



HOW TO DEVELOP THE NEXT GENERATION OF FEMALE DIGITAL LEADERS

Digital leaders need a combination of technology, people, and entrepreneurial skills. To nurture these skills in more young women, we need to tackle three challenges

By [Professor Michael Wade](#), Tomoko Yokoi, Elizabeth Teracino and Jialu Shan

Chemin de Bellerive 23
PO Box 915,
CH-1001 Lausanne
Switzerland

Tel: +41 21 618 01 11
Fax: +41 21 618 07 07
info@imd.org
www.imd.org

As it stands, the current reality for female digital leaders and tech entrepreneurs can be discouraging. Despite a healthy demand for digital talent, the lack of diversity in tech continues to be pervasive. A recent BCG article highlights that women constitute only 25 percent of the STEM (science, technology, engineering, and math) workforce, with just nine percent occupying leadership positions. And in a recent survey, entrepreneurs believe it will take 10 or more years for the tech industry to reflect the general population, in terms of gender.

For many, digital leadership is synonymous with technological expertise. However, research on leadership in the digital age by IMD's Global Center for Digital Business Transformation reveals a much broader and richer set of characteristics, including humility, adaptability, vision, and constant engagement. How can we help young women develop the hard, soft, and entrepreneurial skills necessary to become future digital leaders?

The answer, we believe, lies in overcoming three barriers.

1. Keeping girls active and confident in STEM-related subjects

Research suggests that girls are most interested in STEM careers in middle school, but that number drops sharply between middle school and high school. A 2015 OECD study examined how girls' lack of self-confidence in their own abilities in science and mathematics may explain why they are underrepresented in STEM fields in high school. Other studies point to the fact that even though girls scored as well as boys in STEM subjects, they often scored even better in reading. Thus, when they move to drop subjects in the latter years of high school, they would often rate reading comprehension as their strength. What these results suggest is that early high school years are an important intervention point to maintain girls' interest in STEM.

One way to do this is to introduce mentorship from the early teenage years. Work also needs to continue on aspects such as ensuring adequate working conditions in STEM fields for women planning for a family in their future. The Nordic countries may provide a model to be emulated here.

2. Developing business and entrepreneurship skills

The second barrier is under-developed business and entrepreneurship skills. Becoming a digital leader is not only about providing coding and digital marketing skills, but also about using these skills to create and capture business opportunities. How to overcome these barriers? Inspiration can come from surprising places. Since 2013, the Girl Scouts of the USA (GSUSA) has been making technology a central part of how girls, volunteers, and parents engage with the Girl Scout movement. It hired a Chief Technology Officer to upgrade its technology infrastructure and developed online tools to help adult volunteers with troop activity planning and on-boarding.

The Girl Scouts Digital Cookie platform helps girls market via a personalized website and take orders using a mobile app.

One important initiative has been the introduction of its Digital Cookie platform to support girls with their iconic cookie sales. The Digital Cookie platform enables girls to market their online cookie business by inviting customers to visit a personalized website, or by taking in-person orders using a mobile app. The platform also includes educational elements such as interactive quizzes, videos and other activities allowing girls to learn budgeting and business planning.

As the 2019 cookie season draws to a close, we are hearing about gutsy tactics like slapping photos of Jason Momoa onto the iconic Samoa cookie boxes and rebranding them as “Momoas.” The Digital Cookie platform is not replacing face-to-face sales. The GSUSA is using technology thoughtfully to enhance the Girls Scout experience for the 21st century, while preserving the core element of people skills. Such youthful entrepreneurship in cookie sales not only fuels the GSUSA’s largest fundraising effort, but is also the cornerstone of its entrepreneurship program.

3. Funding female tech entrepreneurs

The third challenge is how to get capital to female tech entrepreneurs. If the goal is to see more successful tech start-ups led by women, it may not be enough to simply encourage women to become digital leaders. In 2018, for a second year in a row, only 2.2 percent of investor funding went to women-led startups. Furthermore, evidence suggests that female-led start-ups financed by all-male VC firms may drastically reduce the probability of a successful exit (either via acquisition or an IPO).

The challenge is far from easy to solve. As Melinda Gates put it, “We like to think that venture capital is driven by the power of good ideas. But by the numbers, it’s men who have the keys”.

Organizations like the GSUSA, with their huge alumna network can help, but they will need help from elsewhere, most notably from the VC community itself. If this community can mobilize its network financial professionals, angel investors, and micro-fund lenders, there is a chance that female tech entrepreneurs can be encouraged to stay the course.

Fortunately, new research shows that there may be light at the end of the tunnel – at least for investments in the very early stages. Researchers at the University of British Columbia and Stanford University recently sent out more than 80,000 pitch emails about ‘promising but fictitious’ start-ups to 28,000 VCs and angel investors, and found that pitches from entrepreneurs with obviously female names received a 8 percent higher rate of interested replies than those with male names.

“The world is being rewritten in algorithms and code, and we need to have girls and women to have the skills....to create that future,” says Girl Scout CEO Sylvia Acevedo. Providing girls with the skills to master technology is a social, moral and economic necessity.