

Public & Social Sector Practice

Creating a postpandemic recovery for women in the workplace

COVID-19 has pushed working women to the point where many have dropped out. Here's how companies can help.



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In this episode of *The McKinsey Podcast*, Diane Brady speaks with McKinsey senior partners Alexis Krivkovich and Lareina Yee about the devastating impact of COVID-19 on working women and how employers can help make the new normal sustainable. An edited transcript of their conversation follows.

Diane Brady: Hello, and welcome to *The McKinsey Podcast*. I'm Diane Brady. Working women have long been accustomed to the idea of a double shift, and working remotely has driven that home. As I was preparing for this interview today, my son needed help with his homework. Another child had a, quote, "fiscal emergency" at college. There was the dog, the meals to plan, things to do and, of course, like many of you, my day job. And I'm far from alone. Today, we're going to talk about the state of women in corporate America and speak with two co-founders of what is the largest study of women in corporate America. Joining me are Lareina Yee, a senior partner and McKinsey's chief diversity and inclusion officer. Lareina, welcome.

Lareina Yee: Thank you.

Diane Brady: And Alexis Krivkovich, senior partner who leads McKinsey's San Francisco office and the company's fintech practice in North America. Alexis, nice to have you here.

Alexis Krivkovich: Thanks for having me.

Diane Brady: Lareina, let's start with you. Give us a quick roundup of this year's results. It's now in its sixth year. What changed?

Lareina Yee: What changed is how women are experiencing work. And what we find is that we are at a crossroads that I didn't expect us to be on. One in four women are considering stepping out or stepping back from the workplace.

And that is a shocking number: one in four. It's millions of women considering this. Now, certainly, all of these women haven't acted on that. But the fact that they're considering it is something we've never seen in the previous six years of the research.

And, in fact, in all other years when we did this research, one of the myths that we felt that we had busted is that women are leaving at greater rates than men. In fact, what we saw at every company and across all industries (and across corporate America) was that attrition between men and women was equivalent. But this year, with how COVID has reshaped the workplace, that is actually different.

It's really important to note that there are three substories in here. It's certainly a working mom story, as you said in your introduction. But that's not exclusively the challenge. We also saw a really acute challenge for senior women, whether they had children or not, and Black women.

The biggest message here is that we are at this moment near a precipice where we may actually lose the hard-earned gains that we've been working on in corporate America, or we may continue to go down a path where we see more quality in the workplace.

The role of senior women in the workplace

Diane Brady: I'm curious what's prompting senior women to leave during a time like this. Alexis, what have you found?

Alexis Krivkovich: What we hear and see from senior women is this sense of exhaustion and this feeling of burnout like they always have to be on; like the responsibilities have magnified in ways that are really profound. And the lack of boundaries and expectations of when you're in the office, when the offices come to you, has become particularly challenging for them. This is especially critical because it's not just the senior women, themselves, that we're worried about. It's the impact they have broadly on diversity and inclusion in their workplace environments.

Diane Brady: Let's define that for people in terms of what it means to be senior in the context of this study.

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Alexis Krivkovich: Sure. So, we think about the talent pools in three broad categories. We think about early-tenure women at the front lines and in individual contributor roles: early management and early leadership. These are often the first management positions or even the second management positions, like a senior manager or director level.

Then we think about senior leadership: everything from VP up through the C-suite and top executive ranks in companies. The importance of these communities, particularly senior women, is that the proportion of women we have in the pipeline at senior levels is still quite low, relative to our aspiration of equity. We start with 47 percent women. But by the time we get to the C-suite, we’re down to one in five.

How diversity and inclusion improve business outcomes

Diane Brady: And we have been making progress in that area, right, Lareina?

Lareina Yee: We had. Over the last couple of years, we’d seen some real payoff of the efforts that companies were making. We were seeing an increase from, say, 16 or 17 percent to 20 or 22 percent of those senior women, the people who report straight up to the CEO and are the SVPs and EVPs of organizations, for various industries.

Even though that doesn’t sound like a huge difference, it is. When you have two, three, four members of your top team that are women, it signals something completely different. For the women who are working their way up through the ranks, “if she can see it, she can be it” is the motto that I’ve heard so many people say. What that is saying is, “I’m looking for a role model.” But it also changes the quality of business management. Diversity actually improves business performance.

So, even though we think of this as individual stories of women and the type of opportunities we want to create, it shouldn’t be lost on companies that this is actually good business as well. We saw globally, across companies, a 34 percent higher return on equity from management teams that had diverse members on that team. Gender diversity, racial diversity, and underrepresented voices are a part of the team making decisions.

Diane Brady: On a personal level, does this resonate with both of you? Alexis, what you’re hearing from senior women, does it sound familiar to you during this pandemic?

Alexis Krivkovich: Absolutely. The senior women phenomenon is one of many points of intersection. Senior women are very likely to feel and experience being “onlys,” meaning they’re representing and are the only one of their kind in the interactions. And

that's important because it comes with a lot of extra responsibility that is placed on them.

And I think many of us feel in this moment not just a sense of we're trying to keep the ship moving in our own household, in whatever configuration that is; in many cases, senior women are more likely to be mothers. That's certainly the case in my house with three kids running around.

But now, increasingly, we're also caretakers for our office, our community, a virtual culture. We're trying to represent all of the women out there that we want to see advance to join us in the senior ranks. But we're also playing roles, in many cases, of new hobbies like virtual school principal.

I spend a lot of time wiping down groceries with disinfectant; all these things that were never part of our day job or our night job have been added to the plate. For many senior women, it's just an extremely intense moment to put all those pieces together.

The 'double shift'

Lareina Yee: Diane, it's worth noting that all those extra jobs that Alexis has taken on—chief disinfectant officer, chief virtual school officer, personal chef to her three children—are to the tune of three hours a day of extra work.

You mentioned the double shift. The double shift was not three hours a day on top of a full-time work schedule before. If you happen to be both a working mom and a senior woman, you feel enormous amounts of pressure.

When you look at the data, the reaction from a lot of working moms and senior moms is, well, that may explain why I'm exhausted. That may explain why it's not just me but, around me, we see much higher rates of burnout. What you worry about is if you were just sprinting for a couple of weeks at the beginning of the pandemic, a lot of people said, OK, my head will go down and I'll do the right thing. But when you're living that way for a year or more, that is just not a sustainable way to build culture and work.

Diane Brady: So, it's not an empty threat, the idea that women will leave?

Lareina Yee: Well, I don't think it's an empty threat. I also don't think the load is equally shared. One of my favorite statistics is that 77 percent of men think that they carry the load equally at home. And I do think a lot of men are carrying quite a bigger load.

However, only 40 percent of moms agree that that's taking place. So, you still don't have a shared space outside of work for all those extra things that have to be done. When women work three hours a day on

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top of whatever their day is, for weeks at a time, and they often take on more of the responsibilities in the office in addition to the business-performance results that are expected to be delivered, and if someone feels this is pretty intense, there's a reason for that.

Making the new normal sustainable

Diane Brady: What advice do you have right now for leaders who do want more gender equity, who are dealing with a whole host of issues?

Alexis Krivkovich: The first piece we have to think about is how are we going to make this new normal sustainable. As Lareina said, many of us thought, we hoped, this [pandemic] was maybe a sprint, and it's really become a marathon. For companies, that requires thinking much more broadly about their responsibility for the whole human and the whole health of their employees, not just to ensure productivity but to ensure sanity for people in this extraordinary moment.

Are we rethinking as leaders of companies? Are we rethinking the expectations about what is truly sustainable as this becomes more of a medium- to long-term phenomenon of having people working virtually, facing some of the disconnects and support that would enable them to focus on their work environment?

The second piece of that is, do we have a set of new norms around what allows us to set boundaries and what's appropriate to enable the flexibility that's possible here to actually be achieved? A lot of what we hear is that folks are saying, great, I don't have to commute anymore.

It's terrible that at any given moment of any hour of the day, across any time zone, you feel you can reach me, and I don't feel like I have the control to say yes or no. [It's important to set] some reasonable boundaries for people about simple things: when do meetings occur, responsiveness to emails, time on and time off.

We have to extend that (and those boundaries) into the structural places. People are feeling a sense of pressure and stress and concern about the criteria that are being used to evaluate them, the expectations or the lack of clarity about those expectations.

Companies are going to have to take that tricky topic head on and think about the playbook for sustaining culture, for creating sponsorship and feedback, for ensuring that bias does not get into the system. That playbook is, for many companies, mostly a physical location playbook; meaning it was born and developed for an environment where you had the opportunity to manage these things in the office setting. Increasingly, we have to rewrite that playbook for this virtual moment. That's going to take a different set of tools and a different way to approach a number of these topics.

Investing in talent

Diane Brady: Lareina, what are you telling CEOs?

Lareina Yee: It is how do you run the marathon, not the sprint. There are two things that I would call attention to. One is, invest in women. So, investments matter. A third of companies told us this year that they are thinking about scaling back (or already have scaled back) their diversity and inclusion programs. At this point in time, I can't understand why you would do that.

The second thing is that only 50 percent of companies said that they were increasing their programs and investments around things like mental health and support for working parents. Given what we've just talked about, again, it seems strange that only half of the companies are investing in these two areas.

[In addition,] invest in the talent you have. This is a moment where you do not want to lose the women that you have. Invest in their talent. Women are

equally, if not more, ambitious to become leaders. That's a positive level ambition.

We know that when a workplace is fair, and we know when women have sponsors who bring up opportunities for them to professionally advance and to flourish, they do better and they're more likely to want to stay. My question back for anyone who's leading a team is, "How are you supporting with opportunities the women on your team today?" It takes us back to something we've talked a lot about over the years, but becomes ever more important, which is are you over-mentoring and under-sponsoring, or are you truly sponsoring women to succeed?

The difference between mentorship and sponsorship

Diane Brady: Now, what does that mean, over-mentoring and under-sponsoring? It's an intriguing concept.

Lareina Yee: Well, so, mentoring is fantastic. It is friendship, affinity, empathy. All of us, as human beings, need that. But the difference is sponsorship takes it one level up. Sponsorship is providing professional opportunities.

The types of tactical behaviors, if you have a sponsor (or really, you should have a pit crew of sponsors to advance professionally in the work world), would be do you have a manager or someone senior who's helping you see around the corner, above and beyond what you're doing.

Is someone betting on your potential, bringing you to a meeting, letting you present, giving you some of those high-profile, project opportunities where you're going to increase your visibility, helping you expand your network, helping you with a promotion, helping you understand your feedback?

One of the things we saw in previous years was that, oftentimes, whether they were women or male managers, [they] were more tentative, more hesitant

to give women negative feedback. But negative feedback is also what helps you grow professionally. It helps you learn to be better.

Women of color and 'the broken rung' of advancement

Diane Brady: It's so much harder, isn't it, Alexis, in terms of the remote environment that we're talking about? It feels more transactional. And in terms of building networks, I think about some of the elements of the study that really get into what Black women are experiencing, for example, and the particular types of isolation there.

Alexis Krivkovich: Absolutely. So, we've talked about these challenges are not borne equally across men and women. While everybody is struggling, there's still a bigger burden to bear. But they're also not borne equally across all groups of women. And Black women have the most challenging time in the workplace environment, full stop.

This existed well before the pandemic. In fact, our research has shown consistently that, structurally, Black women don't advance at the proportional rate they should relative to all other groups. So, take that at the very first opportunity for advancement into the first manager position which, in fact, is the most inequitable across men and women; something we describe as the broken rung, meaning that very first launch forward is, in fact, the one that's least fair across men and women.

Diane Brady: That's, what, four years? How far into one's career does the broken rung come into play?

Alexis Krivkovich: Well, it varies a lot across sectors and particular job roles. But you can imagine, for many people, this is anywhere from three to six years into their career. It's a first chance to go from an individual contributor into a manager role.

Not everyone is kind of seeking that out at the same moment or with the same opportunity. But it really is what sets up the talent pipeline for the future. In

the current context, for every 100 men who leap forward into that manager position, only 85 women do. But most importantly, only 58 Black women do.

Fifty-eight: that's almost half the level of initial advancement, which sets up a slower path to opportunity for Black women all the way through. So, we start with structural bias and inequity that is holding Black women back. But then in the context of this moment and the pandemic, there are so many other levels of complexity added to that.

So, Black women today are three times more likely to report that they're navigating through the death of a loved one in the context of COVID. They feel far less comfortable sharing that grief in their workplace environment. They're twice as likely to say they don't feel like they have the allies and supports they need to really advance.

When you link back to some of what Lareina was describing on mentorship and the importance of sponsorship, even before you get to sponsorship, not only do they not feel like they're represented (because they are not fairly represented in the workplace), but they don't feel like they are heard and supported by those around them. And that's a really critical issue because imagine what that means in terms of how much of your path and your progression you then feel like you tackle on your own.

What it means to be the 'only'

Diane Brady: Well, and there are other differences as well. Lareina, I know this is something you've thought about a lot, yourself.

Lareina Yee: Well, the most heart-wrenching story is the lack of equity for Black women. But certainly for other women of color, for women with disabilities, for LGBTQ+, we see that same drop-off of experience; less support, less advancement.

Forty-five percent of women of color report that they experience being the only. And Alexis mentioned this as well, but being the only is the experience (that's all too common) where you enter a room and you're the only one. You may be the only woman and the only woman of color.

What that does to you is a couple of things. One is, it gives you an intense feeling of isolation with an intense responsibility, at the same time, to try and positively represent the stereotypes of your racial group or of your affinity group or of your gender.

That's on top of trying to actually do what you're there to do, which is to present a business case, move a decision, et cetera. It's an enormous amount of pressure that's being put on a person, day in and day out. On top of that, women of color are much more likely to experience microaggressions,

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those type of demeaning remarks where you are judged to be younger or less authoritative in your capabilities.

One of the questions we've asked, time and time again, is does your manager question your work? If your work is questioned, does your manager defend your work? We find that Latina women and Black women are less likely to get that type of basic, day-to-day support.

Looking at intersectionality

Diane Brady: Is that an area where we had seen progress over the last six years, prior to the pandemic?

Lareina Yee: Well, I think we've seen overall progress at the top for women. I don't think we've seen as fast or as great a progress for women of color. And that's why sometimes it's important to look at intersectionality, which is essentially looking at the intersection of race and of gender, because the experience can be quite different.

Alexis Krivkovich: The importance of intersectionality is looking at the confluence of more than one factor of diversity that an individual holds. So, it's often being both a woman and a person of color in the workplace. It's being LGBTQ and also female. It's these factors that rest on top of each other.

And they're really important in this context because what we see (not surprisingly) is that there's not just one experience for women in the workplace. There's myriad experiences. And the reality is, any element of intersectionality (so, any element of otherness that you add to your workplace experience) where you diverge from the most common (which currently is being a white male) compounds the effects that we see of these challenges in different ways.

And so, let's take race. In the context of race, we talked about the broken rung where 100 men leap forward to the first promotion but only 85 women. Well, that's not the same experience across women. For Latina women, that's 71. And for Black women, that's 58.

Another example of this is in the context of having to be an 'only' in the workplace environment. Being an 'only' is important because they are situations where you show up and you are the only one like you there. And what comes with that is not only trying to show up and do your best as an individual business leader but feeling an immense sense of pressure and responsibility to represent all of the people like you.

So, women in general experience being an only far more than men. But nearly half of Black women say they regularly have the experience of being an only; similarly for LGBTQ women. These are experiences that are far more frequent, and they bring with them more structural challenge and more friction in the workplace that is real, that translates over time into less opportunity to advance.

What we've learned about gender equity

Diane Brady: Lareina, I want to ask about the genesis of this study. What motivated you to start this?

Lareina Yee: We weren't making any progress. We were stuck. I grew up thinking that things were more equal, like many women. Thinking that, OK, maybe it's particularly hard when the kids are little but as I become more senior, it's going to get easier, and the women I started with will be right there next to me.

I remember, about ten years ago, being really excited to become a partner at McKinsey and realizing that I was oftentimes adding to the diversity just by walking into the room because there were no other women between my clients and even at the firm, or certainly women of color. The genesis for me (on a personal level) was how can we understand this better. Because if we put the facts on the table, and if we break it apart in pieces that we can solve, and if we put our business hats on, we can solve anything.

Corporate America has the capacity to do better. That flashlight, which shines brighter and brighter every year, of being able to see where we are

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and to be unafraid of that and say, OK, now let's work on what we would do differently and making sure that this is not a seasonal commitment.

A lot of companies, when I first started looking at this, it felt like they were doing one-and-done programs. And that's just not the way cultural transformation works. And so, for me, I think it's very personal. I would love to see more gender equity. But I also want to make sure we put a business context and set solutions around that. And instead of just observing the problem, I want it to be part of the solution.

Diane Brady: Alexis, what have you learned over the six years that this study has been going on?

Alexis Krivkovich: Let me share two. The first thing that struck me was the sensation we had that something wasn't working right and something far deeper (unintended but really structural) was at play in creating an un-level playing field at work.

The very first year we did the report, we said, everyone has this sense that this is generational, and the time will come, and just wait and be patient. But does the data actually tell us that? We looked at the data and we ran the numbers.

We said, well, how long will it take at this rate to get parity in the C-suite? How long do we have to wait to get to equity? The answer was 100 years. I thought, OK, my children's children's children. I have three daughters. I don't know how long I can live to see this through.

It felt both deeply devastating and really confirming of what so many of us were feeling. Something is going wrong and we're not intending it, but it's the outcome we're getting. We've got to get underneath and dig in to understand what it is so we can fix it. I mean, no one's going to want to wait three, four generations to see this solved.

Being 'impatient for change' in corporate America

Diane Brady: How do you fix perceptions? I mean, do you feel, Lareina, that the perceptions have changed? Even the gatekeepers, especially at those senior levels, do tend to be white men who may not knowingly be sexist but may not recognize excellence in a form that isn't familiar to themselves.

Lareina Yee: Yes, I do think we are seeing change. Now, broadly across every company in corporate America, and someone listening to this may be saying,

that's not my lived experience, and I would say it is not universal. So, we are seeing pockets. We are seeing some companies, some industries, track a little bit faster. Those are the bright spots you mentioned.

There wasn't language and data in a way to explain any of this before. We weren't talking about "onlys." We weren't talking about microaggressions. Academics fully understood that these were cultural barriers. But it wasn't as commonplace in the workplace, in corporate America, to talk about this.

Every year, there will be a couple of moments where we're sharing our findings with groups of women. And someone will come up to me and say, "Thank you for putting words and numbers against my experience. Thank you for helping me realize I'm not crazy, this is not just me experiencing it, and also giving me some very tangible things I can do to be a better supporter of other women or, if I'm a male leader, how I can actually bridge that gap between intent and results."

It's good that companies are impatient. They're impatient for change. They're impatient for results. That's a healthy tension to have. Our concern, this year, is that we may have a significant step backwards, which will make that 100 years all the more elusive.

Injecting flexibility into the workplace

Diane Brady: Is there, Alexis, any good that can come out of this? Flexibility was one of the things that women did list as being a key component of what they felt was holding them back. How do we turn this into a moment of positive change?

Alexis Krivkovich: Oh, absolutely. The silver lining here is certainly that we have injected into the system a degree of extreme experimentation with flexibility that we've never seen before, nor ever would've thought was possible. It was born out of a humanitarian and health crisis, but what it has created is an experiment that has companies saying, we will never go back.

That's really profound and something that we can capture in a very positive way. And what we mean by we can never go back is 93 percent of companies are saying, we anticipate more flexibility in our workplace environment and allowing people to work from home, sourcing talent from different places, than we did in the past.

We anticipate less business travel. We anticipate the ability for people to work from different locations. And that's hugely important because the number-one thing women stated in the past would make a difference to them in being able to remain competitive and thrive in the workplace was greater flexibility.

So, if we can solve for this, if we can harness this moment, and gain that positive piece out of it, while solving for all of the issues right now that sit around it because we're operating in a pandemic, things like a lack of consistent childcare and eldercare, the increased workload and stress associated with a health crisis that's happening around us—if we can solve for those elements and ride through them, on the other side, you can imagine unleashing a level of flexibility that really allows women to thrive.

Showing up for women of color

Diane Brady: Alexis, talk a little bit about what you've learned that you've adapted in your own behaviors for your career, as a leader.

Alexis Krivkovich: The greatest reflection for me has been how am I, myself, adapting my personal playbook to meet this moment. The piece I worry most about are those informal elements of connectivity and things that build support over time toward sponsorship that would've otherwise, hopefully, occurred in micromoments in the workplace environment that now have to be thoughtfully recrafted in this virtual world. We already know they're not distributed equally in the workplace, that women don't receive as many of those interactions and that support, and, in particular, women of color. But it's especially at risk in this moment.

Sixty-three percent of employees say they feel they are allies to women of color. But when you ask the specific questions about behaviors underneath that, that would suggest that they're supporting women, are they listening to the stories for women of color, that number drops to 41 percent.

Are they taking a public stand on racial equity? That number drops to 29 percent. Do they personally mentor or sponsor a woman of color? 10 percent. That's a profoundly lower execution rate on our aspiration. The biggest reflection has been how can I make sure in my own actions I don't just say I want to be these things, but I show up in my daily moments to be those things.

And then how do I get those around me, maybe those with less awareness, including male colleagues and others who don't have that shared experience to draw upon, to realize that they, too, need to ensure that they're actually making those moments happen?

Diane Brady: Lareina, what about you?

Lareina Yee: I think this concept of work-life balance just has been busted, because there are no formal boundaries between work and your personal life when you're working from home. The silver lining in that is we need to redefine what that looks like. One of the things that we will get to do, going forward out of this pandemic, is define work that's flexible, that allows us the benefits. But right now, we're getting all the flexibility without any of the benefits.

How do we reconstruct how we work so that life is not a trade-off? You're not sitting there deciding between your job and your children, but that all of

that is actually one thing that you're working toward, and that you can be as ambitious as you are in your career aspirations as in your personal and family aspirations. I hope that's one piece that comes out of what has been an incredibly tough year for so many Americans and so many people around the world and workforce.

Alexis Krivkovich: It's the end of a long, long, long day with no boundaries. Like a day where my children, despite the sign that said, "Do not enter for any reason, no matter what," came in here three times during this.

Lareina Yee: Oh, yes, I had someone check in as well. It was so funny. One more thing. For companies, as you think about leadership beyond the COVID-19 pandemic, and when you think about how we steer our companies, so much of the emphasis is on delivering performance results. Out of this research, I hope more and more companies are saying what about also delivering our cultural results at the same level.

Diane Brady: Lareina, Alexis, thank you for joining us.

Alexis Krivkovich: Thank you.

Lareina Yee: Thank you for having us.

Diane Brady: That was Lareina Yee, senior partner, McKinsey's chief diversity and inclusion officer out of San Francisco, and Alexis Krivkovich, senior partner who leads the San Francisco office, and the company's fintech practice in North America. For more information on the *Women in the Workplace* study, go to McKinsey.com. Thank you for joining us. I'm Diane Brady.

Alexis Krivkovich is a senior partner in McKinsey's San Francisco office, where **Lareina Yee** is also a senior partner. **Diane Brady** is a senior editor based in the New York office.

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