

## GSK Takes Innovative Approach To Addressing Gender Imbalance

GSK

Best Advance in Women's Leadership Development

October 2018



### Company Background



do more  
feel better  
live longer

<b>Headquarters</b>	Brentford, Middlesex, United Kingdom
<b>Year Founded</b>	2000
<b>Revenue</b>	£30.186 billion
<b>Employees</b>	100,000
<b>Global Scale (Regions that you operate in or provide services to)</b>	GSK operates in over 150 countries, more than a third of which are emerging markets.
<b>Customers/Output, etc. (Key customers and services offered)</b>	GSK researches and develops a broad range of innovative products in three primary areas: pharmaceuticals, vaccines and consumer healthcare.
<b>Industry</b>	Pharmaceutical and Healthcare
<b>Stock Symbol</b>	GSK
<b>Website</b>	<a href="http://www.gsk.com">www.gsk.com</a>

## Budget and Timeframe

<p><b>Overall budget</b></p>	<p>£2 million over project lifetime (2014 to present day), with investment based on costs of £4,500 per female leader, plus £1,850 per participant for management and sponsor involvement.</p>
<p><b>Number of (HR, Learning, Talent) employees involved with the implementation?</b></p>	<p>A core team of between one and three personnel from leadership development and coaching were involved during the implementation, alongside program support from three to four further individuals.</p> <p>Levels of involvement have varied over time — with more resources dedicated to earlier cohorts than the “maintenance phase” of implementation, as the design was being tested during this period.</p> <p>All personnel involved in the implementation undertook this work as a component of their role, rather than being committed to it full time.</p>
<p><b>Number of Operations or Subject Matter Expert employees involved with the implementation?</b></p>	<p>In 2018 (Cohort 4), group coaching and dialogues will be delivered by 18 internal coaches and 12 external coaches. One-to-one coaching will be delivered by 80 internal coaches.</p>
<p><b>Number of contractors involved with implementation</b></p>	<p>As outlined above, 12 external coaches will be involved in delivering group coaching and dialogues in Cohort 4.</p>
<p><b>Timeframe to implement</b></p>	<p>This program initially took nine months to design, plan and implement. For Cohort 4, review and refresh planning started six months prior to launch. The program runs over 12 months.</p>
<p><b>Start date of the program</b></p>	<p>The three cohorts completed to date started in March 2013, 2014 and 2016, respectively. A fourth cohort commenced in April 2018.</p>

## **Business Conditions and Business Needs**

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### **The Background: A Universal Business Issue**

Studies have repeatedly shown that more diverse leadership teams make for more financially successful businesses. Indeed, some of the most recent data available reveals that truly gender diverse companies are 21% more likely to have higher profitability thanks to better-quality decision-making resulting from diversity of thought, experience and style and a more balanced approach to risk.\*

However, female talent isn't always optimized — particularly at an executive (pre-board) level. While the volume and ambition of women entering the workforce is roughly equivalent to that of men, the reality is that a man embarking on a career with a FTSE 100 company is 4½ times more likely to reach the executive committee than his female counterpart.†

Women simply are not rising to the upper echelons of business as quickly or in the same number as men, meaning that a great deal of organizational investment is lost when they do not progress.‡

In addition, external evidence<sup>§</sup> suggests that some of the issues affecting women's progress in organizations apply to next generation of leaders, which will impact the ability to recruit high-potential employees in the future.

### **GSK's Business Needs**

While the position outlined above prevails in global business, GSK was acutely aware of it as far back as 2012.

The company had made good progress in achieving board-level diversity and has been successful in sustaining it, too — with 41.7% of the board currently represented by women including CEO Emma Walmsley.\*\*

There was also an opportunity to improve in terms of female representation at a senior executive (pre-board) level.

Since GSK's ambition is to reflect the societies, customers and patients it serves, it was recognized that the company needed to make progress in promoting more women into these senior leadership roles and, therefore, GSK decided it was time to act.



Specifically, the board sought corporate executive team-level sponsorship for an international initiative to be designed and implemented that would help develop a balanced talent pipeline into this critical layer of management.

\* Delivering through Diversity, McKinsey, January 2018

† Cracking the Code – Revisiting the Executive Pipeline, YSC, KPMG & 30% Club, July 2016

‡ Women Matter 2012: Making the Breakthrough, McKinsey, March 2012

<sup>§</sup> Focus on Diversity and Career Progression Key to Winning the Fight for Female Talent, PwC, March 2017

<sup>\*\*</sup> Hampton-Alexander Review: FTSE Women Leaders, November 2017

## Overview

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Accelerating Difference (AD) is an innovative 12-month global program designed to help high-performing, mid-to-senior-level female leaders develop and progress their careers through a combination of coaching, dialogues and sponsorship.

Created in response to the business need outlined previously — and to help ensure female leaders become the best versions of themselves — the program supports the target demographic to advance their careers and take on more senior roles.

It is ground-breaking in the way it takes a systemic approach to change — not only focusing on the development of a female leader but also the key relationships that can affect her career progression.

It utilizes simultaneous individual and group coaching, enabling female leaders to grow social capital within the business — something that is a key factor in promotion decisions in a relational organization such as GSK, yet is significantly harder for female leaders to accomplish than their male counterparts.

### Objectives

Now entering its fourth iteration, the program has evolved continually throughout its lifetime in response to participant feedback (see “Overall” section for examples of learnings and how these have been applied). However, GSK’s objectives have remained consistent throughout. Specifically, its overarching ambitions were to:

- Reinforce GSK’s commitment to the development and career progression of female leaders.



- Create a diverse pipeline of talent that better reflects society, customers, patients and the communities in which the organization operates.
- Reflect GSK's belief in inclusive leadership, which values and draws on the differing knowledge, perspectives, experience and styles resident in its global community.

In line with these aspirations, the three specific targets set for AD were to:

1. Grow the percentage of women in leadership positions.
2. Improve retention rates among participants.
3. Ensure career progression among GSK's female leaders, as measured through promotion/development moves.

### **Results Versus Targets**

The program has successfully delivered against every single one of its targets, delivering increases in:

- The number of women in management positions (up from 40% in 2012 to 44% in 2017).
- Talent retention. AD participants have, on average (across all job grades), been retained in 88% of cases — versus 70% of males and 69% of females who have not attended the program.
- Career progression for participants. Nearly half (49%) of all participants who attended AD in 2014 have been promoted — versus 29% of males and 31% of all females over the same timeframe. In addition, more participants were promoted twice during this period (2015-17) than other colleagues.

## **Design and Delivery of the Program**

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### **Design Principles**

GSK was conscious that its initiative needed to do more to address the gender imbalance that existed within its senior leadership roles. Specifically, it didn't want the program to be about "fixing" women or helping them learn how to adapt so they could operate in a traditionally "male way" to climb the career ladder.

Therefore, one of the main design principles for AD was to find a mechanism to develop women in a way that would convey the difference they bring as female leaders to their roles in leadership teams.

The second design principle was to create a program that would help women build social capital: the tacit power and authority that comes with being known, accepted and feeling connected with a sense of belonging.

GSK's research had already revealed that the degree to which leaders are effective frequently depends on the quality of their networks and social connections across their organization.\* It also had shown that shared reflection activities are a productive environment for social capital to be developed.†

The third design principle was to create an initiative that didn't just support the development of the women but addressed the habits, norms and biases that may have inhibited the development of female talent in the past.

A tailored program was therefore required — one that would deliver on GSK's business objectives while helping build both networks for and personal confidence within its female leader participants while also involving their line managers and other senior leaders as sponsors.

### Design Features

As summarized in the earlier high-level description, AD consists of three key elements — each of which build on the design principles outlined above to ensure delivery of GSK's business objectives:

#### Figure 1: Coaching Design Feature



##### 1) Coaching

Topics here range from the foundations of building trust, increasing self-awareness and self-belief through to use of personal power, making an impact, leading with courage and developing an authentic leadership brand.

Source: GSK

Coaching is delivered in both individual and group sessions for a deeper, more transformative experience. Specifically, it is broken down as follows:

**Figure 2: Coaching Delivery.**

<p>12 individual coaching sessions, designed to help participating female leaders:</p> <ul style="list-style-type: none"><li>• Find solutions within themselves.</li><li>• Focus on their wants, aspirations and career path.</li><li>• Feel supported and challenged in a safe/confidential space to find their best self.</li><li>• Build a high-quality, personalized development plan (PDP).<sup>‡</sup></li></ul>	<p>6 group coaching sessions, each with a specific theme, designed to help participating female leaders:</p> <ul style="list-style-type: none"><li>• Explore specific challenges with peers.</li><li>• Connect with women who face similar challenges.</li><li>• Give and receive feedback.</li></ul>
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<sup>‡</sup> All employees have a PDP — entitled “My Plan” — during their careers with GSK. AD outcomes and learnings feed into this through regular development meetings, which take place between participants and their line managers every three to six months.

Source: GSK

**Figure 3: Dialogues Design Feature**



### 2) Dialogues

These comprise very open discussions about what it is like to have a career in GSK from their gender perspective.

Source: GSK

Lightly facilitated and attended by the participating female leaders’ line managers and sponsors, as well as participants themselves, the dialogues explore beliefs, assumptions and unconscious biases around gender diversity in a safe environment, enabling different perspectives to be heard and considered — often for the first time.

Figure 4: Sponsorship Design Feature



3) Sponsorship

This comes from senior leaders, both male and female, within the business — and is instigated to ensure women are given maximum organizational support and access to opportunities for progression.

Source: GSK

As of 2016 (Cohort 3), sponsorship webinars have been held to make the process as inclusive as possible. Sponsors also were — from that year onward — offered two sponsor coaching sessions to help them excel in their role.

From 2018 (Cohort 4), AD participants will lead on the selection of their individual sponsor, ensuring that the “trusted relationship” framework for participating female leaders and sponsors works to best effect.

Delivery Mechanisms

As the diagram below for Cohort 4 illustrates, GSK delivers its program over 12 months:

Figure 5: Cohort 4 Diagram



Source: GSK 2018



To maximize impact, activities are distributed across this timeframe with key components including:

- An introductory “chemistry meeting” between participant and coach, during which coaching objectives can be clarified and agreed.
- 12 one-hour individual coaching sessions held with the participant’s coach.
- Six half-day group coaching sessions in groups of six to eight women, each delivered by a pair of coaches — one internal and one external. Each session has a theme, resources and reading materials for which are stored on a readily available team site.
- Two tripartite meetings (facilitated by the one-to-one coach), which are attended by the participating female leader, their line manager, coach and HR.
- Ad-hoc webinars, with topics including career and development planning.
- “Dialogue” sessions, each attended by female leaders, their line managers and sponsors — in groups of eight to 12 people.
- Two surveys, during and at the end of the program to: a) confirm that the development provided continues to be relevant; and b) collect participants’ opinions and constructive criticism for the program’s continual improvement. (See “Overall” at the end of this submission, for examples of learnings and enhancements made to date.)

\* The Ties that Lead: A Social Network Approach to Leadership, Balkundi & Kilduff, 2006

† How to Build Social Capital with Leadership Development, Galli & Muller-Stewens, 2012

## Adoption of the Program

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### Guaranteeing Adoption

As an international women's leadership development program, it was important that GSK fostered support for AD right across the organization. The decision was taken that identification of suitable candidates for the program should be managed by local/regional HR business leads after a briefing by the central program team on the program framework and eligibility criteria so that they could:

- Use global HR channels to maximize the program's geographical reach/inclusivity.
- Link AD with existing talent management processes and reviews to identify the most appropriate candidates.
- Target the line managers of females flagged in the HR online system as successors for key roles.
- Cascade a consistent, universal message, outlining the program's objectives, key components and projected outcomes to senior line managers.
- Communicate and manage a nomination process, encouraging senior line managers to propose candidates in line with objectives, formats and projected outcomes.

Getting support from senior level executives also was key to the early adoption of the program. The presidents of the three business units who participated in the first year were active champions and advocates for AD, which encouraged leaders in the business to make the investment required to enable women in their team to take part.

### Potential Challenges

One issue that could have impeded organizational traction relates to communication — specifically in helping HR and business leaders globally to understand the business case and importance of AD.

In an organization that already had numerous existing leadership development programs, there was a risk that AD would not stand out sufficiently to business leaders and that its impact would therefore be diluted. This was overcome by ensuring that the HR business leads' communications addressed the areas that mattered most to their target audience (GSK's senior business leaders) — including by talking about the anticipated outcomes of AD rather than the power and value of coaching per se.



A further challenge was to ensure that the women who participated were those who were best-placed to move into senior leadership roles in the future.

In the early days of AD, the business was arguably over-enthusiastic about nominating high-performing women — regardless of their circumstances. More recently, GSK has been more discerning about those it accepts on to the program, focusing specifically on those who have:

- The ambition to progress their careers and take on more leadership responsibility.
- Personal circumstances that afford them both the time and energy required to benefit from this development opportunity.

## Measurable Benefits

### Results Versus Business Targets — The Detail

As outlined in the “Overview” section of this submission, GSK achieved each of its three primary business targets:

#### Figure 6: Objective 1 — Grow the Percentage of Women in Leadership Positions

**Result:** As the table (right) shows, the volume of women in management positions within GSK has grown, year on year, increasing from 40% to 44% overall since 2012.

	2012	2013	2014	2015	2016	2017
SVP/VP	27	28	29	29	30	31
Director	39	40	40	40	42	43
Manager	43	44	45	45	46	47
Total	40	41	42	42	43	44

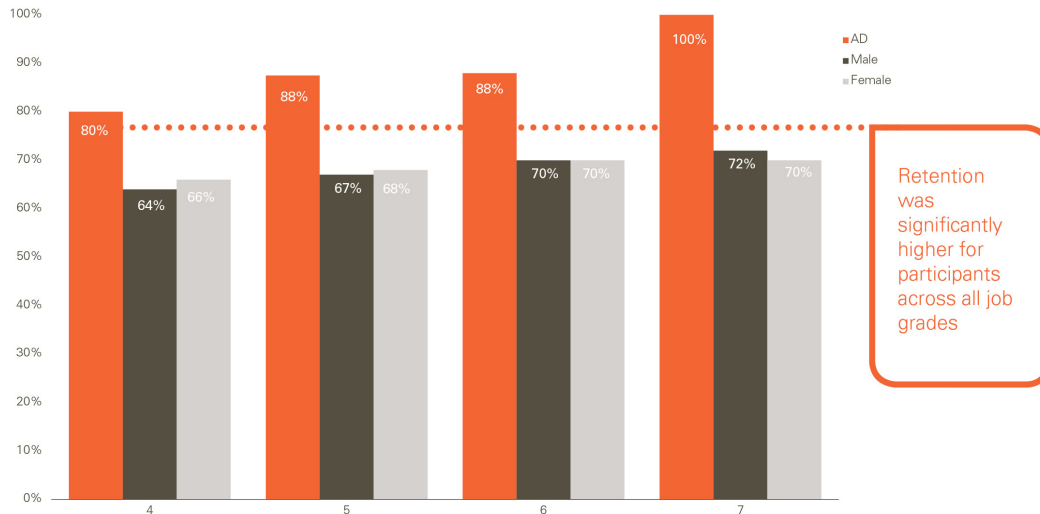
Source: GSK 2018

#### Objective 2: Improve retention rates among participants.

**Result:** The program has had a positive impact on retention across all job grades (see bar chart below), with an average of 88% AD participating female leaders being retained versus 70% of males and 69% of females who have not attended.



Figure 7: Positive Impact on Retention Across All Job Grades



Source: GSK

**Objective 3: Ensure career progression among GSK’s female leaders.**

**Result:** A higher percentage of AD participants have been promoted (49% of those who started in 2014) versus both males (29%) and all females (31%) over the same timeframe. Additionally, more participating female leaders were promoted twice during this period (2015-17) than other colleagues.

**Business ROI**

AD is a prime example of how GSK is making a long-term investment in its high-performing leaders — with the key differentiator being that this particular program is targeted exclusively at female talent.

Such a commitment comes with a sizable price tag: £4,500 is charged to the business per participant plus an additional £1,850 for management and sponsor involvement (i.e., coaching for sponsors and attendance at dialogues). However, the project has remained within budget, with a total investment of £2 million to date. This has been funded entirely by GSK without any external grants.

Crucially, because AD has delivered impact in terms of performance and retention, as well as promotion rates, GSK has been able to enjoy a substantial return on this investment.

The retention of AD participants represents £6,931,817.50 to the business compared to the costs associated with separation and re-hiring. This includes impact on performance, productivity, reputation, customers, loss of knowledge and disruption to teams, as well as the general cost of recruitment and training.

### **Impact on Individual Participants and Their Line Managers**

A thorough evaluation of AD — including an academic review of coaching efficacy and analysis of participant and manager surveys conducted before, during and after the program — has delivered granularity, helping GSK identify and prioritize what matters to participants and their line managers. Headline results can be seen in the following areas:

- **The Development Experience**

- 90% of participants found the individual coaching experience effective.
- 87% agreed that the group coaching experience was valuable.
- 82% felt actively supported by their sponsor in their career progression.

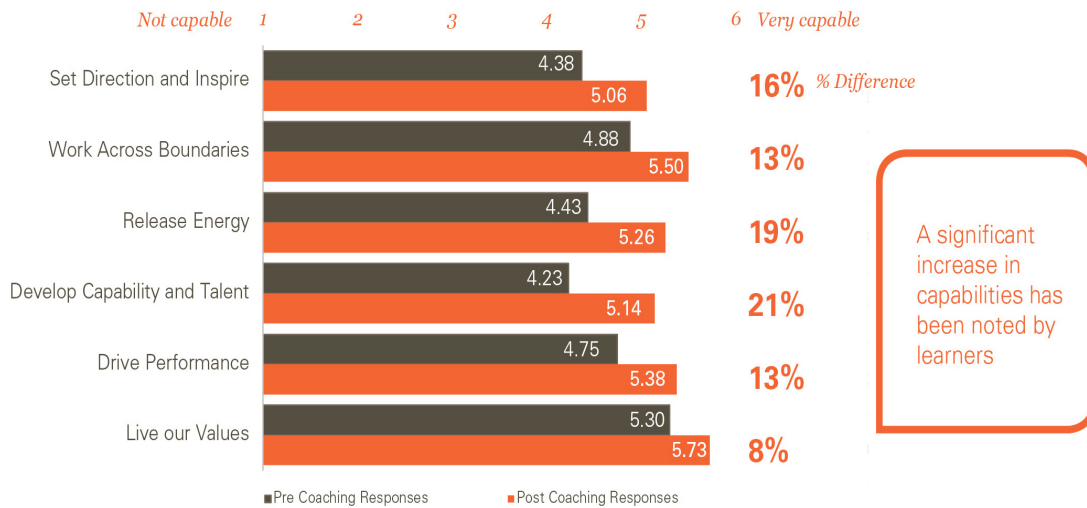
- **Participant Performance**

- 96% of AD participating female leaders and 92% of their managers have reported that the coaching has improved their performance in their role.
- 80% of AD participating female leaders and 64% of their managers have reported at least a 40% increase in their performance.

- **Participants' Perception of Their Own Capabilities**

- The bar-chart below outlines how participants' view of their leadership capabilities has improved in all areas since undertaking AD:

**Figure 8: Leadership Capabilities Improvement**

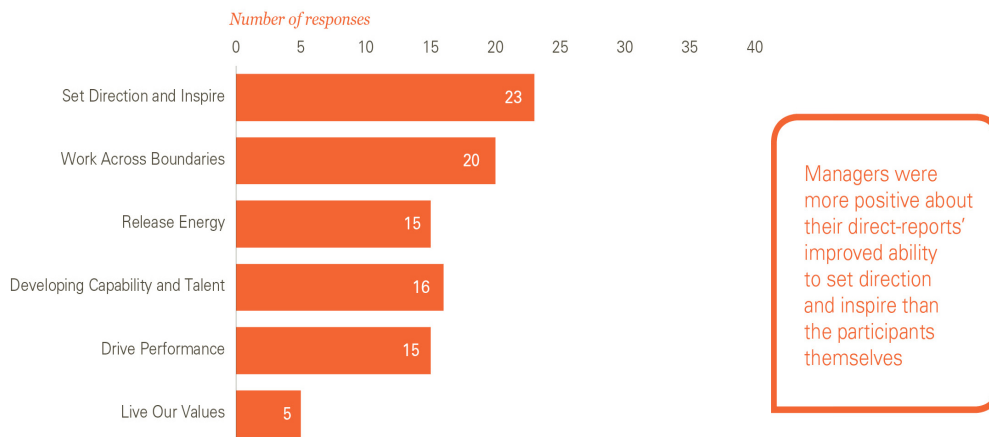


Source: GSK

- Managerial Perceptions of AD Participants' Capabilities**

**Figure 9: Opinions of How Participants' Leadership Skills Also Improved**

**Which of the Leadership Expectations has been positively impacted by your report(s) coaching experience?**



Source: GSK

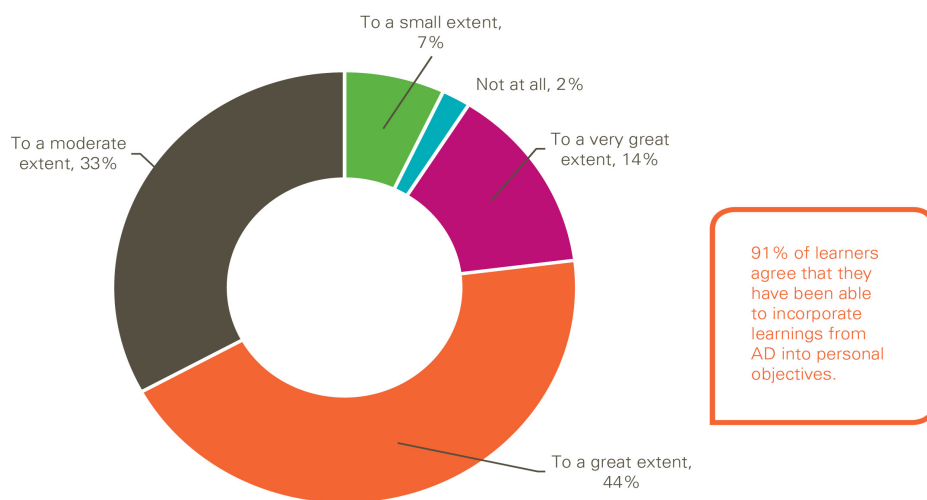


### Program Legacy

Working closely with managers, AD participating female leaders incorporate the insights from the program into their PDP: My Plan. When asked “To what extent have you set objectives in your PDP that require you to apply what you have learned from coaching?” 91% stated moderate to great. (See pie chart below.)

**Figure 10: Program Insights**

**To what extent have you set objectives in your PDP that require you to apply what you have learned from coaching?**



Source: GSK

Crucially, female leaders identified the following key changes they planned to make to sustain their learning:

- Put the leadership skills learned into practice with their own team/colleagues.
- Take time for self-reflection and continue to improve their self-awareness.
- Share experiences with other female leaders.

One leader commented: “I am sharing the practical tools experienced during AD with another female leader to help develop her self-confidence. By taking the opportunity to teach others, I am further deepening my own learning.”



## Testimonials

Below are testimonials from all levels of the business, demonstrating the efficacy of the program.

### Figure 11: Participants' Testimonials

“Accelerating Difference has given me a springboard; the tools to think differently about how I approach leadership and the confidence to use them. The group coaching helped me to see my self-limiting beliefs and the individual coaching gave me a space to reflect and really challenge myself to grow.”

**Valerie Monk, AD Participant and Head of TPO CoE, Global Ethics & Compliance, UK**



“AD has been an amazing experience. It helped me to understand that personal development is a lifelong process and that finding time for myself to reflect on personal skills and qualities, taking into consideration my own aims in life, is key to raising my self-confidence, leading to a more fulfilling, higher quality life and professional success.”

**Simona Cianetti, AD Participant and Departmental Head, TRD Analytical Research and Development, Vaccines, Siena**

“Accelerating Difference is a fantastic opportunity for female leaders within GSK to meet colleagues, build a network and accelerate their thinking on what their future might look like.”

**Bas Vorsteveld, Participant Sponsor and GM, CH Benelux, Consumer Healthcare**







“I've seen people who were good leaders become brilliant. Their level of confidence has grown, and their belief in themselves, and that's been translated into business performance.”

**Roger Connor, President, Global Manufacturing and Supply**

Source: GSK

## Overall

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### Key Findings

With its fourth cohort recently under way, the AD program has been a huge success — not only in terms of the quantitative results laid out in the previous section but also in how it has:

- Reinforced GSK's commitment to the development of female talent. (43% of GSK's global workforce is now female, with 44% of management positions being occupied by women.)
- Created a global pipeline of leaders for the company — a total of 430 female leaders from 44 countries have participated to date, with a further 135 female leaders from 27 countries currently participating in Cohort 4.
- Developed a productive environment in which women leaders can grow their social capital, with key success factors including AD's sponsorship and dialogue programs.

### Lessons Learned

As outlined earlier in this submission, AD has evolved continually since the first cohort of female leaders embarked on the program in 2013. This has been possible thanks to GSK's robust evaluation process, which includes:

- Analysis of participating female leader and management surveys (incorporating feedback and constructive criticism) before, during and after the program.
- An academic review of coaching efficacy, which constitutes the largest randomized controlled trial in executive coaching to date. (This involved 180 participants, 66 coaches and 140 line managers over 14 months between 2016 and 2017.)
- Focus groups with participants from Cohort 3, led by an academic researcher.

Key lessons learned from this insight include the need for:

- Sponsor coaching sessions and webinars in addition to existing materials, which include a sponsor's guide. This is important to ensure that they are as engaged with and committed to the process as possible. (Change applied: Cohort 3.)
- Dialogues to include AD participating female leaders, as well as their line managers and sponsors. This is to more effectively explore beliefs, assumptions and unconscious biases around gender diversity and what helps or hinders career progression of female talent. (Change applied: Cohort 4.)
- Female leaders to identify and create a relationship with their own sponsor, rather than being allocated one — as was the case historically. Feedback from the recent cohort suggested that some participants did not feel as engaged with their sponsor as they could be. So this new process is designed to empower them to get more out of the sponsor-female leader relationship. (Change applied: Cohort 4.)

### **Future Outlook**

Accelerating Difference will continue to evolve, based on feedback from female leaders, their line managers and sponsors. However, it is anticipated that future iterations will make greater use of technology to enhance the learning experience, including a new social learning platform that is currently being deployed within GSK.

Crucially, having seen the incredible impact on its female leaders, GSK also now started applying best practice from AD into other development programs — with a key example being a new pilot in North America aimed at nurturing ethnically and racially diverse men.



## About Brandon Hall Group

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Brandon Hall Group is a HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management. With more than 10,000 clients globally and more than 20 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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