

Women and Corporate Boards: Musings and Reflections!

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On 12/12/12, 1400 people in the US and Europe got together at 27 luncheons to discuss the topic of women and corporate boards. These events were organized by various chapters of 2020 Women on Boards, a Boston based non-profit with the simple goal of insuring that by 2020, at least 20% of board seats are filled by women. Simple goal, yet challenging to actually achieve.

The 2012 Catalyst Census that was just published states that in 2011 women held 16.1% of board seats. They hold a mere 3.3% of board chair positions and 8.4% of lead director roles. Some good news in these statistics is the fact that women hold 19% of nominating/governance chair roles (we won't belabor the point that this number dropped slightly from the year before when it was 19.2%). This puts us in an ideal role to decide on who joins the board when there is an opening.

In preparing to participate on one of these panels I researched and explored this topic ad nauseum! The one thing that no one will disagree with is that the issue is complex and there is no one or easy solution. However there are certain realities and facts that are worth summarizing:

1. Gender diversity is a value driver for the organization – it is not a hand-out (about a year ago I wrote on the subject of why we need more women on boards. At this point, the advantages have been shown over and over again)!

2. It is also not an entitlement or right. The best boards elect qualified directors with an emphasis on qualifications!

3. The United States is 11th amongst industrialized nations regarding women's representation on boards. The US trails Norway with 36%, Sweden with 26% and France with 17%.

4. Legislation to boost women's representation on boards has spread like wildfire. There is also a global conversation on the subject going on right now but the changes are still slow to come.

5. Part of the challenge with this issue is turnover on boards. The average director's age has risen from 60.1 to 62.6. Only 4% of S&P companies now have term limits.

6. As of a couple of weeks ago, even the United Arab Emirates has a requirement for compulsory appointment of women to boards.

7. Another aspect of the challenge has to do with simple business priorities. A company may want to boost the number of women on their board but given the many business challenges it faces this may simply be lower down on the priority list.

8. Sponsorship can help. This involves advocating for high-profile women in one's organization or elsewhere and helping them access board opportunities.

9. For those wanting to sit on a board, manage your career, raise your profile and seek opportunities to run something if at all possible. Operating experience is still the number one desired skill set in the boardroom.

10. If you are a board member keep diversity on the agenda. Make it a strategic priority.

There is so much more than can be said but these few thoughts and facts should make it crystal clear that change is underway. It will, however, take the efforts of many in assorted and enduring ways to see it through.