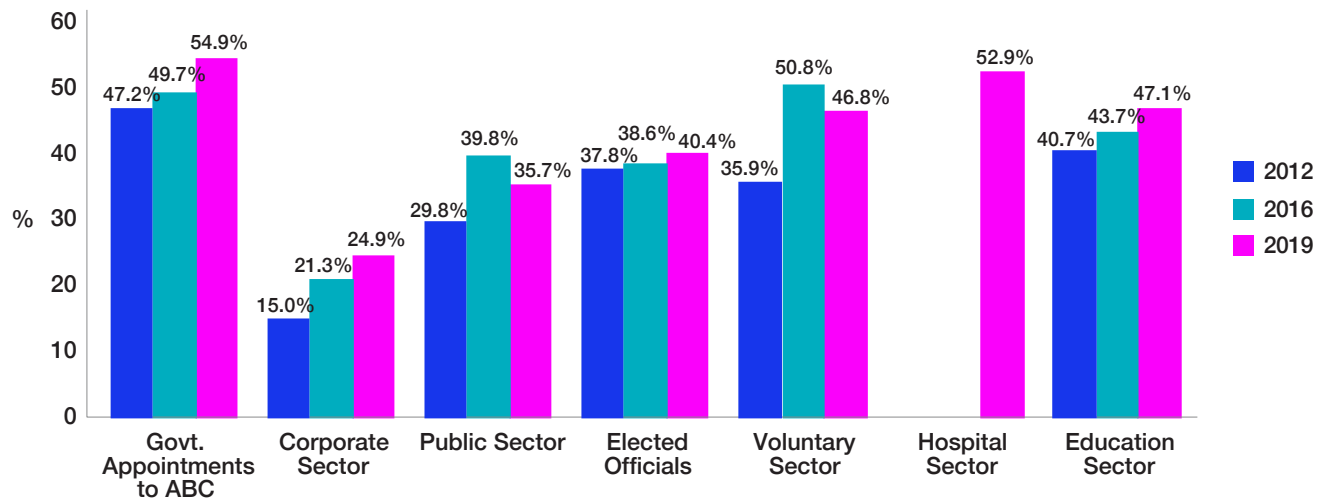


## Differences within sectors

There are similar levels of representation of women in senior leadership positions in Montreal Agencies, Boards, and Commissions (ABCs) (56.9%) and in Quebec ABCs (53.7%). In 95.5% of Montreal ABCs, more than 40% of the senior leadership positions are held by women and all of the ABCs have at least one woman. Meanwhile, 76.9% of provincial ABCs have more than 40% women in senior leadership and 7.7% of them have no women in senior leadership positions.



## Representation of Women in Senior Leadership Positions by Sector, Montreal



In the corporate sector, more women are represented on corporate boards (29.6%) than in senior management positions (19.3%). 14.3% of corporate boards have more than 40% women and 5.7% do not have any women. As for senior management teams, 9.1% have more than 40% women and 12.1% have no women.

In the public sector, women face the lowest levels of representation as police executives (21.4%), while there is greater representation of women as Deputy Ministers (DMs) or Assistant Deputy Ministers (ADMs) (38.3%) and regional and municipal executives (37.1%). There are no police executive teams with more than 40% women and 50% have no women. 28.6% of municipalities have more than 40% women on their executive teams and all municipalities have women on executive teams.

In terms of representation of women as elected officials, women are represented at the highest levels as School Board Trustees (48.9%) and as Members of the National Assembly of Quebec (44.9%). 75% of school boards have more than 40% women as trustees and all of them have at least one woman. The lowest levels of representation of women are as MPs (36.1%) and in city council (32.4%). 28.6% of city councils have more than 40% women and 7.1% have none.

Within the voluntary sector, there is greater representation of women in senior management (57.5%) than on boards of directors (40.7%). 75% of senior management teams have more than 40% women and 5% do not have any women. Meanwhile, 46.7% of voluntary boards have more than 40% women and all of them have women.

Within the hospital sector, women are represented at higher levels in senior management positions (56.9%) than on boards of directors (45.1%). 75% of senior management teams have more than 40% women, while 50% of boards have more than 40% women. All hospital senior management teams and boards have at least one woman.

Within the education sector, there is similar representation in all subsectors, and representation ranges from 45.9% to 48.4%. 60% of university and college boards have more than 40% women, 56.3% of university and college senior management teams have more than 40% women, and 62.5% of school boards have more than 40% women as directors. Within all of these subsectors, each organization has at least one woman in a senior leadership role.

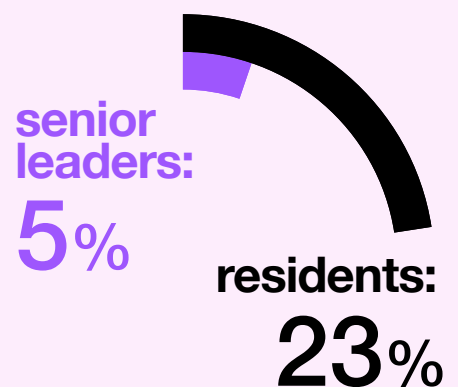
**The presence of significant differences among organizations within the same sector suggest that organizations that prioritize and put processes in place to recruit and retain women are able find qualified candidates. The issue is not the lack of qualified women but organizational choices.**

## Racialized People

Racialized people made up 22.6% of Greater Montreal's total population in 2019, but held only 5.3% of the senior leadership positions a 12.5% increase when compared with 2016 (from 4.8%). The small proportion of senior leadership roles held by racialized people calls for further research to see how racialized people are affected by and interact with organizational and leadership pathways, professional networks, and hiring opportunities.

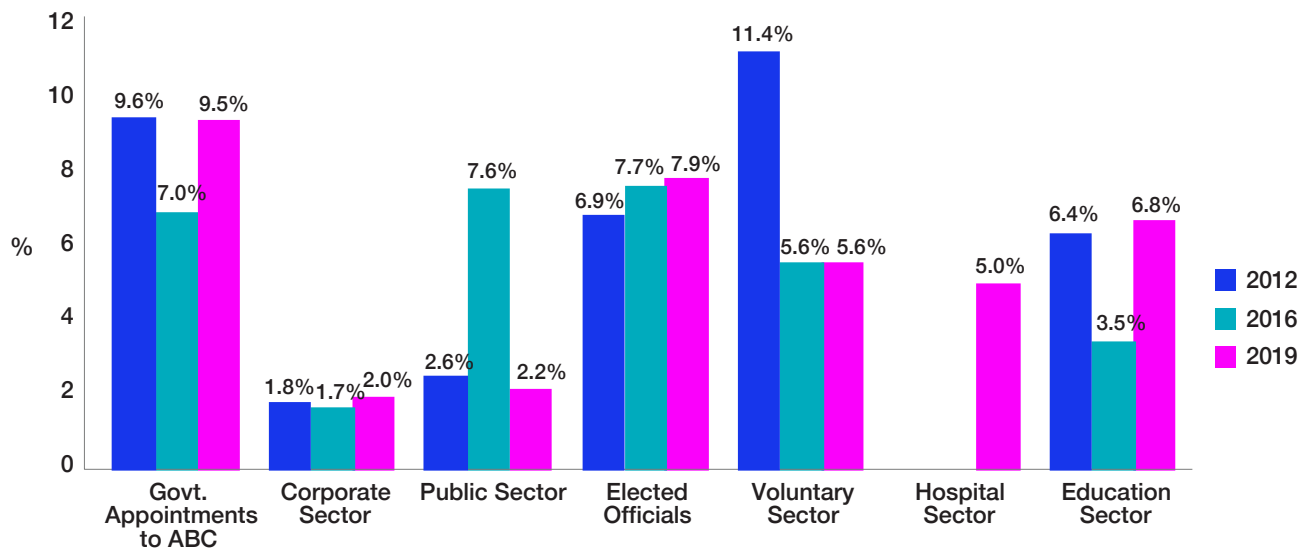
> The highest representation of racialized people in senior leadership positions is in government appointments to ABCs (9.5%) and in elected officials (7.9%). In government appointments to ABCs, this is an increase of 36.1% from 2016 (from 7.0%) and a 0.8% decrease from 2012 (from 9.6%). In the elected sector, this is a 2.9% increase from 2016 (from 7.7%) and a 14.2% increase from 2012 (from 6.9%).

### Percentage of Racialized People:



IN GREATER MONTREAL

## Representation of Racialized People in Senior Leadership Positions by Sector, Montreal



- > The lowest levels of representation are in the corporate sector (2.0%) followed by the public sector (2.2%). From 2016 to 2019, there was a 16.8% increase in representation of racialized people in the corporate sector (from 1.8%) and a 70.8% decrease in representation in the public sector (from 7.6%). From 2012 to 2019, there was a 10.3% increase in representation in the corporate sector (from 1.8%) and a 13.3% decrease in the public sector (from 2.6%).
- > The education sector, voluntary sector and hospital sector are in-between, with racialized people representing 5.6% of the voluntary sector and 5.0% of the hospital sector. From 2016 to 2019, we see a 93.5% increase in racialized leaders (from 3.5%), with no change seen in the voluntary sector. From 2012-2018, we see a 5.7% increase in the education sector (from 6.4%) and a 50.9% decrease in the voluntary sector (from 11.4%).

### Differences within sectors

There is better representation of racialized people in municipal ABCs (20.4%) than in provincial ABCs (3.5%). 4.5% of Montreal ABCs have more than 20% racialized leaders and 68.2% have none. 38.5% of Quebec ABCs have more than 20% racialized leaders and 38.5% have none.

Within the corporate sector, there is greater representation of racialized people in senior management (2.8%) than on corporate boards (1.3%). 6.1% of senior management teams have more than 20% racialized directors and 78.8% have no representation. No corporate boards have more than 20% racialized members and 88.6% have none.

Within the public sector, representation of racialized people varies greatly among regional and municipal executives (1.5%), police executives (6.9%), and DMs and ADMs (1.2%). No executive teams in Montreal-area police forces have more than 20% racialized leaders and 50% have none. 28.6% of municipalities have more than 20% racialized executives and 85.7% have none.

Among elected officials, representation of racialized people varies among the Members of the National Assembly of Quebec (7.9%), MPs (16.7%), school board trustees (7.8%), and the city council (5%). 7.1% of city councils have more than 20% racialized members and 71.4% have none. 25% of school boards have more than 20% racialized people as trustees and 62.5% do not have any.

Within the voluntary sector, boards have a greater representation of racialized directors (7.7%) in comparison to senior management (1.8%). 6.7% of boards have more than 20% racialized people and 46.7% have none, while 5% of senior management teams have more than 20% racialized people and 90% have none.

In hospitals, there is a similar level of representation of racialized people on boards (4.5%) and on senior management teams (5.3%). 25% of hospital boards have more than 20% racialized people and 50% have none. There are no hospital senior management teams that consist of more than 20% racialized people and 62.5% have none.

Within the education sector, the highest levels of representation of racialized people in senior leadership roles are as school board directors (12.8%). 12.5% of school boards have more than 20% racialized directors and 37.5% have none. University and college senior management teams have the least representation of racialized people (2.4%), while university and college boards have more representation (6%). 6.3% of university and college senior management teams have more than 20% racialized people and 87.5% have none. No university and college boards have more than 20% racialized members and 30% have none.

**Once again, such significant variations suggest that this issue is not the availability of well-qualified racialized minority candidates, but rather the priority and effort that organizations put into recruiting and retaining them.**

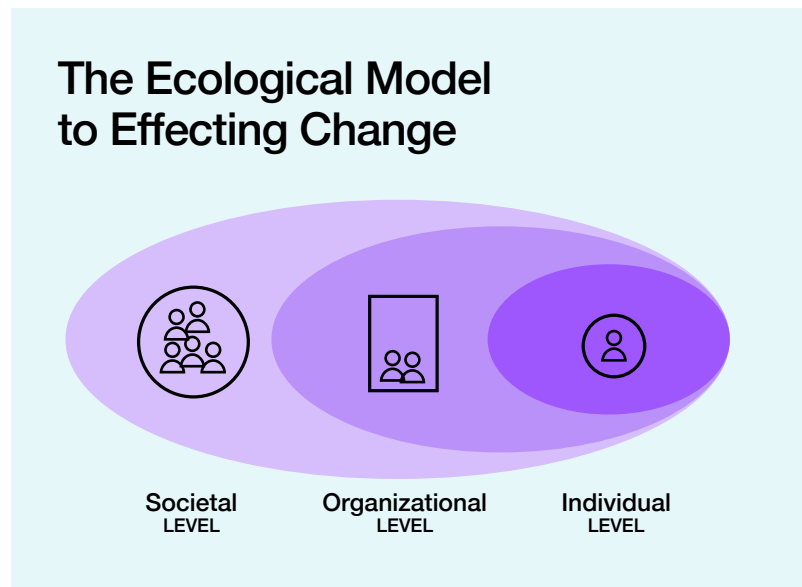


# The Way Forward

In order to achieve social equity, there needs to be more diversity and greater representation of women and racialized people in leadership roles. It is crucial to ensure that everyone has equal opportunities to contribute and to develop to their fullest potential in the labour market.

Doing so will help organizations attract global talent and make up for labour losses due to demographic transformations and skills shortages. There must be a comprehensive strategy to achieve full representation of racialized people and women throughout all sectors. The Diversity Institute's Ecological Model of Change conceptualizes change at three levels: the societal level, the organizational level, and the individual level.

The best leaders can spearhead new social development and economic strategies. Greater Montreal can leverage diversity as an asset, which will lead to greater levels of innovation and better performance in the global economy, and demonstrate best practices on the societal, organizational and individual levels.



## Societal Level

On the societal level, the government can take leadership in initiatives for diversity and inclusivity. Various forms of legislation, like employment equity legislation, same sex marriage legislation, and human rights legislation have had societal outcomes when paired with effective enforcement strategies. Organizations with a progressive mandate can mobilize government partnerships to encourage diversity through legislation and policy that aims for inclusive and diverse workplaces.

There are a great number of organizations that contribute to the public's perception of leaders and leadership in subtle, yet powerful ways. Powerful organizations influence the societal level through their highly-visible advertising and communications campaigns. Activism on both the consumer and the corporate level can shift media discourses.



Organizations can apply a diversity lens to their advertising and communications by making sure that images in advertisements include leaders who are women and racialized people.

Application of diversity lens is not just limited to media discourses. Organizations that have seriously adopted a comprehensive diversity framework can use their resources to influence the greater social environment by rethinking and mobilizing their purchasing power, procurement policies, and philanthropic resources.

These efforts by organizations influence society by challenging the status quo and reshaping public perceptions, leading to a more inclusive and diverse definition of leadership and who leaders can be.

## Organizational Level

The Diversity Assessment Toolkit is comprised of six categories, which systemically catalogue the progressive ways in which an organization can communicate its commitment to increasing diversity and inclusiveness.

### Diversity Assessment Toolkit Areas of Assessment



#### Leadership

Leadership, governance & decision making



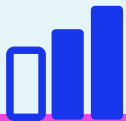
#### Recruitment

Strong & transparent recruitment, selection & support processes



#### Culture

Values & organizational culture



#### Measurement

Measure & track diversity



#### Integration

Integrate or mainstreaming diversity across the value chain



#### Engagement

Developing the pipeline



## Leadership

Diverse leadership contributes to enhancing efficiency, innovation, access to markets, and financial performance. Organizations are increasingly recognizing diversity as a strategic priority, conveying their organizational values in a top-down commitment to diversity. This can positively impact the ways in which women and racialized people perceive fairness in their workplace, contributing to the long-term development, motivation, and inspiration of diverse leaders.

Diversity within senior management has the capacity to transform organizational leadership, which can in turn contribute to influencing broader social understandings of who can and cannot be a leader. The presence of racialized minority leaders at the executive level also has the ability to inspire others. Yet this shift towards enhancing diversity requires specific and well-planned strategies, including targeted outreach and recruitment, internal development boards, and diversity trainings.



## Recruitment

Successful organizations tend to have well-developed, bias-free, and transparent processes that are used in practice with respect to recruitment, hiring, development, and the advancement of talent throughout the organization. Human resource practices that promote diverse include:

- > Staying connected with diverse communities
- > Bias-free selection processes
- > Establishing effective processes for assessing international experience and credentials
- > Starting coaching, shadowing, and mentorship programs as part of succession planning
- > Developing networking programs for employees
- > Mandating internal diversity training so as to foster a “culture of inclusion”
- > Adhering to transparent human resource processes

For example, within the realm of electoral politics, which traditionally does not have a formal career path, prospective candidates from underrepresented groups should be recruited for staff positions with politicians. This would give them access to experiences and training opportunities so as to foster them as future leaders.

Groups of electoral candidates can also be broadened by engaging ethno-cultural communities and women's groups in riding associations, as well as more focused outreach efforts to identify potential candidates, policy development, and campaign issues from these communities.



## Culture

Dominant cultures within organizations have the ability to contribute to the creation of systemic barriers that may impact the upward advancement of talented racialized people and women. A Conference Board of Canada (2011) study found that there has been a plateau in recent years with respect to women advancing to senior leadership roles, primarily due to inhospitable organizational culture.

Therefore, to contribute to improving the retention of women, organizations can be more supportive by creating flexible for women to enable greater success in both work and non-work spheres. For instance, it has been theorized that the higher levels of women in senior leadership roles in Quebec is due in part to its more advanced childcare policies (Prentice, 2009).

*There has been a plateau in recent years with respect to women advancing to senior leadership roles, primarily due to inhospitable organizational culture.*

Employees tend to experience their organizational cultures most directly through their managers (Kane-Urrabazo, 2006). As such, organizations that are attempting to improve their retention of racialized minority leaders should therefore encourage more inclusive behavior at the managerial level. This can be achieved through strategic culture change, for example: by providing managers with training with respect to inclusion, as well as revising incentive and compensation programs (Miller, 1998).



## Measurement

There is ample evidence that tracking diversity contributes to improving the rates of representation in leadership. The measuring of diversity provides a strong fact-base to assist organizations in the reflection of their performance, assessment of their policies and seek out areas of improvement moving forward. Improved rates of representation throughout organizations adhering to employment equity legislation—including federally-regulated organizations—suggest that there is a positive correlation between counting and enhanced diversity.

A common method for tracking diversity within the workplace is self-identification; however, to ensure there is accuracy in this information, it is important that the process of self-identification is effectively administered, with careful attention paid to the perception of diversity within the workplace. In some circumstances, organizations have paired self-reporting of diversity data with detailed employee engagement surveys to improve the quality of information collected.



## Integration

Organizations that are proactive recognize that diversity involves more than simply creating a representative workforce. Making diversity “mainstream”—that is, a stated goal in all aspects of an organization’s activities—can contribute to creating a more advanced ‘sphere of influence’ at an organization.

The process of mainstreaming diversity includes:

- > Procurement policies that consider diversity in supplier organizations
- > Marketing and communications that ensure diverse representation
- > Philanthropy and outreach that include women’s and ethno-cultural organizations and events; Media relations that profile women and racialized minority leaders and experts
- > Advocacy that addresses policies that particularly affect women and racialized people

*The ways in which organizations communicate their brand to customers, clients, and citizens also has the ability to influence the broader social context.*

To mainstream diversity, organizations should take every opportunity to be transparent with regards to their business case for diversity. The ways in which organizations communicate their brand to customers, clients, and citizens also has the ability to influence the broader social context. It is therefore important to be reviewing marketing and promotional material through a diversity lens.

Mainstream media representation has the ability to either promote negative stereotypes, or instead promote positive role models (Mahtani, 2001) to shape the attitudes of the general public. Due to their wide-reaching influence, large organizations can thus effectively use their sphere of influence by considering diversity in their media buys, and by actively engaging with media stakeholders on the subject of diversity, so as to continually challenge traditional notions of who belongs in leadership roles.



## Engagement

Integrated strategies on a long-term basis are necessary to increase the external pool of qualified individuals who are willing to be our future leaders. These strategies must begin early so as to ensure that there is a large pool of qualified candidates.

Some candidates may only require targeted skills development and training to enhance their boardroom competency, negotiation strategies, and general leadership skills. Others might simply lack the personal or professional networks that lead to leadership roles, and would thus benefit from mentoring or other initiatives that expand networks. Finally, scholarships and internship programs may help to contribute to the engagement of youth, in ways that maximize their interests, motivation, and potential.



## Individual Level

Although there are currently many existing barriers to social equity, it is important to note that there are many successful racialized people and women among senior leaders across sectors. It is critical that we learn from their experiences so as to inspire young racialized minority and women leaders.

More efforts can be made across sectors to encourage women and racialized people with the skills and confidence they need to succeed, while also encouraging them to set high goals and pursue access to networks, coaching, and support. It is equally important that all those committed to diversity mobilize our own sphere of influence to effect change at all levels: societal, organizational, and individual. We are all influential, regardless of where we stand hierarchically, and allies are critically important. While women and racialized people in leadership roles have a great deal of influence, they should not be left alone in this task.

## Looking Ahead

*Diversity and inclusion are continuous processes and there are always opportunities to improve. With the commitment of organizations across sectors, the GTA can leverage its incredible asset of diversity to advance innovation, global competitiveness, and inclusion.*

