

A WOMAN'S
PLACE
IS IN THE
BOARDROOM



PENINAH THOMSON
AND JACEY GRAHAM
WITH TOM LLOYD



Inspire Conference - 9th May 2006
Jacey Graham, Brook Graham

My Background

- Partner & co-founder of Brook Graham, diversity consultancy
- Head of diversity strategy for Shell –won Opportunity Now and Catalyst awards for work on gender in UK, NL and US
- Head of Executive Succession for Lloyds TSB – introduced strategy that doubled % of senior women
- Co-founder of *Women Directors on Boards* in UK 2002
- Co-director of FTSE 100 Cross Company Mentoring Programme on behalf of Praesta Partners
- Co-author with Peninah Thomson of “A Woman’s place is in the Boardroom” (Palgrave Macmillan, published October 05)

Female FTSE Index 2000 - 2005

Female FTSE Indices 2000 – 2005	2005	2004	2003	2002	2001	2000
Female-held directorships	121 (10.5%)	110 (9.7%)	101 (8.6%)	84 (7.2%)	75 (6.4%)	69 (5.8%)
Female executive directorships	14 (3.4%)	17 (4.1%)	17 (3.7%)	15 (3.0%)	10 (2.0%)	11 (2.0%)
Female NEDs	107 (14.5%)	93 (13.06%)	84 (11.8%)	69 (10.0%)	65 (9.6%)	60 (9.1%)
Women holding FTSE directorships	99	96	88	75	68	60
Companies with women executive directors	11	13	13	12	8	10
Companies with at least one woman director	78	69	68	61	57	58

Star Companies 2005

1. Scottish Power	(30%) 1 ED, 2 NEDs
1. British Airways	(30%) 3 NED
3. Astra Zeneca	(28.6%) 4 NEDs
4. Centrica	(27%) 3 NEDs
4. Pearson	(27.3%) 2 EDs, 1 NED



**1 Female CEO
FTSE 100**

**3.4% of Exec Directors
of FTSE 100 are female**

**14.5% of NEDs of FTSE 100 are
female**

18% of senior managers are female

30% of managers are female

30% – 60% graduate entry is female

Progress in UK and US

UK Female FTSE Report 2005:

Women = 10.5% total directors

3.4% EDs (down from 4.1%)

14.5% NEDs (up from 13.06%)

US Alliance for Board Diversity 2005:

Women = 16.9% Fortune 100 Board Directors
(up from 12% in 1999)

2004 EPWN European Board Women Monitor:

“Trailblazers”

(14-22% women directors)

Norway, Sweden, Finland

“Middle of the roaders” (6-10%)

Germany, UK, NL, Switzerland, Austria, France

“Slow going” (2-4%)

Denmark, Spain, Belgium, Italy

The Business Case for change

1. Better corporate governance
2. Effective human capital management
3. Increased shareholder value

What do women bring to the board?

“Women are wired differently from men: men often get stuck on transmit, women pick up nuances in conversation that men miss”

“There’s less ego around, less positioning – women bring calmness and objectivity”

“They’re better lateral thinkers; less structured but they see things in the round”

“Women bring a focus on so-called softer elements like the environment and social issues”

“Women analyse things from a different point of view which stops us running lemming- like over cliffs”

“There’s a certain intuition that’s needed in business and a woman is more likely to have that than a man”

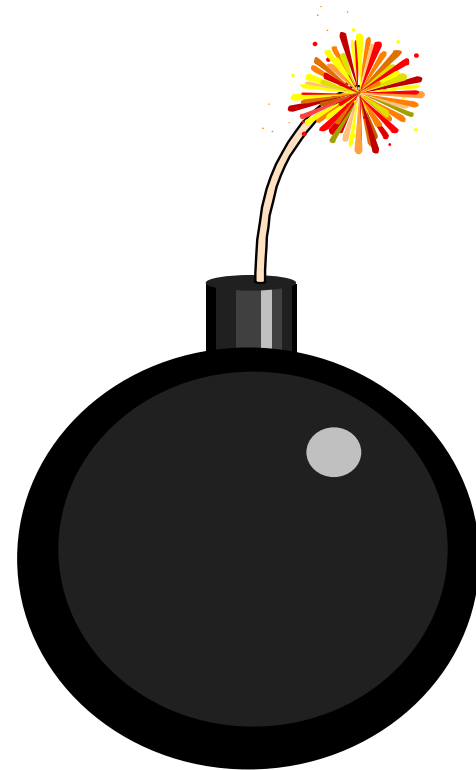
“Women state the problem and say when there’s a moose on the table”

Effective human capital management

There's a demographic time bomb about to go off.....

By 2010 just 20% of the workforce of the UK will be white males under 45.

Our leading companies can't continue to rely on them for 80% of their boardroom needs (especially in light of corporate governance reforms)



The Customer is Queen



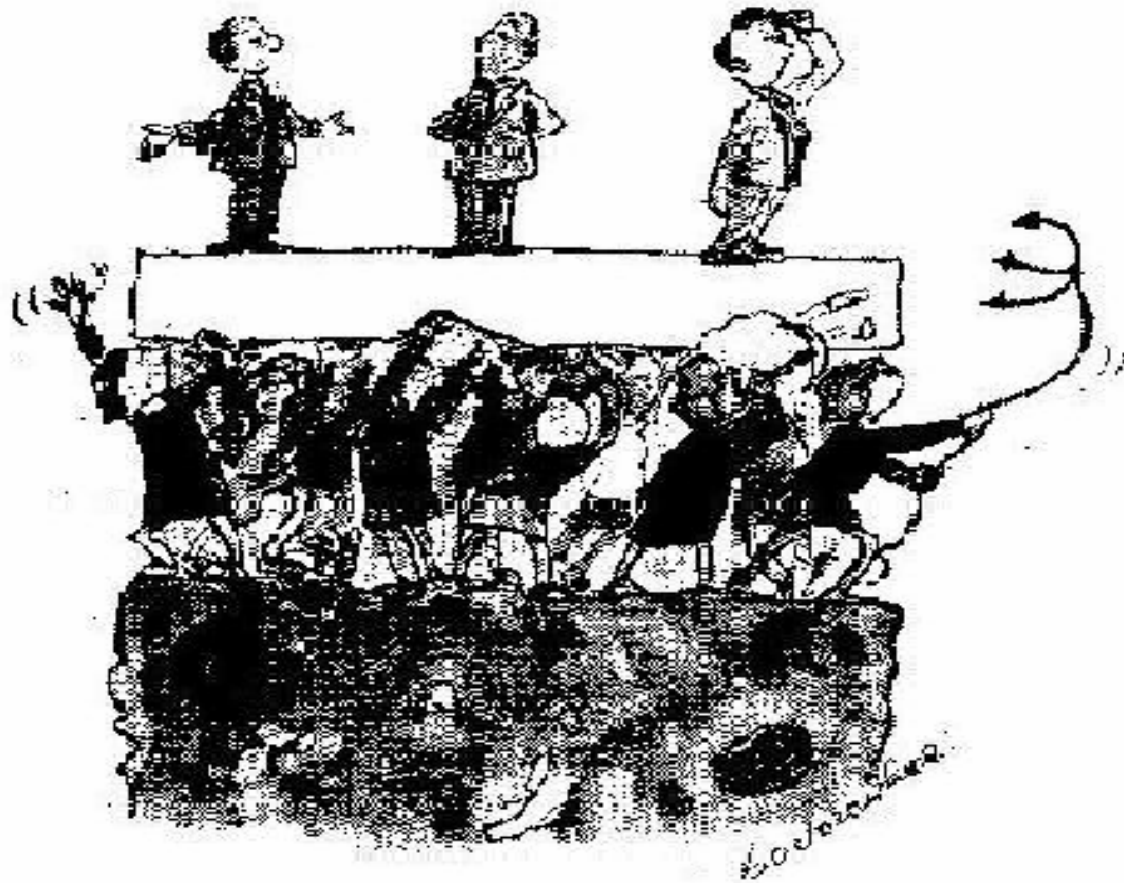
- US: 83% all consumer purchases are instigated by women, including > 50% cars and electrical goods
- UK: 71% 'main shoppers' (make or influence >60% all family purchases)
- Globally: women buy over 50% all new cars, comprise 40% business travel, start 35% new businesses

Source: A Woman's Place is in the Boardroom – Thomson, Graham and Lloyd

What do Chairmen and CEOs think?

- It's not a question of demand but of supply
- Women don't seem "hungry" enough; they lack self-belief and confidence
- Need more operating experience
- Women don't network enough: we don't meet them
- Headhunters don't put women on shortlists
- Women are less internationally mobile than men
- We need to reach a tipping point

NB childcare and child bearing are issues that corporate Britain should be able to accommodate



"Y'SEE, THERE'RE JUST NO WOMEN AROUND TO CHOOSE FROM"

Ref: A Woman's Place is in the Boardroom

FTSE-100 Cross-company Mentoring Programme Participating Organisations

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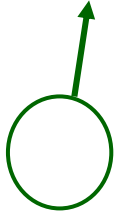
LEADERS IN EXECUTIVE COACHING



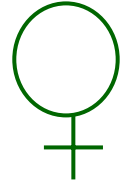
Women in the 'marzipan layer' acknowledge:

- 'Pink collar' experiences don't lead to the board but that companies need to guide women better in early career
- There is an inherently male culture at the top of organisations which can be 'abrasive' and is very political
- They may have a different style of leadership/communication which can be misinterpreted but isn't necessarily wrong
- They need to market themselves more, but they also need to be included more
- They need to push themselves more, be more confident and be "graciously firm" about what they want

Gender Map – general differences in masculine & feminine styles



- Task oriented
- Show status
- How I think
- Go to the bottom line
- Independence, competition
- Demonstrate confidence
- Vocal about achievements
- Want to have answers, conclusions
- Command-control leadership style



- Relationship oriented
- Establish connections
- How I feel
- Explain the context
- Intimacy, support
- Disclose uncertainty
- Play down achievements
- Ask more questions, exploration, understanding
- Engaging-involving leadership style

Views from women directors

- ‘Tone from the top’ is crucial – chairmen and CEOs must champion a change in culture and the development of female talent
- Search firms need to look more broadly (across disciplines and sectors) as well as deeper into organisations
- Women need to sell themselves more, network more, and be persistent with search firms
- The public sector is better than the private – there’s more accountability and more challenge of appointments

Findings:Female FTSE Report 2005

- 12 companies interviewed to find out how they were approaching the *female talent pipeline*
- Every company could provide quantitative data on gender split in recruitment and at various grade levels; most are collecting qualitative data
- Mixed view as to what drives progress: standard business change processes are not always apparent. A tendency for “initiatives”. Mixed picture on targets and goals in driving and measuring change
- The extent to which top leadership own and drive change is variable. Business leaders who are active champions = a powerful force for change

- Data shows that women are coming up through the functions; need to help women transfer into front line roles earlier in their careers
- Growth in activity to help women with career planning and development e.g. Women's Networks and development programmes
- Companies are working with executive search firms
- Activity is being aimed at the "talent reservoir" feeding corporate pipelines in traditional male dominated domains.

NB Business sector doesn't seem to be a key determinant in how much progress is being made ~ companies with low numbers of women in the workforce are having to take a fundamental review of the problem and introduce more holistic approaches

What are better companies doing?

Short term

Helping women develop the confidence and skills to 'stay in the game' through:

- Networks
- Coaching
- Mentoring
- Development programmes
- Childcare & flexible working policies

Longer term

'Changing the game' by building a more inclusive culture through:

- Top level commitment, vision & communication
- Goals & accountability
- Gender awareness training
- Monitoring/rewarding progress
- Overhaul of talent processes
- Developing inclusive behaviours

Sustaining Competitive Advantage

Brook Graham LLP

Awareness and Engagement

- Vision and business case
- Top team commitment
 - head, heart & hands
- Leadership training & awareness
- Communication plan & skills

Hardwiring

- Diversity & Inclusion policies
- Targets & measurement
- Business action plans
- Accountability via scorecards
- Workplace climate survey

Career Management for Women

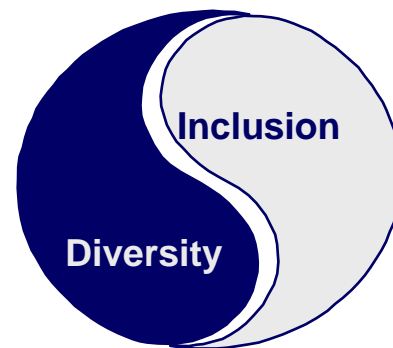
- Mentoring Programme
- Career development programmes
- Individual Coaching
- Women's Networks

Talent Management Processes

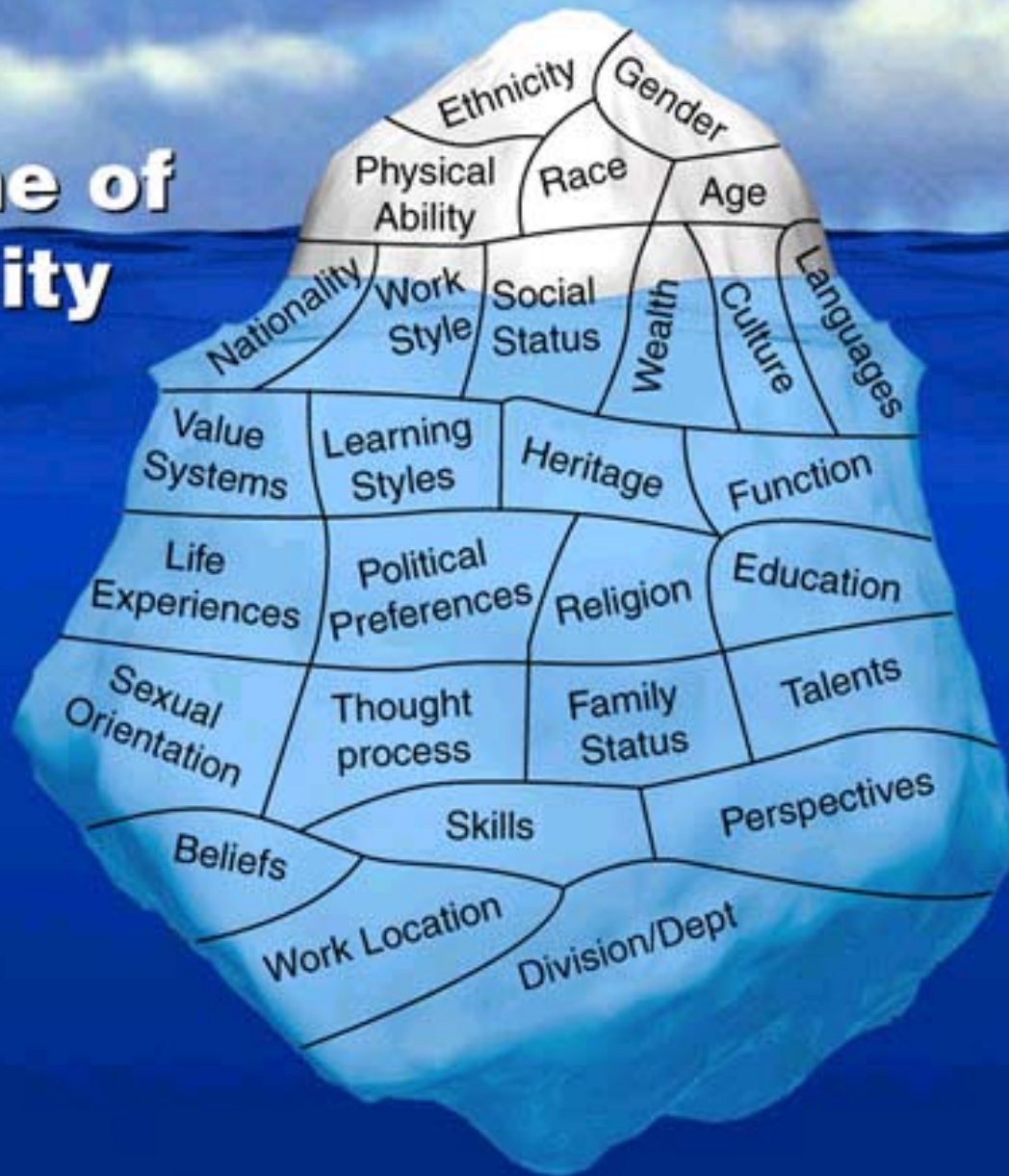
- Recruitment
- Induction
- Leadership development
- Identification of high potentials
- Performance management
- Talent pool review & succession plans

Diversity And Inclusion

- **A diversity focus helps us recognise and value the richness of differences present in our community.....**
- **A focus on inclusion builds the environment in which everyone can thrive and contribute....**
- **Companies need to work on both.....**



Waterline of Visibility



TNT Diversity Parcel



Question for discussion

What further action do you think should be taken in the UK to improve the representation of women on UK boards by

- A) employers ?
- B) women themselves ?
- C) the government ?

(www.brookgraham.com)