

GENDER EQUALITY



Women still not on board

By Sandra Burmeister

After a flurry of activity earlier this decade, women's progress on the boards of South African listed companies has slowed dramatically. At the current miniscule rate of change, it will take women well into the next century to reach parity with men, if they ever achieve it at all.

The recent Business Women's Association's Women in Leadership Census indicates that between 2007 and 2008 the number of women CEOs of listed companies and the major state-owned entities (SOEs) decreased from 3.9% to 3.6%, while female chairpersons increased from 3.9% to 5.8%. Female directorships showed a marginal increase from 14.3% to 14.6%.

Of particular concern in the face of the dire need for the country to harness its resources to weather the recession is the fact that the number of women executive managers decreased from 25.3% to 18.6. This means that the pool of women from whom directors can be drawn is shrinking. This slowdown follows substantial progress of women in senior positions on a wave of black economic empowerment and employment equity initiatives in the early years of the decade.

Internationally, progress has also been slow. The United States leads at 15.2% (Fortune 500) women directors, followed by South Africa at 14.6% (JSE/AltX/SOE) and Canada at 13.0% (FP500), with the United Kingdom lagging at 8.5% (FTSE 350) and Australia at 8.3% (ASX200).

In South Africa, 336 out of 425 women hold one directorship, and only 32 hold three or more, giving the lie to the commonly held belief that boardroom power is concentrated in only a few hands. However, some 33.4% of companies still have no women directors, while 28.4% have one woman director, 21.1% have two women directors and 17.1% have three or more.

The greatest strides have been made by SOEs, with 40.1% women directors.

SOEs also lead when it comes to numbers of women directors, with

94.1% having more than three women directors, while JSE companies lag at 13.5%.

One-third of SOEs have women chairs of boards, compared with 4.6% of JSE-listed companies.

The spread of industries with the greatest female director representation varies considerable from country to country. On the FTSE 350, financial services have the greatest percentage of women directors, with mining bring up the rear. Of the Fortune 500, healthcare leads at 20.2% women directors, with construction lagging at 6.3%.

In South Africa, of JSE-listed firms, oil and gas leads with 35.7% women directors, with utilities bringing up the rear at 6.7%.

Even though gender equity is lagging, in South Africa black economic empowerment has had a tremendous impact: 56.6% of women directors are black, followed by white women at 34.6%, with coloureds and Indians at 4.7% and 4.2% respectively.

Against the overall sluggish pace of change, there are some bright spots: just over 70 JSE companies have 25% or more board seats occupied by women, up from 62 in 2008 and 51 in 2007. Some progress has been made, but it is too slow, particularly in view of the emphasis placed on gender equity by policy makers.

As a nation, we need to take action on gender equity – before government takes action on our behalf, as we've seen in the United Kingdom, where consistently slow progress has resulted in the recently tabled Equality Bill. This provides for gender equity in hiring policies and working conditions and will force companies to report on gender pay.

In South Africa, we should take up the opportunity to embrace gender equality proactively and consensually. Otherwise we could find ourselves, by default, going down the jurisprudence road. **P**

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