



# Still top-level gender disparity

**CAUTION:** FIRMS SHOULD CAST THE NET WIDE TO AVOID 'GOLDEN SKIRTS' SYNDROME

➔ **At least three women required to really make a difference at board level.**

**Nadia Mans-Kemp**

**A**bsa's chief executive, Maria Ramos, announced her retirement this week, after 10 years.

The number of black women and men in senior management positions at the bank increased during her period as CEO.

But there are now no female CEOs running any of the 40 largest listed companies in South Africa. In addition, women make up only a fifth of the directors serving on JSE-listed company

boards.

Several local companies still have no female board members, while most who do diversify their boards, tend to appoint only one female director at a time.

Research shows a critical mass of at least three women is required to really make a difference at board level.

A 2018 Jack Hammer report on private sector leadership concluded that, although positive changes are noted at board level, overall gender transformation is occurring at a slow pace.

It added: "Anecdotally, it is clear that companies want to appoint more women in senior positions. Placement data also shows that shifts are being made at executive level.

"However, only a limited number of females are appointed in top positions."

SA's 2016 King IV report on corporate governance recommended that companies set board gender diversity targets and annually report on their progress.

As a result, new requirements were set for listed companies.

Sourcing from exclusive networks (old boys' clubs) might contribute to limited female board representation.

The situation could improve if companies set realistic board gender targets and strove to diversify their boards.

The 30% Club Southern Africa chapter – a lobby group advocating for 30% female board gender representation – together with

industry partners published a report in November on gender in JSE-listed companies.

Of the 267 companies considered, only 10% had gender parity (50% female board representation).

Despite amended JSE listing requirements, 50 companies didn't specifically report on board gender diversity in their integrated reports.

Based on the gender policies published in the 2017 integrated reports, there were no opportunities for women to be appointed as directors at 105 JSE companies.

Some companies said they were looking at how to increase board gender diversity.

SA companies should caution against the "golden skirts" syndrome where only a few well-connected women are selected to serve on multiple boards. They should rather cast the net wider

to appoint more eligible women.

Directors who sit on multiple boards run the risk of becoming too thinly stretched.

Despite their considerable expertise, they might struggle to give sufficient attention to their respective board responsibilities.

Executive search companies have a responsibility to seek out available female talent in SA.

A growing number of shareholders are questioning the composition of boards.

Individuals from different backgrounds, ages, experience levels, genders and races should be included on boards so companies can benefit from the diversity of their skills and insights.

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**Only 10% JSE-listed companies have 50-50 split.**

