

BPW Europe New Awareness Campaign**“Boards with Women”****More fairness leads to more profits: the win-win scenario of Boards with Women...**

The world has changed. It's still changing. Most corporate boards have remained the same, but it's now time for them to join the new millenium.

In our fast moving and highly competitive environment, a corporate board should provide leadership in the development and execution of a strategic plan. It has to keep a close eye on how robust the business model is, in relation to market changes. To do this, it must itself be robust and in tune with the market.

Today, 90% of Fortune 500 CEOs are men, while in Europe 86% of European listed companies have male CEOs.

Is the under-representation of women and the over-representation of men still justified? ... given that:

- Women are the biggest emerging market:
Women make 80% of the family purchasing decisions, and their purchasing power is increasing as their income increases around the world.
- Women are the biggest talent pipeline:
Nearly one billion women could enter the global economy in the coming decade.
In OECD countries women have a higher education than men (46% vs. 30%).
- Those who use this potential get the rewards, and we see companies with greater gender diversity, generating greater profits (*McKinsey "Women Matter" studies – Credit Suisse 3000 report*).
- That is also why 78% of men believe that they will benefit from more gender equality in the workplace.

➔ **Better balanced corporate boards make rational and financial sense.**

Since 2013, the European Commission has been discussing a new directive. Its goal for **publicly listed companies is for 40% of the positions (on corporate boards) be reserved for the under-represented gender.** This was voted by the European Parliament, and is still under discussion by the Council of Europe, even though the proposal has been criticized by some Member States for not complying with the principle of subsidiarity.

Introducing a new law is not a small matter. BPW Europe continues to advocate and collaborate with political decision-makers, in order to have this directive implemented in every European country.

Legalizing something however does not necessarily make a great difference. What makes a difference is people deciding to comply or deciding to change their behavior, **and this can be done without parliament.**

“Boards With Women” is a new campaign inviting women and men to work together and change things themselves.

BPW Europe calls on every individual, citizen, manager, decision-maker, and influencer to:

→ BE AWARE

The lack of women on boards it is not due to a lack of merit or adequacy.

It is due to a combination **of pervasive gender stereotypes which prevent women from entering the board recruitment process.** Criteria are usually intangible, and based on reputation and gut feelings:

- Women are less visible in media, and mostly asked to provide “personal opinion” rather than being quoted as “experts”
- Women are more likely to be promoted based on performance (what they have achieved), while men are promoted on potential (what they may achieve)
- Success and likeability are positively correlated to men and negatively correlated to women. Moreover ambitious women are considered to be “aggressive” while ambitious men are seen as “confident”.
- Women don’t see the board nomination process as one where advocacy and relationships are as important as skills and experiences. This tends to hold women back from applying for board positions, not because of a

mistaken perception about themselves, but because of a mistaken perception about the process.

→ SEIZE OPPORTUNITY

Women who have made it to the top make great board members, because:

- They have usually faced gender biases and obstacles along the way and have been tested more than their male counterparts, making them **even stronger**.
- They are generally less overconfident and support their recommendations **with competency and facts**, lowering the level of risk.
- They know that their progress is being monitored and do their best to produce **provable positive results with big impact**. This is what companies want.

→ RETHINK

Gender diversity is a great opportunity **to rethink board composition and the nomination process itself**. Leadership that applies psychological principles in leading self and other can be effective in an uncertain and complex world.

Diversity encourages unconventional thinking and women bring novel ideas to solve past problems, producing new solutions and contributing to a good decision making process.

- Rethink your idea of a leader. Although they are potent personality traits, **confidence or charisma are not signs of competence**.
- To inspire high-performing teams, **the best leaders usually exercise humility**. Success comes from being able to inspire, not dictate; from cooperation, not authoritarianism.
- Board members are expected to work for the common interest of the company (**less Me, more We**), to bring vision and experience, not to impress others with their talents.
- The “mythical leader” image presents **dysfunctional traits** such as narcissism and arrogance, which put companies at risk.

Considering objective criteria in the recruitment process leaves room for women (competence, group priority over self-promotion) and enables companies to favor new profiles coming from new markets. Asia, for instance, usually has a culture which tends to promote more humble, collective oriented leaders.

→ CHOOSE EQUALITY

Be "gender-sensitive" in the way you build your network and choose employers or business partners:

- Value **Top Executives**, men and women, who mentor and sponsor women.
- Support **Companies** that have a proactive approach to gender equality: transparent performance indicators for gender equality, training to identify gender bias, flexible work arrangements,...
- Recognize **Board nomination processes** based on merit.

Such information should be available on company websites.

"The most effective way to do it, is to do it" Amelia Earhart, first female aviator to fly solo across the Atlantic Ocean

*References

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- "What make teams smarter? More women" Harvard Business Review (2011)