Recruitment and Retention of Women
Enhancing Inclusion and Diversity

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Executive Summary

The foodservice distribution industry is not alone in having few women throughout its organizational ranks. Many of the hurdles for attracting and developing women as leaders in the industry are the same as in the broader workforce; however, some are more specific to the industry. In addition, the intersection of gender and race/ethnicity has imposed additional workplace barriers for women of color.

Diversity requires dedication to creating a welcoming, inclusive culture. This requires assessing current practices and questioning preconceived ideas that may have led to gender and racial/ethnic biases.
Why Make Diversity a Priority?

Simply stated, diversity provides companies with a competitive advantage and increases individual, team, and company performance.¹ There is a clear, positive financial impact from diversity practices.

Financial Benefit

- Gender diversity is associated with increased sales revenue, more customers, and greater relative profits.²
- The companies in the top quartile for gender diversity were 15 percent more likely to have financial returns that were above their industry’s national median, and the companies in the top quartile for racial/ethnic diversity were 35 percent more likely to have financial returns above that median. At the same time companies in the bottom quartiles on gender and racial/ethnic diversity are lagging behind—rather than merely not leading; they are statistically less likely to achieve above-average financial returns than even the average companies.³

- Companies with the highest representation of women on their top management teams experienced 35 percent higher return on equity and 34 percent higher total return to shareholders than companies with the lowest women’s representation.⁴

Problems of Homogeneity

Homogeneity occurs when employees and managers share sameness and uniformity, such as points of view, learning abilities, and life experiences. In contrast, heterogeneity occurs when diverse and divergent qualities are represented in the work group. Better performance is linked in the research to exposure to diversity; diversity of gender, race, ethnicity, and sexual orientation is positively associated with better decision-making and problem-solving as well as increased innovation and creativity.⁵,⁶

Here’s another way to look at it. Groups that display a range of perspectives are found to outperform groups of like-minded experts.⁷ Having a workforce with high homogeneity leads to greater group-think as there is significant pressure to conform to established norms and less questioning of the status quo. In addition, the homogenous environment can throw up hindrances to making optimal decisions for company success.⁸ In contrast, superior outcomes are produced with diverse groups working together and capitalizing on individuality, as opposed to pressure on highly intelligent lone thinkers to produce innovation and progress.⁹ What’s more, when women are not represented, when racial/ethnic diverse voices are not represented, we all lose out on a huge range of skills, ideas, and perspectives.

“At a recent conference, I was on a CEO panel with two men I highly respect. The moderator asked a question regarding technology and one panelist answered as the other panelist nodded along, agreeing with everything he said. Then here I was, the only female and a lone wolf, having a difference of opinion on the issue and letting them know I disagreed. It drove home to me the need for diversity of thought and perspective. There is a danger in everyone looking at an issue in the same way.”

—Nicole Mouskondis, Co-CEO, Nicholas & Company, Inc.
Representation Matters

We know the importance of connecting with suppliers, vendors, customers, and the final consumer in order to build relationships and develop solutions to meet collective needs. Our customers, partners, and consumers are becoming more diverse, and it is to our advantage to reflect this diversity in our own companies for better decision-making and results. While it is human to be attracted to those like us, it is important for companies to reflect their customer base and to bring a variety of voices to the table.

- The number of women-owned restaurant businesses increased 40 percent between 2007 and 2012, well above the 12 percent increase in all restaurant businesses.\textsuperscript{10}
- The number of Hispanic-owned restaurant businesses jumped 51 percent between 2007 and 2012, while black- or African-American-owned restaurants increased 49 percent.\textsuperscript{10}
- Consumers are embracing a wider palate with 63 percent of millennials eating a wider variety of global cuisines in 2017 than they did in 2015.\textsuperscript{10}
- As a workforce, millennials are the most diverse generation and they value inclusion: 83 percent of millennials are actively engaged when they believe their organization fosters an inclusive culture, compared to 60 percent of millennials who are actively engaged when their organization does not foster an inclusive culture.\textsuperscript{10} Research projections note that diversity and the desire for inclusivity will strengthen with upcoming generations.

Industry Interest in Diversity Is There

Within the foodservice distribution industry, there is a clear interest in seeking out ways to recruit, retain, and promote diversity. The work of organizations such as LeanIn.org, the Women's Foodservice Forum, and IFDA's Women Leadership Committee are evidence of this. Another marked indication is the IFDA webinar series, “Get Noticed and Get Promoted,” that primarily targeted women and doubled the number of distributor member registrations from past IFDA webinar series.
Defining our Terms

Gaining clarity on current workplace environment issues includes the shared understanding of what is meant by diversity and related terms. After all, if we are not clear on the concepts going in, how can we be clear on solving the problems?

“'It is not our differences that divide us. It is our inability to recognize, accept and celebrate those differences.’" —Audre Lorde, Writer

Diversity

Diversity is the presence of differences in a setting, such as the variation of species found in an ecosystem. Within the workplace, diversity means a recognition of the benefits gained by differences. This diversity consists of observable and non-observable differences, identities such as gender, sex, race, ethnicity, age, sexual orientation, religion, disability, and workstyle. Diversity is not the same as equality.

Equality

Equality is the state of being equal, particularly in status, rights, and opportunities. With regard to gender, equality “does not mean that women and men will become the same, but that women’s and men’s rights, responsibilities and opportunities will not depend on whether they are born male or female.” While it promotes fairness across all individuals, equality can only work if everyone starts from the same place and receives the same level of support. Equality is the end point; equity is the means.

Equity

Equity aims to give everyone what they need to have equal and successful outcomes. Although we are all proud of our accomplishments, many times we do not take into account our advantages. As the saying goes, “Born on third base, but believe they hit a triple.” It is important to recognize that not everyone starts at the same place and not everyone has the same needs. This involves taking into account structures that might put particular groups at a disadvantage. Equity actively moves everyone closer to success by “leveling the playing field.”

Inclusion

Inclusion means that we perceive ourselves as a valued member of the workgroup through experiencing treatment that satisfies our need for belongingness and uniqueness.

What Is Holding Back the Progress?

More companies are prioritizing diversity, yet women and especially women of color continue to be underrepresented within all ranks of corporate America. What makes it difficult for companies to make these changes? While there are no simple answers, in essence, change is hard and makes us uncomfortable. Moreover, diversity is not a “one-and-done” project; it has to be built into the culture.

For this report, leaders in the foodservice distribution industry were interviewed for their perspective on diversity and specifically on gender diversity. All interviewees considered diversity an important issue, but all indicated a number of barriers to creating equity and inclusion in the
industry. The following ideas describe these challenges (including direct quotes from those interviews) as well as recommendations for better understanding the challenges.

“Disadvantaged for Diversity” in a Male-Dominated Industry. Within management, *dominated* means that two out of three employees are either male or female. Without hesitation, the foodservice distribution industry is a male-dominated industry. This creates issues with regards to culture and the cultivation of gender equity. If we consider the organizational chart of the vast majority of foodservice distributors, women are clearly absent from frontline positions and key positions including operations and leadership. Attracting and developing women for leadership roles becomes more difficult with this limited pool.

“Industry Experience” Qualifier. There appears to be a strong held belief that *experience in the industry* and moving up through the ranks is the best means to ensure quality managers. This greatly reduces the candidate pool and leads to “promoting who is there, not who you want.” Moreover, this pervasive system increases the homogeneity of management, limiting innovative thinking and opportunities to implement change. This industry experience requirement needs to be questioned by current leadership across the organization, and promotional processes need to be evaluated to ensure candidates are assessed on their ability to learn, not just their experience. After all, if the answer to the question, “can’t this be taught?” is no, then companies have significant issues to worry about.

Concerted Effort Takes Resources and Building Strategy. There is no doubt that an effort to increase diversity takes the commitment of finances, time, and energy. Yet to stay competitive, it is best to be thinking strategically about diversity; otherwise the competition will take the talent you don’t. Also, significant resources already exist, including IFDA and the Women’s Foodservice Forum, to help support change.

Fearing the “Diversity” Conversation. Avoiding diversity and equality concerns out of fear of criticism or accusations does not create a better workplace environment; it only compiles issues that will eventually need to be addressed. If this creates a sense of discomfort for some company leaders, it’s a good first step in recognizing there is an issue, which provides the opportunity to discuss constructive strategies for creating a better workplace. The goal is not perfect diversity (which may well not exist), but to increase diversity and that requires commitment to the journey.

No Perceived Benefits to Go Beyond the Requirement. Categorizing diversity as a requirement rather than as an asset creates a sense of burden in the organization rather than a sense of value and a celebration of diversity and inclusion. Moreover, a reactionary, prevention focus limits the company’s ability to get ahead. Policies alone will not create change. Breaking this cycle and making diversity and equity programs a priority for leadership and the organization will encourage success.
What Is Holding Women Back?

This question is not a simple one to answer. It involves centuries of gender socialization, embedded institutional discrimination, and enduring stereotypes found in established practices including language.

There is evidence of change over recent decades, but it is also evident more can be done. A meta-analysis of 95 studies found that female leaders tend to be rated by others as significantly more effective than male leaders and this finding strengthened after 1996. What’s more, men rated themselves as significantly better leaders than women, particularly prior to 1982. Although perceptions of performance variance diminish over time, the research continues to show women tended to rate themselves as less effective leaders.

Our society continues to make progress, but we need to do more to create an equitable workplace before we can have equality. Understanding the situation and recognizing the gender biases at work is an important step towards creating solutions to help minimize biases and supporting the success of women.

**Problem Recognition:** When it comes to opportunities and representation, men believe there is more equitability than women: 86 percent of men said that women have as many or more opportunities than men do, but only 57 percent of women agreed.

**Workforce Pipeline:** Fewer women than men are hired into entry-level corporate positions, although more women are receiving college degrees. The reasons for this initial disparity are not clearly understood, yet biases and misconceptions appear to play a part. With fewer women in line roles (positions with profit-loss responsibility and/or focus on core operations) to start with, representation continues to decline at every level of the pipeline leading to only one in five women in C-suite roles and fewer than one in 30 women of color in these roles. Moreover, since CEOs are expected to come from line roles, the funneling out of women markedly harms opportunities to reach the very top.

It is important to note that differences exist among industries in how underrepresentation of women occurs within the pipeline. For example, the auto and industrial manufacturing industries struggle to attract women, who represent only 26 percent of entry-level positions and 18 percent of VP-level position. On the other hand, the food, beverage, and restaurant industry fails to advance women through middle management: at entry level women represent 49 percent of that industry’s workforce but only 26 percent at VP-level. This is a significant drop of 23 percent representation compared to 8 percent drop of representation at the VP-level for the auto and industrial manufacturing.

**Promotion Gap:** Women are seen to be more skilled when entering the workforce, but it is men who are viewed as better prepared for longitudinal success. On average, women are promoted at lower rates than men; this is most clear for entry-level women who are 18 percent less likely to be promoted than their male peers. The gender gap continues to grow throughout levels.
of leadership. While some may bring out the old argument that women are more likely to leave the companies to start families, the data doesn’t support this idea. What data does support is a self-reinforcing cycle that women take on more household responsibility, working more flexible hours, because they are paid less in the workforce.

**Pay Gap:** Women are paid 79 cents on the dollar of their male colleagues. Like the promotion gap, the pay gap is not so simple. College-educated women make about 90 percent as much as men at age 25 and about 55 percent as much at age 45. While the “family man” is viewed as more stable and receives pay raises for having families, women are penalized for starting families and requesting flexibility. Employers, especially for jobs that require a college degree, pay people disproportionately more for working long hours and disproportionately less for working flexibly.

**Stereotypes:** Many of our gender stereotypes need to be called into question. Research indicates that women and men are far more similar in workplace performance than typically acknowledged, yet socialization and gender expectations significantly influence perceptions. For example, women are typically seen as risk-adverse in management, yet this is not supported by research. Moreover, research indicates this stereotype influences how study findings are presented and why risk-taking activities by women remain invisible in organizations. Stereotypes can also influence an individual’s behavior when we feel judged by our group membership (such as gender, race, or age). These stereotype threats can increase anxiety and raise doubts on performance, which then negatively reinforces expectations.

**Gender Bias:** Expressly related to stereotypes, gender biases cannot be underestimated as a problem because they can lead to missed opportunities for greater company success. The tendency to gravitate towards and stay with familiar, “similar-to-me” individuals and groups can impede inclusion and lead individuals to feeling disenfranchised. Such biases are many times unconscious. Without proper recruitment, retention, and promotion processes, they can create homogeneity and barriers to diversity.

**Best Practices and Resources**

While human resource managers and most often C-suite executives buy into and support diversity among their employees, some still cling to historical hiring practices that may not bring the best candidates into the organization. The initiative and strategy for implementing a more diverse protocol for hiring and promotion may fail if the message, and indeed the practice, are not actively supported throughout the organization. Across the spectrum of the organization, the consistent of practice must be promoted among first-line supervisors, mid-management, and the individual employees.

Leadership and Cultural Change. The role of leadership is essential to creating real change in an organization. The executive offices always set the tone for the entire organization. The managers and supervisors who report up are likely to model the behavior of their leaders. There needs to be dedication to the value of diversity, not just lip service. When prioritizing diversity, it is important to consider why: Why is diversity and inclusion important for us?
For those leaders and their companies who embrace inclusivity, the answer is twofold: a business imperative and a moral responsibility. They see advancing diversity as crucial for their companies to stay competitive. They also believe it is essential because of their values and personal experiences. While the case has been made for the business imperative, considering how we celebrate differences is deeply personal, and a clear response to why diversity and inclusion is important helps create buy-in from our entire organization.

Also important is addressing the frozen middle: only a third of workers view gender diversity as a top priority for their direct manager. Moreover, women are less likely than men to see gender diversity as a priority for their manager and CEO. It is critical to get managers to see that actions and inactions are creating barriers to women in ways that they may not intend.

**Approach Like any Other Business Problem: Use Hard Data.** Diversity goals and programs to reduce gender inequality are typically based on general data or cursory surveys. Companies need to seek data to understand their specific problems and then build tailored equity programs. These data need to explore questions such as “When are women dropping out?” and “Are women acting differently than men in the office?” and “What about our company culture has limited women’s growth?” When a solution is implemented, companies need to measure outcomes of both behavior and advancement. Only then can they transition from the debate about the causes of gender inequality and advance to the needed stage of a solution.

**Drop the Diversity Goal and Get Specific.** Diversity is often used as a euphemism. “Diversity has become a code word for ‘all those other folks’” (Jeff Chang to New York Times). The problem with code words is that their broad definition provides cover for inaction. Goals are frequently set using the word diversity, such as “we are committed to diversity in our upper management,” instead of specifics: “we are working to ensure there are more women and people of color in our upper-management roles.” Dropping the euphemism requires us to be more explicit and accurate in our goals, which can lead to more applicable and accurate dialog and strategies. Specific objectives need to be contingent on data in order to benchmark them against measurable outcomes and evaluate performance. Otherwise, it can be too easy to just keep repeating the mantra without making any real progress or change.

**Accountability.** While many companies report that they are addressing issues of diversity and that they support equality, they do not hold leadership across the organization accountable for their actions in the day-to-day work of hiring and management. Change does not happen through talk but through action. Ensuring diversity is a priority on the agenda of leadership can have a huge impact as can holding managers accountable for implementing changes in their teams. Providing updates on goals through team check-in (such as “Friday Feedback” meetings) can create greater accountability for leaders and teams to ensure progress is being made and to deal with any hurdles that might arise.

**Eliminating Sexual Harassment and Creating a Welcoming Environment.** Companies need to be serious in eliminating sexual harassment. The best plans for company success can be interrupted if the prohibition of sexual harassment is not taken seriously and addressed. Many organizations have a plan but how effective is that plan? If the plan is watching a video as part of a new hire check list, once the employee views the video, is that sufficient? For the message and the practice to be implemented, real conversation on the topic should be part of the new hire discussion and reinforced throughout the company. This helps the employee and the organization understand that the message is part
of a methodology to be practiced every day. Communicating this commitment and educating all employees on company policy in this regard are critical in order to provide a continuous and cooperative working environment for all employees. Aligning with the business problem approach to diversity, companies should seek data on these questions: “Are female new employees feeling welcomed?” and “Are off-color jokes tolerated?” and “Are all people given respect or just tolerated?” Seemingly small things can create an unwelcoming work environment that drives good candidates to go elsewhere.

Recruitment, Retention, and Development

Success in recruiting and retaining qualified women candidates for all position levels rest on the organization’s training and development programs. For entry-level positions, considerations may be given to part-time, on-the-job training, internships, and shadowing opportunities for expanded learning. For leadership development, consider such programs as the Women’s Foodservice Forum and IFDA’s recent webinar series. Some organizations have developed their own internal development programs using suggested pathways for career development. Also, consider stretch assignments for future leaders including committee assignments and challenge opportunities. Below is a sample of best practices that can help your company begin to conceptualize equity programs.

Representation When Recruiting. Having female employees present when recruiting signals to potential candidates the focus on gender diversity. The same can be said for imagery and word choice in communication materials. For younger generations, the values of the company matters. If diversity is a priority for your company, share this on the company webpage, in marketing materials, and include as a recruitment talking point. More importantly, provide potential recruits with concrete ways in which you are actively addressing equality.

Reducing Bias during Interviews and Performance Evaluations. Much literature exists on how to actively prevent bias from coloring hiring decisions and performance evaluations. Given that if there is only a single female in a candidate pool, there is statistically zero chance she will be hired,23 it is important to consider the role of bias in the process. For example, conducting panel interviews reduces individual biases and helps better evaluate each candidate’s potential. Similarly, joint evaluations prove to be more often based on individual performance whereas separate/individual evaluations are more often based on gender stereotypes.34

Mentorships. Many companies do not have formal mentorship programs, but providing guidance on mentoring and creating programs to facilitate mentoring can significantly support a sense of inclusion and provide help in career planning and in developing leaders. One idea is to have a mentor for “check in” and to receive advice as well as providing a formal peer group or “peer buddy” to newer employees who can discuss their relative experience and can answer questions that individuals might not be comfortable asking others.

Internships. Being strategic in selecting diverse candidates for internships helps these individuals gain valuable exposure and further grows company candidate pools. In this respect, an employer is able to engage the intern in the culture of the company to make sure the opportunity is a good fit for both employee and employer. Working with local colleges/universities, community colleges,
and trade schools, it can be beneficial to have qualified speakers from the employer make a guest presentation in business, supply chain management, hospitality, or nutrition classes to highlight the employer in that market. The added benefit to the employer is access to and participation in current education practices and engaging with possible future employees.

An example of successful involvement involved a company that engaged with a local community college and hired its students for part-time work that fit the student's schedule in warehouse operations and administrative support. This provided on-the-job training for the students, provided the employer with extra help during peak periods, and ultimately the employer was able to transition those students to full-time positions.

**Strategic Succession Planning.** Taking succession planning and diversity seriously creates a focus for developing new leadership that puts the needs of individuals first. Providing individuals with exposure to different opportunities in the company while providing them with a clear promotional path helps set the stage for developing successful leaders. Challenging individuals to take on leadership roles can only happen if current leaders are challenged to expose and teach individuals about these roles. Nicholas & Company, Inc. has had great success using a sabbatical program in which employees receive 7 weeks consecutive leave after 7 years. Under this system, responsibilities have to be delegated to someone else while the individual is away. The partnering up, delegation, and development received through the program has resulted in promotions for each individual who has been handed the temporary responsibility.

**Outlook**

The timing of this white paper in light of the present women’s movement and parity for women in business and industry has never been more paramount than it is today. One of the primary goals of the IFDA Women’s leadership committee is to educate IFDA members on the advantages of hiring, developing and including women on their company’s leadership teams. This valuable resource outlines compelling reasons as to why it is an imperative in today’s business climate as well suggestions how to diversify your work force to attract and include women. Evidence supports the value of gender diversity, and diversity as a whole, but until diversity is treated as a business imperative, true progress will not happen.

Diversity will not be solved through a recruiting push alone. It’s up to us to find ways to hire, inspire, empower, encourage, and support women and diversity in our industry. There needs to be a concretive effort, helmed by top management, to actively assess company-specific issues, create programs to address company-specific issues, advocate an inclusive environment at every level, establish accountability, and evaluate efforts. Diversifying the foodservice distribution workforce, and promoting women in leadership roles will result in overall benefit.

“We all want systems that are fair. But we need to consider how to make them fair for everyone.”
—Stefanie K. Johnson, University of Colorado’s Leeds School of Business23
Recommended Resources

- IFDA’s Careers in Foodservice Distribution Website
  ifdaonline.org/Careers-in-Foodservice-Distribution

- Women’s Foodservice Forum
  wff.org

- Elevating Women in Leadership: A Study Exploring How Organizations Can Crack the Code to Make Real Progress, Lee Hecht Harrison and HR People + Strategy (2017),


- Women in Leadership: Why It Matters, The Rockefeller Foundation (2016),
  rockefellerfoundation.org/report/women-in-leadership-why-it-matters

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Notes


IFDA Women's Leadership Committee Recruitment and Retention of Women

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