

ARTICLE

Supply chain leadership in Europe: Where are the women?

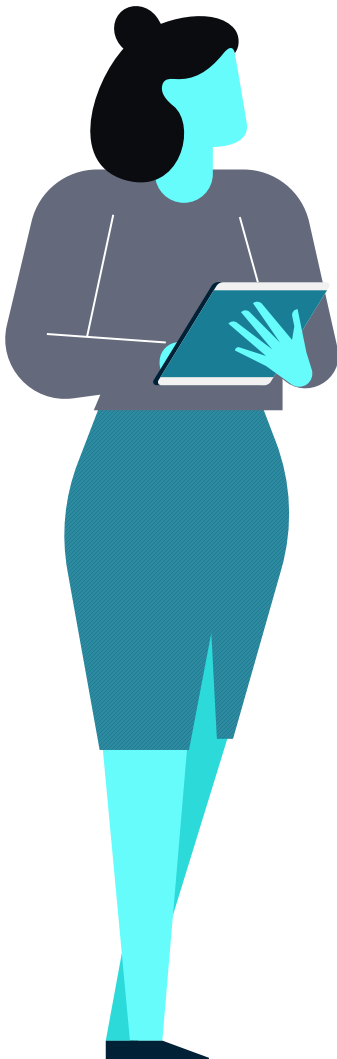


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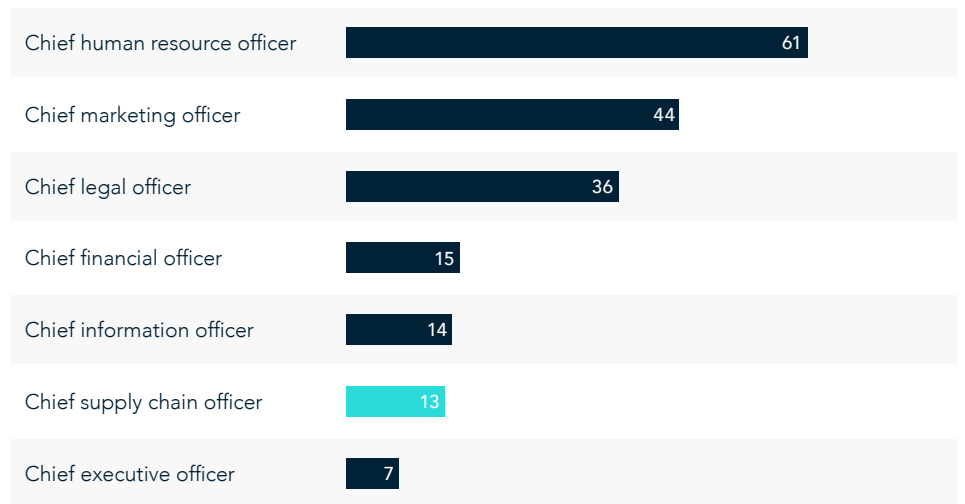
Historically, leadership teams of the supply chain function have been male dominated, even more so than many other functions. This is not in the least because of old-fashioned gender stereotypes that funneled women in the function through roles that were less likely to propel them into leadership positions.

But recently there has been a steady increase in representation of women across most levels of supply chain leadership, according to recent Gartner research.¹ The share of women in mid-pipeline roles such as directors and senior managers has slowly increased over the past five years, reaching 30% and 28% within each role, respectively. This means that companies are more and more able to tap women into their senior leadership succession planning.

The supply chain function has the lowest share of women in leadership roles



At Europe's top 500 companies by revenue, as of May 2023, 172 have chief supply chain officers and only 22 (13%) are women. This makes it the second-least diverse leadership role out of the seven we track, ahead only of the CEO role.

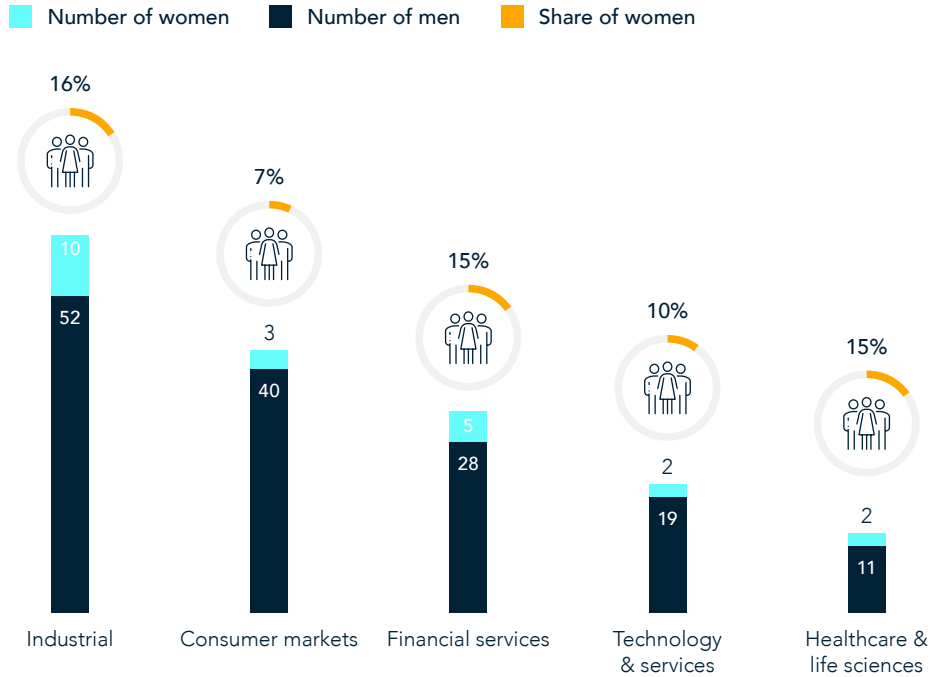


Source: Heidrick & Struggles' analysis of the top 500 companies in Europe, by revenue

¹ "Gartner survey reveals increased representation of women in supply chain leadership roles," Gartner, press release, May 19, 2022, gartner.com.

Representation varies greatly by sector...

Industrial companies have the largest share of women in the chief supply chain officer role, at 16%, while consumer companies have the lowest, at 7%.

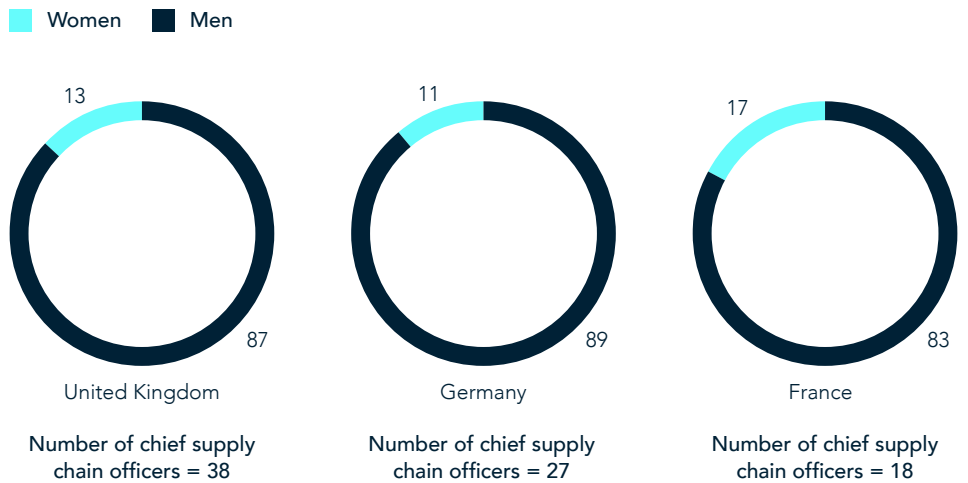


Source: Heidrick & Struggles' analysis of the top 500 companies in Europe, by revenue

...and by country

France has the highest share of women leading the supply chain function among Europe's three largest markets, likely an outcome of its recent regulatory push for gender parity.²

Gender diversity of chief supply chain officers, by country (%)



Source: Heidrick & Struggles' analysis of the top 500 companies in Europe, by revenue

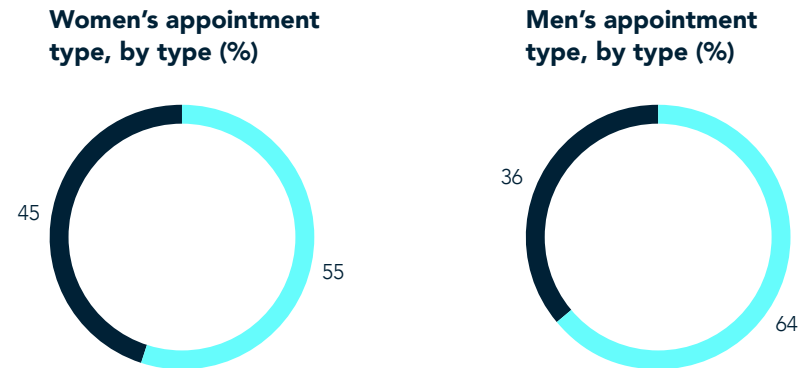
² Companies in France are expected to set a target of 30% women in executive leadership by 2027, and of 40% by 2030.

Women are more often recruited externally than men for the chief supply chain officer role

The fact that women are more often external recruits than men suggests that companies have had trouble retaining mid-career women. Now that there are more in the supply chain leadership pipeline, this figure may well shift in the coming years.

The chief supply chain officer role: Internal vs. external appointments (%)

Internal External



Source: Heidrick & Struggles' analysis of the top 500 companies in Europe, by revenue

Improving the gender balance in the supply chain function

Companies are pursuing gender diversity for many reasons, but it is notable that some recent research suggests that women could have an advantage in supply chain roles because they proved to be more collaborative than men in the role of both buying agent and supply agent. In addition, their collaborative behavior had a more positive impact on the people they worked with. Indeed, supply chain leadership teams made up of only women outperformed teams of any other composition when it came to efficiency.³

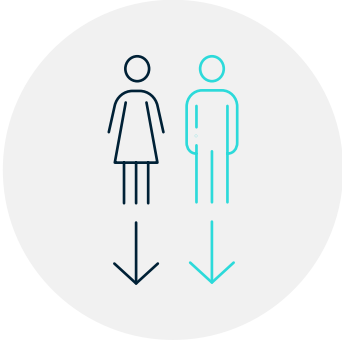
Women are re-evaluating the value they derive from work. In the supply chain function particularly, Gartner also found that companies find retaining mid-career women increasingly challenging and that the most frequent reasons for leaving their supply chain jobs are career advancement and compensation.⁴ That makes a focus on retention particularly important.

The good news is that our own work has shown that while technical skills are a prerequisite foundation to becoming a supply chain leader, collaboration as a part of a leadership capabilities matrix is more valued in supply chain leaders.⁵ The succession talent pool can therefore be opened to people with less supply chain-specific experience but with the capabilities to lead increasingly complex supply chain operations. And that, in turn, should put more women in the supply chain leadership planning pool.

3 Siqi Ma, Li Hao, John A. Aloysius, "Women are an Advantage in Supply Chain Collaboration and Efficiency," Wiley Online Library, November 23, 2020, onlinelibrary.wiley.com.

4 "Gartner survey reveals increased representation of women in supply chain leadership roles," Gartner, press release, May 19, 2022, gartner.com.

5 Camilla Gilone and Fabrice Lebecqz, "Resetting the role of the chief procurement officer," Heidrick & Struggles, heidrick.com.



Based on our own work and discussion with 12 female leaders in European supply chain functions, leaders will benefit from reflecting on these three questions as they seek to improve the gender balance among their supply chain leaders:

1. Does your supply chain function guide women and men through the same career paths and opportunities?

One of the pitfalls of many companies' strategy is the fact that they put a lot of effort and resource on recruitment and fail to invest sufficient efforts in retention and career development. Organizations that have gender balance at all levels will be more attractive to women. Leaders should examine their current supply chain leadership team and leadership succession pipeline and understand the critical imbalances and main pain points in female retention.

Companies should also make sure the leadership career paths are transparent and everyone understands what roles more often lead to leadership positions. Quite frequently, the women leaders we spoke to pointed toward needing paths earlier in their career that include building specialized skills complemented by management and leadership capabilities, rather than general management. That is because women are more often channeled through general management roles such as planning and project management, which are less likely to lead to a leadership position.

2. Does your organization foster an inclusive culture where women feel psychologically safe?

Many of the female leaders we talked to indicated that their key challenge was an uneven playing field where they had to spend additional time and energy to build credibility to be taken seriously while their male colleagues were focusing on delivery. Though many women talk about needing equal opportunities, it is also clear that opportunities aren't enough: some of their feedback consistently talks about "growing thicker skin" or "learning how to use laughter as a deflection tool." Women will not join or stay in environments where they cannot thrive.

3. Does your organization support all top talent equitably?

Research shows time and time again that women still carry the larger load in their families and communities; organizations that want to improve their gender balance should therefore pay particular attention to what helps women excel, from flexible work arrangements to access to the right sponsors, coaches, and mentors, as well as stretch assignments.

Organizations should also consider step-up talent to tap early into the growing mid-pipeline of women in supply chain. That requires focus on skills and potential rather than track record when looking for the next chief supply chain officer.

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Supply Chain & Operations Officers Practice

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