




Presented during the 3<sup>rd</sup> Women's Business Summit  
March 6, 2014 Mandarin Oriental Hotel, Makati City

# Successfully Breaking Boundaries: Women in Corporate Boards



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3<sup>rd</sup> Women's Business Summit  
06 March 2014

Mandarin Oriental Hotel



**Home Development Mutual Fund**

Sa Pag-IBIG ang pinaghirapan may katuparan

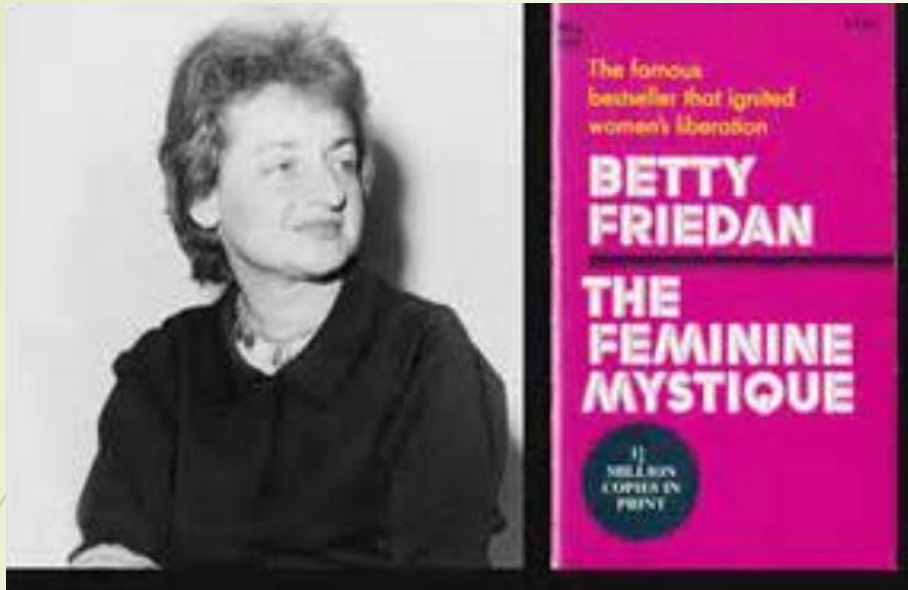
**President and CEO**



**Deputy CEO**



My entry to the corporate board room was by an appointment by President Cory



Betty Friedan



Gloria Steinem

A man in a striped shirt and tie is holding a white sign. The sign has the word "WANTED" in bold black letters at the top, followed by a paragraph of text. The background is a plain grey wall. On the left side of the image, there is a decorative graphic consisting of a red arrow pointing right and several thin, curved lines in shades of green and brown.

## **WANTED**

Economic graduates  
who could write books  
for elementary students  
teaching the basic  
concepts of economics



*Robert Cannon*

# Progress and People: TRADE

*An economics-based social studies unit using an inquiry approach*

## MACUTO

by  
ZORAYDA A. ALONZO

*Elementary Economics Project  
Industrial Relations Center  
The University of Chicago*

CATALYST

Changing workplaces. Changing lives.



*“Women are still not making headway when it comes to getting on corporate boards or into senior leadership roles within big companies.”*

Among Fortune 500 Companies:

women hold only about **17 percent of the seats on boards of directors**, and **15 percent — of senior executive positions.**

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**I. Executive Summary**

GMI Ratings' 2012 Women on Boards survey includes data on over 4,300 companies in 45 countries around the globe. The results show a significant improvement in most measures of female representation since our 2011 report. For example, the percentage of companies with at least one woman on the board has risen to 55% from 48% last year. Moreover, the percentage of companies with at least three women—a level that some research suggests may constitute a critical mass and allow women's leadership styles to come to the fore<sup>1</sup>—has risen by 1.3 percentage points, to just under 11%.

However, these global statistics mask important differences, both among individual countries and between blocks of countries at different stages of economic development. For example, when the world's industrialized economies are viewed as a group, 11.1% of directors are women, 63.3% of companies have at least one woman on the board, and 10.5% of companies have three or more female directors. For emerging markets as a group, 7.2% of directors are women, 50.3% of companies have at least one woman on the board, and 1.3% of companies have three or more female directors. Furthermore, national statistics within each group vary widely. For example, over 56% of Norway's directors are women, compared to less than 18% of Germany's and just over 1% of Japan's; South Africa has over 17% female directors, China

This heterogeneity reflects the wide range of approaches countries are taking with respect to board diversity, involving legal requirements, corporate governance guidelines, listing exchange standards, mentoring programs, and other voluntary initiatives. This year, two prominent illustrations of different approaches come from France and Australia, the latter of which has a long history of female board representation. In France, the 2011 law on corporate governance requires that companies with more than 100 employees have at least one woman on the board. In Australia, the 2011 law on corporate governance requires that companies with more than 100 employees have at least one woman on the board. In both cases, the law is accompanied by a mentoring program.

The extent to which these laws have been implemented, however, varies significantly. In France, the law has been implemented in a way that is consistent with the country's unique history, culture, and governance structure, which can affect board diversity in many ways. For example, in some countries, unions, governments, or founding families appoint a substantial number of directors; these entities may be responsible for a significant percentage of the female directors currently serving on corporate boards in particular markets. However, these questions, as well as others related to the impact of female directors on corporate performance, are independent of the current survey. This report, therefore, does not attempt to answer these questions in detail; the statistics for recent changes in female board representation need to be viewed in the context of each country's typical board election process. Countries whose board election processes are somewhat different, for example, might have different results. The primary purpose of the survey is to provide a global, point-in-time snapshot, as a jumping-off point for further discussion and study.

Section II of this report presents, in graphical form, global aggregate percentages of female directors, chairs and committee positions, as well as the Industrialized and Emerging Markets breakdown. We also present information on the percentage of female directors, the percentage of companies with at least one woman on the board, and the percentage of companies

<sup>1</sup>See Konrad, A.M., Kramer, V.W., and Erkut, S.: "Critical mass: The Impact of Three or More Women on Corporate Boards," *Organizational Dynamics*, Volume 37, Issue 2 (April-June 2008), 145-164.

- **Women hold ONE in every TEN Board seats globally.**
- **10.5 percent of directors in 45 countries are women.**
- **The percentage of companies with no female directors has fallen 40 percent.**
- **The percentage of companies with at least three (3) women directors have risen 9.8 percent.**
- **Three (3) women directors constitute a critical mass which allow women's leadership style to emerge.**

- **More women are reaching senior management and board level positions.**
- **59 percent of Philippine business have more than one **woman** at board level compared to 55 percent two years ago.**





# THE FACTS

- ➔ Filipino women have a better chance getting into the board room compared to women in other countries.
- ➔ PH is the 5<sup>th</sup> in the world based on the World Economic Forum Report on Global Gender Gap.

# THE CHALLENGE

- ➔ How to get half of the total board seats available for a **50-50 sharing**.



# Why is it important to have more women in the board?


- Its not an issue of affirmative action or gender equality.
  - It is an enlightened economic strategy.
  - A business imperative.
  - Men comprise 50 percent of the talent pool.
  - Women comprise the other 50 percent of the talent pool.
- **The total talent pool of men and women must be considered in the selection process to arrive at the best talents.**

# Research Institute

Thought leadership from Credit Suisse Research  
and the world's foremost experts



- Companies with women in the board had higher average return on equity and higher growth.
- More women directors outperformed peer companies without women directors by 26 percent.
- Ten-Women-led companies had double the percentage of women directors.



So why have there been a slow growth in women in the board rooms globally?

## THE FACT

- ➔ Selection is centered on the 50 percent of the men pool where more experience resides.

## THE CHALLENGE

- ➔ **Mentor, nurture and support the rise of other women.**

# The most powerful person in the world of finance is a woman



Janet Yellen, first female Chair of the Federal Reserve Board in its 100-year history

# We don't have to look far...



Chief Justice Maria  
Lourdes Punzalan Aranal  
Sereno



Justice Secretary Leila  
Magistrado de Lima



Ombudsman Conchita  
Carpio-Morales



COA Chairperson Ma. Gracia Pulido Tan



BIR Commissioner Kim S. Jacinto-Henares

If women at the top make it their mission to nurture other younger women leaders...



- ▶ **there would be a ready pool of woman talent who could be promoted at any given time.**

A woman leader should AFFECT the pace in which other women are able to crack their own ceiling.





# Beyond the glass ceiling



Pag-IBIG Fund



With ASEAN counterparts



With HUDCC Chair Teodoro Katigbak



With Asian coalition of housing finance institutions



**Gender Equality**

**Women Empowerment**



**Feminism**



Helena Z. Benitez



Leticia Ramos-Shahani



Evelyn Singson



Lilia Calderon-Clemente




Victoria P. Garchitorea



Remedios Ignacio-Rikken

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# TOWNS

The Outstanding Women in the Nations Service







Small Business Guarantee and Finance Corporation





9th APEC SMALL & MEDIUM ENTERPRISES MINISTERIAL MEETING

( August 24<sup>th</sup> - 25<sup>th</sup>, 2002 )

ACAPULCO, GUERRERO





It's not enough to break  
barriers



but to enable other women to follow  
them to the top.



**Let's all aspire for an equal sharing of the corporate and political powers.**

**We women hold half the sky.**

**Let it be so in the corporate board rooms.**



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