

The Evolution of Women in Leadership

An analysis of effective leadership skills



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CREW Network Members and Industry Executive Leaders

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2012 CREW Network Industry Research Committee

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Executive Summary

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Theories abound as to why more women are not in leadership positions. Facebook's Chief Operating Officer Sheryl Sandberg has come under fire for her claim that there is a "leadership ambition gap" between working men and women. Others say that women have a reluctance to compete. And yet others point to unconscious bias in the workforce as what is keeping women from leadership positions.

For as many reasons that exist as to why women are not occupying more leadership positions, there are an equal number of studies showing that women, in general, have the "right stuff" – they exhibit the leadership behaviors that positively

impact a company's organizational and financial performance. Whether women are holding themselves back or being stymied by outdated cultures, the fact remains that women make effective leaders.

In an effort to better understand the leadership behaviors that women in the commercial real estate industry do or do not exhibit, CREW Network randomly surveyed 234 of its female members and 16 executive level women using the Leadership Potential Indicator (LPI) assessment tool developed by MySkillsProfile (MSP). The LPI is based on a synthesis of the literature on transformational leadership, including the work



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of Bernard Bass, Jim Collins and David Bartram. It is designed to help individuals in positions of management and leadership identify their current areas of competency and focus their efforts to develop leadership skills.

CREW Network analyzed the participants' assessment results in terms of five subsets: members with one to 14 years of experience in commercial real estate, members with 15 to 25 years of experience, members with more than 25 years of experience, all members and the 16 executive level women.

Regardless of the subset analyzed, some very specific trends emerged both in terms of the competencies where participants scored the highest and those where they scored the lowest.

Leadership Competencies

When analyzing the results of the 234 CREW Network members as a whole, the average highest ranked competency was **Monitoring Quality**, followed closely by **Focusing on the Business**. The average highest ranked competency for the 16 executive level women was **Persuading and Influencing**, followed by **Meeting Customer Needs** and **Communicating**.

Interestingly, the highest rankings of the randomly selected women seem to support the areas the executive level women ranked highest. **Monitoring Quality** impacts how the executive meets customer needs. **Focusing on the Business** helps the executive to communicate the best information to board members and constituents, which can impact one's ability to persuade and influence.

In terms of the average lowest ranked competencies, the results from the random sample of CREW Network members and the 16 executive women were nearly identical. Not unlike the findings of CREW Network's industry benchmark study, both groups ranked lowest in the area of **Taking Risk**. However, it was the second lowest ranked competency that proved surprising. Both groups ranked next to the lowest in the area of **Relating and Networking**, which begs the question, does this account for the lack of female mentors and sponsors?

Leadership Styles

When assessing the leadership style of this study's participants using David Bartram's (2009) four functions of leadership (**Developing the Vision**, **Sharing the Goals**, **Gaining Support** and **Delivering Success**), once again some clear trends emerged.

Developing the Vision

In terms of **Developing the Vision** – the strategic side of leadership – 64% of the CREW Network member group exhibited what is termed the **Modernizer** approach. As the name implies, Modernizers challenge the old order and its way of doing things. Modernizers are planners; they combine competencies in managing change and planning and organizing to develop a specific vision for organizational change with a plan outlining milestones for implementation. Eighty-two percent of the executive women surveyed also ranked as Modernizers.



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Sharing the Goals

When it comes to sharing information and building understanding among constituents, 66 % of CREW Network participants and 82% of executive women participants were categorized as a **Director** – that is, they use strong leadership and communication skills to build understanding and ownership of the organization’s vision and objectives. This group’s strong interpersonal skills enable these leaders to “inspire, persuade and cajole” employees to embrace and meet goals.

Gaining Support

Building support for change can be one of the most challenging areas for many leaders. While one level of leadership may embrace the change, there may be other employees who feel threatened by the change and the implications it may have for them personally. This “fear” can derail progress. In this situation, leaders must possess strong interpersonal skills to address concerns or resistance to change and build trust in order to successfully operate. Both groups ranked highest (62% of CREW Network respondents and 82% of executive women respondents) in the category of **Catalyst**. This type of leader is able to increase the rate of change in an organization because she is a “people-oriented innovator.” Leaders in this category are described as “creative” and “empathetic,” which enables them to effectively deal with the concerns of their colleagues and employees, as well as resistance to change.

Delivering Success

The final leadership function identified by Bartram is **Delivering on Success**, which is described as requiring a combination of careful planning and energy, and dedication and commitment. Once again, the results of CREW Network members and the executive level women were similar, with 78% and 88%, respectively, ranked as **Corporate Managers**. They understand the importance of achieving corporate objectives, targets and deadlines to advance the organization. Corporate Managers are used to operating in large organizations where initiatives are usually planned by groups of people. They operate in a systematic and organized manner. For leaders in this category, working in a fast-moving environment where “decisions need to be made on instinct and intuition and without the support of committees and steering groups,” can be unsettling.

With tools such as the LPI assessment and the extensive research done by organizational and behavioral institutions, women and men today have access to many resources intended to support their leadership growth and effectiveness. However, changing one’s behavior is an intensely personal decision and often difficult to accomplish. Unfortunately, the failure to initiate an honest self-assessment of one’s behaviors and practices and how they impact others, or do or do not reflect the culture of one’s workplace, may lead to career dissatisfaction and even failure.

Research clearly indicates that women have both the potential and ability to be effective leaders, but like anything else, leadership requires flexibility. Effective leaders are those who regularly assess the qualities they bring to their organization in terms of the ever-changing demands of business, and are able to adapt to meet these demands.



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In 2011, CREW Network published “Success and Satisfaction of Women in Commercial Real Estate: Retaining Exceptional Leaders,” which explored three key findings from CREW Network’s 2010 industry benchmark study: (i) men enjoy a higher degree of career satisfaction than women; (ii) women in the industry, other than those in property management, feel less successful in their careers than their male counterparts; and (iii) an individual’s relationships within an organization are an important factor in influencing success and advancement. The paper discussed issues related to success and satisfaction in the workplace in an effort to encourage organizations to develop and implement plans to retain and promote women among their ranks.

As part of its continued exploration of the advancement of women in commercial real estate, CREW Network decided to explore the leadership traits embodied by a cross-section of female commercial real estate professionals and compare them to those traits exhibited by women at the most senior levels of the industry. The objective of this paper is to assess the effectiveness of the exhibited leadership traits and determine whether a model for leadership naturally emerges.

CREW Network invited 900 of its female members from all regions of North America, and representing varying years of experience within the real estate industry, to take the Leadership Potential Indicator (LPI) questionnaire. The LPI measures aspects of an individual’s leadership style through a series of questions about behaviors, attitudes and reactions in and to various management and leadership situations. The questionnaire measures leadership level, style and competencies by examining 20 characteristics

related to managing change, planning and organizing, interpersonal skills, results orientation and leadership:¹

- Initiating Change
- Taking Risks
- Creating and Innovating
- Adapting to Change
- Analyzing and Interpreting
- Making Decisions
- Planning and Positioning
- Monitoring Quality
- Communicating
- Listening and Supporting
- Relating and Networking
- Team Working
- Achieving Goals
- Meeting Customer Needs
- Focusing on the Business
- Learning and Developing
- Persuading and Influencing
- Motivating and Empowering
- Coaching Others
- Coping with Pressure

The LPI evaluates each respondent in four key leadership areas: *Developing the Vision, Sharing the Goals, Gaining Support and Delivering Success.*²

The purpose of the assessment is to “increase the individual’s understanding of what it takes to be a successful leader, identify the individual’s current leadership level, style and competencies, and help improve the individual’s ability to be a creative and effective leader.”³

¹ <http://www.myskillsprofile.com/tests/lpi>.

² Ibid.

³ Ibid.



Introduction

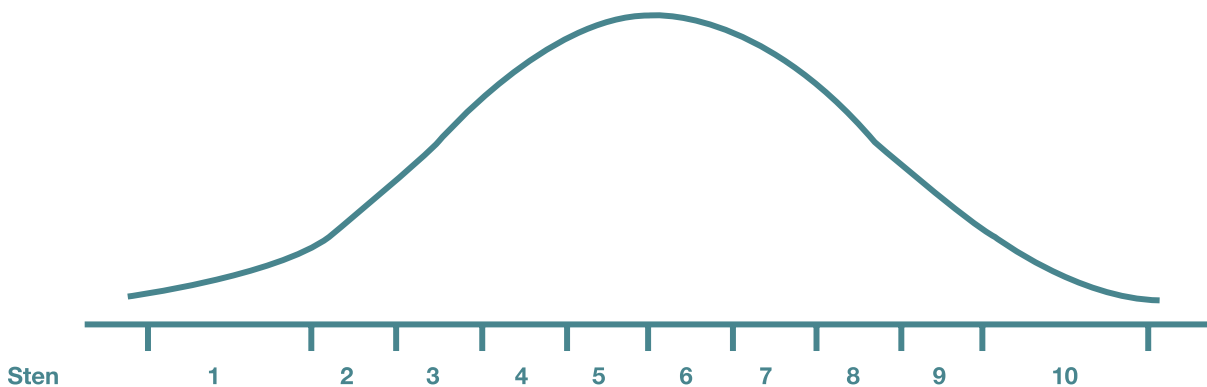
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Two hundred and thirty-four CREW Network members completed the questionnaire. Seventy respondents had between one and 14 years of experience in commercial real estate, 78 had between 15 and 25 years of experience, and 86 had more than 25 years of experience. In order to compare its members to senior women in the industry, CREW Network secured the participation of 16 women in executive level management positions to complete the LPI assessment.

The questionnaire produces a profile of an individual's strengths and weaknesses by comparing her scores to an international group

of more than 10,000 people in management and leadership positions. The scores are reported on a ten-point scale known as the Standard Ten ("Sten") scoring system, which is commonly used with personality questionnaires. The system uses a scale that is divided into ten (10) units, with a mean of 5.5. Each unit has a band width of half a standard deviation, other than the highest unit (Sten 10), which extends from two standard deviations above the mean, and the lowest unit (Sten 1), which extends from two standard deviations below the mean:⁴

⁴ <http://www.psychometric-success.com/apititude-tests/percentiles-and-norming.htm>.



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Sten	Percentile Meaning	Level	Competence
8-10	A score of 8 is higher than about 90% of the comparison group	5	Very well-developed competency/outstanding
7	A score of 7 is higher than about 75% of the comparison group	4	Well developed competency/emerging strength
5-6	A score of 5 is higher than about 40% of the comparison group	3	Moderately well developed
4	A score of 4 is higher than about 25% of the comparison group	2	Less developed competency/embryonic skill
1-3	A score of 3 is higher than about 10% of the comparison group	1	Least developed competency/possible flaw

Courtesy of MySkillsProfile Leadership Potential Indicator

Sten scoring enables results to be assessed in terms of bands of scores, rather than absolute scores. “These bands are narrow enough to distinguish statistically significant differences between candidates, but wide enough not to over emphasize minor differences between candidates.”⁵ Sten scores of 5 or 6 are average, while scores of 4 or 7 are, respectively, slightly below or slightly above average and are sometimes termed low-average and high-average.⁶ Scores of 8, 9 and 10, are considered to be high, very high and extremely high, respectively. Similarly, scores of 1, 2 and 3 are considered to be extremely low, very low and low.⁷

CREW Network recorded respondents’ Sten scores in each of the 20 competencies and calculated the average Sten score for each of the three groups, thereby highlighting the leadership competencies in which CREW Network member respondents ranked highest and those in which they ranked lowest.

The LPI questionnaire also provides insight into an individual’s management/leadership style and competencies across the four functions of leadership identified by Dave Bartram:

- **Developing the Vision:**
The strategy domain
- **Sharing the Goals:**
The communication domain
- **Gaining Support:**
The people domain
- **Delivering Success:**
The operational domain.

CREW Network compared the data regarding these functions across the three respondent categories.

This report is a summary of the data gleaned from the LPI assessments and a comparison of the leadership traits of the CREW Network member sample group and the executive-level sample group.

5 Ibid.

6 <http://www.15fq.com/15FQ/scoring/stenScores.html>.

7 Ibid.



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Women constitute about 47% of the workforce in the United States,⁸ holding just over 51 % of professional, management and related positions⁹ and 34 % of senior management positions.¹⁰ Although the number of women serving as chief executive officers of *Fortune* 500 and *Fortune* 1000 companies has risen over the years, only 4.2% of *Fortune* 500 and *Fortune* 1000 chief executive officers are female.¹¹



Sources

Catalyst Research (2012).
Catalyst, 2012 Catalyst Census: Fortune 500 Women Board Directors (2012).
Catalyst, 2012 Catalyst Census: Fortune 500 Women Executive Officers and Top Earners (2012).
Bureau of Labor Statistics, 2011 Current Population Survey, "Table 11: Employed Persons by Detailed Occupation, Sex, Race, and Hispanic or Latino Ethnicity" (2012)
Bureau of Labor Statistics, 2011 Current Population Survey, "Table 18: Employment Status of the Civilian Noninstitutional Population by Age, Sex, and Race" (2012).

Men continue to run most institutions in the United States, be they political, corporate, academic or religious. Only 8.1% of top earners,¹² 14.3% of *Fortune* 500 executive officers, 16.6 % of *Fortune* 500 board directors, and, as noted above, a tiny fraction of *Fortune* 500 chief executive officers, are

- 8 Bureau of Labor Statistics, Current Population Survey, "Table 3: Employment Status of the Civilian Noninstitutional Population by Age, Sex, and Race," Annual Averages 2011 (2012).
- 9 Bureau of Labor Statistics, Current Population Survey, "Table 11: Employed Persons by Detailed Occupation, Sex, Race, and Hispanic or Latino Ethnicity," Annual Averages 2011 (2012).
- 10 The Sponsor Effect: Breaking Through the Last Glass Ceiling, Sylvia Ann Hewlett, Kerrie Peraino, Laura Sherbin and Karen Sumberg, Harvard Business Review, January 12, 2011.
- 11 <http://www.catalyst.org/knowledge/women-ceos-Fortune-1000>.
- 12 2012 Catalyst Census *Fortune* 500 Women Executive Officers and Top Earners, Catalyst, December 11, 2012.

women.¹³ In 2011, women represented 31.9% of all lawyers, and 45.4 % of all associates, but only 19.5% of all partners.¹⁴ In the real estate industry, 19% of board directors and 12.2% of executive officers are women.¹⁵

Despite the statistics, the research highlights the positive impact that women leaders can have on an organization and shows a link between women in senior leadership roles, both as executives and

board members, and enhanced organizational performance. On average, companies with the highest representation of women in top management positions experienced better financial performance than those with the lowest (i.e., a 35% higher return on equity and a 34% higher total return to shareholders).¹⁶

A 2007 study by McKinsey & Company demonstrated a link between the presence of women on corporate management teams and a company's organizational and financial performance.¹⁷ A follow-up study revealed that "the leadership behaviors more often applied by women reinforce a company's organizational performance in several dimensions....," behaviors that "...will be critical in meeting the expected challenges companies face over the coming years."¹⁸

- 13 Statistical Overview of Women in the Workplace, Catalyst, October 17, 2012.
- 14 Ibid.
- 15 2012 Catalyst Census: *Fortune* 500 Appendix 8 - Women's Representation by NAICS Industry, December 11, 2012.
- 16 Catalyst Pyramid: U.S. Women in Business, Catalyst, 2012.
- 17 Women Matter: Gender Diversity, a Corporate Performance Driver, McKinsey & Company, 2007.
- 18 Women Matter 2, McKinsey & Company, 2008.



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In 1990, Bernard Bass and Bruce Avolio, behavioral scientists specializing in leadership management, identified 11 leadership behaviors seen in the corporate world: “participative decision-making,” “role model,” “inspiration,” “expectations and rewards,” “people development,” “intellectual stimulation,” “efficient communication,” “individualistic decision making,” “control and corrective action,” “passive management by exception” and “laissez-faire.”¹⁹ McKinsey & Company matched these behaviors with its own criteria of organizational performance (“direction,” “accountability,” “coordination and control,” “external orientation,” “leadership team,” “innovation,” “capabilities,” “motivation” and “work environment and values”),²⁰ and discovered that all of the Bass-Avolio behaviors except for “passive management by exception” and “laissez-faire” have a positive effect on an organization’s performance.²¹

A study by Alice H. Eagly based on the research of Bass and Avolio²² found that women exhibit certain of these behaviors - “role model,” “expectations and rewards,” “people development,” “inspiration” and “participative decision-making” - more often than men, particularly the first three behaviors, which serve to reinforce the “work environment and values,” “accountability” and “leadership team” dimensions. Men, on the other hand, employ “control and corrective action” and “individualistic decision making,” behaviors that tend to

reinforce “coordination and control” and “external orientation,” more often than women. This partly explains the finding noted above that companies with more women in senior management positions score higher, on average, on their organizational performance criteria than companies without women in such positions. “Moreover, the gap increases significantly once a certain critical mass is attained, i.e., at least three out of ten board members are women.”²³

McKinsey & Company has identified four behaviors that will play an important role in the ability of a company to meet today’s global challenges: “inspiration,” “participative decision making,” “expectations and rewards” and “intellectual stimulation.”²⁴ They discovered that “intellectual stimulation” is a gender-neutral behavior, while women exhibit the first three traits more frequently than men. This underscores the need for companies to increase the number of women who hold senior management positions, thereby promoting diversity of leadership behaviors.

Through many years of research, Jack Zenger and Joseph Folkman, experts in the field of leadership development, have identified 16 competencies that top leaders demonstrate most often: “takes initiative,” “practices self-development,” “displays high integrity and honesty,” “drives for results,” “develops others,” “inspires and motivates others,” “builds relationships,” “collaboration and teamwork,” “establishes stretch goals,” “champions change,” “solves problems and analyzes issues,” “communicates powerfully and prolifically,” “connects the group to the outside world,” “innovates,” “technical or professional expertise”

19 Bass & Stogdill’s Handbook of Leadership: Theory, Research, and Managerial Applications, 3rd edition, Bernard M. Bass, 1990. Developing Transformational Leadership: 1992 and Beyond, Bernard M. Bass and Bruce J. Avolio, 1990.

20 Women Matter 2, McKinsey & Company, 2008.

21 Ibid.

22 Transformational, Transactional and Laissez-Faire Leadership Styles, Alice H. Eagly, Mary C. Johannesen-Schmidt, Marloes L. van Engen, 2003.

23 Women Matter 2, McKinsey & Company, 2008.

24 Ibid.

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and “develops strategic perspective.”²⁵ At all leadership levels, women outscored men in the first 12 competencies listed above. Interestingly, two of the behaviors where women outscored men to the highest degree (i.e., “takes initiative” and “drives for results”) have been considered traditional male strengths. Men outscored women significantly in only one trait - “develops strategic perspective.”²⁶

Sally Helgesen, another expert in the field, has written that “women are comfortable with direct communication, relationship-building, diversity and emotional intelligence - skills that are highly desirable and required of today’s leaders.”²⁷ She notes, for example, that technology requires direct communication, while developing strong relationships is essential in order to motivate one’s employees and connect with customers and stakeholders.²⁸ As a result, women will have the ability to influence the organizations of which they are a part if they begin to recognize and develop their distinctive strengths instead of conforming to a leadership style exhibited by their male colleagues.



25 http://blogs.hbr.org/cs/2012/03/a_study_in_leadership-women_do.html, Jack Zenger and Joseph Folkman, Are Women Better Leaders than Men?, March 15, 2012.

26 Ibid.

27 <http://www.humanresourcesiq.com/business-strategies/articles/7-characteristics-of-women-leaders>, Sally Helgesen, 7 Characteristics of Women Leaders, January 14, 2011.

28 Ibid.

Chapter I

CREW Network Members

CREW Network averaged the Sten scores of its member sample group in each of the 20 leadership competencies in order to determine the areas in which the group scored highest and lowest. This sample group rated highest for the following competencies:

- **Monitoring Quality (6.96)**
- **Focusing on the Business (6.94)**
- **Analyzing and Interpreting (6.93)**

Overall, the members with 15 to 25 years of industry experience recorded the highest Sten scores. That group of members had the highest average score for **Monitoring Quality** (7.12), while those with one to 14 years of experience had the lowest score for that competency (6.83). Similarly, with respect to **Focusing on the Business**, the 15 to 25-year group again scored highest (7.21), while the one to 14-year group scored lowest (6.57).

It is interesting that although these three competencies are important to individual career and organizational development goals, none focuses on fostering the development of others. People who have high scores in these three competencies have a tendency to be people-pleasers rather than risk takers and motivators.

The group's average scores are characterized by the LPI assessment tool as "high average," meaning that with respect to **Monitoring Quality**, for example, these individuals are considered to display as much attention to quality and detail as the average manager and display a quality focus in some situations, but not others. Those who rank high in this competency are considered to have high standards and "get things done right the first time," but also display negative behaviors such as

altering the work of others unnecessarily and being seen by others as inflexible and uncompromising. Conversely, those who score in the lower ranges are described as allowing others to make mistakes and are considered easy to work for, but are themselves more likely to make mistakes in the detail, leave problems for others to sort out and lose customers.

Those who score high (a Sten score of 8-10) in **Focusing on the Business** are described as showing commercial and business acumen. They set stretch targets, manage money effectively and maximize profitability. Negative behaviors of this group include ignoring other important aspects of the business, such as management and marketing. Those who score low in this competency are described as showing little awareness of how to manage the business. These individuals tend to focus on other management issues such as people and service quality, but tend not to manage money well and run over budget.

Those who score high in **Analyzing and Interpreting** are described as excelling in the analysis of issues and information, and thinking systematically and logically. These individuals are able to home in on key issues and make logical and rational decisions. However, these high scorers do not use the right side of the brain, find it hard to act spontaneously and are slow to take action when there is little information to go on. Those who score low in this category tend to operate on instinct and feel, and can jump to conclusions, misdiagnose problems and be perceived as superficial.

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As a whole, this sample group scored lowest on the following competencies:

- Taking Risks (5.53)
- Relating and Networking (5.63)
- Motivating and Empowering (5.98)

Within each of the three categories of experience, CREW Network members consistently averaged the lowest or next to the lowest score in **Taking Risks**. The average Sten for those with one to 14 years of experience was 4.94, the lowest score for any competency in the assessment. In the 15- to 25-year group, the average score was 5.6 and in the group with more than 25 years of experience the score was 5.93. One could surmise that as professionals gain experience in the industry, they are more open to risk-taking. However, an individual's ascension to the senior level of management may be delayed if she is "slow to start" and lacks the confidence early on in her career to engage in the risk-taking that would help her make a name for herself.

The sample group, as a whole, scored lowest in the area of **Relating and Networking**, with members in the one- to 14-year segment (those who should be actively engaged in networking and building relationships) ranking the lowest (5.54) among the three groups. The average score for this competency increased to 5.51 in the 15- to 25-year group and a high of 5.8 in the 25+-year group.

When looking at the averaged scores of the sample group as a whole, the Sten scores for each of these three competencies would be characterized as "average."

According to the LPI assessment metrics, those who score high on **Taking Risks** will take risks to create business opportunities, bend or interpret rules flexibly and challenge the status quo. Negative implications for this behavior include taking unnecessary risks, causing problems and difficulties, and being seen as a maverick. Those who score low for this competency are seen as a "safe pair of hands," but tend to be resistant to change, interpret rules rigidly and are seen as "steady plodders."

With regard to **Relating and Networking**, those who score high for this competency are described as building effective relationships and keeping people in the loop. They are able to develop strong working relationships, can build rapport quickly and are seen as being warm and friendly. Unfortunately, these high scorers have a tendency to gossip about people, may feel lonely in leadership positions and may ignore the tasks at hand. On the other end of the spectrum, those who score low for this competency tend to neglect relationships and operate better independently. These individuals are generally reserved and tactful, but do not take time to build relationships or communicate information and are seen as being aloof and unsociable.

While those who score high for the competency **Motivating and Empowering** are generally viewed favorably, problems can arise when these leaders assume others will do what they expect. They are perceived as too trusting and team members do not deliver required outcomes. Those who score low in this area typically do not trust people to do the right thing. While they keep tight control, direct all work and are task oriented, they lack the ability to motivate and inspire others and are seen as control freaks, both of which drive employees to leave.



Chapter I

CREW Network Members

Overall, the group's average score for each of the competencies is what the assessment tool characterizes as average to high average. It is important to stress that these scores are based on the group's average. There were many instances where individuals scored in the higher and lower ranges. As with anything, too much of a good thing can have its downside, as can too little. The key to being a successful leader is having the self-awareness to evaluate objectively one's behavior and the flexibility to amend it as the situation requires.

Leadership Style

As noted previously, the LPI examines a respondent's competence for the four leadership functions identified by Dave Bartram (*Developing the Vision, Sharing the Goals, Gaining Support and Delivering Success*). Within each of these functions, an individual's LPI scores place her in one of four categories that define the leadership style she employs for that particular function.

Developing the Vision

In this category, the majority of CREW Network member respondents (64%) rank as **Modernizers**. These individuals are described as good planners and organizers who tend to challenge the status quo. They develop a specific vision for organizational change and set benchmarks to achieve that vision.²⁹ Twenty percent of the group's respondents are **Implementers**, individuals who have the ability to set up, schedule and track projects, define tasks and manage resources, but tend to not have the vision to generate new

ideas.³⁰ Eleven percent of this sample group are categorized as **Originators**, creative types who can generate ideas, but who but “lack the planning and organizational skills to translate concepts and ideas into firm proposals for change,”³¹ while 6% are **Traditionalists**, people who “are more comfortable in stable organizations that utilize tried and tested technologies.”³²

Sharing the Goals

The majority of respondents (66%) rank as **Directors**. Directors tend to exhibit those strong interpersonal skills that are needed to inspire and persuade others. The number of **Directors** increases along with years of experience. In the 1- to 14-year category, 54% are **Directors**, while in the 15- to 25-year and 25+-year groups, the number increases to 71% and 72%, respectively. Fifteen percent are **Followers**. These individuals tend to be reserved and unwilling “to exercise leadership and control.”³³ The remaining 18% of these respondents is split evenly between **Presenters**, people with “strong oral communication skills [and an ability] to communicate the vision,”³⁴ and **Regulators**, those who are good at “setting the direction of travel and exercising control but [who] lack the ability to share the vision, goal and objectives with others.”³⁵

29 LPI Leadership Challenge Report, 6.

30 Ibid.

31 Ibid.

32 Ibid.

33 Ibid, 7.

34 Ibid.

35 Ibid.



CREW Network Members

Gaining Support

The majority of respondents (62%) rank as **Catalysts**. This percentage increases substantially between the 1- to 14-year segment (49%) and the 15- to 25-year segment (69%), but then levels off at 68% for those with 25+ years of experience. **Catalysts** are described as individuals who “increase the rate of change in an organization because they are people-oriented innovators.”³⁶ One explanation for the exponential leap at the 15-25 year category could be that this is often the point in one’s career where professionals are leading teams and supervising more direct reports. Professionals who are in the management layer below the C-Suite must have the ability to effectively engage and communicate both with those above and below them in the corporate hierarchy. **Adapters** (“managers who are most comfortable implementing change programs initiated by other managers”³⁷) represent 13% of this group. **Explorers**, who “thrive on change and enjoy venturing into new territories,”³⁸ and **Defenders**, who tend to be “slightly more resistant to new ideas and initiatives, particularly those brought about by new technology,”³⁹ each represent 12% of this group.

36 Ibid, 8.

37 Ibid.

38 Ibid.

39 Ibid.

Delivering Success

The majority of CREW Network respondents (78%) fall within the category of **Corporate Managers**, individuals who are “used to operating in large organizations where new initiatives tend to be planned by groups of people. They understand the importance of achieving corporate objectives, targets and deadlines in order to advance the organization.”⁴⁰ Ten percent of respondents are categorized as Individual **Contributors**, those who like to operate on their own, without decisions being made by committees, particularly “outside or on the fringes of traditional management structures.”⁴¹ The remaining 12% of this group is divided evenly between **Planners** and **Steady Workers**. The former “specialize in scheduling the implementation of new business processes and systems [and] are at home working in corporate environments where decisions are taken in groups and alterations are subject to change control procedures,”⁴² while the latter “work reliably and steadily and make systematic progress towards their goals over a long period of time.”⁴³

40 Ibid, 9.

41 Ibid.

42 Ibid.

43 Ibid.



Chapter 2

Executive Level Women

As a basis for comparison, CREW Network identified 16 executive level women (both from within and outside the CREW Network organization) to take the LPI survey, and averaged the group's scores as it did for the sample group of 234 CREW Network members. The highest scored competencies for the executive level women painted a slightly different picture than those of the larger sample group:

- Persuading and Influencing (7.63)
- Communicating (7.38)
- Meeting Customer Needs (7.38)

The fact that the executive women had the highest scores in these areas seems logical, as one would assume that good communication skills and the art of persuading and influencing become even more critical to success as an individual works her way up the corporate ladder. The LPI metrics describe an individual who scores high for **Persuading and Influencing** as one who “has presence and authority, enjoys being in charge, [and] takes [the] lead.”⁴⁴ A high score in **Communicating** indicates that one “expresses views clearly [and] makes [an] impact with presentations.”⁴⁵

“**Meeting Customer Needs**” measures the ability to focus on quality and service.⁴⁶ Accordingly, it is not particularly surprising that these women would excel in this area, as keeping one's customers and clients happy plays a critical role in both organizational and personal success.

It is interesting to note that this group's Sten score of 7.63 for Persuading and Influencing is the highest score of any category when looking at all of the

scores for both the CREW Network member sample group and the executive level women.

The lowest ranked competencies for the executive level women closely mirror those of the CREW Network member sample group, with one interesting exception. This group ranked lowest for the following competencies:

- Relating and Networking (5.88)
- Taking Risks (6.13)
- Creating and Innovating (6.13)

The only competency where the average Sten score of this group fell below 6 was **Relating and Networking**, which is surprising given the accomplishments and success of these women. One would expect this group to excel at this category, as a high score in this category is indicative of a person who “develops strong working relationships [and] builds rapport quickly.”⁴⁷ The fact that the scores in **Taking Risks** and **Creating and Innovating** were among the lowest suggests that these individuals have been able to reach the upper echelons of their companies through superior performance, but not necessarily by originating change or challenging accepted practices.⁴⁸ Their ability to persuade and influence, as well as superior communication skills, may have been more important to their success.

Leadership Style

The recorded leadership styles of the executive women also mirrored those of the CREW Network member sample group, but the percentages indicated a much more definitive leadership model.

44 LPI User Manual, 4.

45 Ibid.

46 Ibid.

47 Ibid.

48 Ibid.



Executive Level Women

Developing the Vision

Eighty-two percent of the executive women rank as **Modernizers**. These individuals will challenge the old order and are adept at creating a specific vision for change by combining an ability to manage change with expertise in planning and organizing. The other members of this group are divided equally among **Implementers**, **Originators** and **Traditionalists**.

Sharing the Goals

As with the CREW Network member sample group, an overwhelming majority of this group ranked as **Directors** (82%), people who can “build understanding and ownership of the organization’s vision and objectives through a blend of strong leadership and communication skills.”⁴⁹ Of the remainder of this group, 6% ranked as **Regulators**, those who typically are lacking in interpersonal skills, and 12% ranked as **Presenters**, those who may struggle when company goals are not clearly articulated. No members of this group ranked as **Followers**.

Gaining Support

Not surprisingly, 82% of this group rank as **Catalysts**, “change agents who possess a creative style along with empathy and good interpersonal skills. Their empathy and interpersonal skills mean that they deal skillfully with other people’s concerns and/or resistance to change.”⁵⁰ Twelve percent rank as **Adaptors** and 6% are **Explorers**. No members of this group ranked as **Defenders**.

49 Leadership Challenge Report, 7

50 Ibid, 8.

Delivering Success

An overwhelming 88% of this group falls within the category of **Corporate Manager**, while 6% are **Steady Workers** and 6% are **Individual Contributors**. No members of this group ranked as **Planners**. Again, this is not surprising, as a **Corporate Manager** understands that achieving the organization’s objectives is critical and tends to “operate in a systematic and organized manner and presents himself or herself as a ‘safe pair of hands.’”⁵¹ It would be far more difficult for a professional who ranks as an **Individual Worker** (one who prefers not to engage in group decision-making) to rise through the ranks of an organization.



51 Ibid, 9.



Chapter 3

Women: A Model for Leadership

CREW Network's comparison of the LPI assessment results of its female member sample group to a sample group of female executives in commercial real estate exposed certain trends that will help form a leadership model for women in the industry.

Based on this assessment, the profile of an effective female leader looks like this:

- She is a visionary who challenges the old order and way of doing things.
- She is competent in managing change and planning and organizing,
- She is able to develop a specific vision for and a plan for implementing change.
- She demonstrates strong leadership and communications skills and has the interpersonal skills to inspire employees to embrace and deliver the vision and strategy.
- She is an effective change agent because she is creative, empathetic and able to deal with the concerns of colleagues and employees who may be resistant to change.
- She understands the importance of achieving corporate objectives in order to advance the organization.

While both sample groups tended to rank lower in the area of **Taking Risks**, it is important to look at those scores within the context of the assessment's established metrics. Each group's average Sten score for this competency fell squarely in the "average" range. Of course, what is considered to be an appropriate amount of risk taking will vary within the various industry segments and from business to business. However, according to the LPI assessment, an average score for this competency implies the individual "displays as much willingness to take risk as the average manager" and is "willing to bend the rules and take risks in some situations but not others."⁵²

52 LPI User Manual, 10.

An average score for the competency of **Networking and Relating**, however, indicates that this is an area where more focus is needed. According to a study published by the Harvard Business Review, "Women who are qualified to lead simply don't have the powerful backing necessary to inspire, propel and protect them through the perilous straits of upper management. Women lack, in a word, sponsorship."⁵³ Women not only need to spend the time building relationships with professionals in positions of power who can advocate for their advancement; women in positions of power need to reach out to other women and serve as their sponsors to propel their advancement.

According to the report:

- Without a sponsor behind them, 43% of men and 36% of women will ask their manager for a stretch assignment; with sponsor support, the numbers rise, respectively, to 56% and 44%.⁵⁴
- The majority of unsponsored men (67%) and women (70%) resist confronting their boss about a raise; with a sponsor in their corner, nearly 50% of men and 38% of women summon the courage to negotiate.⁵⁵
- A sponsor confers a statistical career benefit of somewhere between 22% and 30%, depending on what is being requested (assignment or pay raise) and who is asking (men or women).⁵⁶

53 *The Sponsor Effect: Breaking Through the Last Glass Ceiling*, Sylvia Ann Hewlett, Kerrie Peraino, Laura Sherbin and Karen Sumberg, Harvard Business Review, January 12, 2011.

54 Ibid.

55 *The Sponsor Effect: Breaking Through the Last Glass Ceiling*, Sylvia Ann Hewlett, Kerrie Peraino, Laura Sherbin and Karen Sumberg, Harvard Business Review, January 12, 2011.

56 Ibid.



Women: A Model for Leadership



Influence

Studies conducted separately by Catalyst⁵⁷ and McKinsey & Company⁵⁸ measuring the impact of women in management both concluded that companies that achieve diversity attain better financial results, on average, than other companies.

McKinsey & Company's 2008 study *Women Matter 2: Female Leadership, a Competitive Edge for the Future*, discusses the leadership behaviors that will be critical for success. The study found that companies with more women on their management teams score higher, on average, on organizational performance criteria than companies with no women in senior positions. The performance gap increases significantly once a certain critical mass is attained, that is, at least three of ten board members are women.

McKinsey & Company identified the following nine leadership behaviors that it believes improve organizational performance. As noted next to each of the nine behaviors, the study found that women demonstrated five of the behaviors more frequently than men. Men demonstrated only two of the behaviors more frequently than women.

- | | |
|---|----------------------------|
| 1. Participative Decision Making | (women slightly higher) |
| 2. Role Model | (women higher) |
| 3. Inspiration | (women slightly higher) |
| 4. Expectations and Rewards | (women higher) |
| 5. People Development | (women higher) |
| 6. Intellectual Stimulation | (women and men are equal) |
| 7. Efficient Communication | (women and men are equal) |
| 8. Individualistic Decision Making | (men higher) |
| 9. Control and Corrective Action | (men higher) ⁵⁹ |

Additionally, the study found that certain behaviors have become critical to meeting future global challenges, but are in short supply in today's organizations. Of the four most critical behaviors, women demonstrate three of them more often.

⁵⁷ *Why Diversity Matters*, Catalyst Information Center, July 2012.

⁵⁸ *Women Matter: Gender Diversity, a Corporate Performance Driver*, McKinsey & Company, 2007.

⁵⁹ *Transformational, Transactional And Laissez-Fair Leadership Styles*, Alice H. Eagly, Johannesen-Schmidt, and Van Engen, 2003; McKinsey survey and analysis, 2008; *The Leadership Styles of Women and Men*, Alice H. Eagly and Mary C. Johannesen-Schmidt, 2001.



Chapter 3

Women: A Model for Leadership

Four Most Critical Behaviors:⁶⁰

10. Intellectual Stimulation	(women and men are equal)
11. Inspiration	(women slightly higher)
12. Participative Decision Making	(women higher)
13. Expectations and Rewards	(women higher)

Interestingly, 70% of the companies McKinsey surveyed that ranked these behaviors as the top four most critical said that their company's current leadership practices show a deficit of these behaviors, indicating a clear opportunity for women.

The women who participated in CREW Network's study, on average, ranked highest for the following leadership competencies:

1. Persuading and Influencing
2. Effective Communication
3. Meeting Customer Needs
4. Focusing on the Business

There is a relationship between these high-ranking competencies and the four most "critical" leadership behaviors identified by McKinsey. **Persuading and Influencing** directly correlates with **Inspiration** and **Intellectual Stimulation**. **Effective Communication** parallels McKinsey's **Expectations and Rewards**, and **Meeting Customer Needs** and **Focusing**

on the Business relate to **Participative Decision Making**.

While commercial real estate firms have not yet achieved the "critical mass" of having women in 30% of their C-suite positions, the industry experienced a slight uptick in movement in 2012 with the hiring of female CEOs at Jones Lang LaSalle and two REITS. The business world as a whole seems to understand that gender diversity is critical and corporate leaders are working hard to make strides in this area, yet "progress remains elusive."⁶¹

60 Women Matter 2: Female Leadership, a Competitive Edge for the Future, 2008.

61 Unlocking the Full Potential of Women at Work, Joanna Barsh and Loreina Lee, April 30, 2012.





The results of the LPI assessments of the 20 leadership competencies for the CREW Network member sample group and for the executive level women clearly point to the emergence of a great commonality in the lower-ranked categories, particularly [Taking Risks](#) and [Relating and Networking](#). The scores for these areas are average on the Sten scoring system, which indicates that while these skills are present, they potentially are not be employed to the extent they should be. While more research may be needed to understand the underlying reasons why women are not excelling in these two areas, these scores indicate that these are areas where women need to focus with respect to their professional development. In order to “turn the tide” and increase the percentage of women in executive leadership positions, women may need to dig a little deeper and challenge themselves both to excel at networking and to take risks.

As members of CREW Network, we need to consider what it means to be part of a “network” and find ways to not only mentor, but also sponsor,

other members. The organization provides a tremendous opportunity to connect with other professionals in the commercial real estate industry, at various levels of experience, and to assist one another in advancing through the corporate ranks. While at one time or another we may all point to a lack of time as a reason for not attending networking functions or engaging in mentoring activities, the ability to help women in commercial real estate advance ultimately lies within each of us. All women must make a commitment to “pay it forward” and honor the individuals who helped them achieve their current status through their networking and mentoring efforts by making a commitment to help those women coming up the ladder behind them. The opportunity for the advancement of all women increases exponentially each time a woman is added to the industry’s most senior positions.

It may not be surprising that in the area of [Taking Risks](#) all of the respondent groups ranked at a uniformly low level. An individual may fear the failure and criticism associated with taking a risk

Conclusion

that does not end successfully. However, of the four leadership skills identified by McKinsey & Company as most critical for today's global future, **Participative Decision Making** ranks third. If, as McKinsey suggests, these critical skills are in short supply, women have the opportunity to step up and fill this void by voicing their opinions and accepting stretch assignments more often, and, perhaps most importantly, shedding their reluctance to take risks.

This study's findings show that women rank highest in the leadership competencies of **Monitoring Quality, Focusing on the Business** and **Analyzing and Interpreting**. With respect to two of Bartram's leadership styles, women ranked predominantly as **Modernizers** and **Catalysts**, individuals who increase the rate of change. These competency rankings confirm that women possess exceptional knowledge of their business and have the skills to be effective leaders. Clearly, women have the tools to take risks. Perhaps all that is lacking is the confidence to act.

Although women represent a group of talented individuals with a diverse set of leadership competencies, with just 4.2% of the CEOs at *Fortune* 500 and *Fortune* 1000 companies being women, progress remains elusive. Assessment tools such as the Leadership Potential Indicator provide professionals with valuable objective feedback regarding skills and behaviors in the workplace. The successful professionals will be those who accept this feedback and stretch themselves to enhance the skills in the competencies in which they excel, and challenge themselves to improve performance in the areas where their skills are below average. This process may not occur quickly, but for women, fostering relationships, encouraging one another to accelerate their professional growth and serving as mentors and sponsors will increase the rate by which diversity is achieved in the top tiers of leadership.



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The mission of CREW Network (www.crewnetwork.org) is to influence the success of the commercial real estate industry by advancing the achievements of women. CREW Network does this by looking outward to bring more women into the industry, showcasing member successes and serving as a key resource to its members and the industry. CREW Network members represent all disciplines of commercial real estate — every type of expert required to “do the deal.” Members comprise 8,000 commercial real estate professionals in 74 chapters across North America.

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