CONNOR, CLARK ◆ LUNN
INVESTMENT MANAGEMENT

Outline of Topics

CC&L Investment Management
Women in Leadership: A Strategic Vision

Collaborating to Unleash Potential. The Women in Leadership (WiL) initiative, led by a committee comprising the majority of women in the organization, focused on expanding leadership talent by identifying and then working to address issues that have contributed to gender imbalance in leadership within our organization, our industry, and our society.

We aspire to do better. If we successfully tackle the key issues contributing to the leadership gender imbalance, we will substantially broaden the talent pool from which great leaders emerge, creating better business outcomes.

While our collaboration-focused process was led by women, most people within the firm, regardless of gender, participated through interviews, exploratory group discussions, and/or problem-solving breakouts. The work of our collective initiative, as outlined in this document, resulted in recommendations for new strategic priorities that directly target issues uncovered through discussions and research.

Discussed in more detail below, an important—and unexpected—outcome from our work is that the solutions identified as central to breaking down the leadership gender imbalance are also solutions to issues that extend well beyond gender; our focus began with women, but the ultimate outcomes of our recommendations can benefit everyone. As we work together to reinforce a culture of fairness, open dialogue and opportunity, we are collectively creating conditions for business success. We are therefore excited about the potential impacts across the entire organization of the work initiated by CC&L's WiL committee.

MOTIVATING FACTORS DRIVING OUR INITIATIVE

CCLIM's Women in Leadership initiative was created in 2021 as a voluntary committee with two related objectives. The first was to identify the root causes of—and key issues within—gender imbalance in our organization, industry, and society at large. Our second objective was to propose solutions to begin proactively tackling that gender imbalance.

Motivating our initiative was the considerable volume of academic, media, and industry research regarding gender (in)equality in the workplace. In aggregate, these findings overwhelmingly point to a systematic and persistent theme that spans almost every industry: as jobs become more senior, technical and higher profile, the proportion of women in those jobs declines. For example, only 23% of STEM jobs in Canada are filled by women, 29% of Canadian entrepreneurs are women, 29% of Canadian political leaders are women, and just 4% of CEOs at Canada's largest publicly traded corporations are women[1].

While we recognize that many of the underlying drivers of gender imbalance stem from issues well beyond our organization, we must also recognize that our organization, our industry, and our society interconnect. This interconnected reality has tangible implications for our organization's ability to realize the benefits of a truly diverse and inclusive workplace. For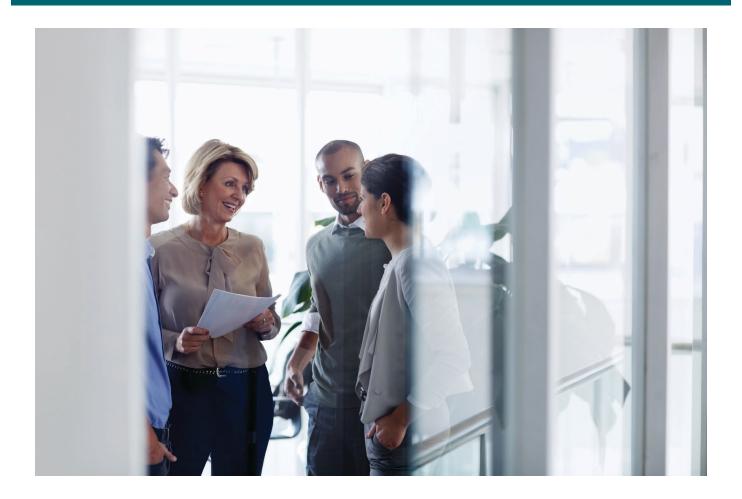 example, we struggle to recruit women into senior investment roles. As a result, CCLIM's statistics tell a similar story to other companies: there is a considerable gender imbalance on the board, among team leaders, and among senior investment team members. We can do better.

The business case for Diversity, Equity, Inclusion, & Belonging (DEIB) has been widely documented and is, therefore, not included in the scope of this document. Instead, our focus is on why. Why are the numbers so dramatically tilted towards one gender over another? It is our belief (supported by academic studies, industry research, and personal experience) that this imbalance is a result of societal influences, complacency and unconscious bias within the workplace. While the statistics around gender imbalance in senior positions are disappointing, we believe we can effect change through deliberate thought and coordinated action.

DEIB extends well beyond just gender. However, in the interest of breaking a much larger problem down into a smaller, more manageable area of focus, this initiative focused on issues related to gender imbalance. Yet, as noted above, recommendations stemming from this work are largely not gender specific and have broader application beyond women. Indeed, we expect the majority of our proposed solutions will benefit every employee in the organization.

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[1] 'Women in the workplace – How employers can advance equality and diversity'. Symposium on Women and the Workplace, 2019. Government of Canada's Labour Program, report-women-symposium-EN.pdf (canada.ca)

PROCESS

Gender imbalance at senior levels is a complex, multi-dimensional problem with no "silver bullet" solution. Accepting that, we took a bottom-up approach which enabled us to first understand and identify the key barriers preventing women from reaching their full potential at work. We held extensive interviews internally and externally, in addition to undertaking external research and brainstorming sessions to delve into the most relevant issues ("Key Issues") facing women in our workplace today. We then distilled those issues further to determine their underlying root cause(s). From there, we crafted solutions to address the most important root causes. This robust, step-by-step approach gave us confidence we were surfacing impactful solutions that directly addressed the underlying existing barriers.

We broke down the initiative into four working groups. Each had a clear set of objectives, and each followed the same rigorous step-by-step approach mentioned above. Those working groups are as follows:

- **Societal Norms:** To identify Key Issues faced by CCLIM associated with gender-related societal norms (e.g., family responsibilities), and to promote solutions to help minimize these issues with the objective of creating a more equal playing field for all employees both at work and at home.

- **Leadership Competencies and Qualities:** To identify and then eliminate gender-related impediments associated with leadership development to allow the best talent across the firm the opportunity to develop into leadership positions.

- **Work Environment:** To identify whether there are improvements to be made to our work environment (i.e., how we interact with each other) that would help remove barriers to career progression.

- **Hiring:** To achieve a more gender-balanced workforce supported by hiring practices that address gender-based constraints.

Societal Norms

The Key Issues surfaced relate to gender imbalances tied to extended parental leaves and ongoing family obligations. First, taking an extended parental leave negatively impacts one's career through missed development and promotion opportunities, as well as being out of the information flow. At our firm and within our industry, extended parental leave remains largely a female issue as typically only women are taking extended (or any) parental leaves.

Women have often prioritized parental leaves more than men due to physical recovery, societal expectations and preference. Additionally, many parental leaves are not well managed due to insufficient communication by both the leave taker and manager, and a lack of training and clear policies on how to best manage leaves. Mismanaged leaves can exacerbate the challenges associated with taking leave in the first place and, in certain circumstances, may influence career choices by the leave taker.

We also highlighted that ongoing family obligations typically fall disproportionately to women. Balancing a demanding senior leadership role with family obligations is particularly challenging if one is responsible for the majority of family and household duties. This imbalance of how non-work obligations are met often means that women and their managers may not believe a female can simultaneously meet the demands of a leadership role and fulfill her family obligations. We aim to change the perceptions that this imbalance perpetuates.

Our recommendations are aimed at identifying ways CCLIM can help to mitigate the challenges associated with parental leaves and the biases that exist related to ongoing household obligations in hopes of creating a more balanced work environment. Importantly, we want to promote an environment where all genders believe they can be successful both at work and at home.

Leadership Competencies and Qualities

When analyzing our leadership development, the Key Issues that arose related to feedback, confidence, and the application of our career development process. First, we found that collaborative, real-time feedback is not ingrained in our culture. Instead, feedback is generally top-down, and many people receive little feedback from people they work with. These issues can translate into delayed growth opportunities and suboptimal development for managers and employees.

Confidence is necessary for leadership, but not everyone naturally exudes confidence. This can result in leadership candidates being overlooked. Both the individual and manager play a role in developing employee confidence.

Finally, the application of our Career Development Plan (CDP) framework varies across the organization. Not all managers are proactive and collaborative about identifying employee career potential, and there is not a standard set of leadership competencies for CDPs and evaluations. Further, many employees do not have a clear understanding of the process to identify potential future leaders, which can lead to inaccurate assumptions and erode trust in the development process. The solutions are focused on creating an environment where everyone can reach their full potential and allow the best talent across the firm to develop into future leaders.

Work Environment

The main issues highlighted by this group relate to how the work environment impacts inclusive and equal opportunities for career progression. In male-dominated environments such as the investment industry, women may struggle more than men to build relationships and feel part of the team because it is often easier to forge relationships with people who share similar skills, interests, experiences and backgrounds. Deficient relationships can, in turn, inhibit one's ability to build knowledge. Moreover, discussions characterized by direct and assertive communication styles can be a barrier to participation for individuals who are not comfortable in what they consider to be confrontational settings. That presents a loss for all involved, because many of these individuals often have valuable insights they would likely share in different cultural settings.

Perceptions of psychological safety in the work environment impact employee confidence, making some employees reluctant to give and receive feedback, and to voice and pursue ambitious goals. When feelings of safety, comfort or inclusion are lacking, we may not hear ideas, feedback or ambitions from talented individuals because they are apprehensive about bringing forward their views. As a result, they can be overlooked for career progression. Our recommendations focus on fostering a safe and inclusive work environment that is required to support career development for every individual.

Hiring

The Key Issues raised here relate to three areas: the talent pool, CC&L's application pool, and our hiring process.

The main issue related to the talent pool is the underrepresentation of women in senior positions in the investment industry today, which means the pool for experienced female talent is limited. On the contrary, we identified that the talent pool of individuals enrolled in technically qualified university programs is gender balanced, and is not in fact a Key Issue. Because there is little we can do about the current composition of the senior talent pool, our recommendations seek to improve gender balance in the overall talent pool over time by focusing on entry-level applicants and career development.

Within the pool of individuals applying for roles at CC&L, we identified gender issues related to both experienced and entry-level applicants. Noted above, the talent pool for experienced female hires is already limited. Compounding the issue is that even fewer qualified female candidates opt into the application pool due to risk aversion towards role changes. For entry level / less-experienced hires, while the talent pool is gender balanced, the percentage of female applicants applying to roles is relatively low. There are two main reasons for this low interest from young women. At the industry level, the high percentage of men reinforces perceptions that there are comparatively few places for young women to join, let alone thrive in, the industry. Looking specifically at CCLIM, there is a lack of awareness among these same young women about our firm and about the benefits we can offer as an employer. Our application pool recommendations therefore focus on identifying ways to increase the likelihood of receiving applications from experienced women and on ways to develop awareness and showcase how women can develop in capital markets.

Within the hiring process itself, we identified that unconscious bias can screen out qualified women and create a negative feedback loop in hiring. Hence, our hiring process recommendations are aimed at enhancing our current hiring processes and creating success measurements.

SOLUTIONS

Background

With gender-related Key Issues identified for each of our four areas of focus, we then shifted our focus to developing solutions specifically targeting the Key Issues. As we moved towards targeting effective solutions, however, our gender specific focus shifted. We began consuming literature and research related to other DEIB initiatives and found that many diversity initiatives in other organizations tended towards identifying average differences between men and women and applying solutions through training/coaching specifically for women. Despite the good intentions behind these programs, they were seen as a form of discrimination in themselves, because they imply that women start by being 'less adequate' and require additional training compared to men.

We concluded, therefore, that the risks of stereotyping outweighed the benefits of identifying gender differences regarding leadership and designing solutions targeting one gender. As a result, we took a gender-neutral approach when designing our solutions. We believe this approach comes with the added benefit of creating a better work environment and support for all genders and backgrounds.

We organized the recommended solutions from the working groups into broad and on-going organizational objectives and then, within each, identified a series of initiatives associated with manager engagement, employee engagement, infrastructure and policy. To fully implement all these solutions is admittedly very ambitious. Our philosophy, however, is that large challenges become solvable when broken into a series of smaller challenges. To this end, we propose a plan by which we would prioritize and then implement the recommendations over a multi-year period.

Below we summarize the proposed organizational objectives along with solutions and recommended timelines for implementation.

Objective #1: Continuously promote a culture of real-time "360 degree" coaching and feedback

Manager Engagement

Explicitly state this as an annual organization-wide strategic objective. We recommend setting a recurring organizational strategic objective to continuously foster a culture of providing real-time collaborative feedback (e.g., senior to junior, junior to senior, peer to peer). Managers play a key role in creating this culture by improving their feedback, exchanging skills (through training), genuinely and frequently giving and asking for feedback, raising awareness about feedback as a type of contribution, and encouraging employees to directly exchange feedback.

Foster a work environment of psychological safety. Our firm has acknowledged and emphasized the importance of psychological safety and the role managers play in creating a safe environment. We propose to support managers in efforts to create a safe environment within their teams through anonymous surveys and to create accountability by including this psychological safety measure in managers' evaluations.

Employee Engagement

Educate employees on how to give and receive feedback and why it matters. Coach employees around how to provide and receive feedback. An environment of real-time collaborative feedback fosters a growth mindset, empowers employees, improves trust, and creates a more positive workplace. In addition, employee-to-manager feedback will help bring awareness to managers/leaders on their management skills and provide opportunity to reflect and act on the feedback.

Infrastructure

Develop systems to support real-time feedback. Adopting a software tool for real-time feedback can significantly aid in creating a culture of real-time collaborative feedback by addressing common frictions that deter feedback. Such a tool would reduce time spent organizing feedback exchanges, providing feedback, and analyzing results. It would also appropriately handle situations where anonymity is necessary, and likely uncover more insightful feedback.

Objective #2: Create aligned vision on how career progression occurs and support employees in realizing their personal career objectives

Manager Engagement

Review and update our Career Development Plan (CDP) framework to ensure consistent application, more rigorous tracking, and optimal employee/coach alignment. Applying the CDP framework consistently across our organization can support impartial access to leadership opportunities across the firm. We recommend a review of our CDP framework to improve efficiency and effectiveness of the CDP. In addition, we recommend a more structured approach to determine the individuals involved with CDP mentoring and a CDP workshop for managers to brainstorm and share best practices for managing CDPs. We also want to clarify the expected benefits of and time commitment towards the CDP program, formally incorporate the CCLIM Core Leadership Skill lists into CDPs and expand formal CDPs to existing leaders.

Coach leaders to be deliberate about identifying growth opportunities through assigning projects that build context. Creating opportunities for junior staff to work on more complex projects directly with leaders or senior personnel nurtures talent and enhances engagement. This is particularly true with projects that extend beyond immediate job functions or usual assignments, thus providing valuable learning and development opportunities for people who do not yet have broader perspectives, while at the same time building relationships.

Run annual educational seminars for all employees on Career Progression/Compensation. Providing transparency about the career progression and compensation processes can address incorrect assumptions and perceptions, which is important for building trust and broadening employee understanding of the business.

Employee Engagement

Organize leadership development workshops for all CCLIM employees to provide coaching on core leadership skills to all employees prior to identifying leaders. Continue program as new employees join the firm. Developing an understanding of important leadership characteristics early in a career enables individuals to then focus on leadership development at this early stage, which can help open career pathways that may not have otherwise been an option. As well, a common understanding of leadership skills enables all employees to provide feedback and coaching to each other.

Coach individuals to proactively execute, maintain and monitor their CDP. CDPs are as much the responsibility of individuals as they are of leaders. Individuals need to believe in the process, which is the goal of the recommendation above. A CDP on its own, however, does not ensure career progression; the CDP is the tool not the solution. We seek to provide coaching to individuals to actively manage their CDPs and, in particular, to execute on development priorities identified in the CDP.

Develop confidence and communication skills through public speaking training. Developing confidence in individuals can boost leadership potential. In our firm, we have observed that public speaking training improves both communication skills and confidence in other areas of an individual's work. Extrapolating from this observation, we propose creating a CCLIM Toastmasters Club open to anyone interested, regardless of whether their role involves public speaking.

Objective #3: Foster a culture that supports a family-friendly workplace

Manager engagement

Coach leaders to instill a family-friendly environment and better manage parental leaves. For our WiL initiatives to be successful, our culture needs to support the policies that we set. Culture is driven by our leaders. We recommend coaching leaders (annual webinars and 1-on-1 coaching) on how to help men and women alike feel supported to invest in family while reaching their full professional potential.

Policy

Modernize parental leave policy to normalize leave across all genders. For women to participate equally at work, we need to show support for men making a greater contribution at home and remove the gender bias that exists around women taking leave/men not taking leave. Introducing parental leave for the non-birthing parent will help to normalize taking leave for all genders and reinforces our gender-neutral philosophy.

Create on-going initiative to provide external coaching for new parents to better manage parental leaves. A well-managed parental leave can yield many benefits to both the individual (i.e., personal and career satisfaction) and the organization. These benefits can manifest in increased trust between the individual and the company, greater attraction and retention of parents and happier, higher performing people. We seek to offer a third-party coaching program to all parents, covering the stages from planning for parental leave through to return to work.

Standardize parental leave framework. Providing a formal framework for managers and leave takers will help to minimize ambiguity and provide guidance to help ensure open communication and better management of the leave by both parties. We plan to formalize a 'Leave and Return Process' that will serve as guidelines for all parental leave takers and people managers.

Objective #4: Enhance recruiting practices to identify and maximally attract both a highly qualified and diverse pool of applicants

Manager engagement

Review attractiveness of job postings to attract diversity. We aim to make CCLIM known as an attractive place for women to work. External research has indicated that women interpret job postings differently than men, and there are styles, tones and features that can discourage women from applying. We recommend engaging a third party to support a formal evaluation of our job-posting process to enhance the attractiveness of those job postings to women.

Develop marketing strategy to promote CCLIM as an attractive place to work. A firm's reputation and brand can play a critical role in attracting female candidates. Nearly all candidates will research a firm before applying for a job or accepting a role. Because of this, increasing brand awareness and brand familiarity among the talent pool is incredibly important.

Establish partnerships (including mentorship engagement) with external networks. Qualified women are often engaged in concentrated professional networks. These channels are designed to bring together corporations and targeted audiences and are valuable venues for CCLIM to build relationships and increase our profile. We recommend establishing firm partnerships with these external parties that contain networks of qualified women.

Mentorship can support women who are already pursuing STEM or business-related majors by promoting interest in a career in finance. It offers an opportunity to build early connections and expose students to real examples of women who have made successful careers in the finance industry. Mentorship will also allow CCLIM to improve brand awareness. We recommend encouraging and supporting CCLIM employees to act as mentors, industry/firm advocates and subject matter experts within designated university/professional mentor programs.

Create a hiring handbook as a best practice reference for hiring managers. Many hiring managers are not trained in talent acquisition. A handbook would serve as a much-needed guide to manage an effective hiring process. Such a handbook should result in greater consistency in the hiring process, resulting in less bias. The handbook would outline strategies for outreach, posting, and conducting a successful interview process.

Update hiring process to proactively solicit talent. Our research uncovered an observation that women who have experience are often hesitant to change roles. They feel uncertain about a new role and refrain from switching companies because it could mean more work and negative effects on their family. We plan to explore ways to encourage experienced women to apply for positions at CC&L.

Employee engagement

Encourage women to leverage personal networks for CCLIM recruiting. Talented women attract other talented women. The majority of the women hired by CCLIM had a connection with a current employee. Research indicates that most women are more comfortable pursuing a change in firm and role if they have a prior connection with the firm and its employees, especially if that connection is a woman. We recommend establishing a program for current CCLIM employees to build relationships with potential women candidates.

Infrastructure

Build hiring database to help track progress. Correctly identifying and analyzing unconscious bias and deficiencies in our hiring process requires data. We need data to monitor trends and changes in our hiring process, and we want to support future enhancements and training. Therefore, we recommend creating a platform for HR and hiring managers to collect and use data to evaluate our hiring process.

IMPLEMENTATION TIMELINES

We took action throughout 2022 on several issues identified through our WiL initiatives. Below we outline progress made last year, as well as our expected implementation timelines in 2023 and beyond for the remaining recommendations. We expect that the WiL initiative will continue to grow and evolve over time as needs and expectations change through the implementation process. This will likely result in periodic adjustments to the longer-term implementation roadmap.

2022	2023	2024
Promote a culture of real-time 360 coaching and feedback • Began dialogue to create awareness of the importance of feedback (top-down and bottom-up) in the career progression process • Performed 360-degree reviews for employees and leaders	**Promote a culture of real-time 360 coaching and feedback** • Explicitly state this as an organizational strategic objective for 2023 • Educate employees on how to give and receive feedback and why it matters	**Promote a culture of real-time 360 coaching and feedback** • Develop systems to support real-time feedback • Foster a work environment of psychological safety
Create aligned vision of how career progression occurs and support employees in realizing their personal career objectives • Began annual educational seminars for all employees on Career Progression/ Compensation • Organized leadership development workshops for all CCLIM employees to provide coaching on core leadership skills to all employees prior to identifying leaders. This program will continue as new employees join the firm.	**Create aligned vision of how career progression occurs and support employees in realizing their personal career objectives** • Review and update our CDP framework to ensure consistent application, more rigorous tracking, and optimal employee/coach alignment	**Create aligned vision of how career progression occurs and support employees in realizing their personal career objectives** • Coach individuals to proactively execute, maintain and monitor their Career Development Plan • Coach leaders to be deliberate about identifying growth opportunities through assigning projects that build context • Develop confidence and communication skills through public speaking training
Foster a culture that supports a family-friendly workplace • Modernized parental leave policy to normalize leave across all genders	**Foster a culture that supports a family-friendly workplace** • Create ongoing initiative to provide external coaching for new parents to better manage parental leaves • Coach leaders to instill a family-friendly environment and better manage parental leaves	**Foster a culture that supports a family-friendly workplace** • Standardize parental leave framework
Enhance recruiting practices to identify and maximally attract both a highly qualified and diverse pool of applicants • Began dialogue to create awareness of issues that can lead to gender imbalance in the hiring process	**Enhance recruiting practices to identify and maximally attract both a highly qualified and diverse pool of applicants** • Develop marketing strategy to promote CCLIM as an attractive place to work	**Enhance recruiting practices to identify and maximally attract both a highly qualified and diverse pool of applicants** • Update hiring process to proactively solicit talent • Encourage women to leverage personal networks for CCLIM recruiting • Create a hiring handbook as a best practice reference for hiring managers • Establish partnerships (including mentorship engagement) with external networks • Build hiring database to help track progress • Review attractiveness of job postings to attract diversity

RECOGNITION

Members of the Women in Leadership Committee include:

Jenny Chen, Lisa Conroy, Monica Demidow, Jenny Drake, Jovana Kasic, Adriana Gelbart, Piper Hoekstra, Carolyn Kwan, Anndip Mehat, Svetlana Miguelez, Mandy Powell, Katarina Priecelova, Sylvia Roma, Dana Russell, Maxine Smalley, Lily Tan, Tracy Wicaksana, Vivian Xu and Alice Zhou

Lindsay Holtz and Catherine Dorazio also played instrumental roles within our initiative, working directly to provide mentorship and coaching to working group chairs.

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