

Women are Slowly but Surely Making Strides Up the CRE Ladder

FEBRUARY 2023

While commercial real estate continues to have a male-dominated population, and lack of equal pay and promotion opportunities remain the biggest challenges facing women in the industry today, the sector is slowly but surely evolving.

This is according to RETS' recent survey of women working in commercial real estate. In comparing this year's results to those of a similar survey we conducted in 2018, we discovered that even though progress has been slow, the outlook for women is brighter than it was four years ago.

“

With their unique talents, determination, and ability to innovate, women are slowly but surely reshaping commercial real estate.

“With their unique talents, determination, and ability to innovate, women are slowly but surely reshaping commercial real estate,” says Jana Turner, principal at RETS Associates. “Each time our firm has conducted this survey, we have been inspired to learn how women are leveling the playing field and paving the way for future generations of female CRE leaders.”

Although the nearly 300 women who responded to our most recent survey represent just a fraction of women in CRE, our research uncovered some encouraging trends for all industry women regarding the wage gap and career growth.

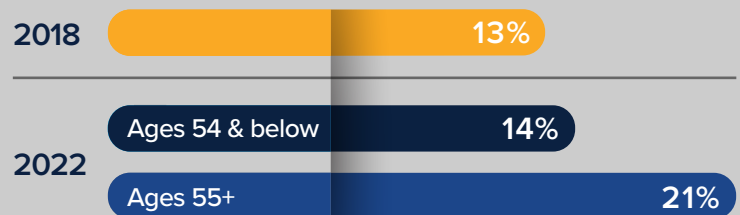
01

More women are making it to the C-Suite.

Commercial real estate has traditionally been a male-led field, especially when it comes to higher-level roles. While our survey showed this is still the case, it also revealed the number of women advancing to the highest echelons of the company has grown since 2018.

Four years ago, only 13% of all respondents had reached the C-Suite. Most recently, 14% had reached top positions at real estate firms by age 54, a number that increased to 21% for those aged 55+.

Number of Respondents Reaching the C-Suite at Some Point in Their Career



Still, women remain unlikely to be found in the acquisitions/dispositions specialty, where some of the highest earnings are achieved. In 2018, only 5% of all women surveyed were working in this area of CRE, and most recently, only 5% of women aged 35 or older were focused on this specialty. Here is an opportunity for change among forward-thinking companies.

02

Incremental progress is occurring in pay and growth opportunities.

Compensation package remains a top consideration for women, with over **85% of our recent survey** respondents ranking it the most important factor when considering on a new job—a point to keep in mind when determining salary and benefits.

The good news regarding compensation is, despite 46% of women citing unequal pay as a main challenge, the CRE gender wage gap appears to be narrowing. **In 2018, 65% of respondents said they were made aware of being paid less than a male counterpart at some point in their career; in our recent survey this number decreased to 58%.**

The likelihood of advancement also appears to be growing for female CRE professionals. Although 40% of respondents list inadequate promotion opportunities for women as a key issue, **the number of respondents who felt they were bypassed for a job in favor of a male at some point in their career decreased from 61% in 2018 to 55% in our recent survey.**

Number of Total Respondents Who Felt They Were Bypassed for a Job in Favor of a Male Throughout Their Career



While this number is moving in the right direction, **86% of women surveyed recently who were bypassed for a job began looking for a new job**—nearly double 2018’s 45%—and turnover can be extremely costly for businesses.

With more than half (**56%**) of survey respondents having actively pursued a new job in the past year, down 1% from

2018, employers must carefully review their compensation and growth policies toward women employees for existing bias if they wish to remain competitive.

03

Workplace culture and work/life balance are rising in prominence.

Our survey results indicate that women are increasingly valuing a supportive workplace culture and the balance between their career and personal life. According to our recent survey, **workplace culture is second only to compensation when women are considering a new job**, whereas in 2018 it ranked fifth among women who strongly agree that it weighs in their decision-making process.

“

Men are judged on their ‘potential’ when being considered for promotions and new positions. Women are expected to have experience in the position to which they are applying.



Last year, respondents said they value a workplace culture that treats women as men’s equals, and they notice cultures that are not. **As one woman noted, “Men are judged on their ‘potential’ when being considered for promotions and new positions. Women are expected to have experience in the position to which they are applying.”**

In addition, work/life balance is growing in importance for CRE women, and they are taking note when this balance is challenged. The latest survey’s respondents, many of whom are mothers, listed **being penalized for not being available after hours**, missing after-work social gatherings because they are primary caregivers, and **issues related to maternity leave**—most notably, being able to take it without judgment or punishment upon returning.

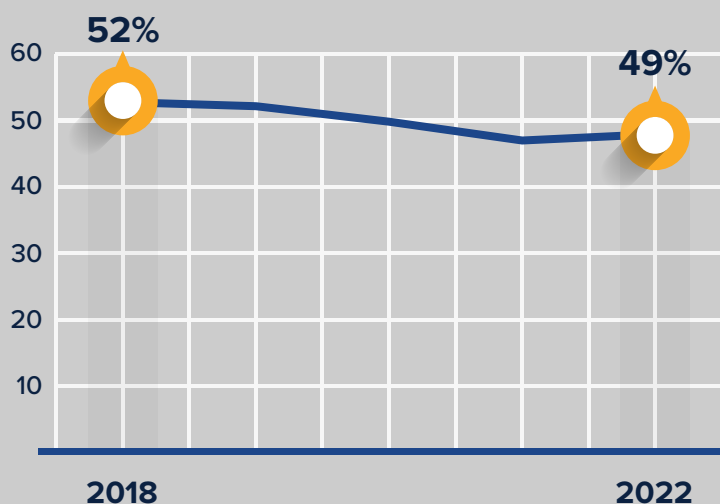
Many of these women are calling for increased initiative from their employers and co-workers. “The demanding schedules make it difficult to have a family in a way that male counterparts do not understand,” shared one respondent.

04

Women are continuing the fight against sexual harassment.

Sexual harassment is a dominant issue for women in CRE. In our 2018 survey, 52% of respondents said they had been sexually harassed at some point in their career, and in our most recent survey this number had slightly declined to 49%.

Percentage of Respondents Reporting Sexual Harassment at Some Point in Their Career



In addition, in 2018, 33% of respondents said they had been harassed by as many as five or more people over the course of their career; in our recent survey, this number decreased to 13%.

In the “Me Too” era, awareness of sexual harassment in the workplace is rising, which may be helping to stamp it out.

Bringing these issues to light will hopefully lead to a mutually acceptable resolution to these issues for CRE women and the companies where they work.

05

Conclusion

It’s worth noting that a minority of survey respondents have not experienced pay differentials, being bypassed for a job, or sexual harassment. And some survey respondents said workplace conditions for women are improving.

Ultimately, while women are increasingly voicing their opinions when it comes to inequality in the CRE workplace, they are also calling upon men to do the same. “Male leadership needs to speak up, set examples, and specifically mentor and advocate for women they want to retain,” noted one respondent.

“

Male leadership needs to speak up, set examples, and specifically mentor and advocate for women they want to retain.



While changing long-standing workplace cultural norms takes time, the results of both our surveys do indicate that the tide is slowly turning, and there has never been a more opportune moment for this shift. Employers who are willing to evaluate their company culture as it relates to women and discuss what will work for everyone are much better positioned to attract and retain top female talent going forward.

RETS Associates is one of the nation’s leading real estate executive search firms, specializing in connecting today’s companies with valuable talent to deliver long-term profitability. With a proprietary database of more than 61,000 experienced candidates, RETS helps global, national, and regional real estate and construction companies strategically recruit and hire both permanent and interim employees.

To learn more about our services, contact Jana Turner at jana@retsusa.com, or visit our website at www.retsusa.com.