



CRITICLEYE

Beyond Boardroom Diversity

Boards that remain male, pale and stale will struggle. Criticleye asks senior women business leaders what is being done to ensure future generations of executives and non-executives will be more diverse and inclusive



The spotlight on gender inequality in the boardroom is important as such glaring imbalances need to be addressed, but in no way should the focus on diversity end there. To perform to the highest level, businesses require a rich mix of people so that insight is coming from those whose age, race, social background, gender and range of skills and experience are different.

Criticaleye spoke to a range of successful female executives and non-executive directors to get their views on the gender debate, diversity, and where they believe the real, systemic problems lie.

Vanda Murray, Criticaleye Board Mentor and Senior Independent Director at engineering company Fenner, comments: “The issue of gender absolutely needs to be addressed. We’ve got more female graduates coming through the education system and yet... they just drop off as they go up the management ladder.”

Unconscious bias in organisations was identified as an issue when it came to interviewing, promoting and simply communicating on a day-to-day basis.

Anne Stevens, Vice President for People & Organisation at Rio Tinto Copper, says: “There is still a huge amount of unconscious bias in respect to female leaders in many businesses. Leaders typically recruit in their own image... so, if a leader’s got a certain style they often let their own unconscious bias come to the fore and end up recruiting somebody just like themselves...”

“Furthermore, some of the attributes that we often associate with potential, so, for example, aggression, assertion...

“You’ve got to put talent and diversity programmes in place to drive the change”

delivering the bottom line at all costs, are typically male traits and, quite frankly, if we believe that this is what makes a good board, then we are never going to get a good balance in the boardroom or anywhere else for that matter.”

It means being brave enough to tackle entrenched attitudes and stereotypes. **Alison Carnwath**, Chairman of commercial property and investment company Land Securities Group, says: “I think the key barrier is whether women want to get to the top of the sort of organisations that have been mostly run by men in the past, where they’ve been run along male lines, male cultures. A lot of women self-select out of this because they just don’t particularly like that work environment.”

Jane Furniss, Criticaleye Board Mentor and Deputy Chair of homeless charity Crisis, says: “The really important thing is that we invest more in helping women lower down the organisation to overcome the barriers that are undoubtedly there, give them lots of opportunities to learn about situations that they are not familiar with and take some risks. As a leader you really need to encourage people to put

themselves in those situations and provide a safety net where they can make mistakes and learn from them.”

PRIDE AND PREJUDICE

The context for discussing diversity has to be broader than gender alone. **Therese Procter**, Personnel Director at Tesco Bank, says: “Diverse teams are more creative, they see potential problems and opportunities much more quickly, and they make the robust internal challenges which avoid some of the self-sustaining negative behaviours we witnessed in the banking crisis.”

Tea Colaianni, Group HR Director at Merlin Entertainments Group and a Non-executive Director at discount retailer Poundland, says: “Every organisation needs somebody who takes responsibility and is accountable for promoting the gender or broader diversity agenda.

“You need to have an individual who challenges the assumptions, biases or old ways of thinking. And without someone taking ownership for that, little progress will be made. There are always people in an organisation that might feel very strongly about these things and you just need to identify and empower them.”

Hayley Tatum, Executive People Director at retailer Asda, says: “We use talent ambassadors across the business to assist and guide business leaders around how they recruit, select, develop, coach and mentor future leaders. We focus on developing women and other under-represented groups throughout the organisation in order to strengthen and develop our executive pipeline, which means that at the point when jobs become available, the pool from ▶

which we are able to select is richer and more diverse than it would have been.”

Mentors and coaches were identified as crucial for helping to develop and nurture people. **Vanda** comments: “If you really want to drive diversity, both in terms of gender and ethnicity, then you’ve got to identify role models in the company. You’ve got to give them some publicity, particularly in operational and management roles – not just in HR because that’s just the same old, same old. I think you’ve got to put talent programmes and diversity programmes in place to drive the change.”

“It is the broader diversity issue that’s important”

Yet a lot of lip-service to diversity continues to be played by many executives and NEDs (certain sectors are far more progressive than others). It’s why the context for the discussion has to be absolutely right.

The central point to bear in mind is that if you have a culture which can attract people from the widest possible talent pool, and that has a structure which allows them to develop skills and reach their full potential, this will be of direct benefit to a business and its long-term performance.

“Unless the business case for diversity is clear there won’t be the lasting change we need,” says **Joëlle Warren**, Executive Chairman of director

level recruitment specialist Warren Partners. “Boards need to understand that innovation happens when you have greater diversity in the team, and having different views represented around the board table encourages healthy debate which ultimately leads to decision making that is more robust.”

TIPPING POINT

In the UK, the report spearheaded by Lord Davies, [Women on Boards](#), which was launched in 2011, has done a great deal of good in raising awareness around gender inequality. Over the last three years, female representation on FTSE 100 boards has gone from 12.5 to 20.7 per cent with the aim of hitting 25 per cent by 2015.

More now needs to be done to widen the terms of debate. **Samantha Barber**, Non-executive Director at electricity company Iberdrola, comments: “We could achieve some targets and yet miss the point completely because, actually, it’s about bringing on more women and more people from diverse professional backgrounds in different positions within business. And that’s a different challenge from the gender boardroom target.”

Alison says: “It is the broader diversity issue that’s important, which means not just focusing on gender inequality.”

It’s up to companies themselves to keep track of progress. **Melanie Richards**, Partner and Member of the UK Board at KPMG, comments: “The single biggest thing that the Davies Report has shown is that what you measure gets done. The more businesses create targets and measure themselves on their achievements, the more they are likely to see real results coming through.”

The great thing is that companies have it within their power to make the changes necessary to create a level-playing field. All it needs is commitment and a little vision. ■

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Featuring Commentary From:



Samantha Barber
Non-executive Director
Iberdrola



Alison Carnwath
Chairman
Land Securities



Tea Colaianni
Group HR Director
Merlin Entertainments



Jane Furniss
Deputy Chair
Crisis



Vanda Murray
Senior Independent Director
Fenner



Therese Procter
Personnel Director
Tesco Bank



Melanie Richards
Partner
KPMG



Anne Stevens
VP, People & Organisation
Rio Tinto Copper



Hayley Tatum
Executive People Director
Asda



Joëlle Warren
Executive Chairman
Warren Partners

Contact the contributors through:
www.criticaleye.net