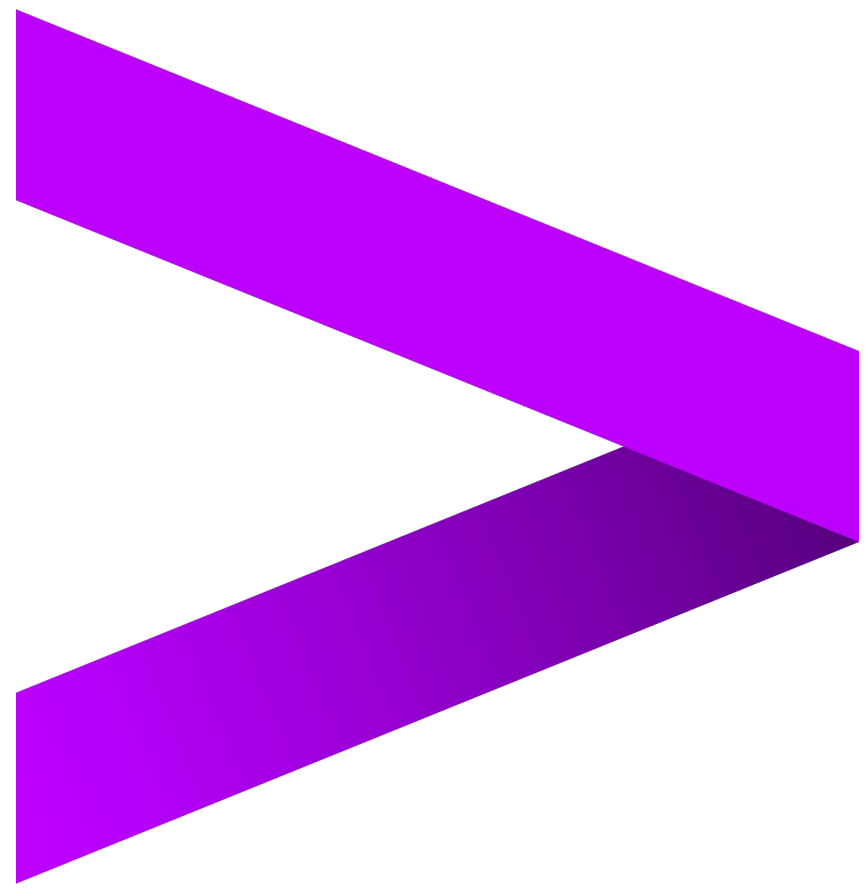


GETTING TO EQUAL

International Women's Day 2019

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GETTING TO EQUAL 2019: CREATING A CULTURE THAT DRIVES INNOVATION

Accenture research shows that a culture of equality—the same kind of workplace environment that helps everyone advance to higher positions—is a powerful multiplier of innovation and growth.

The power of culture to drive employees' innovation mindset—or their willingness and ability to innovate—is strong. It has more impact than the age or gender of your workforce. And improving culture leads to an increase in innovation mindset in all industries and all countries.

The stakes are enormous: Accenture calculates that global domestic product would increase by up to \$8 trillion by 2028 if the innovation mindset in all countries were raised by 10 percent.

**CULTURE DRIVES
INNOVATION MINDSET**

IN A CULTURE OF EQUALITY, EMPLOYEES' WILLINGNESS AND ABILITY TO INNOVATE IS STRONGER

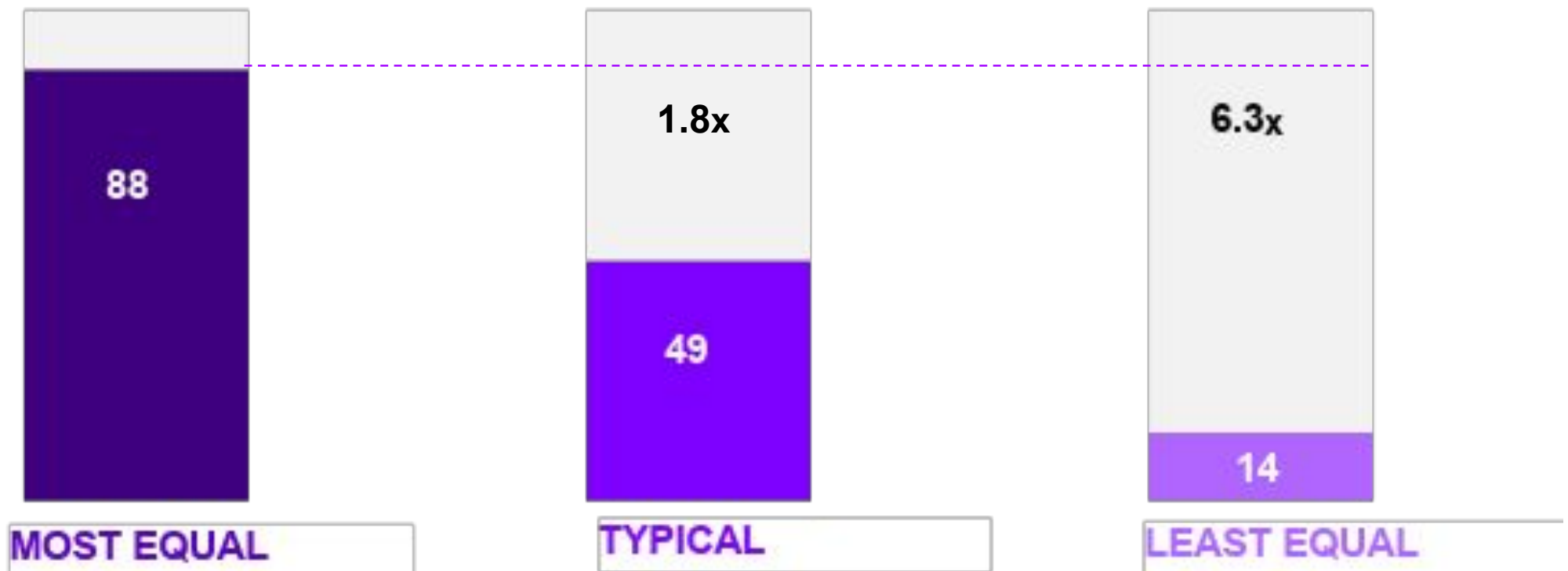
In companies where the factors that drive a culture of equality are most common, an individual's willingness and ability to innovate – what we're calling the **innovation mindset** – is **six times higher** than in companies where the factors are least common.

As culture improves, innovation mindset improves. For every ten percent that the culture factors improve by, innovation mindset increases by 10.6%. The change is underpinned by all three pillars of our workplace culture-of-equality factors, but it's the empowerment factors that have the strongest impact.

Employees in most-equal cultures also see fewer barriers to innovating at work, and they're less afraid to fail.

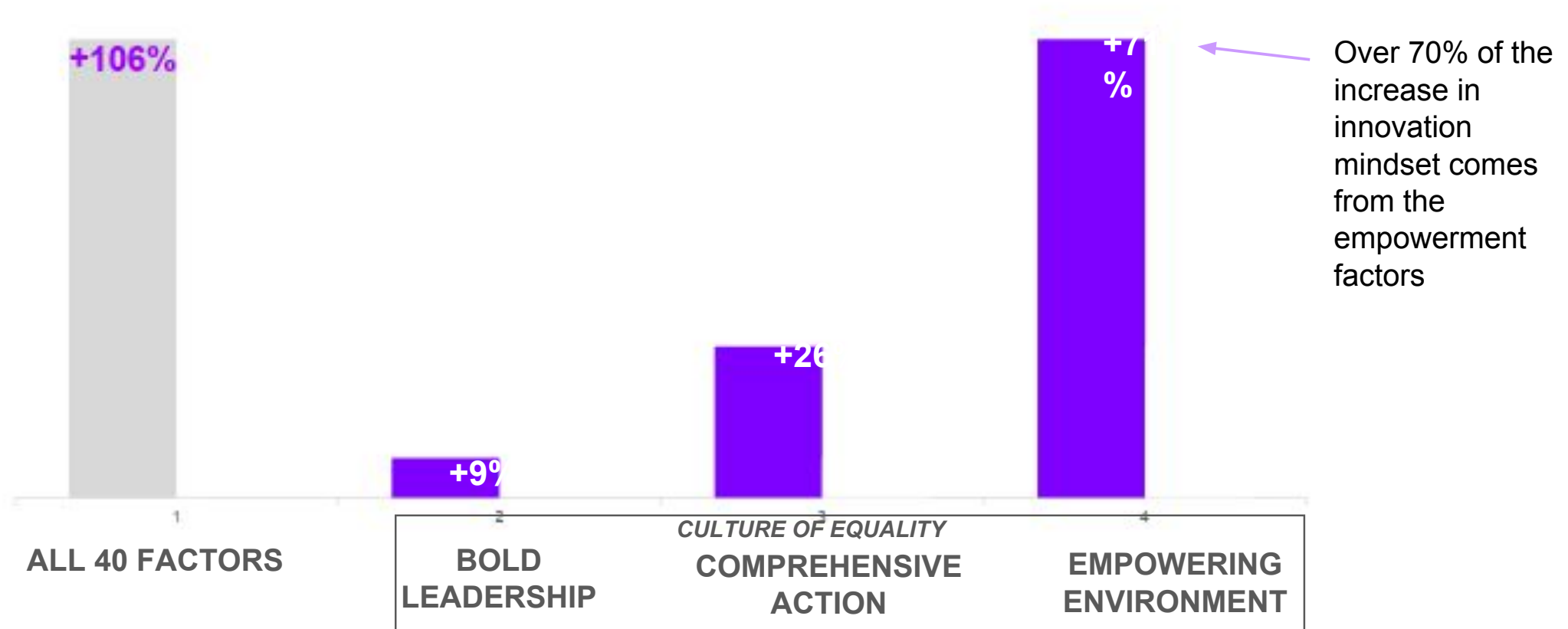
THE STRENGTH OF THE RELATIONSHIP: INNOVATION MINDSET IS **TWICE AS HIGH** IN THE MOST-EQUAL CULTURES

In workplace cultures in which the equality factors are most common, innovation mindset is **twice as high** as in typical environments and **six times higher** than in those in which the factors are least common.



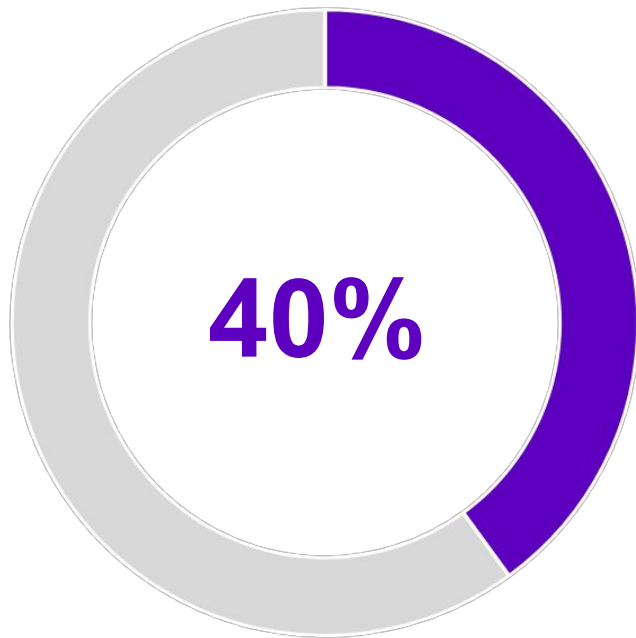
WHILE ALL ASPECTS OF A CULTURE OF EQUALITY MATTER, THE KEY IS EMPOWERMENT

This chart shows the impact of improving a culture of equality on innovation mindset; for every percent improvement in culture you get just over percent increase in innovation mindset. It's 1:1.

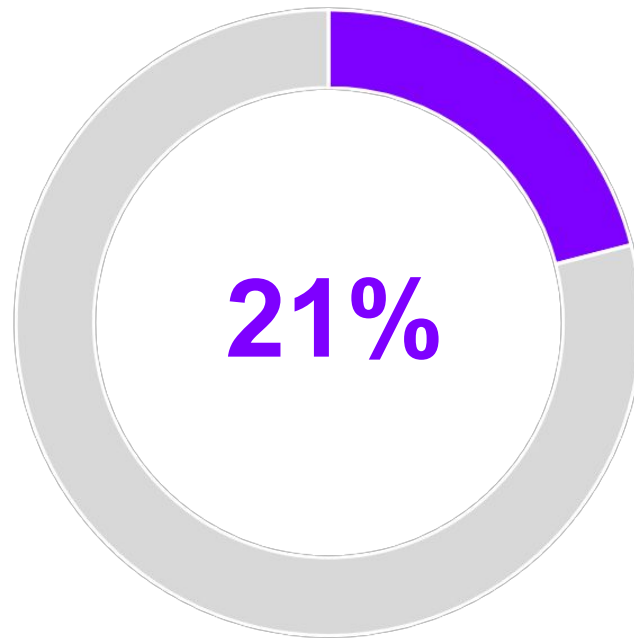


EMPLOYEES IN THE MOST-EQUAL CULTURES SEE FEWER BARRIERS TO INNOVATING

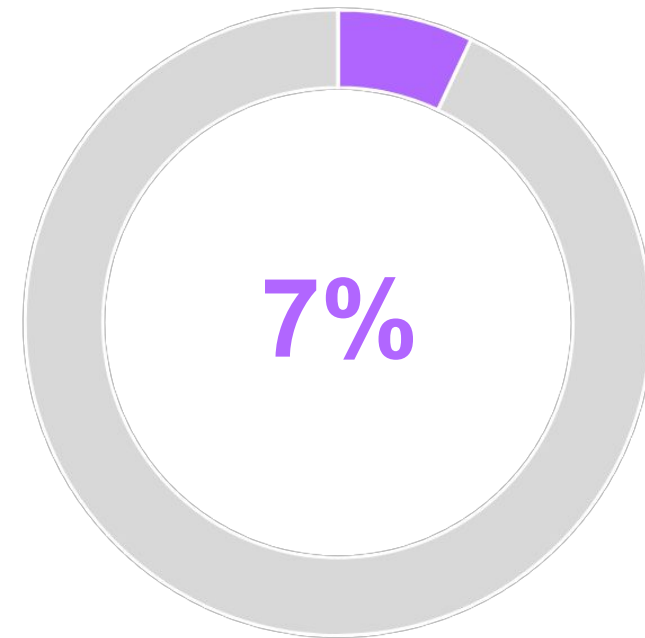
Percent of respondents who, when asked what prevents them from innovating in their organization, selected “Nothing stops me from innovating.”



MOST EQUAL



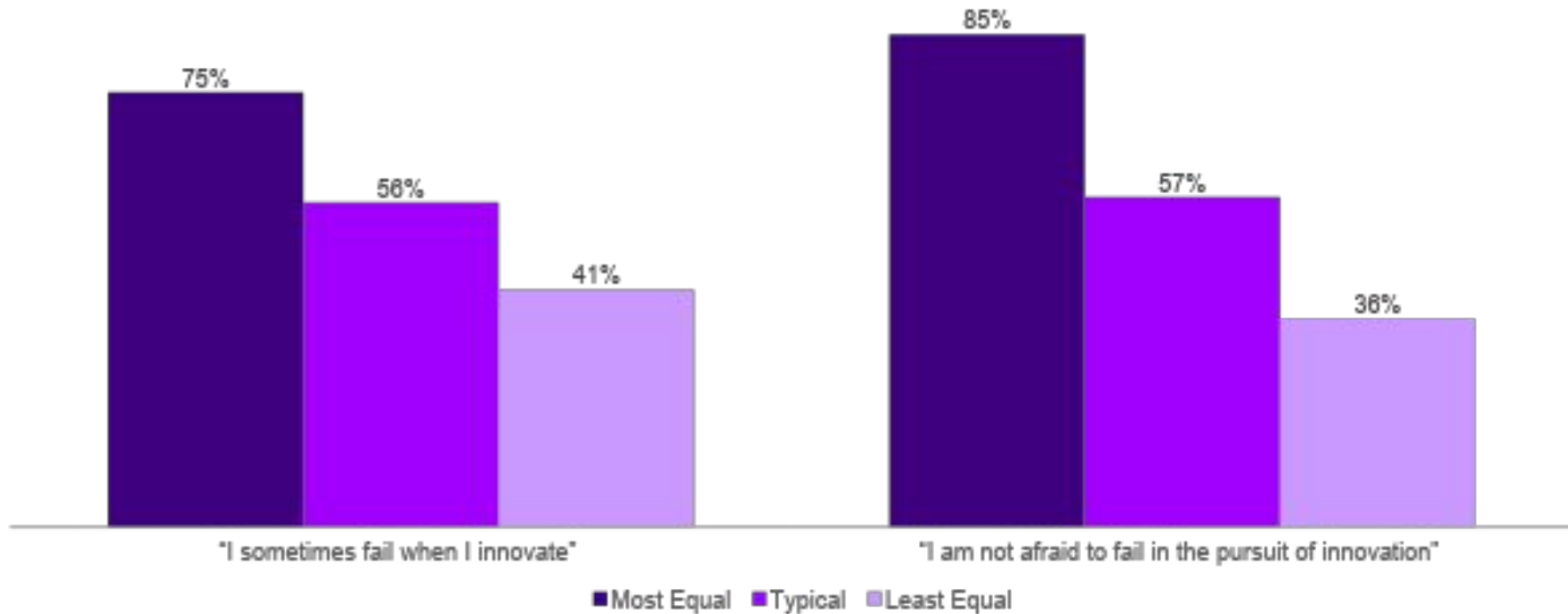
TYPICAL



LEAST EQUAL

EMPLOYEES IN THE MOST-EQUAL CULTURES ARE **LESS AFRAID TO FAIL**

Percent of respondents who answered 4 or 5 on a scale of 1-5, in which 5 is “strongly agree,” to the following question: **To what extent do you agree or disagree with the following statements?**



CULTURE ALWAYS WINS

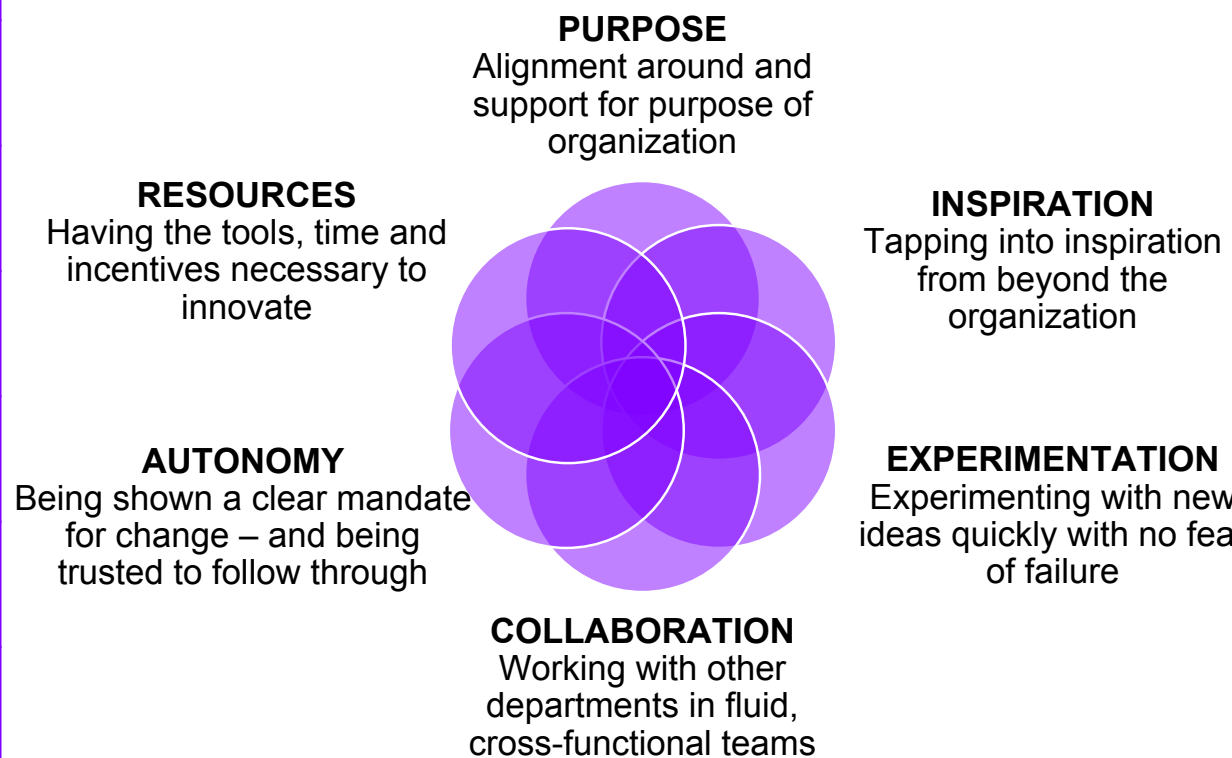
CULTURE ALWAYS WINS

Culture's power to unleash innovation is blind to industry, country and various workforce demographics. Among those surveyed, people across all genders, sexual identities, ages and ethnicities show a stronger innovation mindset in more-equal workplace cultures.

Against every factor we tested, culture wins.

MEN AND WOMEN HAVE A SIMILAR INNOVATION MINDSET

	All	Women	Men
Overall	49	48	51
Purpose	67	68	67
Autonomy	56	55	58
Resources	46	44	49
Collaboration	46	44	47
Inspiration	45	44	47
Experimentation	40	39	42



THE INNOVATION MINDSET OF YOUNGER WORKERS IS **VERY SIMILAR** TO THAT OF THEIR OLDER COLLEAGUES

OLDER WORKERS

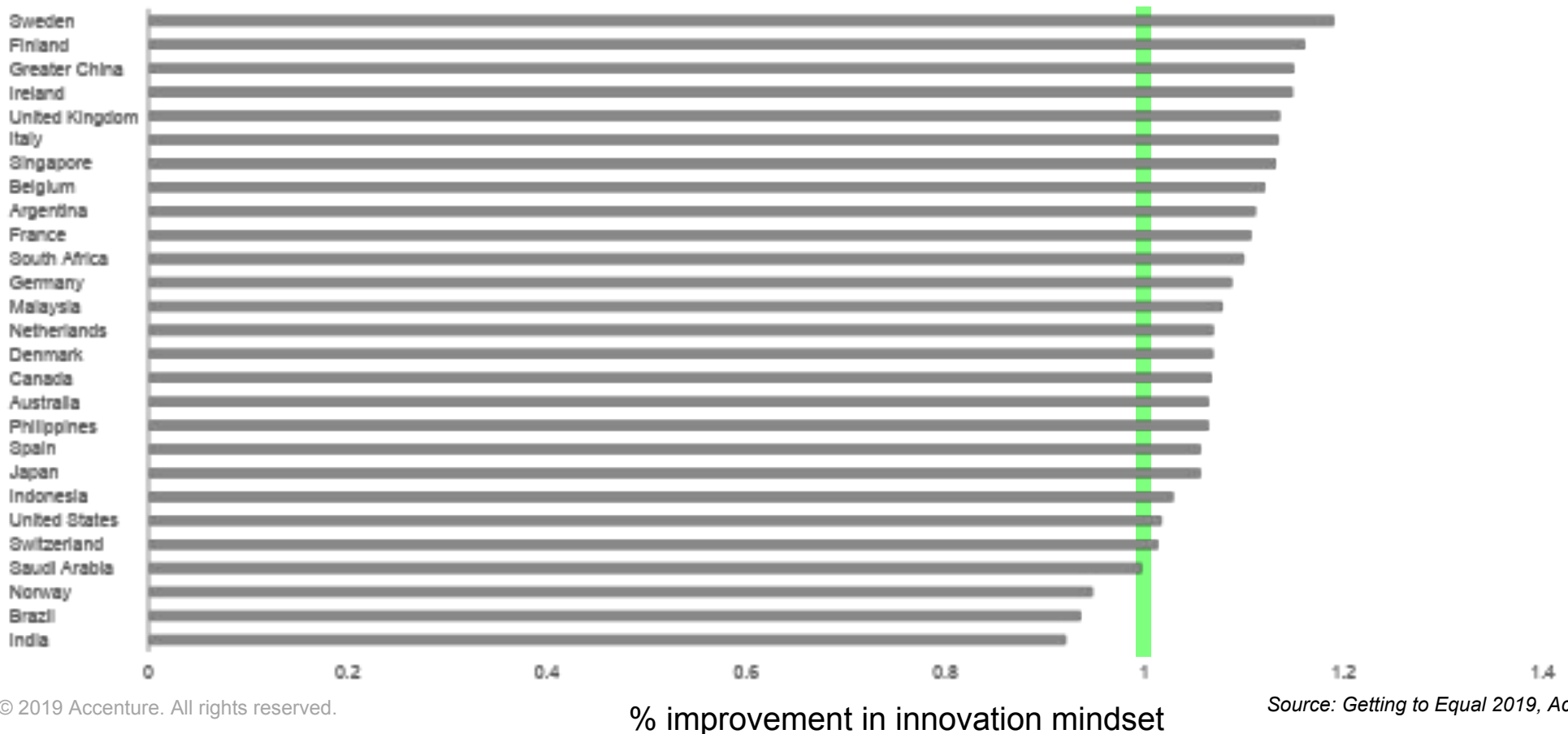
YOUNGER WORKERS

49	OVERALL	51
68	PURPOSE	66
56	AUTONOMY	57
45	RESOURCES	49
44	INSPIRATION	48
45	COLLABORATION	47
39	EXPERIMENTATION	44

CULTURE DRIVES INNOVATION MINDSET CONSISTENTLY IN EVERY COUNTRY

This chart shows the impact of the culture factors on innovation mindset by country. Note: this does not show innovation mindset scores, it shows the effect of the culture factors.

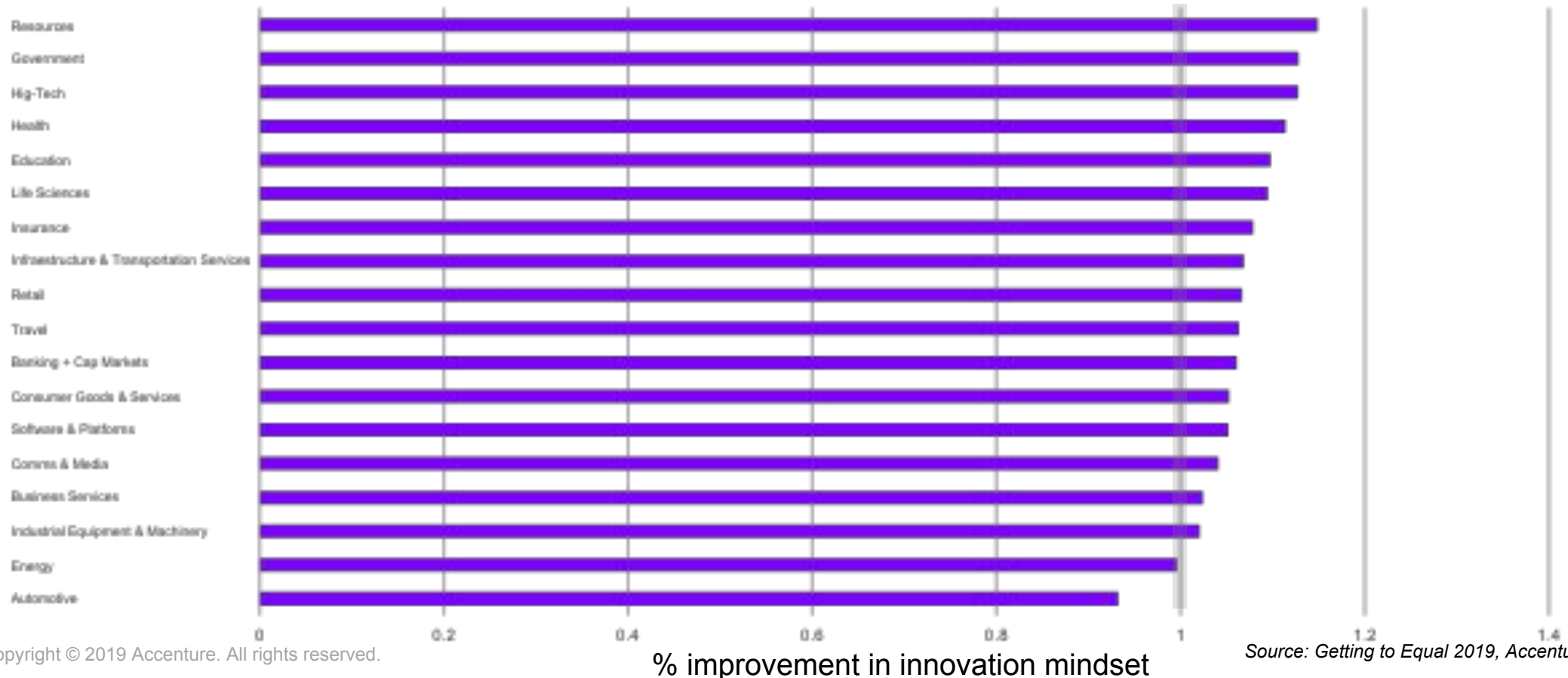
Impact of workplace culture factors on innovation mindset



CULTURE DRIVES INNOVATION MINDSET CONSISTENTLY IN EVERY INDUSTRY

This chart shows the impact of the culture factors on innovation mindset by industry. Note: this does not show innovation mindset scores, it shows the effect of a 1% increase in culture factors.

Impact of Workplace culture factors on Innovation Mindset



**DIVERSITY IS A CRITICAL
BUILDING BLOCK; CULTURE
OF EQUALITY IS A
MULTIPLIER**

DIVERSITY POSITIVELY INFLUENCES AN INNOVATION MINDSET; BUT EQUALITY IS THE MULTIPLIER

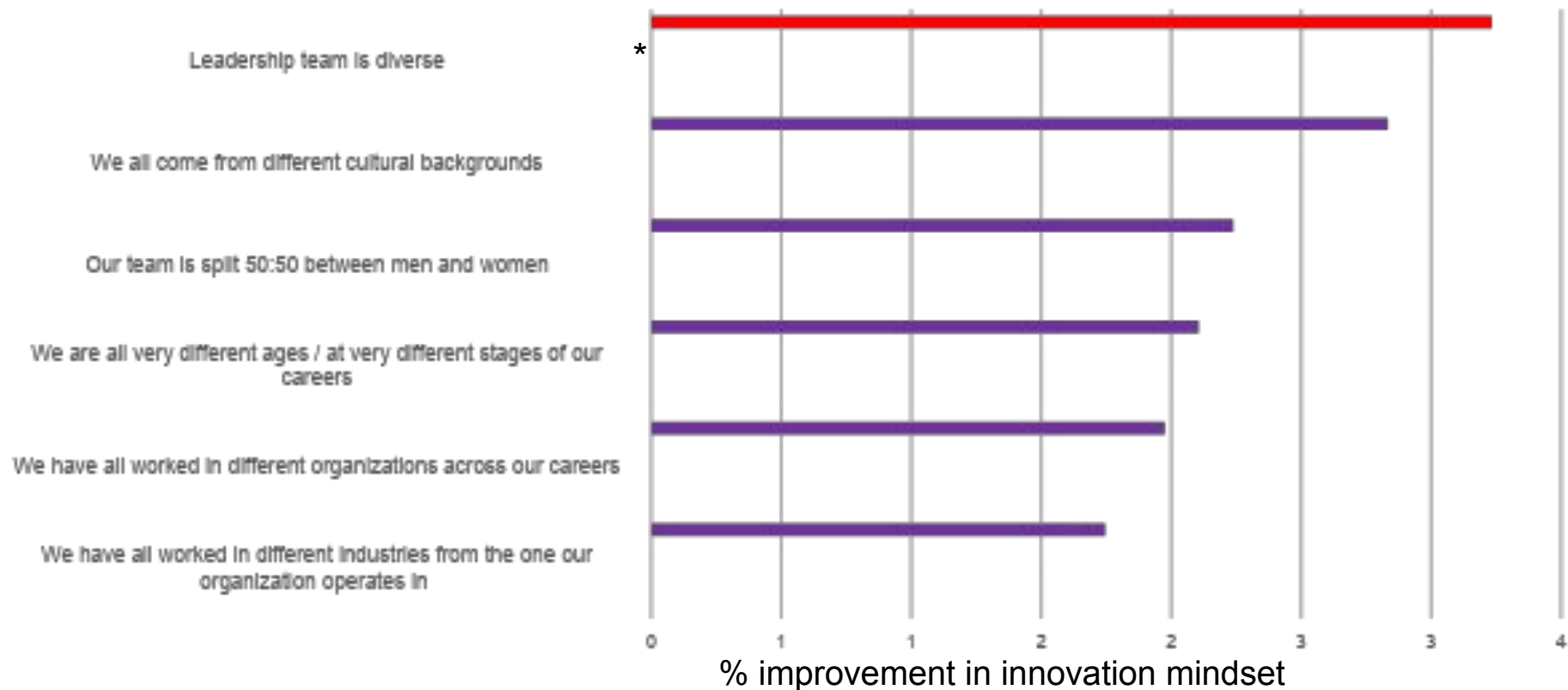
While the impact of diversity factors alone on innovation mindset is significant, it is much higher when combined with a culture of equality. In the most equal and diverse cultures, **innovation mindset is 11 times higher** than in the least equal and diverse cultures.

For the purposes of this research, we defined diversity factors as follows: a diverse leadership team as well as teams throughout the organization that are diverse across gender, age, industry/organizational/cultural backgrounds.

THE IMPACT OF DIVERSITY FACTORS ALONE (E.G., A DIVERSE LEADERSHIP TEAM AND A GENDER-BALANCED WORKFORCE) ON INNOVATION MINDSET IS SIGNIFICANT

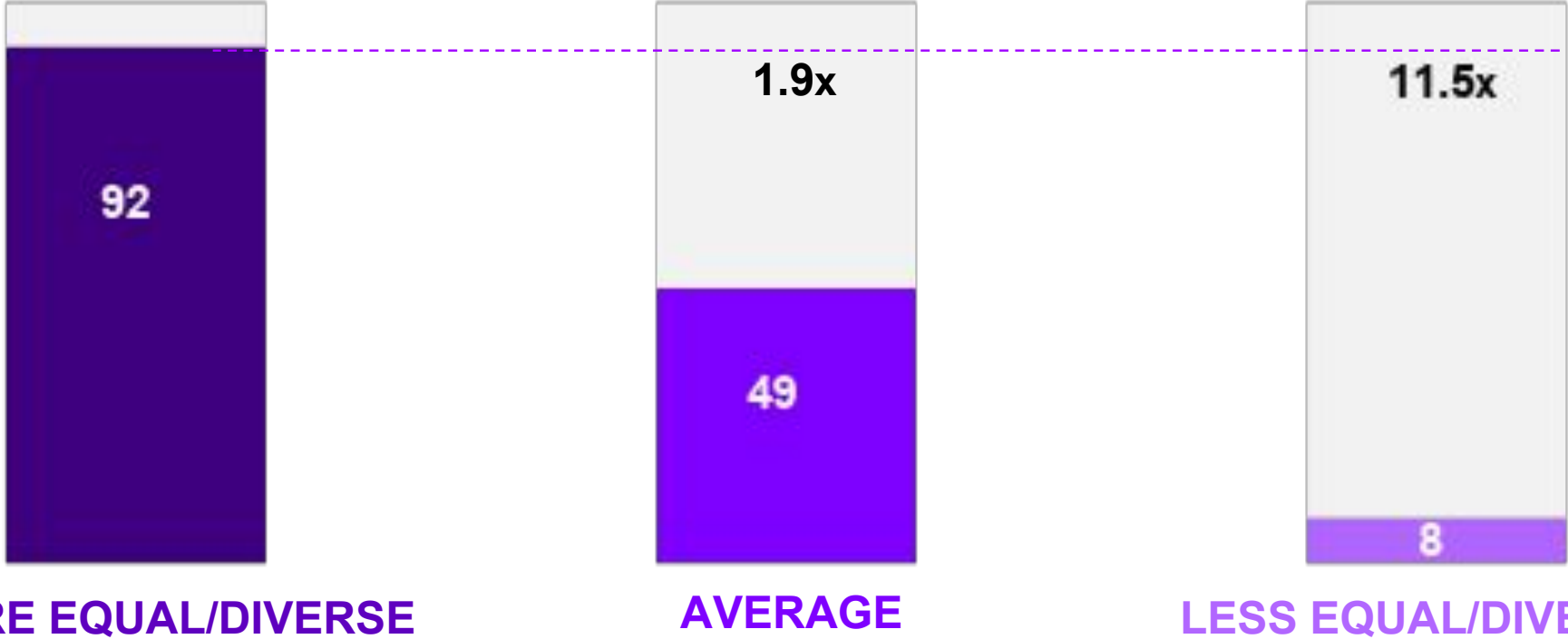
Impact of diversity factors on innovation mindset

• One of the 40 culture & equality factors



DIVERSITY FACTORS **COMBINED** WITH A CULTURE OF EQUALITY HAS A MUCH STRONGER IMPACT

Where cultures are more equal and more diverse, innovation mindset is almost **twice as high** as average, and more than **eleven times higher** compared with less equal/diverse cultures. A culture of equality acts has a multiplier effect.



* Innovation mindset index runs on a scale from 0 - 100

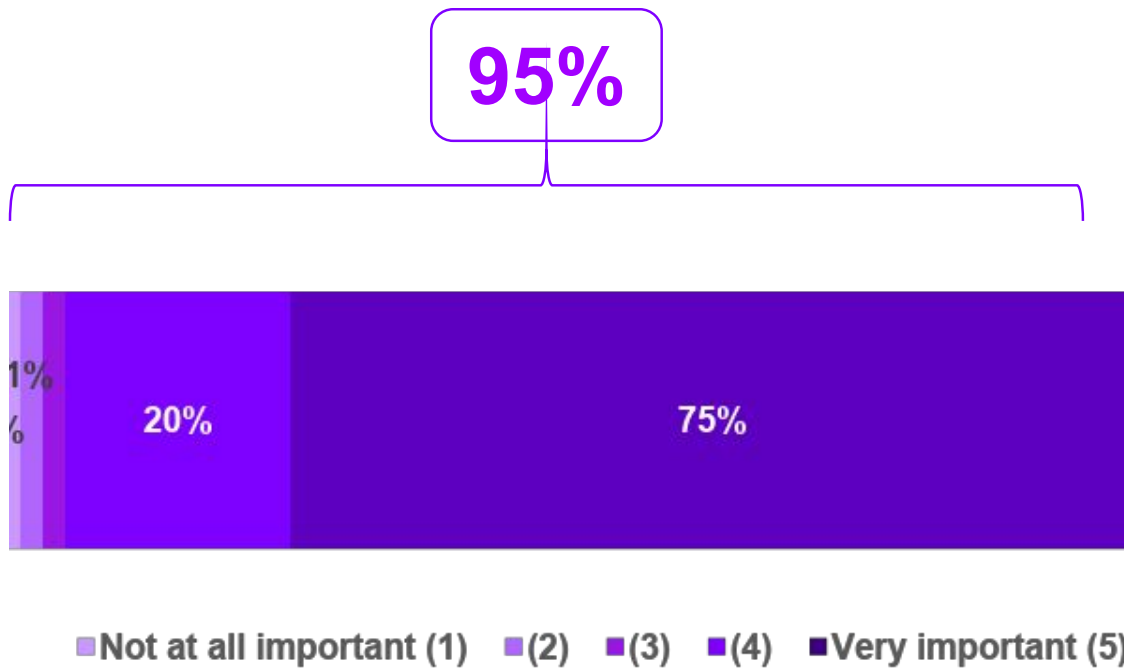
A LEADER-EMPLOYEE INNOVATION DISCONNECT

A LEADER- EMPLOYEE INNOVATION DISCONNECT

- **95 percent** of business leaders see innovation as vital to competitiveness and business viability, and **91 percent** of employees want to be innovative.
- But while **76 percent of leaders** say they regularly empower employees to be innovative, only **42 percent of employees agree**.
- It seems that leaders mistakenly believe that some circumstances encourage innovation more than they actually do. For instance, they **overestimate financial rewards** and **underestimate purpose**.
- Having an advanced degree or studying a STEM subject at college has a less powerful impact on innovation mindset than a more equal culture.

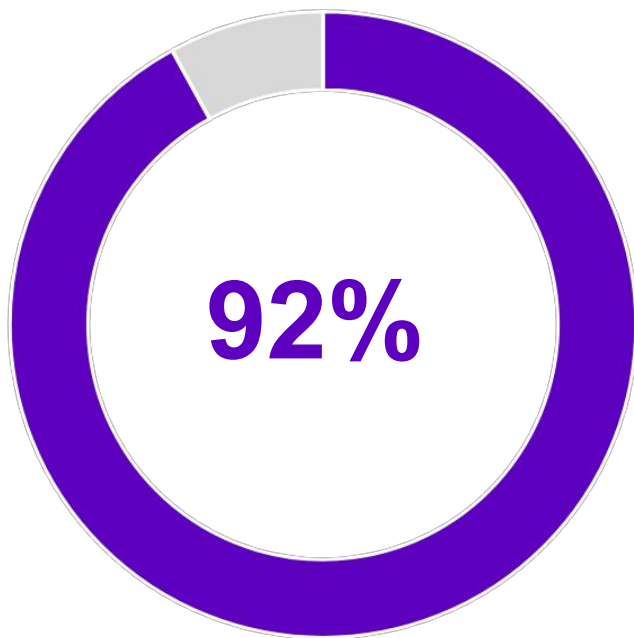
BUSINESS LEADERS SAY INNOVATION IS VITAL TO COMPETITIVENESS AND BUSINESS VIABILITY

How important do you feel innovation is to the competitiveness and long-term viability of your organization?

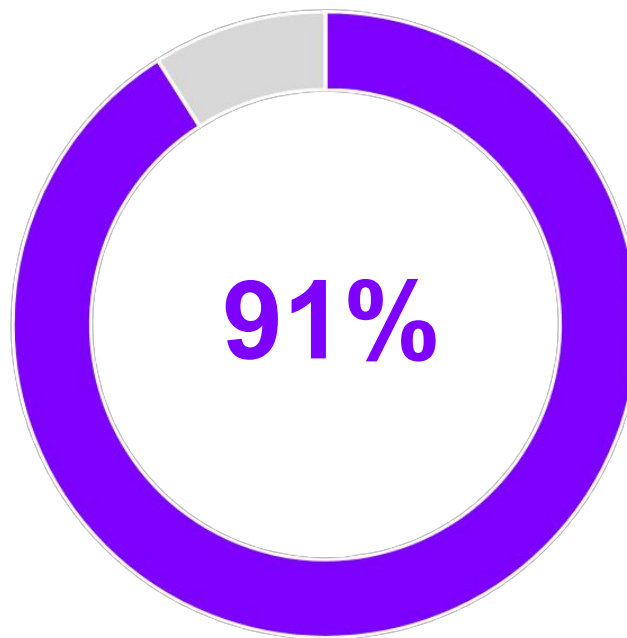


MOST EMPLOYEES WANT TO BE INNOVATIVE

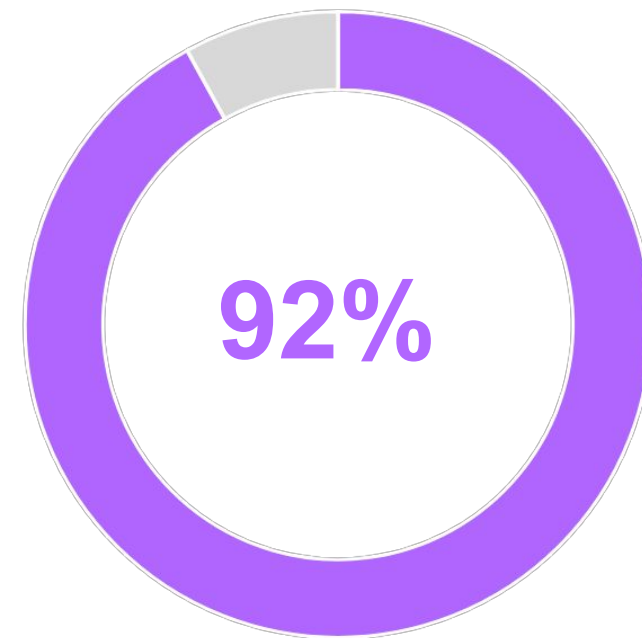
Percent of respondents who, when asked what prevents them from innovating in their organization, did not select “I am not personally interested in innovation” i.e., the graphics below show the **proportion of employees who *are* interested in innovation.**



MOST EQUAL

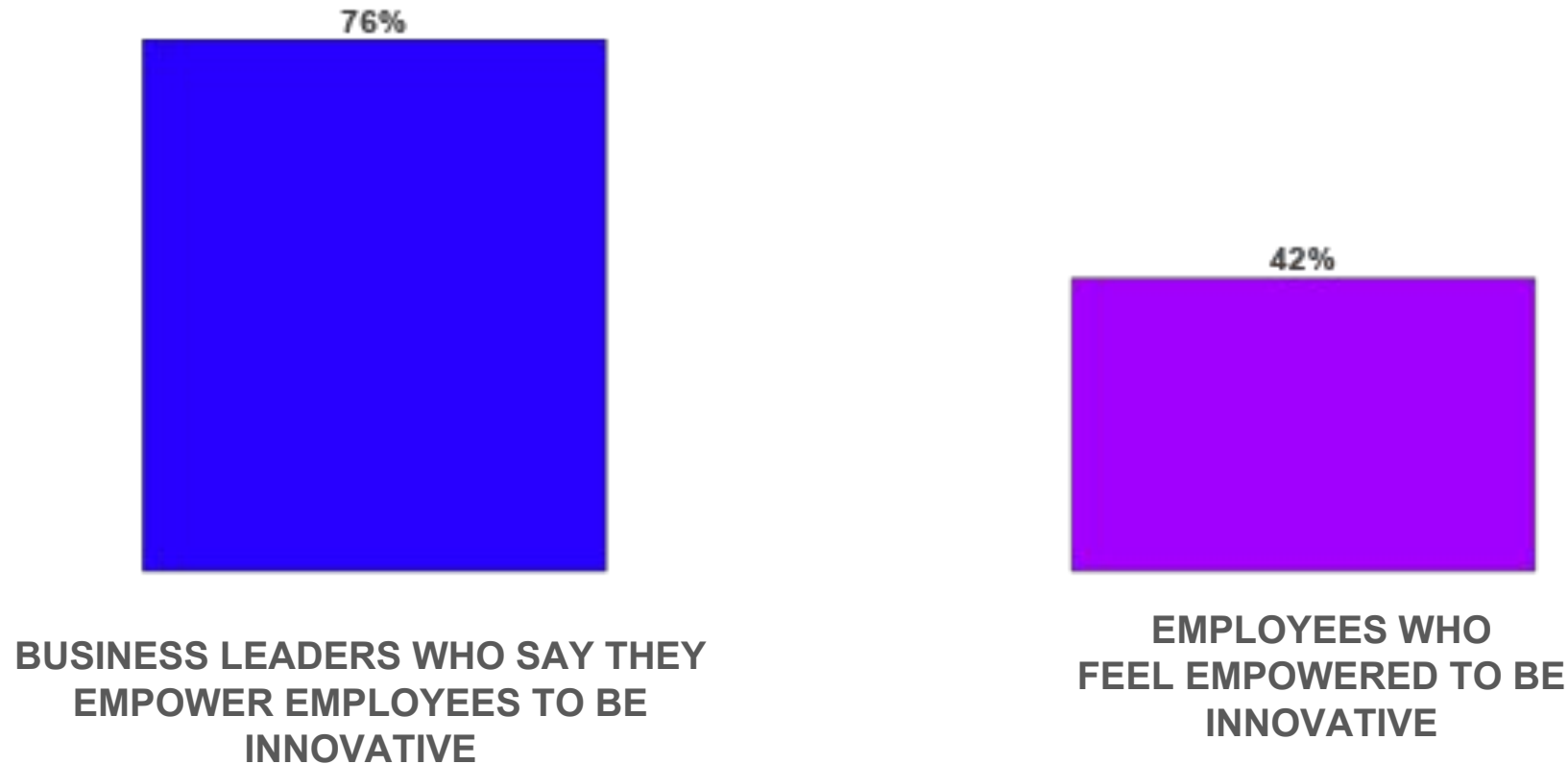


TYPICAL



LEAST EQUAL

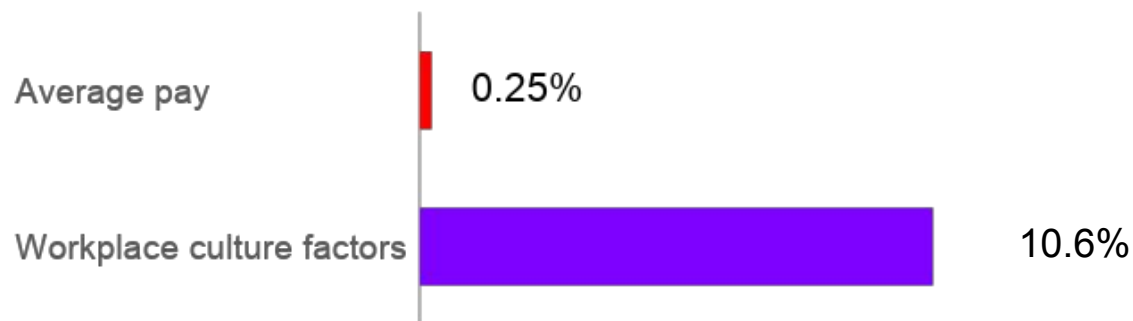
BUSINESS LEADERS SAY THEY EMPOWER EMPLOYEES TO BE INNOVATIVE – BUT EMPLOYEES ARE LESS LIKELY TO AGREE



WHEN IT COMES TO DRIVING INNOVATION INCREASING PAY IS CONSIDERABLY LESS EFFECTIVE THAN IMPROVING CULTURE

Chart shows the percent **increase in innovation mindset** of a 10% increase in pay vs. a 10% increase in workplace culture factors

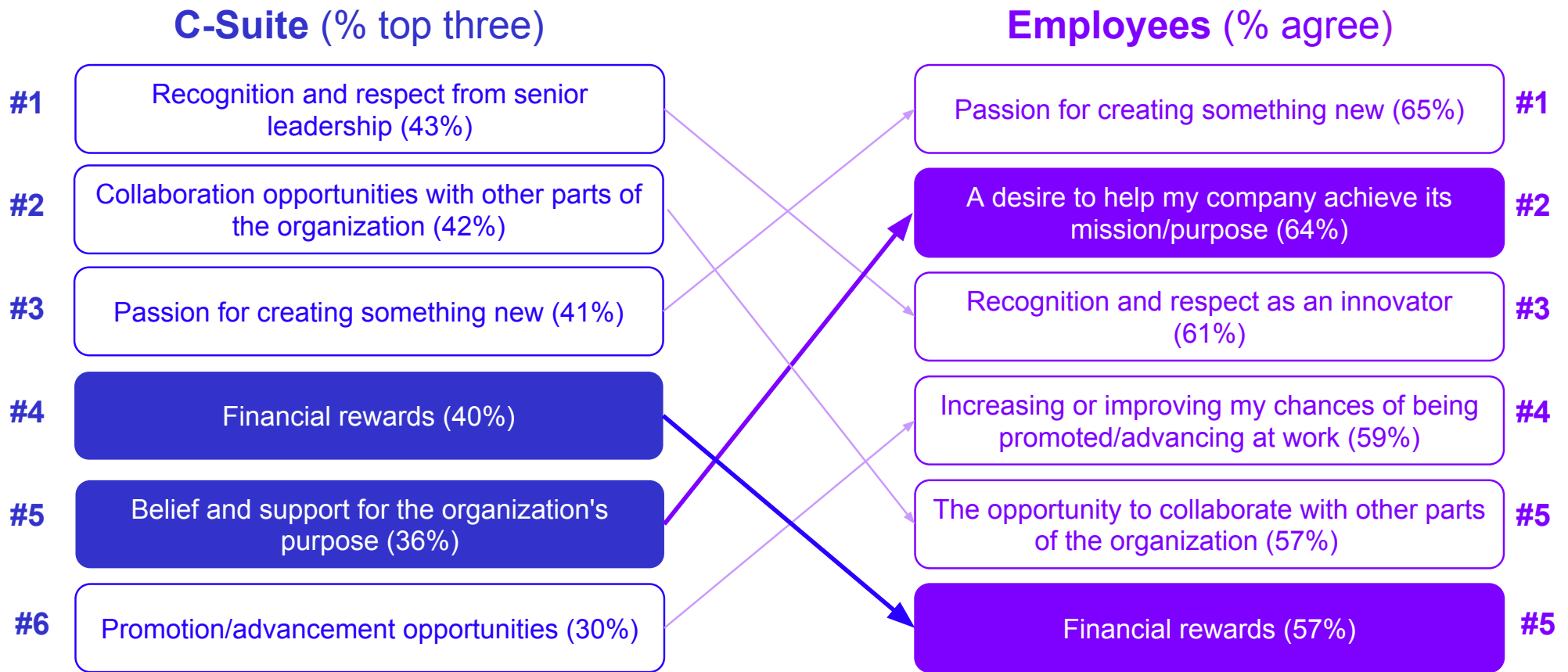
Percent change in innovation mindset



The impact of workplace culture factors on an innovation mindset is **42 times greater** than that of an increase in average pay

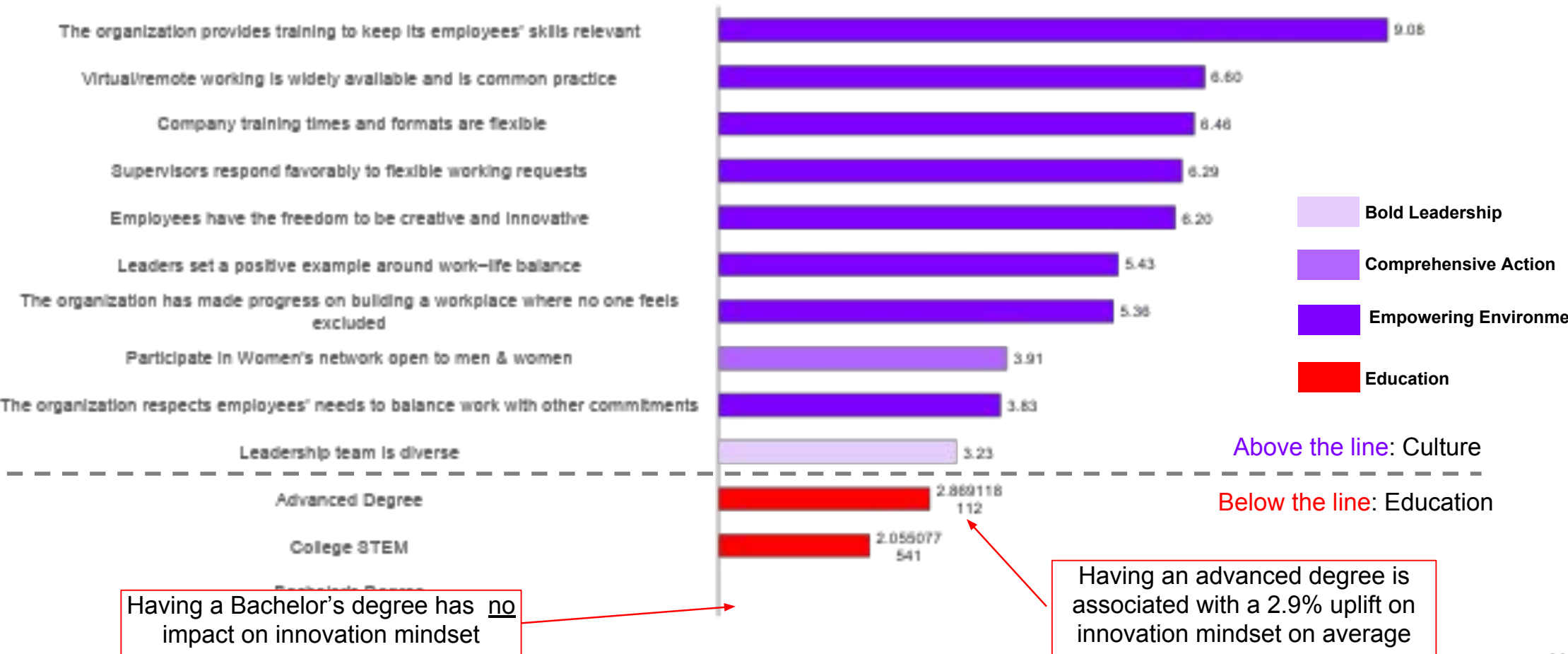
BUSINESS LEADERS OVERESTIMATE FINANCIAL REWARDS, UNDERESTIMATE PURPOSE AS A MOTIVATOR TO INNOVATE

What motivates employees/you to innovate?



CULTURE HAS A STRONGER INFLUENCE ON INNOVATION MINDSET THAN EDUCATION

RELATIVE IMPACT OF CULTURE vs EDUCATION ON INNOVATION MINDSET (%)



**EMPOWERMENT IS THE
KEY
CULTURE-OF-EQUALITY
COMPONENT**

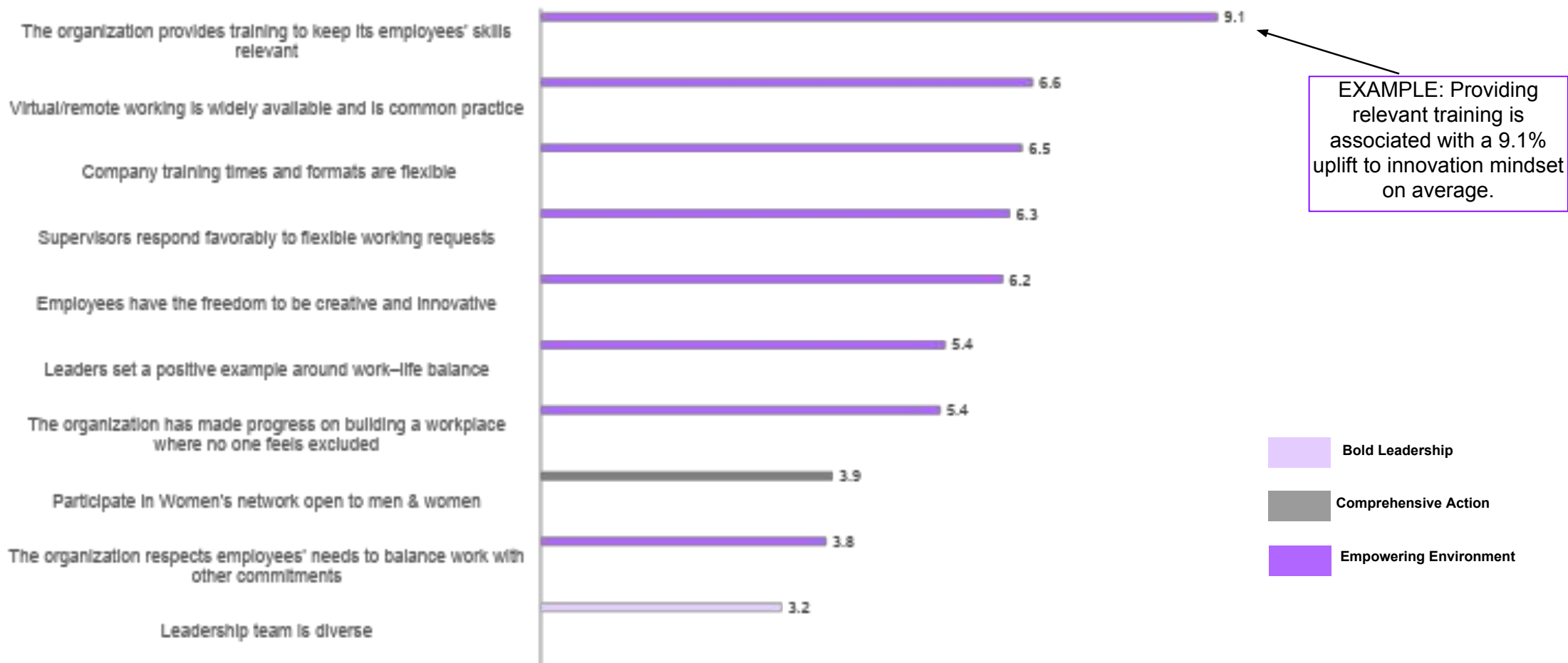
EMPOWERMENT IS KEY

What is it about a culture of equality that drives innovation mindset?
An empowering environment.

- Eight of the 10 strongest factors underpinning innovation are about empowerment. These include:
 - They have access to **training** to keep their skills relevant
 - **Remote work** is widely available and is common practice
 - They have access to company training in **flexible times and formats**

8 OF THE 10 STRONGEST FACTORS UNDERPINNING AN INNOVATION MINDSET ARE ABOUT EMPOWERMENT

Top 10 workplace culture factors – by strength of impact on innovation mindset



APPENDIX

KEY TERMS

Innovation: New processes that boost a company's efficiency, or new products, services or content offered to clients and customers.

The Innovation Mindset: An individual's willingness and ability to innovate. It is enabled by six factors: purpose, inspiration, resources, autonomy, experimentation and collaboration.

Diversity: The extent to which team members differ from each other in terms of age, gender, ethnicity and industry experience.

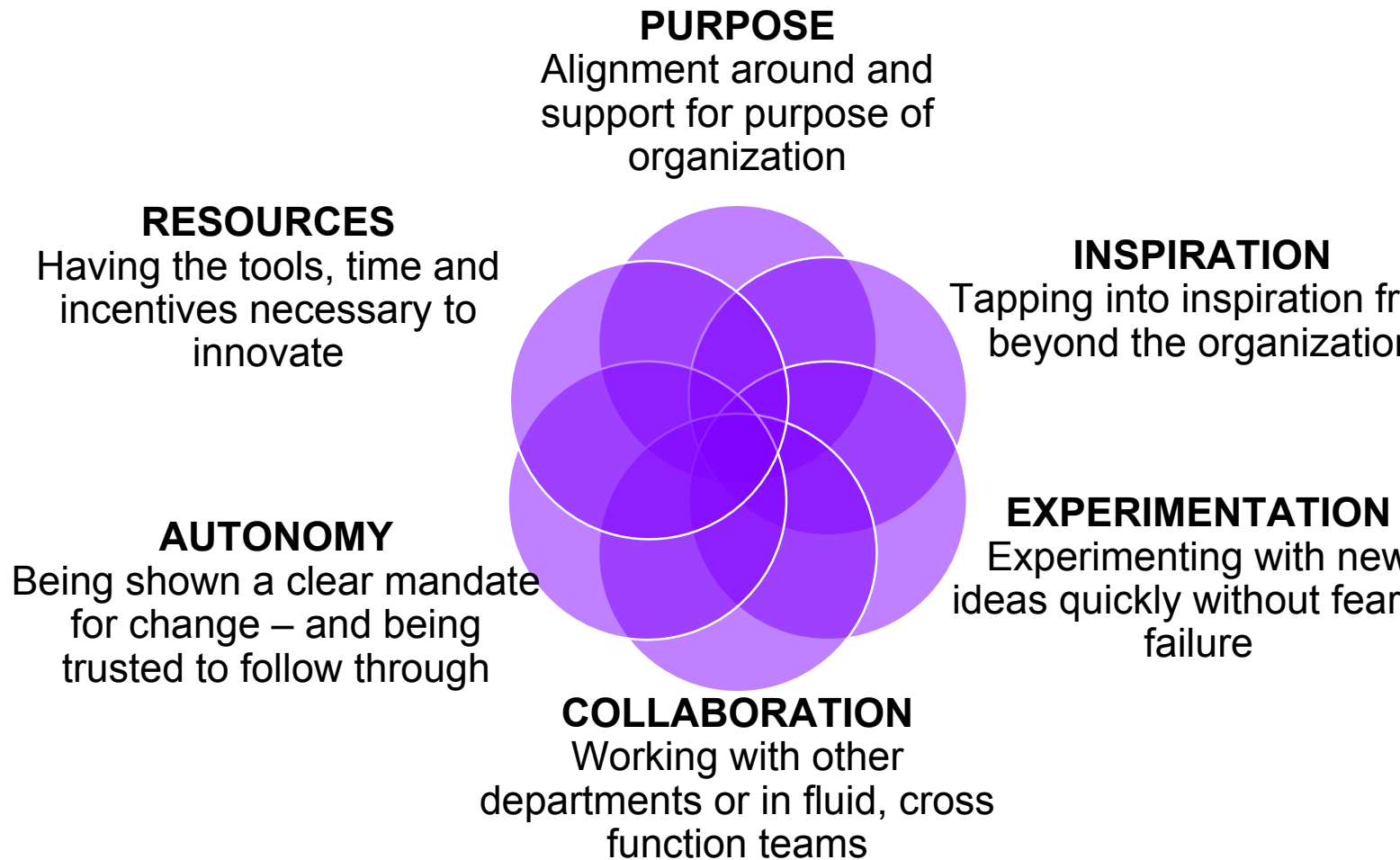
Culture of Equality: A workplace environment in which everyone can advance and thrive. A culture of equality is characterized by bold leadership, comprehensive action and an empowering environment.

Difference between Diversity and a Culture of Equality: Diversity is about the makeup of the workforce; a culture of equality enables people from all backgrounds to do equally well.

HOW WE MEASURE INNOVATION MINDSET – THE SIX FACTORS

We identified six factors that affect an employee's ability to be innovative.

These six factors are based on extensive research into what drives innovation.



CULTURE OF EQUALITY FACTORS

Bold Leadership

Gender diversity is a priority for management*

Diversity target or goal is shared outside the organization*

The organization clearly states gender pay gap goals and ambitions*

Progress on gender diversity is measured and shared with employees

Leaders are held accountable for improving gender diversity

Diversity target or goal is shared inside the organization

The leadership team is diverse

Comprehensive Action

Progress has been made in attracting, retaining and progressing women*

The company has a women's network open only to women*

The company has a women's network that is open to both women and men*

Men are encouraged to take parental leave*

Employees trust that the organization pays women and men equally for the same work

The proportion of women in senior leadership has increased over last five years

The organization is fully committed to hiring, progressing and retaining women

Progress has been made in improving gender equality in senior leadership

There is a clear maternity policy in place

Women are encouraged to take maternity leave

There is a clear parental policy in place

The organization hires people from a variety of backgrounds

Leaders take action to get more women into senior roles

Empowering Environment

Employees have never been asked to change their appearance to conform to company culture*

Employees have the freedom to be creative and innovative*

Virtual/remote working is widely available and is common practice*

The organization provides training to keep their employees' skills relevant*

Employees can avoid overseas or long-distance travel via virtual meetings*

Employees can work from home on a day when they have a personal commitment*

Employees are comfortable reporting sexual discrimination/harassment incident(s) to the company*

Employees feel trusted and are given responsibility

Employees have the freedom to be themselves at work

Leadership has a positive attitude toward failure

Leaders set a positive example around work-life balance

Networking events with company leaders take place during office hours

Employees can decline a request to work later without negative consequences

Employees can decline a request to attend early morning/late evening meetings without negative consequences

Sexual discrimination/harassment is not tolerated at work

The company has made progress in reducing tolerance of sex discrimination or gender-biased language

Company training times and formats are flexible

Supervisors respond favorably to flexible working requests

The organization respects employees' needs to balance work with other commitments

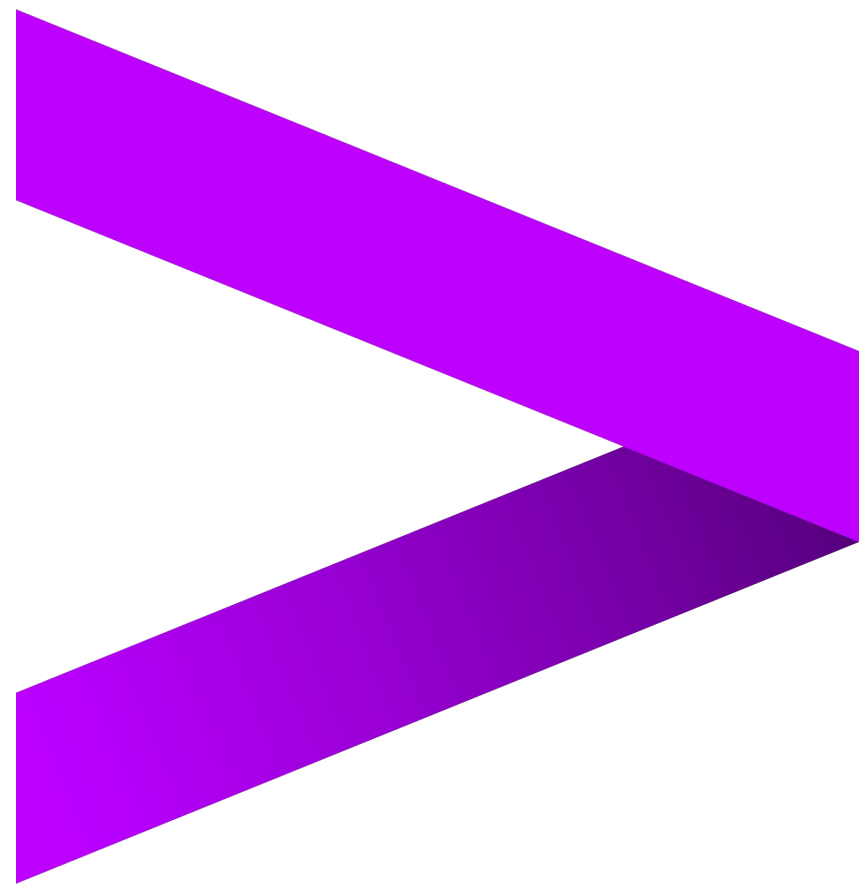
The organization has made progress on building a workplace where no one feels excluded

*14 cultural drivers

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