

Seven lessons in
gender diversity
How values-driven
leadership leads to the
advancement of women

A case study by Taj, a member firm of the Deloitte Touche Tohmatsu Limited international network



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A message from leadership

At Deloitte, we pride ourselves on fostering a culture of inclusion and diversity. This culture stems from one of our core values, Commitment to each other. We firmly believe that the service that member firms provide to clients is strengthened by the way we treat our people with respect and fairness.

I applaud Gianmarco Monsellato's efforts to go above and beyond our high expectations to create an exceptionally vibrant and diverse culture. And, I am pleased to see this effort is receiving the recognition it deserves. There are few better examples of a diverse and inclusive culture than Taj.

I congratulate Gianmarco on being recognized for his efforts with the Women's Empowerment Principles Business Case for Action Award 2013, and applaud the members of Taj for sharing their stories.

Kind regards,

A handwritten signature in black ink that reads "Dan". The signature is written in a cursive, slightly stylized font.

Dan Lange

Global Managing Director – Tax & Legal, DTT

Introduction

Taj is one of the leading French law firms, specializing in international tax and legal strategies. Taj employs more than 430 professional staff, including 49 partners, and is a member of Deloitte Touche Tohmatsu Limited (DTTL) international network of member firms (Deloitte). As one of the leading global professional service organisations, Deloitte has approximately 27,000 Tax and Legal professionals located in 150 countries around the world.

In France, Taj has offices in Neuilly-sur-Seine, Bordeaux, Lille, Lyon, Marseille, Perpignan and Tours.

The Taj governance model is based on the best practices of listed companies:

- Taj CEO Gianmarco Monsellato is in charge of the executive management of the firm and relies on an Executive Committee comprised of partners responsible for the firm's main practice areas.
- The board of directors, chaired by Jean-Victor Prévost, outlines and enforces the firm's strategic policies and supervises the executive function.
- Support functions (administrative and financial management, human resources, communication and client/business development) are entrusted to professionals originating from the business community and assisted by specialised teams.

This case study provides a look at how a culture of openness, over eight years, led to innovation in gender diversity and a values-driven culture change unique in the French market. Despite significant advances in education and political participation, women in France remain underrepresented in business leadership positions. Although European policy-makers have responded by introducing the idea of gender quotas for corporate boards, a number of French companies will struggle to meet these quotas if they are introduced. Taj, however, has already met or exceeded the proposed quotas. A commitment by Taj CEO Gianmarco Monsellato to embed fairness, inclusion and flexibility in the workplace provided the foundation for the empowerment and advancement of women to senior positions and a culture that redefined the model for success for all employees, regardless of gender.



Methodology

Around the world, Deloitte has tried many different approaches, programs and strategies to increase the number of women in leadership roles. In early 2012, DTTL Global Tax & Legal Talent reviewed the gender representation at all levels within the Tax & Legal groups in the member firms. When reviewing those statistics, it became clear that Taj, the French member firm, was doing exceptionally well, with 50% female partners in 2011 compared to 20% or less female partners in other member firms. The DTTL Global Tax & Legal Talent team then undertook a review of Taj to better understand what they had done to achieve these results. Interviews were conducted with the CEO of Taj by the DTTL Global Diversity team. DTTL Global Tax & Legal Talent conducted a total of 15 interviews with women from Taj, ranging from the Chair of the Board to junior staff. The notes from all the interviews were compiled to create this case study.

In the interviews, each person was asked to be as candid as possible. Interview questions designed to help define how Taj was delivering such significant increases in the advancement of women were prepared and sent to the participants prior to the interviews. The questions were:

- What do you think has contributed to your success at Taj?
- Which programmes and/or policies do you think contribute to women being successful at Taj?
- Do you feel that as a woman, you are supported personally and professionally at Taj? If so, how?
- What would you say is the most important thing for leaders in other member firms to do in order to increase the number of women in senior positions?
- What, if anything, do you think Taj should continue to do more of—or stop—to further contribute to women being successful at the firm?
- Do you feel you've had to compromise anything to get where you are today? Do you think what you have to do is more or different to what the senior men have to do to get to senior positions (work longer hours, for example)?

Expectations were that the women would talk about specific Taj gender diversity programs. It quickly became evident that this was not going to be the case. From the first interview, it became clear that Taj has had no formal diversity program, in the traditional sense. The women interviewed said that what made a difference at the organisation were respect, honesty and transparency. "This is just normal, isn't it?" was a common response to the interview questions.

So what did the interviews reveal that was unique about Taj's approach to gender diversity? A commitment from the top, from Taj CEO Gianmarco Monsellato, to create a values-based culture, equip people to behave in an inclusive way, embed diversity into talent and business processes, and measure and recognize progress, led to the advancement of women to leadership in significant numbers and, as a result, business innovation and growth.

The information gathered in the interviews with 15 Taj women and conversations between Gianmarco Monsellato and the DTTL Global Diversity team provides the foundation for the seven gender diversity lessons outlined in this case study.



Lesson #1:

Get top management commitment—if you don't have this, the rest will be much more difficult

“It’s a question of mentality and not a question of millions of dollars that will help change things for women. You need a managing partner who has no specific views on how women are defined versus how men are defined – each person [in Taj] is equal and a professional, regardless of gender.”

— Senior Female Taj Partner

Given that Taj CEO Gianmarco Monsellato was born in Rome, some may think that by virtue of his not being originally from France, he already brings diversity to the table; and they would probably be correct. Gianmarco is described by his peers and everyone interviewed at Taj as a role model for his top management commitment to diversity. He is described as a values-driven person and argues that it is much easier to make progress on gender diversity and inclusion knowing, on a personal level, that it is the right thing to do. By embedding fairness and openness in the organisation’s culture, trust, resilience and a strong team spirit are the result.

Eight years ago, Gianmarco recognized the business case for diversity. Taj was a second-tier firm in the French marketplace with a goal to become number one. Greater innovation, leadership recognized, was necessary if the firm was to meet its goal. Diverse teams are proven to deliver richer solutions; however, there was a little diversity and a great deal of uniformity at Taj. Gianmarco set out to increase diversity across all levels by bringing women and men from non-law backgrounds into the firm.

Taj had some advantages that helped to facilitate the culture change. It was a young partnership, so it was more open and ready to change. Due to regulations in France, the tax and audit practices were separated. However, France continues to be a very traditional culture. A 19th Century French model made it very difficult for women to participate in the lawyer networks. On the positive side, the number of women in business increased, and there was greater interest in doing things differently than they had been done in the past. Still, there was resistance.

Based on his belief that fairness and profit are not mutually exclusive, Gianmarco set about creating a more inclusive culture by:

- Acting as a very visible and vocal champion of gender diversity and inclusiveness
- Emphasizing individuals’ strengths rather than weaknesses and demonstrating how diversity can help to grow the business.
- Promoting and making the case for partners who were not members of the “old boys’ network” for assignments with major clients. This proved easier than expected as the market seemed to welcome the increase in women partners.
- Staying away from political correctness and being open and transparent.
- Encouraging women with children to work from home if they are interested—with no negative backlash—providing the needed technology, and advising them “not to be uncomfortable about a child crying during a conference call.”
- Introducing and encouraging part-time partners
- Encouraging men to take paternity leave and to improve their work-life balance

Lesson #2:

Ensure you have a diverse set of people in the room when making important decisions—and most certainly always and without exception when it's about hiring and promotions

This is a simple lesson and probably one of the most effective. It is well known that in order to ensure you have innovative solutions and approaches you need to have a diverse group of people to get that result. It could also be said that if you do not have a diverse group of people involved in the conversation, you will not have the diversity of thought or innovation that you would with it. Although ensuring you have 50/50 male-female split is not always the simplest thing to achieve nor is it always the most seamless approach to finding solutions and gaining approval, Taj has been very successful in ensuring that they have men and women present during important discussions; it is just the way they do business, and it works really well. As Gianmarco put it, he needed to make sure his “talent pool was as diverse as possible,” which would contribute to changing the overall culture. As one of the partners recounted during an interview, she had travelled and worked in different countries around the world and said that ensuring women were present during all key conversations at Taj, really helped to ensure different ideas were shared. Gender balance at meetings and the diversity of perspectives it can bring helped to create a culture in which people felt more comfortable about sharing their ideas and views even if they were different to everyone else's in the room. This sharing of diverse perspectives also led to richer solutions and greater innovation than might have resulted in meetings where people were reluctant to share differing points of view.

“We never have important conversations (promotions, hiring, strategy, etc.) without having as close to a 50/50 male-female split in the room.”

— Senior Female Taj Partner

Lesson #3:

Ensure leaders have competencies in inclusive leadership

“We do not tolerate any behavior, language or attitudes that do not promote diversity, even behind closed doors. A comment such as ‘She should not get a promotion because she is about to have children’ or ‘go easy on her, she just got back from maternity leave so she won’t be able to handle it’ would never be tolerated.”

— Senior Female Taj Partner

Comments like this came up over and over again in the interviews. The people of Taj do not tolerate anything or anyone who makes inappropriate comments or who behaves inappropriately toward men or women, even behind closed doors. One woman told a story about how during her maternity leave, she had been asked to participate in a very important client meeting. She organised her schedule, made child care arrangements for her newborn child and went to the office to participate in the important meeting. During the meeting, a male who was not from Taj, commented on how she must not be able to “think due to [her] baby brain.” After the meeting, a young male professional from Taj was so appalled by the other man’s comment to his female colleague that he took it upon himself to apologise to her, saying that the other partner clearly didn’t understand “our culture” and should not have made such an inappropriate comment. The Taj culture is not only a great place for women to work; it is also a great place for men to work. All of which can be attributed to the culture of acceptance, honesty and transparency; a by-product of a truly diverse workplace.

Inclusive leadership behaviors/competencies at Taj include but are not limited to ensuring leaders:

- Respect people and their differences
- Know and understand how to manage challenges and setbacks well
- Listen to their people, invest in them equally and teach them what is important (have role models they can relate to)

Gianmarco led by example. The consistency in his inclusive leadership behaviors led to the majority of people at Taj treating their colleagues fairly, and this, in turn, reduced levels of unconscious bias in selection and promotion processes. To achieve greater gender diversity, Gianmarco stressed that in his view:

- Fairness and profit are **consistent** and not mutually exclusive
- Men need to look critically at and change themselves
- The CEO needs to impose change by, for example, appointing women over men with the same level of competency
- Women should not replicate or try to be like men, but rather bring their own unique strengths to the business
- The CEO needs to take women out of their comfort zone of technical competence and put them in leadership positions
- To increase diversity, a key competency is respecting people and knowing how to effectively manage differences, which helps create loyalty, thereby making everyone more successful

Lesson #4:

Effectively manage change, challenges and setbacks

The success of an organisation is often based on how it manages challenges, change and differences. Based on the conversations with the women of Taj, not only are the people and leaders skilled at managing differences, they are excellent at doing it with the utmost respect for individuals. An example of this came from one of the partners. She had a male employee who was really struggling with personal matters and needed some time off work. Although it was at a very busy time of the year, the partner decided that it was best that this employee have the time he needed to go and sort out these issues. Everyone in the team rallied together to get the work done and to ensure that nothing fell between the cracks while their colleague was away. When he returned to work, he came back to an environment where he knew that everyone had been behind him and supporting him in their own ways. The employee returned more motivated to make a contribution, with more energy, determination, loyalty and the knowledge that no matter what issue he faced, he would be able to talk about it, get support and help in finding a solution from his colleagues, both male and female at all levels within Taj.

“Treat everyone equally but as individuals—and always with respect. If you do this, it will allow you to manage people’s differences and manage change effectively, which will earn you employee loyalty.”

— Senior Female Taj Partner

Lesson #5:

Really listen to people, invest in them equally and teach them what is important

“Everyone here is treated in the same way, no matter [what their role is within Taj]. Taj leaders invest in each person in the same way; senior leaders listen to us and take action when needed, and they teach everyone the high standards to follow in order to be successful. There is never any gender discrimination from anyone, especially not from the CEO.”

— Junior staff member of Taj

Every person interviewed agreed that the values-based culture and the honest, open interactions between people at Taj is just “normal.” Everyone is afforded the same client opportunities, regardless of gender. Everyone has the same learning opportunities, regardless of gender. Everyone is eligible for part time work, regardless of gender (or level; even partners can be part time). Performance reviews are based on the contribution employees make during the time they spend working, regardless of gender.

Men and women are invited to work on the same types of assignments for the same types of clients; the best assignments are not saved for a select few. Informal mentoring and coaching happens every day so that everyone can learn and grow every day. Performance evaluations for women returning from maternity leave, sick leave, etc., are based on the time they spent working and not based on the full year and the contribution they *could have made*. Although these seem to be very simple practices, they are not always that simple to implement. However, once in place, these practices are extremely effective in creating a positive, open and trusting environment, as summarised beautifully by one of the senior people at Taj:

“Success in diversity is created on a daily basis, with each action and interaction and not through a one-off learning session. A positive, diverse, respectful environment is created each and every day. We do this by trusting our people, by having confidence that they will make the right choices and respecting their choices and then appropriately recognizing their contributions.”

Lesson #6:

There are no diversity programs

“There has never been a program for diversity at Taj; we just do diversity. It’s just normal, there is no difference between what work men and women do here; everyone is treated like a professional. This is just how we do business. The only thing that would resemble a diversity program is that we ensure recruiters have a selection of diverse candidates for all positions they are trying to fill.”

— Senior Female Taj Partner

Each and every woman interviewed at Taj said the same thing, that not only does the firm not have a formal diversity program, for the most part, they are against having a formal gender diversity program that would require they learn about diversity. At Taj, they just do diversity because their “culture, approach and philosophy” are all about making sure everyone is encouraged to contribute as a professional. No matter the level of the women interviewed, they all agreed that it is a place where everyone can succeed, no matter which race, gender or age, or whether they have or don’t have children. None of these dimensions of diversity seem to be determining factors in an individual’s potential for success at Taj.

Men and women may work differently and have different expectations and definitions of success, but everyone at Taj has the opportunity to be successful as long as they are competent. The partners manage those differences effectively and never expect different levels of performance from men or women. Therefore, there is just as much opportunity for women and men with equal competencies to succeed. As one of the women said during her interview, “Men tend to judge their success and that of others as a vertical climb up the ladder, so they are only succeeding if they are climbing higher and higher in the firm. This, however, is not always the female model for success. What we have seen is that increased representation of women in leadership and decision making roles has contributed to a more open work environment that supports every individual in his or her individual definition of success.” The diverse culture at Taj has resulted in a work environment where individuals can choose their career path and chose how they want to be successful. The firm has replaced the old “up or out” professional services business model with a lattice model that gives professionals the flexibility to dial-up or dial-down responsibilities to accommodate each stage in their professional lives.

Lesson #7:

Measure promotions—female promotions, that is

“Make sure partner evaluations include promoting women as an objective. It’s just as important for partners to be evaluated on building their people as it is for them to be evaluated on building the business—so make sure you measure it!”

— Senior Female Taj Partner

To ensure there are representative numbers of women in senior and leadership roles, Taj and Gianmarco Monsellato measure the number of female promotions at all levels and evaluate partners on promoting women. One key reason for doing this: having women in senior and leadership roles in the firm helps to create a “positive cycle.” Women at all levels and potential recruits see that it is possible for people “like them” to be successful, which is

powerful motivation for women to join and stay with a firm. One woman said, “No matter where you are, if you are somewhere where you don’t fit in, where you are different to everyone else, it will be difficult for you to justify staying in that type of environment for the long term because it will become clear that people like you can’t make it.”

Women in leadership roles also help to create a more positive work environment for women *and* men at Taj. “With women in leadership roles, neither men nor women are at a disadvantage. Women in leadership roles help create an environment where everyone is treated equally because there is a diversity of perspective at decision making levels and there are women to advocate for other women. Whereas when you only have men at the top, there is a single point-of-view and this is a disadvantage for women— almost always.”

Final words

The seven diversity lessons from Taj are neither complicated nor difficult to understand, however, they may not be simple to implement quickly or as a big bang solution. To be successful, initiatives for culture change must be specific to the needs and goals of each organisation. Leveraging proven best practices can help to inform and accelerate change. For organisations seeking to improve diversity, comparing the lessons outlined in this case study against current internal processes, policies and practices, may help to identify issues, behaviors, and practices that need to be addressed and solutions that can help to drive and support positive change. Taj's seven diversity practices outlined in this case study have helped them not only achieve greater gender diversity and drive innovation but has also resulted in:

- 50% women as partners
- 50% of women in executive roles
- Equality of pay for equal level and performance, with women representing 50% of the top 10 earners by compensation level
- Success of the firm: In eight years, Taj has seen the most sensational rise in the French market both in reputation and organic growth—rising from a second-tier firm to a market leader and growing 70% in a difficult economy and shrinking market.
- Taj won in the “Best in France” category at Euromoney-Legal Media Group-European Women in Business Law Awards. For more details: <http://www.iflr.com/Article/3049878/Europe-Women-in-Business-Law-Awards-2012winners-announced.html>
- Taj, with 50% of women in executive roles, exceeded the Deloitte average of 19% female partner, principal and director representation in FY12. Global aggregate gender representation data is included in **Deloitte 2012 Global Report**. For more information on diversity at Deloitte, go to www.deloitte.com/diversity.

To summarize the lessons and best practices, Taj dramatically increased representation of women in leadership positions and achieved critical business goals. Over the last eight years, with the very vocal and visible leadership of CEO Gianmarco Monsellato, Taj:

- Championed diversity and made a strong business case that was aligned with business strategy
- Ensured everyone is compensated equally for equal work, adjusting salaries for women
- Aligned local culture change efforts with critical success factors of Deloitte Touche Tohmatsu Limited's Global Diversity framework
 - Equip people to behave in an inclusive way and contribute to a culture where all talent succeeds regardless of background and based on performance (e.g. equip leaders with inclusive leadership skills; address unconscious bias)
 - Embed diversity into talent and business processes (e.g. recruiters provide a diverse candidate slate; diversity in the room during important decisions guarantees that gender stereotypes don't cascade down and unconsciously disadvantage one group over another; run a gender compensation audit and adjust salaries)
 - Measure and recognize progress, foster transparency and follow through on non-inclusive behavior to demonstrate consequences (we do not tolerate any behaviour, language or attitudes which do not promote diversity)
- Promoted women of equal competency to men

- Discouraged women from trying to act like men and encouraged them to leave their comfort zone of technical skills and develop the partnership; they are encouraged to take risks
- Evaluated partners on female promotions
- Promoted non-lawyers and people from different backgrounds
- Focused on individuals' strengths instead of on improving their weaknesses
- Promoted and made the case for female partners to help them gain entry into the "old boys' club" networks for greater diversity, and the market welcomed the move; women became top advisors to large firms; other competitors only paid lip service to gender diversity and saw much lower percentages of female partners—20% versus 51.5% at Taj
- Encouraged flexibility, including part-time work schedules for partners; encouraged men to take paternity leaves; provided technology to offer the best of work-life balance, the CEO as role model; encouraged working from home without shame of crying kids in the background
- Improved the maternity policy, including removing maternity leave from the performance management system
- Created a values-driven culture: fairness, respect and friendship are consistent with making money; partners spend less time with politics at Taj, they feel good together and stick together; people think that the firm is fair, which builds trust and resilience



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