

CHAIRE BMO
DIVERSITÉ ET
GOUVERNANCE



Diversifying leadership: an imperative for the sustainability of our economies

IDEAS

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In a few words....

DATA

BARRIERS

LEVERS

ACTIONS



Taking Stock



Representation on boards of directors and management teams - 2021

"companies that have gone public"



Board seats

- Women hold 20% of the seats.
- Visible minorities 7%.
- People with disabilities 0.4% and
- Aboriginals 0.4%.



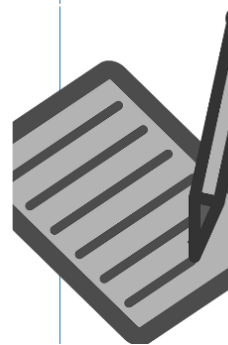
Senior management positions

- Women hold 25% of HD positions.
- Visible minorities 9%.
- Disabled people 0.7%.
- Aboriginals 0.4%.



Board targets

- 18% have set targets for women's representation.
- 4% for members of visible minorities.
- 2% for Aboriginals.
- 2% for disabled people.



Written policies

- 38% have adopted a written policy concerning the search for and selection of female directors.
- On average, 32% for Aboriginals, visible minorities and people with disabilities.



Representations in entrepreneurship

By 2022, at least **18%** of businesses, including SMEs and large enterprises, are majority-owned by women in Canada - Women accounted for 16.8% of SMEs in 2020, up from 15.6% in 2017

By 2022, 2.3% of all private-sector companies in Canada were majority-owned by First Nations, Métis or Inuit (4.9%).

In 2022, immigrants owned 22.2% of all private-sector businesses in Canada - (21.9%)

By 2022, 15.7% of all private-sector companies in Canada were majority-owned by visible minorities (22.3%).



Barriers remain



Employment equity legislation and action do not meet their objectives

Lack of
expertise

Indifference

Resistance

Saba et al., 2022



Risk perception and resistance

THE PERCEPTION OF RISK ASSOCIATED WITH EDI INTERVENTION

Diversity compromises our culture of excellence;

There are no target-group skills in our fields.

Diversity is a zero-sum game

RESISTANCE

Focus on recruitment and forget the rest

Microaggressions - making discrimination more subtle



Challenges for Women Entrepreneurs

Financing

Address systemic barriers to lending; the average amount of financing authorized for male-owned businesses is around 150% higher than for female-owned businesses.

Venture capital - meeting supply and demand

Alternatives - (participatory financing, community financing, micro-loans, grants, loans, etc.)

Customers

Procurement as a strategic lever - public and private sector

Meeting supply and demand

Incubators and accelerators

Women's needs are different in terms of services and processes

Entrepreneurial skills

58 post-secondary institutions offer entrepreneurship-related degrees at all levels, with an average of 22 courses per institution. focused on entrepreneurship

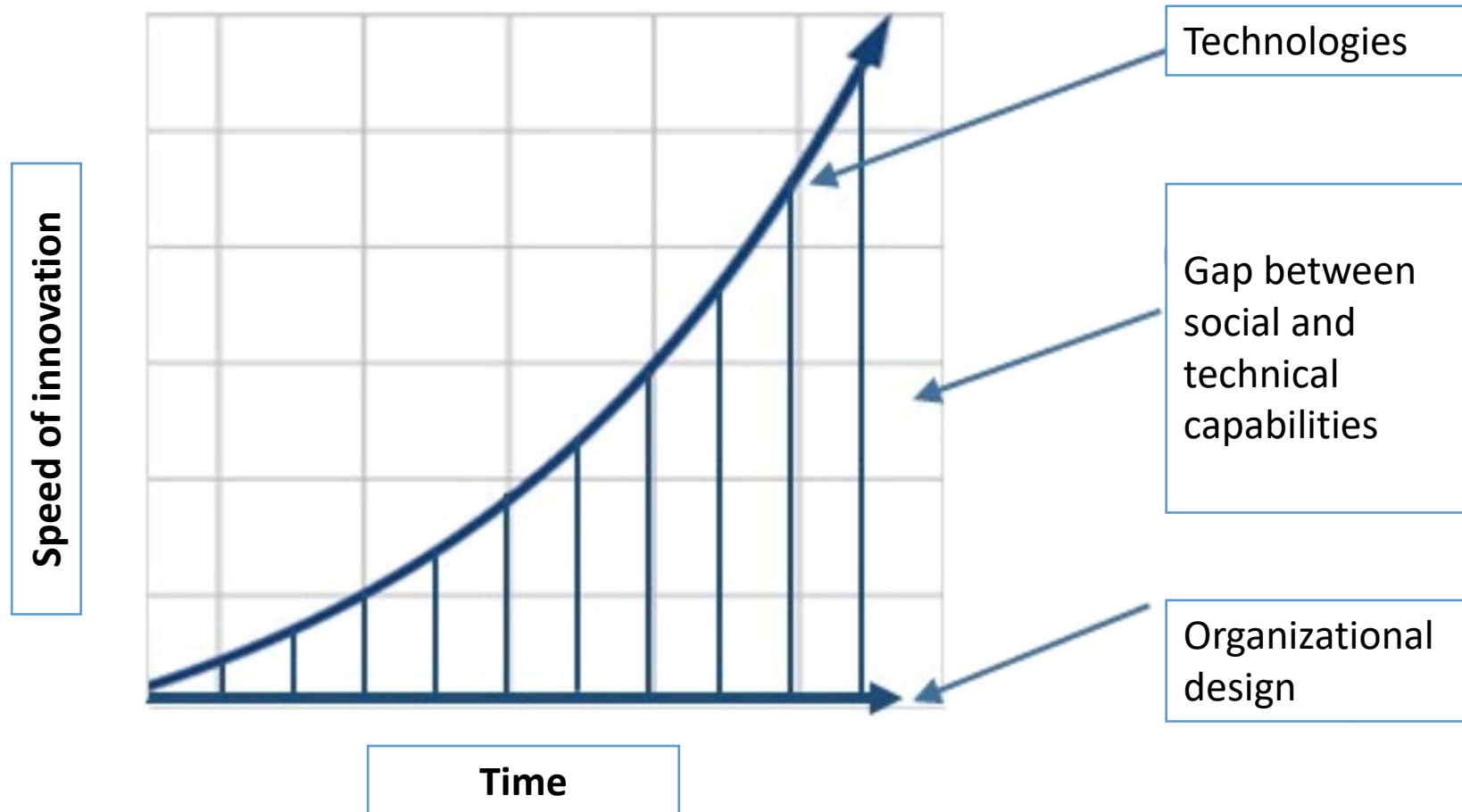
Little attention paid to women in content or pedagogy



Promising levers



Transformations in employment systems



Source: Pasmore et al., 2018



Towards new values in organizations?

"The transition to a better balance between market values and the values of more humane and sustainable societies is well underway in the financial markets;" says Carney. However, this transition may not go smoothly and will require clear and strong policies from governments." Le Devoir, Economics, February 19, 2021

The United Nations in the lead

SUSTAINABLE DEVELOPMENT GOALS



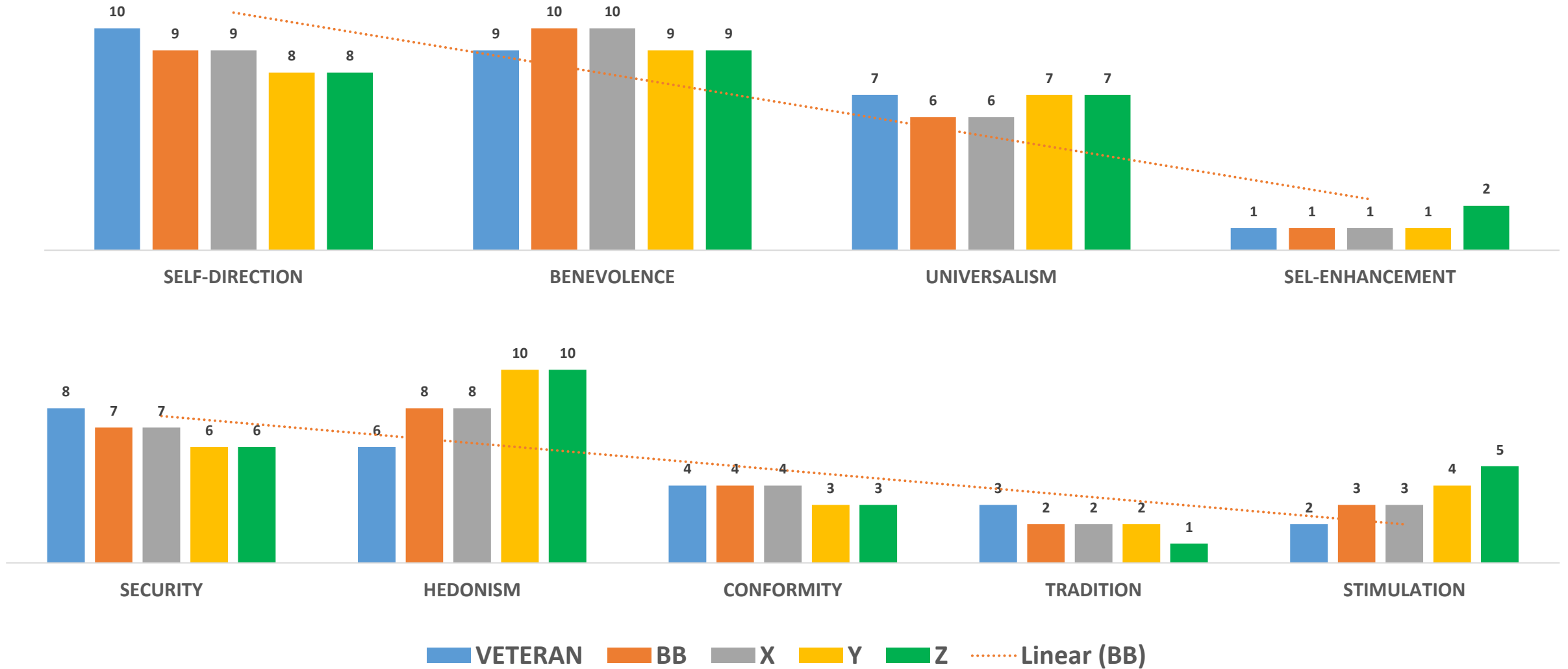
ESG factors

- Impact on the environment and climate
- Corporate culture
- EDI management
- Business processes and practices

CDPQ, 2021



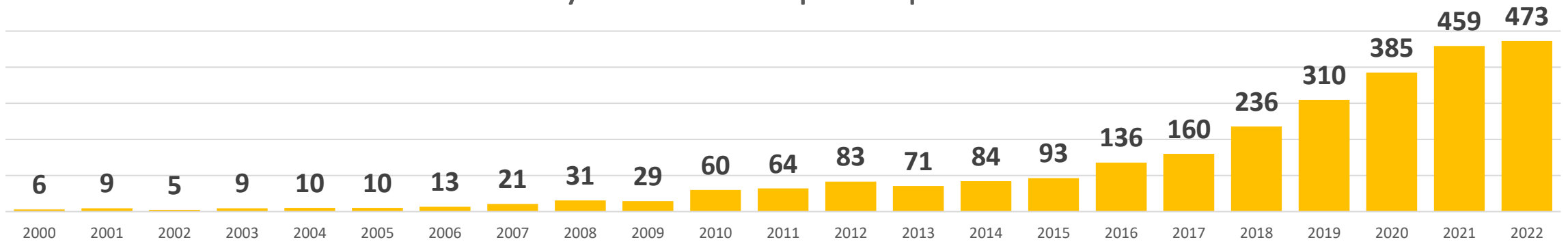
A shift in work values?





Evidence on the impact of leadership diversity

Scientific publications : Diversity in leadership and performance



Source: Research in WEB of Science, 2022

More diverse leadership

Improving governance mechanisms

Improving social and environmental performance

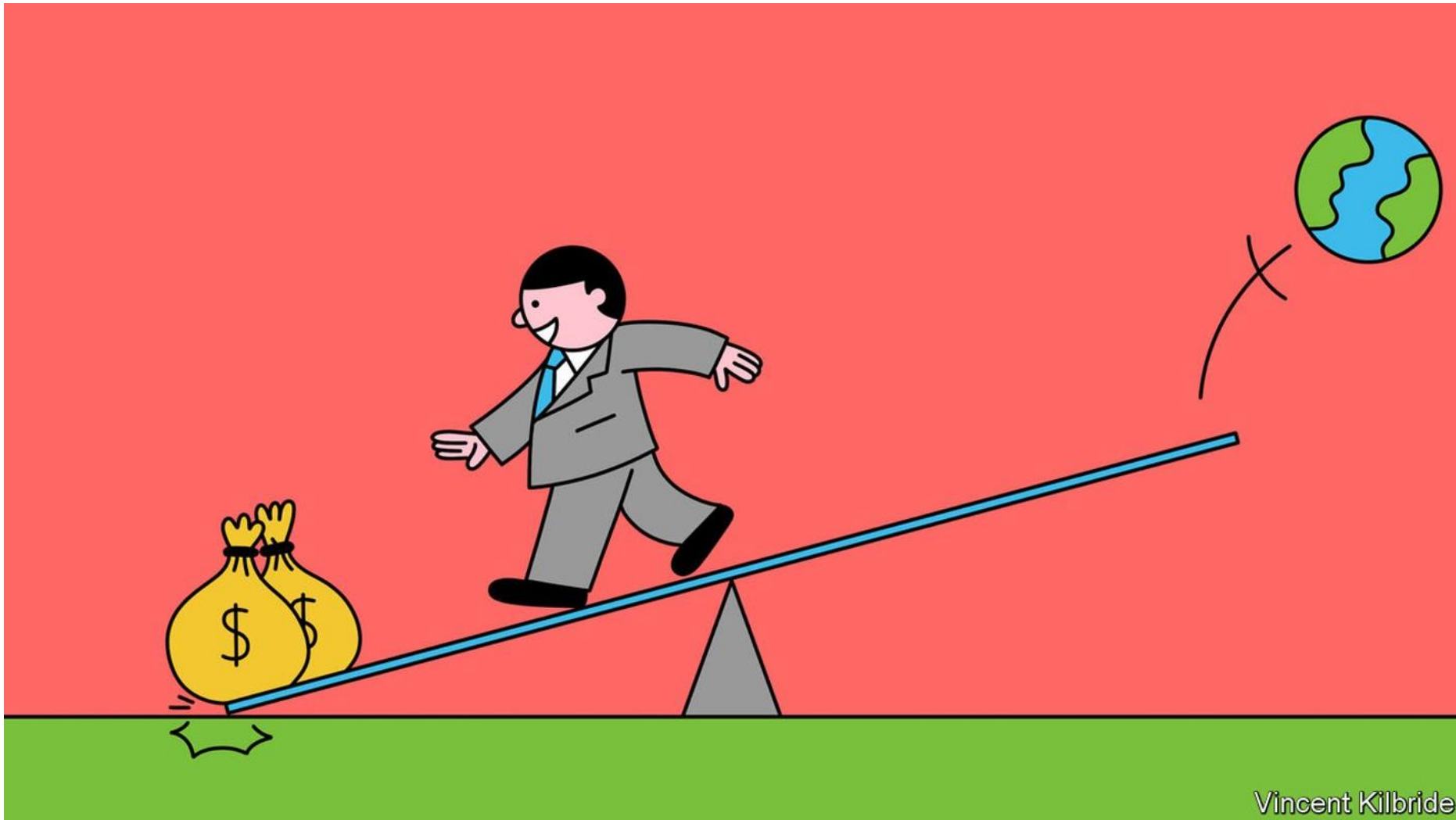
Strategic decisions to improve the transparency of CSR information

Improved confidence and climate of inclusion - individual experience of people with diverse profiles

Greater perception of fair treatment, which fosters commitment and behavior in favor of diversity



And yet.....



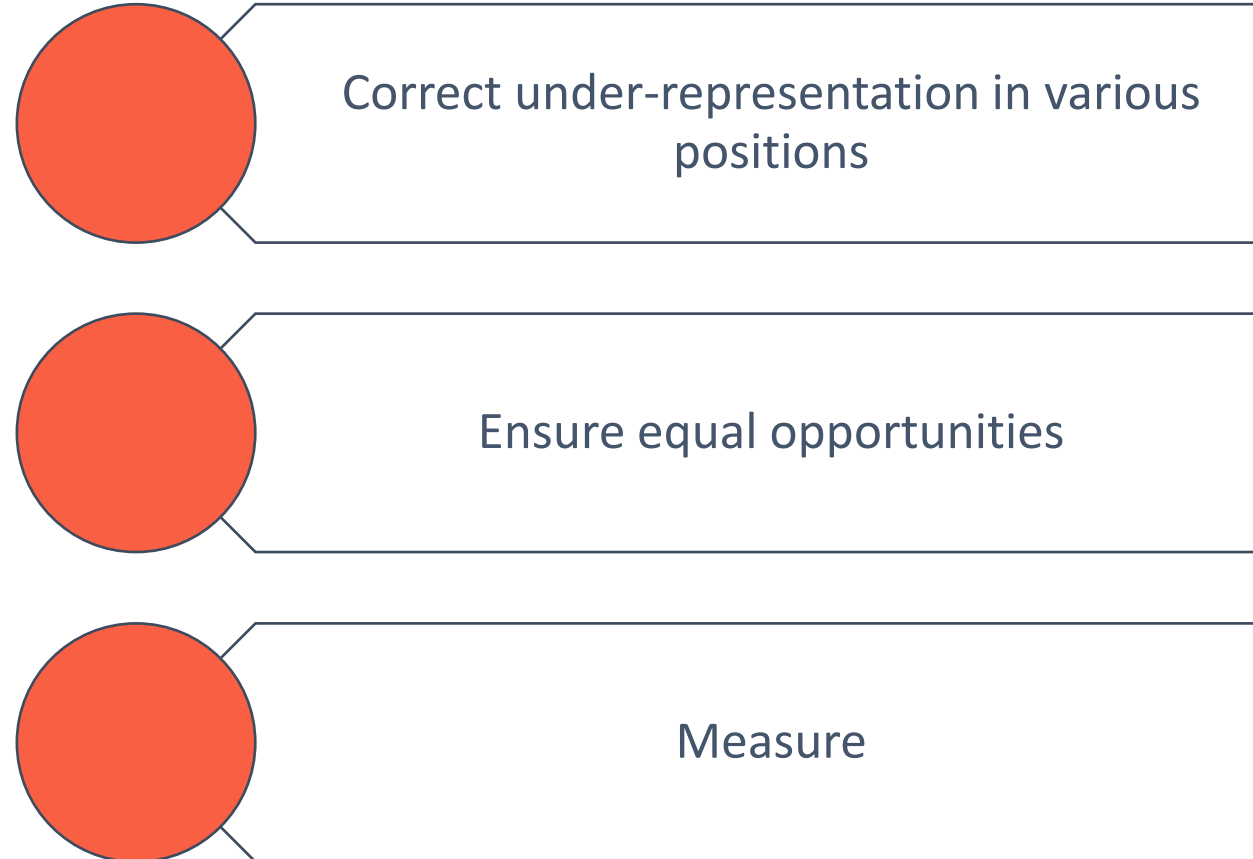
The Economist, September 29, 2022



How to take action?



EDI intervention corrects but does not exclude... and must make systems fairer





A coherent approach for diversity in leadership

**Leadership and
governance**

**Management
processes**

Culture and values

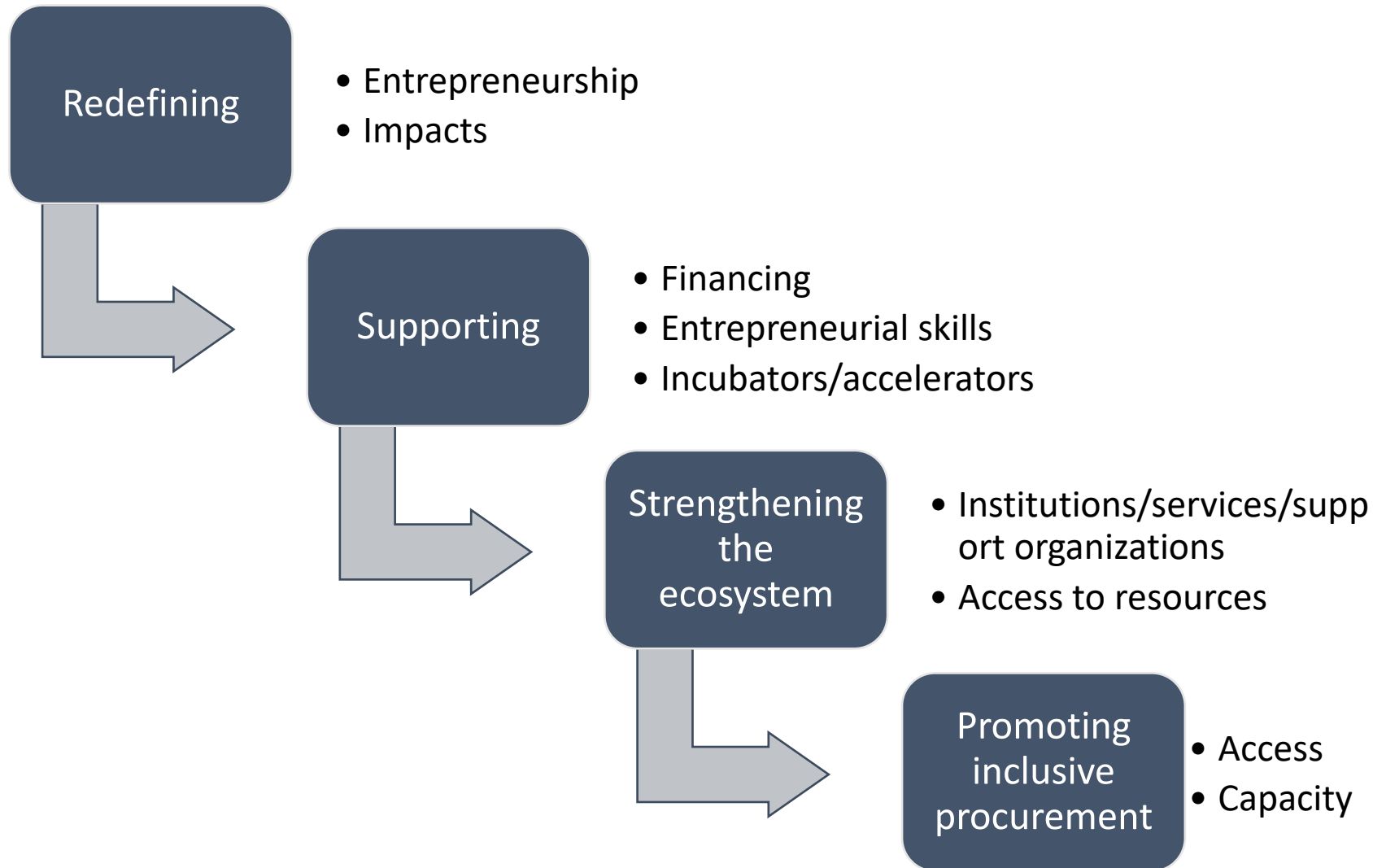
**Diversification of
candidate pools**

**Diversity in the value
chain**

**Measurement and
monitoring**



An ecosystemic approach in entrepreneurship





A few references

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- Women entrepreneurship knowledge Hub : www.wekh.ca