

Is diversity disappearing at the top – What needs to be done?

Recently, something rather remarkable has been happening, quietly, in the world of work. More women than ever before have made the choice to leave their jobs, on their own terms - a trend that researchers are calling the Great Break-up.

Research, looking at 40,000 employees from 333 companies across the US and Canada, found that 10.5% of female leaders had voluntarily left their jobs in the previous twelve months – a figure that although seemingly small, is the highest it's ever been, and has a huge impact on gender diversity in businesses today.

Underlining the magnitude of the shift, the researchers behind the study noted: *'To put the scale of the problem in perspective: for every woman at the director level who gets promoted, two women directors are choosing to leave their company.'* Rachel Thomas, the CEO of LeanIn.org, added in an interview with NPR, *'Women leaders are leaving their companies at the highest rate we've ever seen. We already know women are under-represented in leadership, and now companies are starting to lose the precious few women leaders they do have.'*

Consultancy firm Deloitte looked into understanding the trend of more women choosing to leave their roles, surveying 2,100 employees and C-level leaders

across the US, the UK, Canada and Australia. They found that nearly 70% of the professionals they spoke to were '*seriously considering*' quitting their current role in favour of finding a position that '*better supports their well being*'. They also found, overall and unsurprisingly, that the pandemic has had a large and negative impact on our collective mental and physical health – meaning that wellbeing is at an all-time low for workers at all levels in their careers, with 40% of C-level leaders reporting, feeling overwhelmed, 30% feeling lonely, and 26% reported feeling depressed.

It's really no wonder, then, that more and more of us are making the choice to leave companies and ways of working that no longer serve us, or our wellbeing.

It seems that after years of giving and being overlooked, or trapped beneath the Glass Ceiling, women are starting to demand a return on their investment from their employers, and are tired of being held to higher standards, whilst receiving fewer rewards, than their male counterparts.

Research shows us that while both male and female leaders are expected to achieve business

performance results in their roles, in terms of driving revenue and growth, women who are in leadership positions are also expected to pick up and take responsibility for the vast majority of DEI work, mentorship, and team development within the businesses they work for. With women in leadership picking up twice as much work around DEI as their male peers.

'Women leaders are really stepping up as great people managers and as champions of diversity, equity and inclusion,' Rachel Thomas told NPR's Morning Edition. 'And we know employee companies prioritise that work, they want to see more of that being done. But interestingly enough, that important work is generally going unrecognised and unrewarded in most organisations.'

As though this one in, two out system of the Great Breakup wasn't bad enough, businesses seem to also be struggling to maintain any headway, or momentum they may have once hoped for in terms of racial diversity at the top.

The most recent figures show us that across the entirety of the FTSE 100 companies in the UK, only one has a Black CEO – Dr. Segun Oguni, the leader of Airtel Africa. Whilst this may be seen as progress from the 2021 reporting, which found that not a single Black CEO, chairman, or CFOs in any of Britain's 100 largest companies, it still leaves us, in 2024, in a situation where according to Equality Group's FTSE100 Diversity Data Report, there are six times the number of UK FTSE 100 CEOs called 'Simon' than Black CEOs.

Looking beyond the FTSE, government figures tell a very similar story of underrepresentation, estimating that only 0.1% of SMEs in the UK have a Black

leader. Very much at odds with the stories of progress around diversity and inclusion that we're so used to hearing.

I find that people sometimes have difficulty in quantifying the value of diversity; thinking of it as a nice-to-have, rather than an essential element for ongoing success. This means that at times when things feel challenging or uncertain, like during a recession or cost-of-living crisis, diversity can be quickly dismissed as businesses enter 'panic mode', and reprioritise their ambitions.

It's important to remember that diversity, and fostering a truly inclusive team, is essential for businesses' ongoing success. Businesses with more female representation at the most senior levels make more money. Research commissioned by the Peterson Institute, a US economic think tank, found that businesses which go from having a zero percent female share of corporate leadership to a 30% female share gain a one-percentage-point increase in their net margins - which translates to a 15% increase in profitability for a typical firm. The same can be said for racial diversity, with research finding that companies in the top quartile for ethnic and cultural diversity outperformed those in the bottom quartile by 36% profitability.

In order to stomp this loss of vital talent, businesses need to reassess their working relationships with marginalised talent. Companies must listen to what their underrepresented employees want, and need, in terms of flexibility and recognition, and to recognise the vital contributions that these leaders make to their ongoing success. To fail to do so will be to miss out on the ideas, contributions, perspectives and value that the widest, and most inclusive approach to leadership could offer us.

Sophie Williams is a TED Speaker (*The Glass Cliff - Why Some Leaders Aren't Set Up For Success*), the voice of Instagram's [@OfficialMillennialBlack](#) and the author of *The Glass Cliff: Why Women in Power are Undermined and How to Fight Back*.

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