

Metals & Mining Practice

Why women are leaving the mining industry and what mining companies can do about it

Women are underrepresented at all levels within mining companies. Yet opportunities remain for the industry to boost female recruitment, retention, and advancement.

This article is a collaborative effort by Hannah Ellix, Karilyn Farmer, Lukasz Kowalik, Rachel Little, Tarusha Moonsamy, Marta Mussacaleca, Phillip Ruban, and Gisella Zapata, representing views from McKinsey's Metals & Mining practice.



Women represent an estimated 8 to 17 percent of the global mining workforce.¹ In addition to low labor force participation, the drop-off from entry level to executive for females in mining is among the most dramatic across all industries we studied (Exhibit 1). Breaking down the sector in terms of senior leadership roles, we see that mining is a laggard among laggards: female representation within mining company C-suites sits at 13 percent.² Among S&P 500 companies, there are only 30 female CEOs—not one of them comes from mining.³

meet the broadening challenges facing the industry today, from digital and analytics disruption to sustainability and decarbonization. The imperative to attract and harness the capabilities of a broad and diverse labor pool is clear and should encourage mining companies to recruit more women and invest in their success. To add to the value proposition, investors tend to favor companies that help them achieve environmental, social, and governance (ESG) goals, which encompasses diversity within the company and in the broader community.

Why does this matter? Beyond the fundamental values of equality and equity,⁴ study after study has demonstrated the benefits of diversity on financial and operating performance. In one data set, diverse teams were reported to be more productive (11 percent higher adherence to production schedule) and to have safer practices (67 percent lower total recordable injury frequency).⁵ Diversity promotes creativity and strategic resilience,⁶ and mining companies will need both if they are to successfully

In this article, we set out to understand women’s experiences in the mining industry and to distill insights and recommendations to help mining companies win through talent.

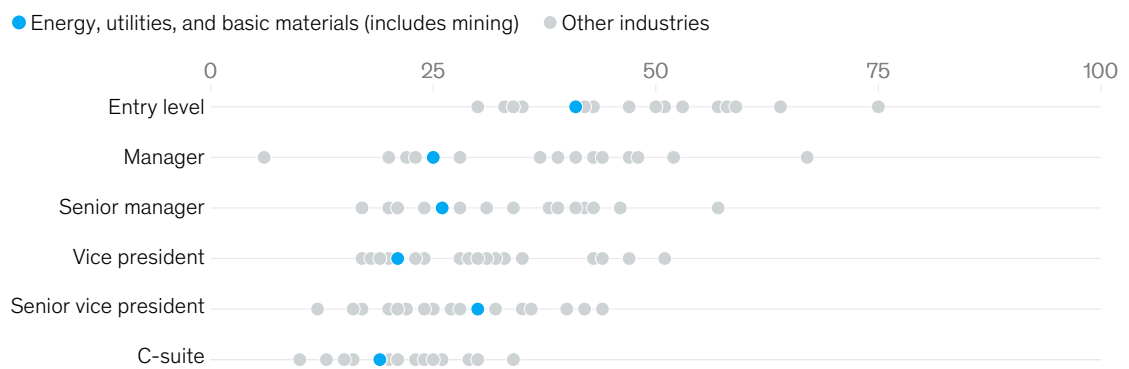
Our goal and methodology

We seek to answer two key questions: Why is female representation in the mining sector so sparse? And what can mining companies do about it?

Exhibit 1

Women are underrepresented in the mining sector compared with other industries.

Women in industry by level, % of employees (n = >40,000)



Source: *Women in the Workplace 2020*, LeanIn.Org and McKinsey, 2020

¹ Penny Bamber, Vivian Couto, and Karina Fernandez-Stark, "Industry 4.0 in developing countries: The mine of the future and the role of women," World Bank, January 28, 2019, worldbank.org.

² Katie Darden and Taylor Kuykendall, "Despite diversification efforts, fewer than 1 in 5 mining leaders are women," S&P Global, June 19, 2020, spglobal.com.

³ "Women CEOs of the S&P 500 (list)," Catalyst, June 28, 2021, catalyst.org.

⁴ "Despite diversification efforts, fewer than 1 in 5 mining leaders are women," June 19, 2020; "Women CEOs of the S&P 500," June 2021.

⁵ Andrew Mackenzie, "The gender equation," BHP, October 15, 2019, bhp.com.

⁶ *Women in the workplace 2020*, LeanIn.Org and McKinsey, 2020, womenintheworkplace.com.

To explore these questions, we launched a global survey that received more than 1,000 responses from employees in the mining sector, in 52 countries and in every continent. Respondents included both men and women, ranging from entry-level employees through C-suite executives. We asked respondents about their professional experiences in mining and how those have attracted and kept them in the industry. We also conducted in-depth interviews with women leaders in mining in Australia, Brazil, Canada, and the United States to help deepen our understanding of some of the issues at play, as well as potential solutions.

What we found

We looked at female representation in mining across the three dimensions that are critical to women's progression in the industry: initial recruitment, medium-term retention, and the promotion of women up through the organization.

1. Attracting women to mining

Women are, for the most part, attracted to the mining sector by the type and variety of work it offers, the opportunities for professional growth and advancement, and the competitive remuneration (Exhibit 2). These three factors remain

consistent across regions, with developing regions (Latin America and sub-Saharan Africa) ranking remuneration as the highest factor for attraction into the industry. It's surprising, therefore, that mining has one of the highest median gender pay gaps of any industry—an estimated 25 percent in the United Kingdom alone.⁷

From a tenure perspective, women with less tenure (fewer than five years' experience) rank growth opportunity higher than do more tenured women.

While not leaders of the pack, the mining sector (along with utilities and energy) does seem to attract women, with about 40 percent of entry-level roles being filled by women. So where does mining lose them?

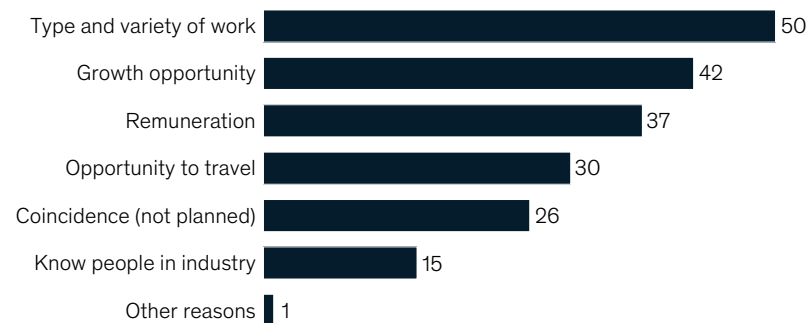
2. Retaining women in mining

Women report leaving—or wanting to leave—the industry because the qualities that originally attracted them to the field don't anymore (Exhibit 3). The top reasons for leaving the industry are feeling that work is no longer intellectually challenging and having the perception that there are fewer advancement opportunities than there are for their male colleagues. Interviews with leading women in mining highlight that women experience being

Exhibit 2

Variety tops the list of reasons why women join the mining industry.

Reasons for being attracted to the mining industry, % of respondents (n = 549)

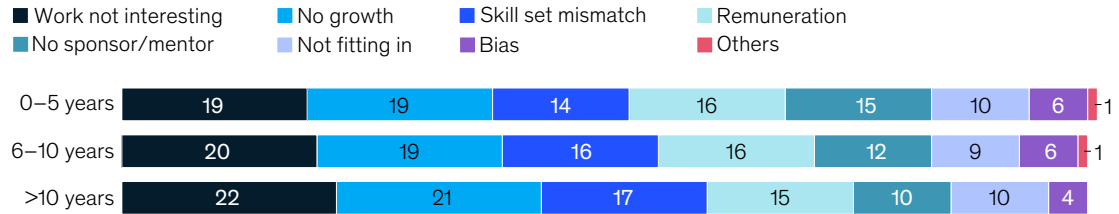


⁷Linda Doku, "Why the mining industry needs more women," *Forbes*, May 24, 2019, forbes.com.

Exhibit 3

Women are leaving the mining industry because of lack of interest and few growth opportunities, among other reasons.

Top reasons, by experience group, % of respondents (n = 549)



Note: Figures may not sum to 100%, because of rounding.

sidelined, particularly in technical roles. There is a sense that opportunities for operational experience and frontline mentorship are created proactively for men, while women are expected to have acquired frontline experience “elsewhere” in order to qualify for advanced technical and leadership roles. Women who return to school to further their expertise feel that their academic skills are underutilized and undervalued, negating their investment in advanced education. There is also a perception that operational experience is rated more highly than advanced qualifications when it comes to attaining advanced technical and leadership roles, but women struggle to access the same “stepping stone” operational roles as men do in the same organizations.

Company culture and lack of diversity beyond the entry level also seem to be factors pushing women out of mining. As one senior woman noted: “It takes a lot of effort to be the ‘diverse one’ at the table.” The women we surveyed commonly referred to “not being a member of the boys’ club,” which lowered their motivation and sense of belonging. Women can find it twice as hard as men (44 percent versus 23 percent) to adapt to the culture of the mining industry.⁸ Multiple factors influence the culture

in the sector, including leadership role modeling, biases (including gender bias and unconscious bias), company policies, and contractors.⁹ Respondents who perceived their company culture as not supporting diversity were twice as likely to want to leave as those who felt their company was balanced. Worryingly, recent data from the *Wall Street Journal* suggest that only two out of seven of the major global mining companies have made material improvements in female representation.¹⁰ More can still be done.

At what stage are mining companies at highest risk of losing women along the pipeline? Our survey indicates that women are most likely to be uncertain about leaving or planning to leave the industry before they reach middle management (Exhibit 4), while resignations are more prevalent among technical and senior manager roles, as well as consultants. These data offer valuable insight: early support in women’s careers can be critical to increasing diversity within the sector.

3. Promoting women in mining into more senior roles

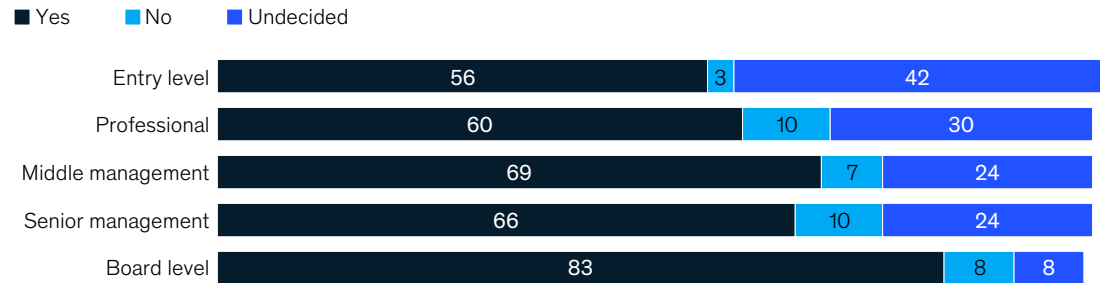
Mining companies are failing to promote women. This is evident from the sparse female

⁸Strengthening mining’s talent alloy—Exploring gender inclusion, Mining Industry Human Resources Council, 2016, mihr.ca.
⁹“Part one: Gender diverse and inclusive workplaces,” in *Gender diversity and inclusion: A guide for explorers, Prospectors and Developers* Association of Canada, 2019, pdac.ca.
¹⁰Alistair MacDonald and Rhiannon Hoyle, “Miners’ efforts to attract more female workers fall flat,” *Wall Street Journal*, June 10, 2021, wsj.com.

Exhibit 4

Tenured women seem more inclined than their junior colleagues to remain in the mining industry.

Female respondents planning to stay in the industry, by tenure, % of respondents (n = 549)



Note: Figures may not sum to 100%, because of rounding.

representation within senior management roles. More than 44 percent of female respondents felt that they have not received equal promotion opportunities; 20 percent of women across tenures said that they are not given the right growth opportunities. Our interviews also revealed that women felt that they are held to higher standards for promotion, particularly in technical, operational, and executive roles.

Research has demonstrated the importance of sponsorship for the advancement of talent—especially diverse talent.¹¹ Sponsors commit to creating opportunities for their colleagues. In an environment where women feel that they are passed over for such opportunities, where they feel like cultural outsiders, and where they perceive advancement decisions to be opaque, harnessing the benefits of sponsorship is paramount.

Alarming, more than 45 percent of women respondents experienced inconsistent to no sponsorship (Exhibit 5). This gap was most pronounced in entry-level and senior management roles. Women wanting to leave mining report the lowest number of sponsors among all groups. The

hypothesis that emerges, then, is that cohorts not receiving the appropriate support are the most vulnerable to attrition.

Many mining companies do have formal sponsorship programs in place. However, women respondents experienced them as ineffective, with sponsors not actually creating opportunities for them. Sponsorship programs are often seen as a “paper exercise,” where the expectations of the sponsor and of the more junior colleague are not well defined. Few companies follow up with sponsors and their “sponsees” on what is working well or what could be more helpful. Sponsors are usually well intentioned but lack support themselves; they often don’t have good examples of what it means to create opportunities for women or what formal incentives are needed to do so.

A path forward to bridge the gender gap in mining

There is no quick-fix solution to improving women’s representation in the mining sector (see sidebar, “Three critical areas for increasing women’s representation across the talent pipeline”). In order

¹¹ *Women in the workplace 2020*, 2020.

Exhibit 5

Women leaving the mining industry report the lowest number of sponsors among all groups.

Average number of sponsors for women employees, by group, % of respondents (n = 549)



Note: 65% of respondents decided to stay, 10% to leave, and 25% were undecided.

Three critical areas for increasing women's representation across the talent pipeline

We believe that increasing women's participation in the workplace and improving their experience needs to be an enterprise-wide effort. Our colleagues have written extensively on accelerating women's equality and the requirements for organizations to undertake holistic change journeys.¹ We propose an enterprise-wide framework covering the five dimensions of the gender-equality ecosystem: CEO and management commitment, transparency and indicators tracking, leadership development for women, diversity-enabling infrastructure, and inclusive mindsets and processes. The following are specific recommendations for mining companies across three of the dimensions most relevant to the industry's ecosystem:

Transparent tracking of key metrics is essential in defining and measuring the progress of an organization's commitment to diversity and inclusion. From recent research conducted in Canada, only 20 percent of asset-heavy companies quantify and manage targets on female participation, and fewer than 50 percent of organizations track gender differences across dimensions such as job satisfaction, salary

performance, termination, performance ratings, and recruiting. To bridge these gaps, miners can start by quantifying clear and achievable targets for diversity at all levels of the company, including at every salary band. Succession plans should reflect the diversity targets that the company wants to achieve. Business leaders should be held accountable for the performance of their units or departments against these metrics and should have the appropriate mechanisms in place to take action as needed.

Leadership development helps to ensure that there is a robust pipeline of diverse talent for all roles. While many mining companies likely already have formal leadership training in place, we suggest making sure that unconscious bias and inclusion modules are added to the company's curricula. Unconscious biases should also be surfaced in reviews and promotions, either through a committee where one member has the role of "bias challenger," or by bringing in external experts. Diverse committees can be very effective in recruiting to help minimize bias. Leadership coaches can

also be instrumental in catalyzing the advancement of high-potential women, as well as supporting leaders in fostering a radically inclusive culture. Finally, creating off-ramp and on-ramp programs for parental leave that do not disrupt employees' career progression will be a competitive value proposition in a labor market in which women, and increasingly men, are protecting their parental leaves.

Inclusive mindset and culture are ultimately the key enablers to sustain an inclusive and diverse talent pipeline. Some of the most successful diversity programs we encountered while writing this article focused on creating a company-wide conversation and commitment to making inclusion a priority. This took the form of open forums, in which, for example, colleagues discussed how they could be better role models for inclusion or submitted ideas to improve the experience of women and other minority colleagues. At one company, as more people took ownership of creating a more inclusive environment, employees began calling each other out for biased behavior, and the rates of sponsorship of women increased.

¹ Geneviève Bonin, Sandrine Devillard, and Anu Madgavkar, "The present and future of women at work in Canada," June 4, 2019, McKinsey.com.

to make meaningful progress, mining companies should attempt to address all three dimensions: attraction, retention, and promotion. Below, we offer a starting point (but by no means a complete road map) for effecting change across each priority.

Attraction. As Exhibit 1 demonstrates, mining companies lag behind other industries when it comes to attracting women to the industry. The following actions can help boost diversity at the start of the talent funnel:

- First, set a goal for parity in recruiting outcomes (50 percent women). Define roles that draw on a wider set of expertise—for example, technical and business—which can attract a cross-trained talent pool. This would be enriching for the company, beyond the female pipeline.
- Second, cultivate potential applicants early on in their university track, even in high school. This can take the form of events, educational field trips, and even grants.
- Third, ensure that women are properly “buddied” by a current employee (for example, offering to help prepare for interviews, setting up introductions with other peers, and so on) throughout the application process and that interview panels are diverse and pushed to challenge implicit biases (through training or by appointing a “bias challenger” to the panel).¹²

Retention. Three factors are driving women out of mining: the work ceases to be interesting, cultures are noninclusive, and there is a perceived lack of advancement—we address the third factor in the following section. First, to help tackle the drop in intellectual stimulation, mining companies can create rotational programs across business units, functions, or geographies. This model has been well proven in many large companies in the resource space, leading to talent retention and a deeper understanding of the business. Second,

while cultural change can be daunting, our research has shown that companies that focus on changing the mindsets and behaviors of their employees stand a better chance of succeeding.¹³ Under this “influence model,” leaders articulate and role-model a vision for a more diverse company, translate that vision into goals and key performance indicators used to frequently evaluate progress, give their employees the tools they need to succeed in these goals (such as implicit-bias training), and hold managers accountable for achieving the initial vision. Institutionally, there need to be basic provisions in place for women to feel safe, such as women-only washrooms, changing rooms, lactation rooms, and sleeping accommodations on-site. There must also be a zero-tolerance policy for discriminatory or noninclusive behavior, and there should be appropriate channels for women to safely escalate issues (for example, a company ombudsperson).

Promotion. A perceived lack of advancement opportunities can drive midtenure women out of the mining industry. Sponsorship can help support women in achieving promotions. Providing stretch opportunities was the most cited benefit that female respondents felt their sponsors provided. Mining companies face the challenge of how to deliver sponsorship. These programs can be formalized by pairing senior leaders with more junior colleagues; however, our experience shows that creating an environment in which these relationships spark naturally leads to more effective programs. One way to do so is to arrange coffee or lunch chats between multiple senior leaders and junior employees, urging both groups to identify with whom they would like to start sponsorship bonds. More formalized assignments can be made in cases where a well-performing woman lacks organic sponsorship in her group. In these cases, it may make sense to pair her with a leader who has demonstrated sponsorship of women, even women from another group.

Once sponsorship relationships are in place, mining companies can explicitly share examples of a

¹²Rebecca Knight, “7 practical ways to reduce bias in your hiring process,” *Harvard Business Review*, June 12, 2017, hbr.com.

¹³Tessa Basford and Bill Schaninger, “The four building blocks of change,” *McKinsey Quarterly*, April 11, 2016, McKinsey.com.

sponsor who has successfully supported a high-potential female employee, as well as the impact generated for both the company and the individuals involved. Leaders in charge of diversity goals also need to centrally manage the program, using data analysis to measure the effectiveness of sponsors and to track both the progression of sponsorees and the record of sponsors. Leaders can assess the sentiment around the program through surveys and focus groups. Critically, it is vital to include evidence of the sponsorship of junior women as part of the evaluation process for leaders.

Mining companies face the challenge of a generation: driving competitiveness in a world of

declining productivity¹⁴ and rapidly advancing and differentiating technology, alongside the imperative to meet and exceed safety and sustainability requirements. To achieve these goals, the industry will need the richest and most robust talent base possible. Creating a practical road map for diversity should be a hands-on and structured collaboration among talent and HR functions, operational functions, and company executives. It cannot be an afterthought once annual strategic planning is complete. Diversity of talent is both a moral imperative and a business opportunity—it's also a competitive advantage. Mining companies that harness the power of a full talent base by attracting women and nurturing their development across the career pipeline will seize the advantage in terms of productivity, innovation, and ESG leadership.

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¹⁴Gauthier Canart, Lukasz Kowalik, Mukani Moyo, and Raj Kumar Ray, "Has global mining productivity reversed course?," April 27, 2020, McKinsey.com.