

National Center for Women & Information Technology

PROMISING PRACTICES

Constructing On-Ramps (Case Study 1)

Helping Mid-Career Women Return to Work in IT



Career

Lehman Brothers Encore program, created by chief diversity officer Anne Erni, is an innovative initiative that aims to recruit and support professionals who have left the workforce but are interested in resuming their careers. The program began in response to the “Off-Ramps and On-Ramps” study published in Harvard Business Review in March 2005. The study, co-sponsored by Lehman Brothers, identified some of the barriers women face as they attempt to re-enter the workforce after taking time off for a variety of familial responsibilities. According to President Joe Gregory, the program is also part of Lehman’s effort to counter Wall Street’s “last coat on the chair” culture and instead provide the flexibility that will enable the company to “get and keep the best people” (Shellenbarger, 2007).

Lehman Brothers launched Encore in November 2005 with an informational seminar and luncheon in New York that offered participants the chance to network, learn about industry updates, and explore flexible work possibilities at Lehman Brothers. A similar kick-off event was held in London in February 2006. To identify potential attendees, the company used the contacts and networks of its current employees, tracking down former Lehman employees and other professionals who had left Wall Street jobs. Additional referrals came from organizations such as Women on Wall Street. Approximately 70 candidates attended the New York event, and the London event attracted more than 50 attendees.

Encore candidates are eligible for all open positions within the company and are invited to interview based on the open positions at the time and the qualifications of the candidate. A significant portion of the first-year attendees participated in follow-up interviews. To foster the success of these applicants, the company established a unique Encore email address and assigned two designated recruiters to handle these applications. This was important for ensuring that “nontraditional” resumes with gaps for child-rearing, eldercare, or other familial responsibilities would not end up being tossed aside. In this first year of the program, Lehman Brothers hired 20 new employees – nearly 20% of the seminar attendees – through this process.

Once hired, these employees have access to a number of flexible work arrangements including reduced or compressed work weeks, “flextime” or flexible hours, “flexspace” or telecommuting options, and job sharing. A lateral recruiting team works with hiring managers to help accommodate specific requests for flexible work arrangements. Roughly half of the Encore recruits work part-time or flexible hours.



Because these kinds of programs sometimes create resentment among employees with more traditional career paths, Lehman Brothers also offers flexible work arrangements to all employees in good standing. All employees also have access to ongoing training and mentoring to help them update and enhance their current skills and experience.

Since the program is still in its infancy, long-term evaluation efforts have yet to be completed; likewise further research is needed to determine how beneficial programs like Encore will be for technical women. Meanwhile, though, the program is garnering increasing interest in its second year. Erni and her team emailed 16,000 employees to identify contacts who may be interested in the program, and, during the second year seminar, a panel of employees hired during Encore’s first year spoke about their experiences with the company. Out of 200 referrals, Encore has invited approximately 50 candidates to interview. In addition, the program is now open to men, and this year seven men are among the interviewees. Similar efforts are being conducted later in the year in Tokyo and in London. For more information see the Lehman Brothers Encore website listed below.

RESOURCES

Shellenbarger, S. (2006). Employers step up efforts to lure stay-at-home mothers back to work. *Wall Street Journal*, February 9.
Center for Work-Life Policy: <http://www.worklifepolicy.org>
Women Entrepreneur’s Inc Flex Options for Women: <http://www.we-inc.org/flex.html>

NCWIT offers practices for increasing and benefiting from gender diversity in IT at the K-12, undergraduate, graduate, and career levels.

This case study describes a research-inspired practice that may need further evaluation. Try it, and let us know your results.

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PROMISING PRACTICES

How Can Companies Attract and Retain Mid-Career Female Employees? with Case Study 1



Career

Recent media attention to the so-called “opt-out revolution” – the emerging trend where well-qualified women choose to leave productive careers – paints a simplistic picture of successful women choosing to leave high-profile positions to spend more time with their families. Systematic research reveals several complicating factors that are important for corporations to understand if they are to retain top female talent (Hewlett, Luce, Shiller, and Southwell, 2005).

- While many women (37%) choose to leave their careers for a short time – a phenomenon the Center for Work-Life Policy terms “off-ramping” – 93% of these women want to return to work. Only 74% succeed, and only 40% are able to secure full-time jobs.
- Only 5% of women who return to work want to return to their former company; however, 80% wanted to remain in the same type of position, and more than 60% wanted to remain in the same industry. This finding suggests that many of these women feel unsupported by their previous employers.
- While caring for children is a significant reason for off ramping (44%), other factors, such as eldercare (11%) or pursuing additional education (23%), also lead women to off-ramp.
- These “pull” factors are not the only reasons women temporarily leave their jobs; a number of “push” factors – features about the job itself – also contribute to this decision. Lack of fulfillment in their jobs (17%) or feeling stalled in their careers are two common “push” factors women cite (23%).
- On average, women off-ramp for two years and lose 18% of their earning power if and when they return to work. For those who off-ramp for more than three years, this figure climbs to 37%.

These findings make it clear that women’s so-called “choice” to leave their careers is not a simple one, and that most of these women would prefer to continue working if industry would make this possible. In fact, 94% of women who would like to “on-ramp” indicate that they would take advantage of industry efforts to do so.

RESOURCES

- Conlin, M. (2006). Smashing the clock: Inside Best Buy’s radical reshaping of the workplace. *BusinessWeek*, December 5. <http://www.msnbc.msn.com/id/16040492/>
- Friedman, S. D. & Greenhaus, J. H. (2000). *Work and family – Allies or Enemies? What Happens When Business Professionals Confront Life Choices*. New York: Oxford University Press.
- Hewlett, S.A., Luce, C. B., Shiller, P., & Southwell, S. (2005). The Hidden Brain Drain: Off-Ramps and On-Ramps in Women’s Careers. *Harvard Business Review Research Report*. Boston: Harvard Business School Publishing Corporation.

WHAT INDUSTRY CAN DO

Research has identified policies that industry can adopt to retain female employees:

- Flexible work arrangements (FWAs)
- Flexible career paths (e.g. allowing time off without terminating employment)
- Re-entry training and support
- Reduced-hour jobs or job-sharing

These policies stand to benefit everyone, including male employees and employees without children, and initial results among companies who have implemented these policies are promising. In a survey of employees participating in FWAs at Ernst & Young, two-thirds said they would have left or would not have joined the company if such programs had not existed. Similarly, in a focus group with female managers at Johnson & Johnson, all of the women expressed high levels of satisfaction with the company largely because of its FWA policies (Hewlett, Luce, Shiller, and Southwell, 2005). At Best Buy, departments that have implemented flexible work hours have reported approximately 35% increases in productivity (Conlin, 2006).

A Word of Caution:

Research indicates that these opportunities are more readily available to women who have already “made it.” Women in their mid-careers, who often need these policies the most, are not always able to access them. Furthermore, taking advantage of these opportunities is often stigmatized and results in unspoken penalties (e.g. not being promoted). Addressing these barriers is important if such policies are to succeed in preventing the “hidden brain drain.”

NCWIT offers practices for increasing and benefiting from gender diversity in IT at the K-12, undergraduate, graduate, and career levels.

Visit www.ncwit.org/practices to find out more.