



## **The Hidden Brain Drain Task Force: Women and Minorities as Unrealized Assets**

### Mission

This project centers on the creation of a Task Force comprised of leaders and experts from the private sector and academe. The focus: how to create the conditions that allow employers to better retain and more fully tap into the productive energies of women and persons of color over the lifespan. The Task Force will meet over a three-year period and will both examine key policy challenges and develop a second generation of policy and practice with enough heft and traction to drive change.

### Key Challenges

In both the US and the UK, the professional and managerial pipeline is clogged. Despite significant progress on the access and opportunities front, far too many highly qualified women and people of color are failing to progress to senior positions in the private sector. A January 2002 congressional study indicates that it's tougher than ever for women to land top jobs, and on higher rungs of career ladders the gender gap is widening.<sup>1</sup> In a similar vein, a 2001 survey finds that African Americans comprise a mere 2.5 percent of tenured faculty at America's highest-ranked colleges and universities. Down from 3 percent some ten years ago.<sup>2</sup> The bottom line: women and minorities find they can go a certain distance, they then hit a myriad of barriers – some of them in plain view, others hard to tease out or identify.

This failure to advance or promote female and minority talent has extremely negative consequences. It severely limits the ability of individuals to realize their potential, creating an undertow of disappointment and frustration that can last a lifetime. It also crimps and constrains economic growth. Talent is evenly spread across race and gender, so that when less than 10 percent of tenured faculty is made up of women (Oxford University), or when less than 3 percent of senior management is made up of African Americans (Texaco), we can rest assured that these organizations are not using their talent pools wisely or efficiently.

The fact is, talent matters. In sophisticated modern economies, competitive advantage is increasingly dependent on the caliber of human resources. Senior executives in cutting edge companies talk about a "War For Talent," and how coming up with the best "people model" determines which firms will win the competitive game.<sup>3</sup> Thus, for reasons which hinge on what is right and what is good for the bottom line, we need to figure out how to unclog the pipeline and realize a greater measure of gender and racial equity in our professional and managerial

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<sup>1</sup> Allison Steven, "Women Lose Ground in Top Jobs, Pay," *Women's Enews*, January 27, 2002, [www.womensenews.org/article.cfm/dyn/aid/796/context/archive](http://www.womensenews.org/article.cfm/dyn/aid/796/context/archive).

<sup>2</sup> A JBHE Report Card on the Progress of Blacks on the Faculties of the Nation's Highest-Ranked Colleges and Universities." *Journal of Blacks in Higher Education*. 2002. [www.ibhe.com/news\\_views/34\\_blackfaculty.html](http://www.ibhe.com/news_views/34_blackfaculty.html).

workplaces. A “people model” that fails to tap into the long run productive and creative energies of 60 percent of our fellow citizens has to be seriously flawed.

## Substantive Agenda

### 1. Defining the Problem

The Task Force will identify and analyze the problem set. What are the reasons behind the stalled progress of women and people of color? Why haven't women and minorities been able to make sustained and cumulative progress in high echelon labor markets?

For women, the evidence is increasingly clear: large numbers of professional women are not advancing because of serious work-life conflict.<sup>4</sup> In our long work-week culture, it's increasingly difficult for women to balance work and family. As a result, many either “quit,” or are forced out of their careers. In the US, more than a quarter of all women with graduate or professional degrees are not in the paid work force at all but are at home looking after their families. Many of them unhappily. Our survey data show that 66 percent of these women would like to re-enter the labor force but cannot find flexible work.<sup>5</sup> What a waste of expensively-trained labor! Other women with family responsibilities stay at in their jobs but either abandon, or, are driven out of the more ambitious career paths, and become downwardly mobile in the labor market. Economists Jane Waldfogel and Heather Joshi find that the bulk of the “gender gap” (the gap between male and female earnings) can now be explained by child-bearing and child-raising – women typically lose 10-15 percent of their future earnings stream when they have children.<sup>6</sup> Interestingly enough, this “family penalty” is particularly pronounced in the US and the UK – countries which have failed to develop robust family support policies (employees in the US are not guaranteed paid parenting leave, while in the UK the public provision of childcare is “the worst in Europe”).<sup>7</sup>

For minorities, the reasons behind the lack of sustained progress are more complicated. On-going disparities in educational opportunities, and the continued existence of widespread – if increasingly subtle – forms of discrimination, both play a part, as do various kinds of social exclusion. In both the US and the UK people of color tend to be shut out of “old white boys” networks, and find it extremely difficult to penetrate the social worlds that might enable them to be effective “rain-makers” – a function increasingly important for advancement in the corporate and legal worlds. In addition, family and community obligations tend to act as a drag on progress. Minority men and women often carry a heavy load of extra-curricular responsibility

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<sup>4</sup> Joan Williams and Cynthia Thomas Culvert, “Balanced Hours: Effective Part-Time Policies for Washington Law Firms: The Project for Attorney Retention, Final Report, Third Edition,” *William and Mary Journal of Women and the Law*, Vol. 8, No. 3, Spring 2002.

<sup>5</sup> Sylvia Ann Hewlett, *Creating a Life* (N.Y.: Talk Miramax, 2002). See also Sylvia Ann Hewlett and Norma Vite-Leon, *High-Achieving Women, 2001* (N.Y.: National Parenting Association, 2002).

<sup>6</sup> Jane Waldfogel, “Understanding the ‘Family Gap’ in Pay for Women with Children,” *Journal of Economic Perspectives*, vol. 12, no. 1, Winter 1998, pp. 137-156.

<sup>7</sup> Susan Harkness and Jane Waldfogel, “The Family Gap in Pay: Evidence from Seven Industrialized Countries,” Centre for Analysis of Social Exclusion, London School of Economics, November 1999, p. 21. Also Heather Joshi, Pierella Paci, and Jane Waldfogel, “The Wages of Motherhood: Better or Worse?” *Cambridge Journal of Economics*, vol. 1999, pp. 543-564.

(acting as a spokesperson for the black community, fundraising for an impoverished neighborhood church, recruiting on college campuses, or helping a young relative find housing or make bail). The anecdotal evidence shows that professionals of color spend a great deal of time responding to the needs of extended family and community. Only cosseted white males – many of whom have at-home wives and come from upper middle class backgrounds – can easily conjure up the 65 hour work-weeks that are increasingly needed for advancement in today’s competitive professional environments.

The handicaps that confront women and people of color are therefore both distinct and similar. High levels of work-life conflict comprise common ground. Both women and minorities face circumstances where family responsibilities cut into and limit the time available for career development, and both groups find it extremely difficult to succeed in sectors where professionals are promoted by virtue of schedule rather than talent.

## 2. Developing Second Generation Solutions

A critically important part of the Task Force’s work is the development of a solutions package: a second generation of policy and practice capable of advancing women and minorities over the long haul. This package will feature policies dealing with educational opportunity, discrimination and cronyism, but the prime focus will be on developing workplace policies and practices (in both the private and public sectors) that help professionals deal with the constraints and responsibilities that flow out of family and community life. How can we allow a woman to become newly ambitious in her forties and fifties, after her children are launched? How can we legitimate the extended family responsibilities of a minority man? And how can we create imaginative support systems for minority women – who often are in double jeopardy as they deal with both child-raising and the needs of extended family and community?

Although the solutions package developed by the Task Force will explicitly target professional women and minorities, we anticipate that there will be a great deal of “trickle down” to less privileged workers. Once adopted, work-life policies designed for professionals will permeate and transform organizational cultures, paving the way for widespread dissemination and use.

The Task Force brings two enormous strengths to the difficult challenge of developing solutions. In the first place, because it comprises key players and power brokers it should be able to seed concrete change. The business leaders who are members of the Task Force will help shape the second generation solutions and thus take a measure of “ownership.” The hope is they will then put these policy ideas to work in their own organizations. Secondly, since the work of the Task Force spans two key market economies – the US and the UK – it will be able to capture some of the special challenges and opportunities of our global age. For example, the UK has a particularly strong track record in the public policy sphere (“incentivizing” work-life policies are a priority of the Blair government), while the US has an impressive track record in the private sector sphere. The Task Force hopes to capture these complementarities.

### 3. Work Plan

The Task Force convened in February 2004 and will run for several years (the exact course may evolve over time). We envision a series of two-day meetings twice each year. Prior to each session, research will be commissioned to inform our discussions. Task Force members are drawn from both sides of the Atlantic and represent sectors featured in the work of the Task Force. Meetings will rotate between the US and the UK.

Much of the work of the Task Force will be occupation and sector specific. Each session will explore one or more sectors and showcase specific themes but we fully expect that many of the issues and insights will be transferable across the sectors. The sessions will attempt to pair “leaders” and “learners” as a way to facilitate practical knowledge-sharing, and there will be a focus on developing the business case for the policies and practices featured in our solutions package. The end goal is, of course, to develop a second generation of private sector policies across a spectrum of occupations and sectors.

A collaboration with the Harvard Business Review will result in a series of articles over the lifespan of the project. This will ensure that both the research and the practical insights generated by the Task Force will receive widespread attention on both sides of the Atlantic.

Proposed Timetable: 2004 – 2007 (as of February 15, 2005)

Date	Sector Focus	Thematic Focus
2004 February (NY)	The Legal Profession and Professional Services	Off-Ramps and On-Ramps: Keeping Women on the Road to Success
September (US)	Big Corporations/Fortune 500 (1)	Engagement and Inclusion: Discovering and Leveraging Diversity in the Executive Suite
2005 February (UK)	Big Corporations/ Fortune 500 (2)	The Challenges and Choices of “Extreme” Careers
October (US)	Big Corporations/ Fortune 500 (3)	Networks, Mentors, and Sponsors: The New Old Girls Club
2006 March (UK)	Science, Engineering and Technology	Pipelines, Preparedness and the Development of Talent
October (US)	Big Corporations/Fortune 500 (4)	The Prime of Life: Realizing Employment Potential in Mid-Life
2007 March (TBD)	TBD	TBD

October (TBD)	TBD	TBD
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