

Geneva, 6<sup>th</sup> June 2016,



## The CWF has successfully launched the pilot programme “Women on Boards”, advancing women in business...right into the board room!



The high participation rate was proof that the theme hit the nerve of a current trend with many governments and companies seeking to move strategy into action on the diversity agenda.

The key tactics and criteria harnessed during the presentations and the panel discussions are listed below.

**The panelist present were:** F.I.t.r.: Marc Secretan (moderator), Lisa Parenti, Gina Empson, Michèle Costafrolaz, Jacques G. Berger, Beth Krasna,



Tracking the percentage of women on European large company boards, the non-profit organization EWoB (European Women on Boards) announced a positive trend with a percentage number that has doubled over the last five years (13.9 to 25 percent), thanks to the quota regulation introduced in many European member countries. The report identifies positive developments occurring at company, country, and sector levels. Click here to [read the study](#). Still, as stated in the study, “women continue to represent significantly less than half of board members in all European markets and sectors, as well as at all but a handful of European companies.”

A vast amount of literature analyses the direct link between diverse boards and a company’s profitability, and according to an article published in the Harvard Business Review, diversity on boards is critical to sustaining performance.

*“When Fortune-500 companies were ranked by the number of women directors on their boards, those in the highest quartile in 2009 reported a 42% greater return on sales and a 53% higher return on equity than the rest”* HBR according to a study conducted by Lois Joy, Nancy Carter, Harvey M. Wagner, and Sriram Narayanan. ([article](#))

The trend toward greater gender diversity on boards has been driven mainly by the addition of female non-executive or female supervisory board directors as opposed to an increase in women in Chair, CEO and executive director positions.

*“Studies show that the presence of at least three women is necessary to change boardroom dynamics.”* (HBR [article](#))

In Switzerland, women are still considerably under-represented on company boards. Therefore, the CWF has moved into action, piloting a “Women on Boards” programme helping our members to gain awareness and skills to get through the board-room doors. Today, women count for 16 percent on SMI company boards but across all companies, the average drops to 9.1 percentage points (research by Peterson Institute).

The federal government submitted a proposal in 2015, whereby a minimum of 30 percent of women should be represented in boards by 2020 – but the proposal is still under debate. The Swiss Employers Association (union patronal Suisse) have listed the profiles of 400 women ready to step into a board role ([read article](#)).

In our Region, Diane Reinhardt founded the “Cercle des administratrices” (CSA) growing an already impressive list of 500 women who could step into a board role tomorrow. She has offered detailed insight during the CWF luncheon on 27<sup>th</sup> June. The summary and presentation will be hosted on our website.

During the CWF event on 6<sup>th</sup> June, the panel of experts openly discussed and shared their views, tactics and also their mistakes, to help others avoid certain traps. The discussion was elegantly moderated and orchestrated by Marc Secretan, Director at PricewaterhouseCoopers.

A summary of key-points was published by LeTemps (Dejan Nolic) who has attended the presentations and panel discussions. In addition, an interview with Beth Krasna was published by Agefi on 23<sup>rd</sup> June. You can find the hyperlinks to both publication “CWF in the News” section on our website ([click](#)).

#### Tactics to get on a board:

- To gain experience and become an eligible member of a lucrative company board, start with board memberships that are based on voluntary work or low remunerations. The experience will pay-off in the long run. i.e. Pension funds might get easier to get into as it's often perceived an environment/market less attractive than others.
- Leverage the time of a family break (maternity leave etc) to assume a role on a board
- Network and communicate your availability to join a board
- Swiss citizenship can remove obstacles
- Analyze your gaps and close them (i.e. Financial Literacy, company strategy, etc)
- Due diligence (before joining a board) is critical. Board members are legally liable for fraudulent activities of the CEO and the company executives, even after the board tenure.
- Personal values need to be aligned with those of the president of the board and the company at large. “If they aren't – don't accept the board membership”.

#### Hard and Soft skills:

- Financial literacy is a must to strategically support the narrative of strategies.
- Candidates have to understand the difference between strategic and operational advice. A Board sets the strategy, the company managing team owns the operational part
- Candidates should bring...:
  - in-depth industry experience
  - the ability to open doors with critical key stakeholders (access to high-profile networks)
  - the capacity to open or grow new markets
  - company strategic experience
  - experience with innovation and mega trends
- Bring energy and engagement with a focus on “adding value” to the company and the shareholders
- Grow and maintain a high-profile Network
- Leaning-in attitude
- Self-discipline and Preparation
- The capacity to synthesize information and take decision
- Be a role model of your own values
- Observe and listen
- Learn from mistakes
- Anticipate and have a plan B
- Be comfortable with your difference
- Ask questions
- Know when to talk. Know when to remain silent. Leave your ego outside the board-room door. No need to show that “you know better”.
- Keep an eye on the “horizon” and constantly monitor “external factors” (competition, innovation, regulations, etc)



**Remuneration of board-memberships by sector can be found in [this report](#) issued by BDO. “Étude BDO des conseils d'administration. Structure de remuneration des conseils d'administrations des entreprises de taille moyenne en Suisse ».**

Caption: The CWF Women-on-Boards sub-committee in the presence of the panel speakers and the moderator (front row)