



# The power of real balance

## How diversity can transform your real estate business

Employees and employers from across the real estate sector share their perspectives on the value of gender balance in a fast changing marketplace and what people throughout the organisation can do to ensure everyone's potential is recognised and realised.



PwC has taken the outcomes of the Real Estate Balance members survey and worked with Real Estate Balance to develop this report.

***“A gender balanced business is a more effective business. Tackling gender inequality is not just the right thing to do, it makes business sense. Both women and men are beginning to demand flexibility and diversity. It’s vital that leaders set the tone from the top in promoting not only gender balance but inclusiveness more broadly. This report shows the importance of instilling this message in daily practices through all levels of an organisation and emphasises the important role the real estate industry can play in creating a more balanced and inclusive society.”***

Craig Hughes, PwC global real estate leader and Real Estate Balance management committee

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# Foreword



**Vivienne King**

“In all parts of our industry, women are better represented than ever before with increased opportunities to achieve senior roles. Nevertheless, with a few notable exceptions, virtually all of the leadership positions are held by men. Real Estate Balance took on the challenge of investigating the issues behind this and developing practical solutions to correct the imbalance and create a more dynamic, representative and robust industry as a result.

Working with the Grosvenor Estate and GVA, we surveyed the views of more than 380 people in real estate from 40 different companies. The results of this ground-breaking survey, which we will repeat annually in order to track progress, shatter some of the myths and uncover some illuminating realities that are stalling women in their careers. The very positive response to the survey from the most senior levels in our industry has shown the commitment is there to support female talent on the way to the top and see a real improvement in gender diversity at senior levels.”

***Vivienne King, Chief Executive,  
Soho Housing and Chair of  
Real Estate Balance***

# Giving your business an edge

*In a sector facing huge disruption and change,<sup>2</sup> fostering greater gender balance within your business and its leadership will give you a powerful commercial advantage.*

## **382 employees and 40 companies from across the UK real estate sector were surveyed for the Real Estate Balance survey**

The competitive advantages of increased gender balance not only include a broader talent pool, but also the fresh ideas and experiences needed to deal with upheaval and capitalise on opportunities. Your workforce would better reflect, understand and engage with the increasingly diverse set of clients and investors you serve. Our research also shows that the generations coming into the workforce and moving up the career ladder want to work for inclusive organisations.<sup>3</sup> In turn, greater gender balance can lay the foundations for bringing in more talent from other under-represented groups such as people with disabilities and people from ethnic minorities. Ultimately, this is about the bottom line – research consistently shows that companies with three or more women on their boards outperform those with fewer or none<sup>4</sup>, hence the widespread focus on achieving at least 30% female membership.<sup>5</sup> Indeed, the key question is no longer why increased gender balance is needed, but how it can be achieved.

**61% of real estate professionals believe that workforce diversity will have a positive impact on the bottom line of the business<sup>6</sup>.**

## **Falling behind**

How far has real estate come? The stereotype of a predominantly white male sector is far less evident than it used to be, especially among the talent coming into the sector. Yet women make up less than 20% of the board members of the 40 companies taking part in the Real Estate Balance survey (see Figure 1), much lower than figures for comparable sectors such as banking (31%) or asset management (28%).<sup>7</sup>

**Fig 1. Gender balance in real estate companies participating in the survey**

	<b>Female</b>	<b>Male</b>
Board	19%	81%
Senior and leadership level	32%	68%
Middle management level	43%	57%
Graduate/entry level	44%	56%
Support staff	84%	16%

Source: 40 real estate companies taking part in the Real Estate Balance survey 2016

There's clearly a time lag between graduate entry and being considered for executive positions. The limited number of women on real estate boards could thus be the result of a previous era in which recruitment was less gender balanced than it is today. The fact that women make up less than a third of senior and leadership positions, compared to more than two-thirds who are men (see Figure 1), would also explain some of the disparity further up the organisation within the board. However, this wouldn't explain the drop-off between the numbers of women in graduate/entry and middle management positions, and those in senior leadership and the board. Arguably, some of the other barriers to women moving up to executive positions in organisations where the leadership is predominantly male can be self-perpetuating. This includes a tendency among senior personnel to hire or promote people like themselves or who have similar strengths. As so much of the senior leadership is male, this unconscious bias tends to favour other men. The hurdles might also include a lack of suitable mentors or female role models at the most senior levels – people who can encourage their younger counterparts to aspire to greater heights professionally, and help give them confidence that their ambitions can be realised.

Drawing on survey responses with 382 people working across different areas of real estate, this report looks at what's currently being done, and what more could be done, to make the sector more attractive to both male and female talent, enabling them to realise their potential and achieve greater gender balance within real estate as a whole.

### **Barriers and biases**

What can we learn from the findings? Many of the challenges highlighted in the survey, such as unconscious bias, are prevalent within all sectors. Yet some of the issues are specific to real estate. They include low turnover of senior personnel. The expectations, environment and ways of working within many companies can also make some women feel excluded – participants described 'an entrenched old boy's network' and a culture that 'needs adjusting for modern day business'. And it isn't just women who come up against these traditional attitudes. For example, many men are reluctant to request flexible working as their employers assume that this is only an option for mothers with young children, rather than a way of working that could benefit everyone within the organisation.

As our survey highlights, real estate businesses have launched a wide range of policies and initiatives to tackle these challenges and promote gender balance. These include mentoring, flexible working, unconscious bias training and return to work programmes. And they are beginning to make a difference. Yet many participants are concerned about what they see as the slow pace of progress and the limited impact of some of the policies and initiatives in place. If change is too slow and expectations on gender balance aren't met, talented men as well as women will seek out opportunities elsewhere.

That's why it might be time to look beyond policies and initiatives at how to change the culture within the industry – employees see cultural and behavioural change as the number one priority for achieving increased gender balance. Such change would certainly accelerate and strengthen the impact of the policies and initiatives in place and help to ensure that everyone within your organisation can truly fulfil their potential. Our industry would emerge stronger and more profitable as a result.

***“If we can show examples of successful career progression, this will further assist in attracting the best talent.”***

Real estate employee

<sup>2</sup> The changing dynamics of the sector are explored further in 'Emerging Trends in Real Estate 2017', PwC/Urban Land Institute <http://www.pwc.com/emergingtrends>

<sup>3</sup> More than 80% of the 1400 millennials (people born between 1980 and 1995) from the UK taking part in a 2015 PwC survey said that an employer's policy on diversity, equality and workforce inclusion is an important factor when deciding whether or not to work for them. To explore the global findings see 'The female millennial: A new era of talent' ([http://www.pwc.com/jg/en/publications/the-female-millennial\\_a-new-era-of-talent.pdf](http://www.pwc.com/jg/en/publications/the-female-millennial_a-new-era-of-talent.pdf))

<sup>4</sup> 'Women directors change how boards work', Harvard Business Review, 17 February 2015 (<https://hbr.org/2015/02/women-directors-change-how-boards-work>)

<sup>5</sup> When there are at least three female board members, women can bring about real change. To find out more see 30% Club website (<https://30percentclub.org/>)

<sup>6</sup> 493 respondents from 22 European countries interviewed for 'Emerging Trends in Real Estate 2017', PwC/Urban Land Institute <http://www.pwc.com/emergingtrends>

<sup>7</sup> Women in Financial Services 2016, New Financial, ([https://30percentclub.org/assets/uploads/UK/Research/New\\_Financial\\_Women\\_in\\_UK\\_finserv\\_2016\\_FINAL.pdf](https://30percentclub.org/assets/uploads/UK/Research/New_Financial_Women_in_UK_finserv_2016_FINAL.pdf))



***“The real estate industry is a very masculine environment. At a senior level, the statistics speak for themselves and it is very apparent that women are currently missing out on the highest positions.”***

Real estate employee



A man in a white shirt and tie is looking at a tablet. The background is a blurred office setting with a window showing a view of a city or landscape. The man is smiling slightly and looking down at the tablet.

### ***What we mean by 'gender balance'***

Ensuring your leadership and talent pipeline include a reasonable balance of men and women<sup>8</sup> and that everyone has an equal chance to thrive within your organisation. For example, if women only make up a small proportion of your board, or men gain the majority of prized assignments, why is this? Could it be diminishing your ability to attract and retain talent and compete? Gender balance isn't just about numbers, it's also a culture that embraces diversity as a business priority.

### ***What we mean by 'gender neutral'***

Inclusive policies, language and ways of working, rather than favouring a particular gender. This might include ensuring policies such as flexible working are suitable for all staff, rather than just the traditional focus on working mothers. It might also include ensuring there is a broad mix of hospitality and social events at different times to suit different tastes and work schedules, rather than restricting them to times (e.g. evenings) and types of event (e.g. drinks, sports matches) that only some can enjoy. Further priorities include avoiding male-biased words in recruitment adverts such as 'assertive', 'decisive' or 'analytical', which many professional women have come to see as a sign that they're less likely to get the job.

### ***What we mean by an 'inclusive culture'***

An inclusive culture is one where everyone feels able to be themselves within the workplace. Creating an inclusive culture isn't just about implementing inclusive leadership programmes or unconscious bias awareness training. It's just as much about the small everyday actions, communications and other behaviours that make everyone feel valued and included.

<sup>8</sup> Clearly, the balance can't be 50:50 in all cases, but a male-female ratio of between 40% and 60% is emerging as a reasonable and beneficial objective.

# Overview of survey results

## **Gender balance matters**

Nearly 7 out of 10 real estate participants say it's very or extremely important that a company takes action to address its gender issues. Yet men are less likely to see this as a priority – over 80% of the women in our survey see addressing gender issues as very or extremely important for job satisfaction, but less than half of the men agree.

## **Illusion of inclusion**

It would appear from our survey that one of the reasons why some male employees place less emphasis on gender balance than female colleagues is that having seen their companies launch initiatives such as talent development plans or flexible working, they assume that gender balance is now being adequately addressed – “I don't believe there is a problem,” said a participant, for example. This contrasts with the frustration felt by many of the women in our survey – “females don't get the same development opportunities as males,” said one participant.

Many of the male participants in the survey strongly agree that gender issues are being adequately addressed in their organisation (35%), but they are also less likely to view flexible working as having been successful in improving gender balance than their female colleagues (22% compared to 33%). This could suggest that many working fathers aren't feeling the benefit of family-friendly policies.

## **Where are the greatest imbalances?**

Employees see the greatest gender imbalance at senior and board level in their company. In an encouraging sign for the future, they see graduate/entry level positions as being more balanced.

***“The biggest challenge is raising awareness and making people acknowledge that it (gender balance) is an issue.”***

Real estate employee





***“Unconscious bias is ingrained in organisational culture and processes.”***

Real estate company representative

### **Why is there a gender imbalance at the top of many organisations?**

Commonly reasons cited in survey responses include:

- Limited turnover in senior management positions
- Unconscious biases within promotion and key assignments
- Too few female role models in senior positions
- Flexible working and work-life balance not seen as compatible with senior roles
- Too few female candidates for senior positions, though in reality women make up more than 40% of middle management positions in the companies surveyed, so there ought to be plenty of suitable candidates
- The limited provision and take-up of flexible working, along with an underlying perception that people who work flexibly, especially men, are less committed. Flexible working is also synonymous with reduced hours within many real estate businesses, rather than a more agile and efficient way of working that can include full-time as well as part-time options

### **How to boost gender balance**

Companies say:

- Board-level commitment
- Flexible working programmes
- Talent management plans

Employees say:

- Cultural/behavioural change
- Talent management plans
- Flexible working programmes

The greater emphasis employees place on cultural and behavioural change suggests that policies aren't enough – as a business, you may have to rethink aspects of how you work and how you judge talent and success. And unless line management buy into the need for cultural and behavioural change and feel accountable for driving it, even the most well-intentioned policies won't make a difference.

Where there is a high degree of board-level commitment, companies are moving in the right direction. But we believe the keys to significant further progress are:

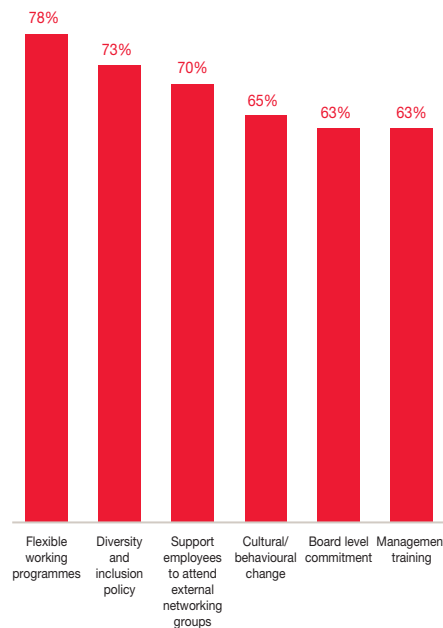
1. Putting inclusion at the centre of how you attract, nurture and promote talent
2. Supporting board-level commitment with tracking and intervention
3. Promoting an inclusive working culture

# What's standing in the way of gender balance?

Gender balance is a challenge for all industries. But much of real estate is still behind the curve. Why?

Real estate businesses have launched a range of programmes and commitments to increase gender balance (see Figure 2).

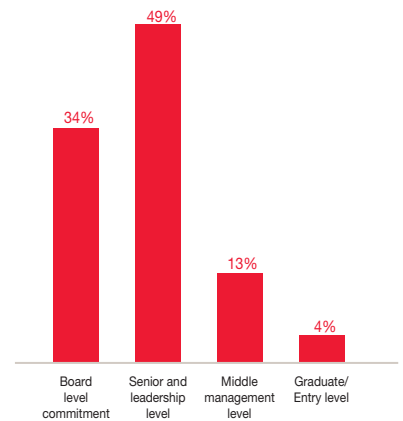
**Fig 2. The six most common initiatives that companies have in place to promote gender balance (by percentage of respondents)**



Source: 382 real estate employees taking part in Real Estate Balance survey 2016

Is gender balance on the right track as a result of these programmes? 35% of male employees participating in the survey strongly agree that their company deals extremely well with gender issues. However, among female employees, this is a much smaller 11%. As Figure 3 highlights, participants feel that the biggest disparities are in the executive committee, divisional head and other senior positions below the board, suggesting that many women can get so far, but struggle to go further.

**Fig 3. Where employees see greatest gender disparity in their company (by percentage of respondents)**



Source: 382 real estate employees taking part in Real Estate Balance survey 2016

The survey findings highlight three key reasons for the continuing gender disparities and difficulties in dealing with the surrounding issues:

## 1. Low executive turnover



Many of the employees and companies surveyed pointed to the lack of movement and openings at senior positions. However, this shouldn't be an excuse, especially as when positions do become available, there may be an unconscious bias among some senior personnel towards hiring or promoting people like themselves.

**“They remain reliant on men they employed 20 years ago in senior positions that have not moved on.”**

Real estate employee

**“A mother is still working extremely hard for the firm even if she may leave at 6pm for child care duties. Not everyone appreciates that. There is still a presenteeism ‘hours-in’ culture.”**

Real estate employee

“They feel more comfortable with a wholly male set up at senior level... women are support staff and men do the real jobs,” said a participant. The disparities may be compounded by a lack of succession planning and transparency in the promotion process.

A participant described a closed world of ‘life-long relationships that men have built up over the course of their careers and find mutual benefit keeping this circle relatively small, making it very difficult for a woman to be part of it’. Even where employees are conscious of the disparities, they may be wary of speaking out for fear of ‘rocking the boat’ and the potentially ‘career-limiting’ impact.

The companies who responded to the survey highlighted their growing commitment to gender balance and the initiatives that had stemmed from it. However, many accept that low senior management turnover and a lack of role models for family-friendly working within management remain issues.

## 2. Inflexible working practices



Many businesses across different sectors have embraced flexibility as not just good for parents with young children, but also an effective way to give staff greater autonomy over how they meet professional demands and balance this with their personal aspirations. A key part of this is challenging the assumption that ‘flexibility’ simply means reduced hours by seeking to promote ‘agile’ ways of working, which may be part-time or full-time, and are flexible in where and when work is carried out. For the generations coming into the workforce, this agile approach is an expectation, which ties in with digitally-enabled ways of working.



### Case study

#### Enduring bond: How everyone can benefit from shared parental leave

Since 2015, parents have been able to share up to 50 weeks statutory leave after the birth or adoption of a new child. Yet only a tiny proportion of fathers working in the real estate industry have taken up the opportunity.

Matthew Webster is Head of Wellbeing and Futureproofing at British Land. In 2016, he spent a challenging but hugely rewarding five weeks looking after his two sons, baby Nils and older brother Noah. Matthew believes that children, mums, dads and employers can all benefit from the enriching experience of shared parental leave.

“The time Nils, Noah and I spent together has helped to make them much more comfortable being looked after by me, just as they are when they’re with their mum, Mia. They call out for Pappa just as much as they call out for Mamma. Looking ahead to when they’re older, it’s good that they see dads in that way,” says Matthew.

#### Easier transition

Noah was born before shared parental leave was introduced and so Matthew was only able to spend the first two weeks outside of holiday time at home with him. “Two weeks isn’t long enough to bond, and it can be quite stressful trying. I was much more relaxed in the first two weeks after Nils was born, knowing that I could spend more time at home with him later in his first year. And knowing that the boys were with me rather than a childminder they hadn’t got to know made the transition back to work a lot easier for Mia,” he says.

#### Equaliser

While a lot of dads have talked to Matthew about his experience, he’s still one of only a few to take shared leave. “My wife comes from Sweden where they’ve had shared leave since the 1970s, so this was very natural for us. My colleagues and the leadership at British Land have also been very supportive,” he says. “But I know this is still big leap for a lot of dads. Some are also worried about how their employers will react, even though there are valuable benefits for companies as well as families. I know from my own experience that shared leave is good for motivation and helps create a closer bond with the organisation you work for. It also sets the right tone on equality. Once you equalise who takes care of families, it will create equality in the workplace too.”

British Land encourages all its staff to consider flexible working, rather than just parents, recognising that better work-life balance can improve employee motivation, performance and productivity throughout the organisation. “We can work remotely or adjust the times we come in and leave. We can also take up opportunities to study or travel. The key to making this work is trust – knowing that what needs to be done will be done,” says Matthew.

However, many of the participants who responded felt that real estate is still tied to long and unsocial hours. While this affects all staff, women are often the most disadvantaged as they still shoulder more of the childcare responsibilities than men. A participant highlighted the difficulties of 'breaking traditional attitudes to working women who choose to progress a career whilst working flexible hours and part-time arrangements to accommodate family'. These challenges can often be compounded by a 'male' approach to deal making and the socialising that surrounds this. "I think we're struggling with the cultural change piece," said a participant. 'Networking typically involves drinking after work. That's not necessarily how females network, particularly if they have a young family.' And this isn't of course just a matter for women as fathers of young children or other team members may also prefer a different type of networking.

Research shows that childcare is starting to be shared more equally between men and women, especially within younger generations.<sup>9</sup> It's important that real estate companies reflect this, not just in accepting flexible working as part of their policies – more than three-quarters of company respondents confirmed that they have a flexible working programme in place – but also in tackling some of the stigma and narrowing of opportunities that are often associated with it. It's also important to challenge the assumption that flexible working is solely an option for mothers rather than all staff as part of a broader shift towards more agile working. As a recent study concluded, educating line managers is central to changing these attitudes.<sup>10</sup>

**Three in five professional women return to lower-skilled or lower-paid jobs after a career break. Fully utilising returning female professionals could bring the UK £1.7 billion in economic benefits<sup>11</sup>**

### 3. Lack of role models



With far fewer women than men progressing to senior positions, it's inevitable that women coming into the sector don't have enough role models with whom they can identify. Yet even without this disparity, women can still face what one respondent described as an 'inherent bias in culture and practices', which shapes how the attributes of leaders are perceived and portrayed. "The attributes that are seen as important to making partnership are generally more naturally male characteristics. As one becomes more senior it becomes more important to convey a certain image/way of working and there is less focus on the reality of how good your work is/how strong your client relationships are," said a participant. "Men seem more adept at playing this game than women. Time and time again, men who are no better at their jobs than women at the same level seem to progress faster because of the image they build around themselves."

The promotion of aspirational role models would show that women are reaching the highest levels of the organisation on their own terms. It's also important to show that both male and female role models work in an agile way if some of the negative assumptions are to be successfully challenged.

<sup>9</sup> 'Modern Families Index 2016' (<http://www.workingfamilies.org.uk/wp-content/uploads/2016/02/Modern-Families-Index-2016.pdf>)

<sup>10</sup> 'The competitive advantage of flexible and family friendly working', My Family Care, 2016

<sup>11</sup> 'The £1 billion potential of women returners', PwC, in conjunction with Women Returners and 30% Club, 2016 (<http://www.pwc.co.uk/womenreturners>)





### *Case study*

#### **Successfully marrying flexible working with executive demands**

The growing number of people in senior positions in real estate who work flexibly demonstrate that it is possible to work this way and still meet the tough demands of their job.

Phil Redding is Chief Investment Officer of SEGRO. Twice a week, Phil drops off and picks up his children from school. This fixed element of his flexible working is combined with an informal element that enables him to attend school plays, parents' evenings and other events. "I wanted to play a full and active part in my children's lives. I also wanted to be there for the 'magic moments' such as plays and sports matches. Flexibility enables me to do that. My children benefit. I'm happier as a person and I'm happier in my work. I still work extremely hard, and still work long hours – that's the nature of my job. They're just different hours," says Phil.

#### *Trust is key*

Phil's CEO and colleagues have been fully supportive. "When I first started working flexibly nine years ago, this may have been unusual. But now it's becoming increasingly embedded into the fabric of our business and many people are opting to work this way. Flexibility can help everyone, not just people with families. A person might need to wait in to get the boiler fixed, for example. Rather than taking annual leave and disrupting their routine, they can work from home while they wait. And flexibility is the norm for the generations coming into the workforce – they don't want to be tied to a desk and tied to fixed hours," says Phil. "The key to giving people this autonomy and discretion is trust. And I believe that our people respond well to that. This is an 'adult' way of working."

#### *Boosting loyalty and retention*

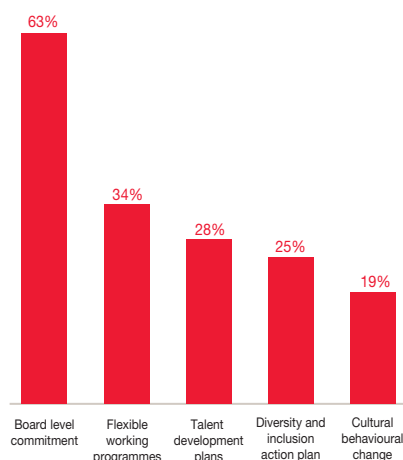
There are some challenges. "You have to be organised to make things work. Sometimes it's hard to explain to people that I can't do meetings at particular times or can't stay on in a meeting that's running over. But that's what I have to do. There are also times when I might miss out on a social event, such as watching the rugby because I'm looking after the children at the weekend. But there will be other social opportunities to make up for that," says Phil. "And as a business we gain huge benefits from flexible working. Our staff turnover is only 4% and in our latest employee survey our engagement score was 90%, more than 10% above the average benchmark score for business. Our people say that flexibility is an important part of that."

# What can your business do to improve gender balance?

*The Real Estate Balance survey highlights the extent to which businesses are at different stages in promoting greater gender balance. Some will be focused on creating the foundations for change, some will be looking at ways to sustain momentum and others will be more advanced and focused on how to realise ultimate objectives. What are the key priorities at each of these stages?*

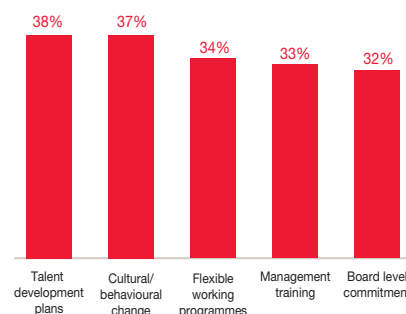
As Figure 4 highlights, companies see board-level commitment as by far the most important driver for increasing gender balance. Leaders can certainly set the right tone by promoting gender balance as a business imperative. Yet, while employees see board level commitment as important, a number of other commitments and initiatives including cultural and behavioural change are ahead of it (see Figure 5). And the fact that there are only a few percentage points between employees' top five priorities indicates that they want to see progress across a number of fronts.

**Fig 4. The top five commitments or programmes that companies believe have been most successful (by percentage of respondents)**



Source: 40 real estate companies taking part in Real Estate Balance survey 2016

**Fig 5. What employees would like to see introduced to help achieve increased gender balance at the senior levels within their company (by percentage of respondents)**



Source: 382 real estate employees taking part in Real Estate Balance survey 2016

## 1. Putting inclusion at the centre of how you attract, nurture and promote talent

Enabling everyone to fulfil their potential is at the heart of gender balance. It's important to present real estate as a sector that offers an attractive range of opportunities and where both women and men can thrive by profiling senior women in your recruitment materials and company website. You can support this by creating opportunities for potential applicants to meet women in your organisation, encouraging women to participate in recruitment activities and considering work shadowing for students.

It's important to make sure that recruitment is gender neutral and capable of attracting the broadest array of talent. Examples include requiring recruitment partners to ensure that shortlists include a reasonable number of qualified female candidates, and if this is proving difficult, look for new ways to attract them.

**“Providing women with mentors or a structured coaching programme has been shown to have very positive results in enabling women to progress with their careers.”**

Real estate employee



#### Case study

#### Broadening the talent pool: The power of collaboration

Further priorities include reviewing the language in your recruitment advertising and how you're coming across in job rating sites. Social media has given applicants more information than ever about what it's really like to work in a company. It's therefore important to be authentic in how you present your business and actively address issues that affect your ability to attract the best people. The importance of effective communication on gender issues will be heightened by the incoming gender pay gap reporting legislation<sup>12</sup>, which is set to shine a spotlight on inequality and act as a catalyst for wider public focus and disclosure on the issue.

Develop creative ways to identify and nurture talent. Review your talent pipeline – is it gender balanced and is the criteria for selection favouring one group or another? Women can often be over-mentored and under-sponsored, so it's important ensure each person in the talent pipeline is assigned a senior leader who can sponsor the individual and play an active and influential role in helping them secure the right experiences and opportunities.

The People in Property Group brings together HR Directors from many of the largest developers, commercial landlords and investors in the UK. As part of People in Property's commitment to attracting the best talent into the industry and promoting greater inclusion, its diversity group is reaching out to recruitment firms to seek their help in broadening the range of candidates being put forward for interview. We spoke to Diana Breeze, Group HR Director of Land Securities Group, about the thinking behind the initiative and what it hopes to achieve.

“The industry's traditional focus on attracting people with specific technical qualifications has meant that the talent pool we're fishing in is often quite narrow. Yet in a business environment that's changing so fast, it's important that we seek out people with different skills and fresh ideas. In many instances, business acumen and the ability to deal with complexity and ambiguity could be as important as technical capabilities in moving our industry forward. Promoting greater diversity at all levels of our organisations is vital in fostering that breadth of talent and thinking,” says Diana.

#### Working in partnership

Diana and her industry colleagues on the diversity working group recognise the key role recruitment firms can play in bringing in talent from non-traditional sources. They can also challenge businesses on the specification of roles, and provide feedback from candidates about cultures, working environments and recruitment processes. To make the most of the recruiters' contribution, the working group is asking for recruiters' support in operating to its newly developed resourcing guidelines. The guidelines are designed to promote diversity and inclusion in collaboration with recruiters in areas ranging from increasing the diversity of people on candidate lists to making the most of techniques to eliminate unconscious biases in selection.

“Recruitment firms are looking closely at diversity already and we've had a lot of useful input from them in the development of our guidelines. I would particularly like to thank Tim Hartley, a partner at Odgers Berndtson, who made the crucial point that we as an industry need to be receptive to broader candidate lists. If we end up just picking out the same sorts of people with the same qualifications as before, then recruiters won't see the point of putting forward a broader range of candidates,” says Diana. “What both the industry coming together through People in Property and the valuable support we've had from recruiters underline is the importance of collaboration in getting diversity initiatives off the ground and helping them to gain momentum.”

<sup>12</sup> Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires all private and voluntary-sector employers with 250 or more employees to publish information about their gender pay gap results (<http://www.legislation.gov.uk/ukdsi/2017/9780111152010>)

**“Systems and processes within organisations favour the status quo, and it is only by examining our biases and changing our systems and processes that we can advance more women to leadership.”**

Real estate company representative

## 2. Supporting board-level commitment with tracking and intervention



Your organisation might also consider setting targets for gender balance against which to track progress. Measurement and monitoring can help to identify the issues most in need of tackling (e.g. recruitment, promotion or attrition issues). Regular tracking of progress against targets would also enable your organisation to gauge whether policies to increase gender balance are having an impact, and to look at ways to address this if not. The key to making this work is ensuring that any targets used are genuinely relevant to and realistic for your business.

The survey respondents revealed some reluctance to set targets as they might ‘promote tokenism’. Yet this is about creating a level playing field rather than positive discrimination. A good rule of thumb is checking to see whether the male-female ratio of people being promoted is roughly in line with the previous grade/level. If a higher proportion of promotions are going to men, for example, why is this?

**“There has been a cultural change and the team are getting used to it being okay for people to work different hours and still produce great work and even lead a team.”**

Real estate employee

Once there is greater awareness of the need for gender balance, you can help people become more mindful of unconscious biases that might be in play and their impact on decisions. This includes providing guidance and training for people carrying out interviews and appraisals. It’s also important that women put themselves forward for promotion in the most positive way. For example, there is research to suggest that women can often under-sell themselves in appraisals by focusing on areas of under-performance or being reluctant to talk about their achievements, while men are better at steering the conversation towards successes.<sup>13</sup> This may affect their chances of promotion. While appraisers and interviewers should be mindful of this disparity (a number of technology and media companies take this into account), there should also be support to help women overcome these potential barriers to progress.

Once the foundations within the business are in place, it’s possible to think about how to promote gender balance across your business network. For example, Soho Housing is one of a growing number of

companies that asks potential suppliers to provide details of their diversity policies and scores the responses alongside core skills within their tender applications. The questions include details of current policies and programmes. If the prospective supplier monitors diversity within their workforce, Soho Housing also asks them to provide details of the composition of its senior leadership.

## 3. Promoting an inclusive working culture



Culture is critical. Clearly, any kind of cultural change takes time and creating an inclusive working culture is no different. Yet employees are pressing for a change in culture and behaviour. If an inclusive culture is seen as a priority that can benefit your business, it can help to inform thinking, decisions and behaviour, and ultimately build momentum behind change.

Steps towards creating an inclusive working culture include looking at how to make sure working hours and ways of working reflect different needs and aspirations. You can then begin to apply a gender balance lens to your business activities. What is the male-female ratio on your project or client pitch teams? Could you vary your team social or client events so that they aren’t always planned around sporting events, evening meals or pub visits and vary the timing so they aren’t always in the evening? If you have a staff engagement survey, review the results by gender so you can identify any issues and develop an action plan to address them.

<sup>13</sup> ‘Bragging rights: MSU study shows that interventions help women’s reluctance to discuss accomplishments’, Montana State University, 10 January 2014 (<http://www.montana.edu/news/12368/bragging-rights-msu-study-shows-that-interventions-help-women-s-reluctance-to-discuss-accomplishments>)

<sup>14</sup> PwC research challenges the notion that women with children don’t want to travel or work abroad – ‘Moving women with purpose: Creating gender inclusive global mobility’ (<http://www.pwc.com/gx/en/diversity-inclusion/assets/moving-women-with-purpose-executive-summary.pdf>)



Buy-in from across the organisation is critical in achieving lasting cultural change. In particular it's important to develop awareness of why focusing on gender balance is a business priority and what everyone within the organisation can individually do to support it. A key part of this is line management engagement as they're the ones who will make it happen. Communication campaigns can help build awareness. Asking managers to show how they seek to improve gender balance can help to make it a central part of their objectives and decision-making.

Again, however, culture can't be changed by policies and initiatives alone. It's just as much about the small everyday actions, communications and other behaviours that make everyone feel valued and that they can be themselves. It's also about challenging assumptions, for example that a member of the senior leadership team can't work flexible hours or that women won't want to travel or take up international assignments as it will take them away from their family.<sup>14</sup>



### Case study

#### Accelerating change: Setting targets for progress

PwC sees diversity as crucial in attracting and retaining top talent and fostering innovative thinking. It sees targets as a way to guide and accelerate progress.

"The challenge we've faced is that the diversity we're seeing at the junior levels in the firm isn't yet reflected at our senior grades. Our leadership have decided that we will only achieve the change we want to see if we have accountability for progress and set targets to improve focus, build momentum and drive actions," says Anne Hurst, PwC senior manager, Talent Inclusion and Employee Wellbeing.

PwC first set targets in 2013 for the proportion of women and ethnic minorities at each grade out to 2018. The firm took a bottom up approach, and targets were set and owned at a business unit level so that they reflected the individual business challenges and aspirations helping to get buy-in.

In 2015, PwC reviewed its targets and concluded that the extent of knowledge of the original targets and accountability for achieving them within individual business units was low, and it was not clear to what extent they had clear action plans to achieve them. "To address this, we've taken the opportunity to review and reset our targets out to 2020, with incremental annual targets to help monitor progress. Local business leaders are accountable for achieving their targets and are required to identify two to three key actions to deliver their targets," says Anne. "Progress is measured through the introduction of a gender and ethnicity inclusion index on our Balanced Business scorecard, which is reported to our leadership each quarter. Progress against targets and the supporting actions are positioned as a critical business measure alongside other key business performance indicators. We've now taken this a stage further and published our targets in our 2016 Annual Report."

"We're closing the gap on our 2020 targets, but it's not just about the numbers; our targets have helped to drive focus on our talent pipelines," says Anne. "Our Talent and Diversity Council review our talent pipeline on a quarterly basis, comparing the expected results with our annual targets. There is robust challenge and discussion where the gender balance in the pipeline isn't where we would want it to be. The Council requires the business units to not only identify their future female talent, but to have clear actions as to how each will be developed and progressed."

# Are you on track?

A gender balanced business is a more effective business. Strategies and decisions will be sharper. Top talent and leading clients will seek you out. But while progress is being made, it can sometimes feel needlessly slow.

The following 10-point project plan outlines some of the key priorities for strengthening gender balance within your organisation and realising the benefits. You can chart your own progress against these objectives by gauging whether you fully agree, partially agree or disagree that each of these objectives has been achieved:

## **Committed leadership from the top**

1. Board makes a clear case for gender balance and promotes it within its business plan.

## **Put equality at the centre of how you attract, nurture and promote talent**

2. Promote relevant role models that ambitious women and men can aspire to be like.
3. Ensure key talent decisions take full account of gender issues and access the widest pool of talent.

## **Bring the organisation on board and...**

4. Engage with line managers to ensure they understand and buy into the need for change, as well as equipping them with the tools to deliver change.
5. Encourage employees to speak out about gender issues and ensure reported cases of bias, discrimination and harassment are appropriately investigated and addressed.

## **Promote agile working and a gender neutral working culture**

6. Ensure flexible working is open to all and isn't a barrier to promotion.
7. Ensure client and networking events, conferences and hospitality appeal to everyone.

## **Back up the board-level commitment with tracking and intervention**

8. Look at your data to gauge whether there is a reasonable male-female ratio among people being recruited, assigned to the most important projects and moving up into senior management.
9. Use the data to identify barriers to gender balance that need addressing and track your progress.
10. Develop procedures for understanding why talented people may not reach their potential or leave, and how these can be addressed.

Developing these systematic frameworks, challenging your organisation on progress and actively tackling identified barriers will turn gender balance from a high level statement of intent to being an integral part of the culture of your organisation. This will make a real difference, not just to your workforce, but your ability to succeed in a fast-changing marketplace.

### ***About this survey***

In the latter half of 2016 Real Estate Balance surveyed 382 employees (56% female, 43% male and 1% declined to answer) from different levels of their organisations about their perceptions of gender balance, initiatives to support it and barriers to achieving it within their working lives.

Real Estate Balance also surveyed representatives from 40 companies about their policies and initiatives to achieve greater gender balance.

The participants are members of Real Estate Balance, a new membership group which brings together a cross section of businesses active within the real estate sector including banks, investment companies, law firms, agents, architects, consultants and property companies.



# Contact us

If you would like to discuss any of the issues raised in this report in more detail, please get in touch:

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## Real Estate Balance

Real Estate Balance is an association run by a group of female and male leaders from different organisations and disciplines engaged in real estate who are focused on addressing the gender imbalance in real estate. Its objective is to work with individuals (men and women) and corporates to achieve a greater gender balance at board and executive management level across the UK real estate industry by 2021. It aims to do this by involving its senior male and female, as well as corporate, membership in leading change and supporting in a practical way, the development of an enduring female talent pipeline, in order to shape the future of the real estate industry.

[www.realestatebalance.org](http://www.realestatebalance.org)

## PwC

PwC's real estate practice assists real estate investment advisers, real estate investment trusts, public and private real estate investors, corporations and real estate management funds in developing real estate strategies; evaluating acquisitions and dispositions; and appraising and valuing real estate. Its global network of dedicated real estate professionals enables it to assemble for its clients the most qualified and appropriate team of specialists in the areas of capital markets, systems analysis and implementation, research, accounting, tax and legal.

[www.pwc.co.uk/real-estate](http://www.pwc.co.uk/real-estate)

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