

We need a fundamental change in our thinking about women in leadership



***“Women’s leadership in logistics – where we are and what comes next?”,
the report of Women in Logistics Forum, 2022, Warsaw***

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The debate about the role and position of women in the global economy usually resounds on the eve of International Women’s Day (8 March). This is when all inequalities in the treatment of women on the labor market are highlighted. In connection to that date, the media headlines focus on the lack of gender equality and actions needed both to activate women professionally and equalize their chances on the labor market. Soon after the day passes, however, the subject disappears from the front pages of newspapers, and the reports and data describing those issues get lost in the information jungle. Organizations return to “business as usual” and seem to overlook the shift of existing paradigms and models of leadership towards a new reality where women may play a leading role.

Shift in the Leadership Paradigm

Until recently, leadership was defined through the concept of VUCA that was created and popularized in the 1980s. VUCA determined management styles in the volatile, uncertain, complex, and ambiguous landscape. However, the events we have witnessed in this century, and particularly after the outbreak of the COVID-19 pandemic, have led to a new reality, where VUCA no longer seems to be a sufficient concept to help us understand the world around us. Thus, a new concept was developed – BANI – to reflect the turmoil of present times.

BANI, as proposed by Jamai Cascio, describes our world as brittle, anxious, nonlinear, and incomprehensible. This new leadership paradigm highlights and generates different needs in terms of leadership competencies. In the BANI model, the world requires a shift in approach to solving and working through problems, managing people and processes, and above all, to responding to crisis situations. That is, to everything we experience when dealing with global challenges such as wars, climate catastrophe, political, social and health crises, as well as the growing uncertainty of the operating conditions of companies. The most important observation here is that when interpreting the meaning of words in the

BANI acronym, we see a strong reference to the leadership qualities of women.

BANI leadership requires a high level of emotional maturity, collaboration skills, and a well-described path of development, as well as soft skills such as empathy, intuition, flexibility, and communication. The new desirable leadership style also requires resilience to pressure, boldness to pursue the impossible, and the ability to face new types of adversities different from traditional challenges. We can see many indications that the old models seem to be falling apart, and on the other hand, modern leadership styles are still underestimated or require special support to develop in everyday reality.

The above observations were confirmed by our 2022 research and described in the report entitled “Women’s leadership in logistics – where we are and what comes next”. The research was carried out among 99 of women managers and leaders (70% of respondents come from international and global companies, 30% from local firms), members of the Women in Logistics Forum community in Poland. The report identifies the barriers to the development of women’s leadership in logistics and supply chains, strongly represented in old leadership models. The barriers described in the report prevent implementation of fundamental changes in the logistics sector in terms of understanding of leadership competencies and gender equality in this area. Even though the number of women in this industry accounts for about 48% of the total number of employees, lack of changes and a conservative approach to leadership prevents the increase in the number of women in managerial positions, which does not exceed 20%. Due to stereotypes, women still face certain barriers (old models) to access senior managerial positions. The top barriers identified by respondents as most limiting women’s chances for advancement to higher managerial positions are (see also Fig. 1 below):

- 34% of female managers encountered gender-based violence on their path to advancement
- 41% faced a lack of recognition of women’s competence equal to that of men
- 51% struggled with responsibilities related to private life, such as child-care
- 62% experienced a lack of confidence and belief in their ability to succeed.

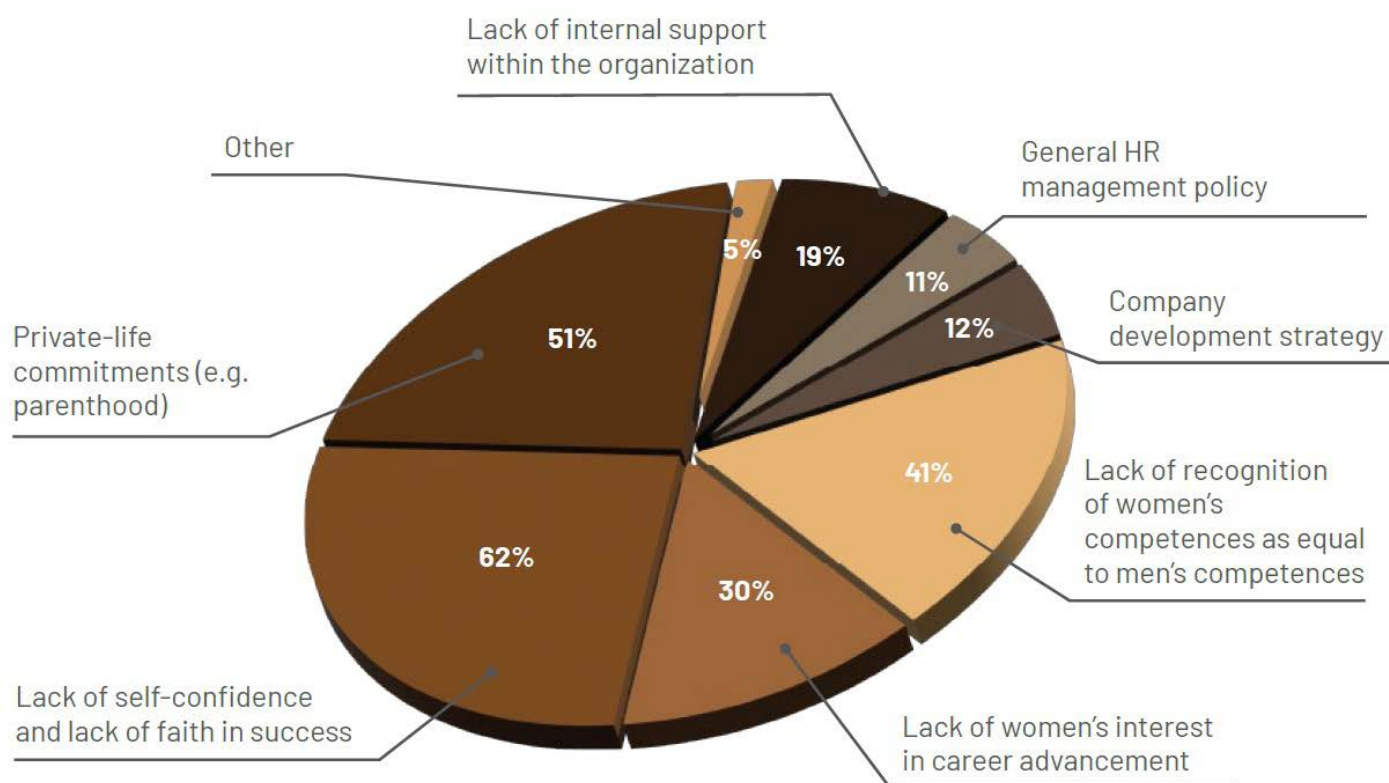


Fig. 1 Barriers for women's advancement to higher managerial positions

Unfortunately, many barriers, especially personal ones, arise due to negative experiences on the path to advancement. Most concerning, even shocking, is that women still encounter stereotypes suggesting that men are better suited for managerial roles and that women's competencies do not match those of men.

This is a huge waste of competence and lack of understanding of the new leadership model of the BANI world. Even more so, because the logistics business is full of women who are highly qualified to perform managerial functions and leadership roles. Female managers and leaders often have above average and diverse educational qualifications. They are also eager to expand their competences and improve their skills. Our research shows that 86% of female managers and leaders regularly update their expertise in terms of soft skills. In addition, 41% of respondents regularly expand their knowledge around leadership skills, i.e. change management, project management, legal changes, or industry know-how. In addition, 11% have at least dual qualifications, e.g. business + technical or economic + legal skills. Despite a high and visible potential, women's managerial and expert skills are still not utilized as extensively as they could be. In the logistics and supply chain industries, women are still underrepresented at all leadership levels.

European Commission sets a milestone for gender equality

Although women make up almost half of all employees in the European Union labor market (46.3%), in 2021 they still accounted for only 35.3% of

executives, and for only 20.2% of executives and 7.8% of CEOs among the largest listed companies (EU-27). We do not yet know the effects of Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies. However, we can already say today that this is a milestone in accelerating the process of gender equality and it will increase the number of women on management boards (at least in listed companies). However, these changes require a comprehensive approach that also includes support of gender equality in terms of decision-making power at all hierarchical levels, as well as closing the gender pay gap.

Women are absent in companies' strategic decision-making

Regarding the pay issue, we can talk about several aspects that lead to a significant gap between men and women – one of them is the fact that women do not negotiate their salaries, only 7% - 8% do. Furthermore, in terms of decision-making power of female managers, their presence in the decision-making processes of companies is very limited and this is not due to lack of willingness. Women in leadership or managerial positions have virtually no influence on strategic decisions in their organizations unless they are CEOs or owners of these organizations. This is the result of our 2023 study entitled "Strengths and weaknesses of 3PL companies in supporting women's leadership in logistics and supply chain management" where 70% of the participants of the research are representatives of international companies. When it comes to strategic decisions, e.g. related to the company's budget, finances or investments,

WOMEN IN LEADERSHIP

A new perspective on logistics in the times of world crisis



Logo from <https://www.ue.katowice.pl/en/university/news/article/women-in-logistics-international-webinar.html>

the respondents indicated that they had no influence on them and did not have any autonomy in making them. Women's voices in these areas, their ideas, and proposals are most often ignored by the boards. This is the picture emerging from the interviews with our 2023 survey respondents, see f. ex. the quote below:

"I can influence a lot of decisions related directly to my position, such as operational elements, organization of the supply chain, flow of information, delegating tasks and selection of team members. It doesn't matter that I'm a woman here. I feel much more discomfort as a woman, when it comes to the joint decisions, made with other departments. If there are two equal-level managers – a woman and a man – the woman's decision will always be challenged, while the man's decision will be accepted. Even the smallest mistake made by a woman will be remembered and reminded for long, while even the biggest mistake made by a man will be seen as something natural, as everyone can be wrong sometimes. It is shocking, because no matter how high my competences are, my male colleagues, even less skilled, will always be more appreciated and respected than me."

It must be noted, though, that regardless of the size of the organization, type of business and position in the organizational hierarchy, the respondents in our 2023 study confirmed that their decision-making power is unrestricted within the scope of responsibilities on their positions. They did not describe any cases of gender discrimination in this respect but stressed having full decision-making power in terms of recruitment of their team members, organization of work and access to necessary resources, managing processes, delegating tasks and selection of subcontractors.

Strength of women's leadership versus diversity policy

We should also highlight the fact that the analysis of our 2023 study for the in-house logistics departments or service providers showed an absence of major barriers and negative occurrences, or deliberate negative behaviors related to promotion of diversity in the organizations. Further, large companies have implemented or are implementing standards and regulations of equality and diversity. These standards are applied across the board, in all branches, at all levels and for all employees. Changes in attitudes and mindsets are much more difficult, though, so the pace of these changes is slow in most organizations. Without some external factors, which would additionally enforce these changes, they are introduced very late. The respondents emphasized that the logistics industry still maintains traditional attitude and thus, the process of implementation of diversity & inclusion principles is too slow. This is expressed by the quote from the study hereunder:

"The logistics industry is quite reluctant when it comes to changes. We've seen it for many years in many companies. And sometimes we need some revolutionary changes to operate differently, to become more flexible. Most men on the management boards are financiers, so they aren't flexible enough to accept these changes. Women, unfortunately, are still hidden behind men, they're afraid to suggest some new ideas. Men's leadership is so strong that sometimes women don't want to go forward, as they're afraid of being criticized or mocked. They don't have space to speak out, which deprives companies of new perspective and prevents out-of-the-box thinking. The surroundings change, but the logistics industry doesn't."

Waste of leadership competences

Exclusion of female leaders and managers and lack of their involvement in strategic decision-making processes in business organizations prevents full utilization of their managerial potential. This, in turn, restricts the growth of an organization, or, e.g. in the HR area, blocks it completely. Of course, in terms of technology, the industry seems to be following progress at an even pace. Yet, when it comes to leadership, the human factor is often neglected. In the age of artificial intelligence (AI) and strong mental differences between generations, managing teams requires a much broader view of leadership, not only through technology and results. We talk here about effective utilization of the soft skills, characteristic of the female leadership, such as intuition, empathy, analytical skills, adaptability (flexibility), and, most of all, relation building. According to our 2023 study respondents, profound changes in thinking about women's leadership are required to fully exploit these skills. Business must understand that soft skills are not a weakness but a strength of modern organizations! A respondent expresses herself as per below:

"Women are often accused of being empathetic, which for many organizations isn't a leader's quality. But it is empathy that can help us to teach people how to read certain signals. Unfortunately, empathy is often ridiculed, some women even try to hide it."

As emphasized by our 2023 study respondents, inadequate utilization of women's competence potential in leadership and managerial positions is one of the major limiting factors for the growth of their business organizations. Very often this limited growth is based on conservative models and organizational cultures as well outdated solutions. As a result, organizations may be unable to respond to main challenges and requirements of the current management trends such as ESG (Environmental, Social and Governance). In the period of competence deficiency, this is a huge waste. The companies which do not fully utilize available potential, often

developed at a cost of significant investment in trainings and upskilling, waste not only the opportunity to benefit from a valuable asset – female leadership qualities – but also money. [A study of Fortune 500 companies](#), completed by Catalyst, a global nonprofit corporate membership research and advisory organization, found that companies with the highest representation of women in leadership positions experienced a 35% greater return on equity and 34% higher return to shareholders. Fortune 500 companies with at least three women board directors experienced a 66%

higher return on invested capital, a 42% higher return on sales and a 53% higher return on equity.

Ignoring women's leadership skills ultimately undermines the opportunity for companies to grow in line with times. Can the logistics industry afford that?

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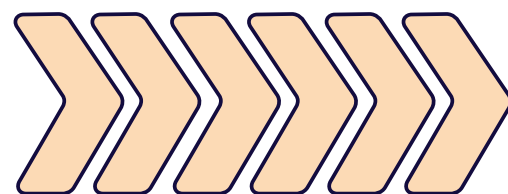
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For almost 30 years, she has been associated with the logistics industry. For several years, she held managerial positions in business organizations such as the Polish Association of Customs Agencies and Logistics, the Polish Chamber of Forwarding and Logistics. She specializes in advocacy, communication, and PR in logistics.

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