

MACLEAN'S

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CRISIS IN UKRAINE

RUSSIA ON THE MARCH



Vladimir Putin's invasion of Crimea is the biggest threat to peace in Europe in decades. Why the West is powerless to stop him.

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Canada's **Untapped** Economic Powerhouse

Would you invest in a Canadian sector that led with the following economic indicators?

- » One of the fastest growing business segments in Canada
- » New companies launch at double the rate of the national average
- » Incorporated businesses doubled in number during the last decade
- » More than 821,000 businesses generate \$18 billion in annual economic activity.

What if you were told that Canadian firms in this sector create new jobs at four times the rate of the national average, collectively providing more jobs than the country's top 100 companies combined? Would you consider this a burgeoning, national opportunity to invest in?

These stellar statistics belong to women entrepreneurs. And Carleton University's Centre For Women In Politics and Public Leadership reports that a 20% increase in total revenues among majority female-owned enterprises would contribute an additional \$2 billion per annum to the Canadian economy, making women arguably the biggest untapped opportunity for Canada to become an economic powerhouse.



How Canada compares

Considering the above, it is alarming that Canada is lagging behind the global movement to invest in women, to address their challenges and to accelerate their growth. Plan Canada's "Because I am a Girl" campaign spotlights international studies that demonstrate that continued investment in girls' health and education not only raises standards of living for their families and their communities but also strengthens the economies of their nations.

Many nations are starting to take action. In April 2013, Japanese Prime Minister Shinzo Abe urged traditionally patriarchal corporate Japan to promote more women to executive roles, asking business leaders to set a target of appointing at least one female executive per company. Ireland has moved beyond encouraging women simply to set up businesses to supporting the creation and nurturing of female-led start-ups that are internationally scalable. Jean O'Sullivan, manager of Female Entrepreneurship at Enterprise Ireland, says that Enterprise Ireland is actively partnering with Google and Astia to raise its current 8% rate of

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female-led high-potential start-ups to 15% and 20% to match the respective rates in global innovation hubs like San Francisco and New York.

Strength in numbers

Canada has several factors in its favour which, if appropriately nurtured, will allow it to become an economic powerhouse in the next 10 years.

Canada is often ranked by the Organisation for Economic Co-operation and Development (OECD) within the top five countries for the proportion of female post-secondary graduates. With women accounting for more than half of all graduates, Canada leads the pack ahead of the United States, Britain, Australia, Germany and France.

However, less than one-third of these female graduates obtain a university

degree in science, technology, engineering or mathematics (STEM). STEM-related sectors are the pivotal frontiers that are widely expected to drive advances in almost all industries over the next 20 years. Yet many studies foresee a serious skills shortage in these areas, including a 2012 IBM study that pegs Canada's deficiency at an alarming 100,000 technology workers by 2016. For women, then, this shortfall in STEM studies is critical to opportunity and prosperity, having less to do with aptitude and more to do with inclusivity.

Creating programs to attract, retain and consistently promote women in the fields of science and technology will create tangible benefits to the bottom lines of companies in these lucrative sectors. A McKinsey report, *Women Matter 2010*, states that gender-balanced executive committees have a 56% higher operating profit than companies with male-only committees – a clear win-win result that beckons investment from public and private sectors alike.

Ilse Treurnicht, CEO at Toronto-based MaRS Discovery District, one of the largest urban innovator hubs in North America, makes a concerted effort to keep mentorship services relevant to female entrepreneurs: "Talent fuels innovation. In a global context, both quality and quantity matter. Canada simply cannot afford anything less than full participation of women in every aspect of our knowledge-based economy to succeed."

Several initiatives and not-for-profit organizations have sprung up to make that goal a reality. Ladies Learning Code and Hackademy, for instance, are helping to attract a new generation of women to computer sciences and coding. Groups such as Women Powering Technology are helping to broaden the network support needed to retain and promote more women in these traditionally male-dominated fields. TechGirls Canada is a national organization that advocates for resources, funding and public-private partnerships to advance women's leadership in the STEM fields.

Immigration and entrepreneurship

Another arrow in Canada's quiver in its quest to unleash the full potential of female entrepreneurs is its robust immigrant population. Many studies have noted the connection between immigrants and entrepreneurship. The Conference Board of Canada has found a significant association between immigration and innovation. Vivek Wadhwa, vice-president of academics and innovation at Singularity University, a Silicon Valley study hub, notes that, as of 2005, 52.4% of Silicon Valley companies had a foreign-born chief executive or lead technologist. And the OECD reports that immigrants are more likely to be self-employed, with many involved in high-growth industries.

Plan Canada: Getting girls back into the classroom

Every girl has a right to an education, but 65 million girls around the world are not in school, and even more struggle to remain in the classroom. Every day, girls are taken out of school, married far too young and subjected to violence in school.

Plan Canada's "Because I am a Girl" initiative works with communities to support girls' education by providing equal access to education, developing gender-sensitive learning environments for girls, educating boys about gender equality, keeping schools safe for girls

and providing them with a learning environment free of violence and abuse.

Supporting girls' education is one of the single best investments we can make to help end poverty, save lives and transform our futures.



Women making a difference: TechGirls Canada

John Gartner, a practising psychologist who teaches at Johns Hopkins University Medical School, sums up the immigrant propensity for business-building in this way: “Immigrants have unusual ambition, energy, drive and risk tolerance... If you seed an entire continent with them, you’re going to get a nation of entrepreneurs.”

The message is clear. There is ample reason to create conditions that encourage entrepreneurship among immigrants - and with women accounting for 51% of new permanent residents, they should figure prominently in all efforts and programs. Experts agree that the earlier students, particularly girls, are introduced to entrepreneurship as part of their school curricula, the better.

“It’s really important for young people to see entrepreneurship as a career choice, just like law or healthcare or teaching,” says Iain Klugman, CEO of Communtech, the organization

helping to build Waterloo’s booming technology sector. “We visit classrooms and constantly bring students through our facility, where they see young women and men, starting new companies literally every day.”

Alongside educational programs, it’s crucial to bring the private sector, government and not-for-profits together to create mentoring programs and micro-grants that encourage risk-taking intelligence and innovative ideas. These efforts will help to usher in a generation that will create thriving enterprises of tomorrow.

Women-worthy workplaces

The other side of the equation is to address the issues that impede women in their workplace environments. Factors that have historically served as breaking points in women’s careers – such as outdated or discriminatory

hiring policies and career-family pressures – need to be addressed, if they haven’t been already, in ways that create skilled, gender-balanced, diverse workforces. In a 2011 article, Joanna Barsh and Lareina Yee of McKinsey & Co. wrote that “many companies have introduced mechanisms such as parental leaves, part-time policies and travel-reducing technologies to help women stay the course... If companies can win their loyalty at [the early] stage of their careers, they will be more likely to stay the course. These women are ours to lose.”

Canadian organizations like Status of Women Canada and the Canadian Coalition of Women in Engineering, Science, Trades and Technology work to gain visibility for issues faced by women in the workplace, alongside data-driven reports that make an empirical case for finding long-range solutions.

As Toronto-based business advisor and author Don Tapscott says: “The old hierarchical model of leadership is giving way to a new collaborative approach – where creativity, smarts, analytics, merit and consensus drive decision-making rather than the mere ability to command. My personal experience supports the research that women’s leadership in boards, executive teams and throughout management makes for organizations that do better at solving today’s complex, global problems.”

For the future, addressing gender parity opens the door to addressing inclusiveness more broadly, such as employment of at-risk youth, disabled persons and minorities. This can only lead to a more thoughtful, inclusive form of decision-making that encourages diversity, spurs innovation and successfully connects with the emergent needs of society as a whole.

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