



EXPERIAN FEMALE DIRECTORS REPORT 2007

THE CHANGING FACE OF BRITAIN'S BOARDROOMS

DECEMBER 2007

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1. METHODOLOGY

Experian's Female Director research was conducted by analysing the five million business records on its National Business Database (NBD).

The NBD is one of the most comprehensive business data sources in the UK. It combines ten different independent and trusted data sources, including Yellow Pages, Thomson and Companies House information, to create an in-depth picture of the business universe in the United Kingdom.

Research for Experian's previous Female Director report was undertaken on the same basis in May 2006.

2. EXECUTIVE SUMMARY

The key findings and themes emerging from Experian's Female Directors Report 2007 can be summarised as follows:

- Well over one quarter (28 per cent) of UK directors are female
- The number of female directorships in the UK has now broken through the one million mark
- Female directors in the 18 to 29 age band are closest to reaching parity in numbers in the boardroom with their male counterparts, with one female for every 2.6 males
- The number of female directors peaks at the 40-44 age band but, proportionally, women in this age group are outnumbered by men in the boardroom by 3.3 to 1
- Female directors are more likely to be found in older, more established businesses; however, a glass ceiling still remains in larger corporations, though cracks are appearing in it
- Female directors are still concentrated in the 'caring professions' – Education, Social Work and Health – with Primary Education the field where female leaders have almost reached level numbers with their male colleagues
- But women are also starting to make their mark in Property Management
- Female directors tend to be involved in more profitable and less risky businesses
- Wales and the South West have the highest ratios of female to male directors
- Truro tops the league for the town with the highest proportion of female directors
- Inverness has seen the largest increase in the number of female directors since 2006

3. FEMALE DIRECTORS AND DIRECTORSHIPS IN 2007

Well over a quarter of all directors are female

There are now almost 800,000 female directors in the UK, who make up 28 per cent of the country's 2.8 million directors. But the influence of female directors is increasingly not limited to just one company and the number of female directors holding multiple directorships is now growing at a faster rate than their male counterparts.

	2007	%
Female directors	793,186	28.01%
Male directors	2,038,032	71.99%

Table 1 – UK directors breakdown

The number of female directorships breaks through the one million mark

The UK now has more than one million female directorships, that is board positions held by women, compared to just over 900,000 in 2006 and 829,000 in 2005. The number of female directorships has grown by 10.5 per cent over the past 18 months, compared to a 9 per cent growth rate for men. Although progress has been measured to date, this growth rate perhaps demonstrates that the trend towards more women in the boardroom is gathering momentum as women continue to make their mark and push against the glass ceiling.

	2007	%	2006	% change
Female directors	1,008,343	23.27%	912,328	10.52 %
Male directors	3,323,866	76.73%	3,051,520	8.92 %

Table 2 – UK directorships breakdown

4. AGE MATTERS – FEMALE DIRECTOR AND COMPANY AGE

Younger women lead the way to the boardroom

As far as gender differences go, when it comes to gaining parity in numbers in the boardroom, it's the relatively young who are leading the way. Over 27 per cent of directors in the 18 to 29 age band are female, a percentage that is higher than any other age group of normal working age. This group accounts for 5.6 per cent of all female directors compared to 4.5 per cent of males in the same age band.

Age Band	Female Directors	Male Directors	Ratio
18 to 29	56,493	150,011	0.3766
30 to 34	79,979	213,709	0.3742
35 to 39	125,321	382,959	0.3272
40 to 44	157,006	521,547	0.301
45 to 49	147,053	521,708	0.2819
50 to 54	123,789	461,297	0.2683
55 to 59	113,330	417,053	0.2717
60 to 69	134,406	489,399	0.2746
70+	62,369	150,710	0.4139

Table 3 – Breakdown of female and male directors by age

Women directors gain a foothold in older businesses

The saying 'if you're good enough you're old enough', appears to be particularly true of younger female directors working in more established businesses.

Our research suggests an increased tendency for older, established businesses to appoint younger female directors (those aged between 18 and 35) compared to newer start up companies.

The ratio of females to males for the under 35 age group is at least 23 per cent higher for companies that have been established for three years or more. What's more, female directors are twice as likely to be found in the boardrooms of companies aged between 14 and 30 years compared to younger companies and 75 per cent more likely to be found in businesses that have been in existence for more than 31 years.

And in contrast to the image that is often portrayed of start-up businesses being the domain of the young guns, within companies established for three years or less the most male-dominated age band is between 55 and 69.

Experian suggests a number of reasons for these trends. One possibility is that older organisations tend to be larger and so have more board positions available to be filled, particularly if there is a divisional structure in place. Another reason could be that more established businesses are more commercially and financially stable and so perceive giving opportunities to younger executives as less risky, than younger start up businesses who are under pressure to gain a foothold in their market and, as a result, want what they perceive as an older, 'safer pair of hands', in charge. Finally,

redundancy and the subsequent setting up of new enterprises could be a driving factor in the number of older male directors heading up relatively young businesses.

Middle aged women are the most under-represented in the boardroom

In terms of sheer volume, the number of female directors peaks at the 40 to 44 age band, contributing more than 156,000 directors or 30 per cent of the total tally. However, by this stage of career development, the ranks of male directors have swollen to 521,500, outnumbering women by 3.3 to 1 and from here on the number of female directors starts to decrease again.

As a result, by the age of 50 to 54, men outnumber women in the boardroom by nearly four to one.

5. INDUSTRY FOCUS - FEMALE DIRECTORS BY INDUSTRY SECTOR

Senior women still concentrated in the 'caring professions'

The greatest total numbers of both male and female directors are employed in Business Services - Computer and Related Services, Research and Development, Legal, Accounting, Advertising, Architecture, Call Centres, Secretarial and Packaging Services. This sector contributes 33 per cent of male directors and 30 per cent of female directors, although overall there are more than three times as many men than women at a senior level in the sector.

When it comes to matching men for numbers in the boardroom, it is still those parts of the economy considered the 'caring professions' – Education, Health and Social Work – where the number of female directors approaches anything like the number of male directors. Other Services, which includes these sectors, as well as Public Administration and Waste Recycling accounts for almost 200,000 female directors, 34 per cent of the total number of directors in this sector. Indeed overall, male directors outnumber female by just under two to one.

Industry sector	Female		Male		Ratio
	#	%	#	%	
1. Other Services	199,110	25.02	384,406	15.18	0.5180
2. Food Retailing	5,625	0.71	13,105	0.52	0.4292
3. Non-Food Retailing	43,927	5.52	108,472	4.28	0.4050
4. Agriculture, Forestry and Fishing	10,926	1.37	29,115	1.15	0.3753
5. Textiles and Clothing	3,238	0.41	8,763	0.35	0.3695
6. Media	32,130	4.04	96,375	3.81	0.3334
7. Leisure and Hotels	35,395	4.45	109,164	4.31	0.3242
8. Health and Household	310	0.04	990	0.04	0.3131
9. Property	73,196	9.20	240,455	9.49	0.3044
10. Business Services	241,376	30.33	827,392	32.67	0.2917
11. Food Manufacturing	2,810	0.35	10,603	0.42	0.2650
12. Hiring and Leasing	3,153	0.40	12,013	0.47	0.2625
13. Wholesaling	28,490	3.58	111,938	4.42	0.2545
14. Servicing and Retailing	5,535	0.70	22,880	0.90	0.2419
15. Transport	16,858	2.12	70,305	2.78	0.2398
16. Diversified Industrials	9,039	1.14	37,912	1.50	0.2384
17. Printing, Paper and Packaging	823	0.10	3,599	0.14	0.2287
18. Spirits, Wine and Tobacco	162	0.02	762	0.03	0.2126
19. Building and Construction	45,673	5.74	225,337	8.90	0.2027
20. Breweries	184	0.02	973	0.04	0.1891
21. Engineering	12,918	1.62	68,715	2.71	0.1880
22. Chemical Industry	2,571	0.32	13,967	0.55	0.1841
23. Postal and Telecommunications	2,784	0.35	15,412	0.61	0.1806
24. Electronics and Electricals	2,806	0.35	15,988	0.63	0.1755
25. Pharmaceuticals	286	0.04	1,641	0.06	0.1743
26. Building Materials	391	0.05	2,286	0.09	0.1710
27. Banking and Finance	14,316	1.80	86,152	3.40	0.1662
28. Oil	888	0.11	5,844	0.23	0.1520
29. Extractive Industries	456	0.06	3,455	0.14	0.1320
30. Utilities	555	0.07	4,574	0.18	0.1213

Table 4 – Industry rankings: proportion of female to male directors

Overall the analysis of industry sectors reveals that there is still very much a division into predominantly male and female sectors. With perhaps, the exception of Agriculture, Forestry and Fishing, it comes as little surprise that Retailing (Food and Non-Food) and Textiles and Clothing are the top five sectors in which there is a greater incidence of female directors than the industry average.

Breaking down SIC codes into greater detail provides confirmation of the fact that it is the caring professions in which women are making the most progress in the boardrooms (see table 5). There are just 1.6 times more men in Health and Social Work and 1.7 times more in Education. In Primary Education women make up 47.5 per cent of all those at director level, the highest of any industry SIC Group.

One obvious exception to this focus on the caring professions is Residential Property Management. More than 70,000 female directors are involved in this business activity compared to almost 110,000 men, making up 40 per cent of directors in this sector.

Industry sector by SIC Division	Female	Male	Ratio
1. Resident. Property Management	70,335	109,441	0.6427
2. Health and Social Work	36,510	59,528	0.6133
3. Education	21,466	37,025	0.5798
4. Retail Trade, except of motor vehicles and motorcycles; repair of personal and household goods	43,867	98,426	0.4457
5. General Clothing Manufacturing, Workwear, Underwear	1,467	3,310	0.4432
6. Agriculture and Related Service Activities	9,785	24,260	0.4033
7. Hotels and Restaurants	22,433	56,446	0.3974
8. Public Administration and Defence; Compulsory Social Security	2,356	5,954	0.3957
9. Tanning and Dressing of Leather; Manufacture of Luggage, Handbags	339	961	0.3528
10. Manufacture of Textiles	1,675	5,147	0.3254

Table 5 – Top ten sectors by ratio of female to male directors

Women yet to make their mark in Utilities, Mining, Quarrying and Oil

Some industries remain male dominated, however. As with the 2006 report it is the Utilities sector which produces the lowest overall proportion of female directors. With 555 female directors from a total of over 5,000 women make up just 11 per cent of the total director population and are outnumbered by men by over eight to one. In 2006 the figure was 454, with women in the boardrooms being outnumbered nine to one.

The Utilities sector is only slightly bettered by the Extractive Industries (Mining and Quarrying) and Oil. There are 7.5 times more male directors than female within Extractive Industries and 6.5 times more in Oil (see table 4).

Building and Construction has more female directors than Retail, Health and Social Work and Education

But the research does throw up some surprises. Although they are outnumbered by nearly five to one, Building and Construction with over 45,000 female directors, employs more senior women than Non-Food Retail (43,867), Health and Social Work (36,510), Leisure and Hotels (35,395), Media (32,130) and Education (21,466).

6. REGIONAL BREAKDOWN – LOCATION OF FEMALE DIRECTORS

Women make more waves in the West

The South West and Wales have the highest ratio of female to male directors in the UK. Over 25 per cent of all directors in Wales are female, while women make up over 26 per cent of all directors in the South West.

Male 'tradition' remains in industrial heartlands

Unsurprisingly perhaps, male directors continue to dominate the boardrooms of businesses in England's traditional industrial heartlands. Yorkshire and the Humber, the West Midlands and the North West, as well as London, have the lowest proportions of female to male directors in the UK. Women make up 21.6 per cent of all directors in the North West, a figure that increases only marginally in Yorkshire and Humberside at 22.4 per cent and the West Midlands at 22.5 per cent.

Region	Female		Male		Ratio
	#	%	#	%	
East Anglia	32,006	3.19	99,713	3.02	0.3210
East Midlands	53,737	5.35	175,905	5.33	0.3055
London	177,929	17.73	655,149	19.84	0.2716
North	28,693	2.86	92,835	2.81	0.3091
North West	84,521	8.42	305,440	9.25	0.2767
Northern Ireland	19,787	1.97	59,848	1.81	0.3306
Scotland	60,687	6.05	196,983	5.97	0.3081
South East	284,138	28.31	885,963	26.83	0.3207
South West	89,699	8.94	252,395	7.64	0.3554
Wales	31,359	3.12	92,010	2.79	0.3408
West Midlands	77,529	7.73	266,364	8.07	0.2911
Yorkshire & the Humber	63,423	6.32	219,506	6.65	0.2889

Table 6 – Breakdown of female and male directors by economic region

Capital assets?

The UK's capital city presents a somewhat contradictory picture when it comes to female directors. Taken as an economic region, London has by far the largest overall number of female directors at 177,929. But, proportionally it has the lowest number of female to male directors and women make up just 21.6 per cent of the director population.

However, for younger female directors under the age of 34, it seems that London and, once again, the South West and Wales are the places to be. Businesses in these areas are 40 per cent more likely to employ younger female directors than the country as a whole.

And as well as one of the lowest overall proportions of female directors, the chances of finding an older female director (aged from 45 to 69) are 25 per cent lower in London than the rest of the UK.

7. SEX AND THE CITY – TOP TOWNS AND CITIES FOR FEMALE DIRECTORS

Major cities dominate the numbers game

As in 2006, female directors are found in greatest numbers in London, Birmingham, Bristol, Glasgow and Manchester. Of this top tier, it's Britain's second city which has once again seen the biggest growth.

Following a 22 per cent increase in the number of female directors between 2005 and 2006, Birmingham experienced a further 19 per cent increase from 2006 to 2007 – a rate of growth significantly ahead of other major UK cities

City	Female Directors		% Change
	2007	2006	
1. London	177,929	160,981	10.53
2. Birmingham	18,355	15,396	19.22
3. Bristol	15,406	13,902	10.82
4. Glasgow	13,639	12,808	6.49
5. Manchester	13,057	12,239	6.68
6. Leeds	10,126	9,100	11.27
7. Edinburgh	10,014	9,134	9.63
8. Nottingham	9,238	8,709	6.07
9. Liverpool	7,806	7,199	8.43
10. Sheffield	7,256	6,595	10.02
11. Leicester	6,866	6,417	7.00
12. Belfast	6,691	6,022	11.11
13. Cardiff	5,557	4,972	11.77
14. Southampton	5,092	4,713	8.04
15. Norwich	4,900	4,456	9.96
16. Brighton	4,733	4,399	7.59
17. Cambridge	4,665	4,069	14.65
18. York	4,495	4,180	7.54
19. Preston	4,135	3,815	8.39
20. Coventry	3,993	3,566	11.97

Table 7 – Top 20 cities by number of female directors

As the table below shows, only Inverness and Chester experienced a bigger growth rate than Birmingham over the period and together these three towns accounted for almost 10 per cent of all new female directors across the whole of the UK.

City	Female Directors		% Change
	2007	2006	
1. Inverness	1,392	1,147	21.36
2. Chester	2,525	2,085	21.10
3. Birmingham	18,355	15,396	19.22
4. Armagh	474	398	19.10
5. Wakefield	2,169	1,852	17.12
6. Wells	439	378	16.14
7. Cambridge	4,665	4,069	14.65
8. Lisburn	700	614	14.01
9. Newry	1,206	1,058	13.99
10. Winchester	1,581	1,394	13.41
11. Plymouth	2,802	2,472	13.35
12. Lincoln	2,298	2,030	13.20
13. St Albans	3,073	2,726	12.73
14. Londonderry	1,239	1,100	12.64
15. Swansea	2,999	2,663	12.62
16. Aberdeen	3,952	3,526	12.08
17. Coventry	3,993	3,566	11.97
18. Durham	1,082	967	11.89
19. Cardiff	5,557	4,972	11.77
20. Truro	1,305	1,169	11.63

Table 8 – Top 20 cities by growth in number of female directors

Truro tops female director league

But numbers only tell part of the story, and while the volume of female directors is based in the larger cities and conurbations, it's in the larger provincial towns where female directors are closest to achieving parity with their male counterparts.

Truro – which edges in at number 20 in terms of the percentage increase in the number of female directors from 2006 to 2007 – comes closest to having equal numbers of men and women in the boardroom. Almost 30 per cent of directors of businesses based in Truro are female. Wells and Hereford follow close behind with females making up 28 per cent of the director population and Bath in fifth place means that four out of five of the top slots are occupied by towns and cities in the South West.

City	Female Directors	Male Directors	Total Directors	Ratio
1. Truro	1305	3093	4398	0.4219
2. Wells	439	1078	1517	0.4072
3. Hereford	1804	4505	6309	0.4004
4. Armagh	474	1209	1683	0.3921
5. Bath	3441	8839	12280	0.3893
6. Londonderry	1239	3224	4463	0.3843
7. Brighton	4733	12325	17058	0.3840
8. Lancaster	1021	2688	3709	0.3798
9. Chichester	2132	5649	7781	0.3774
10. Plymouth	2802	7636	10438	0.3669
11. Ely	824	2287	3111	0.3603
12. Salisbury	2051	5831	7882	0.3517
13. Newry	1206	3436	4642	0.3510
14. Stirling	888	2532	3420	0.3507
15. Swansea	2999	8581	11580	0.3495
16. Inverness	1392	4054	5446	0.3434
17. Canterbury	1373	4015	5388	0.3420
18. Lisburn	700	2075	2775	0.3373
19. Ripon	389	1165	1554	0.3339
20. Winchester	1581	4744	6325	0.3333

Table 9 – Top 20 cities by ratio of female to male directors

Bottom of the league comes Aberdeen, where only 18 per cent of directors are female, only slightly bettered by Manchester and Leeds (both with 19 per cent) and Hull (20 per cent).

8. THE NUMBERS GAME – FEMALE DIRECTORS AND SIZE OF BUSINESS

Not surprisingly since they form the backbone of the economy, most UK directors work in small and medium sized businesses that employ up to fifty people and have a turnover of up to £5.6 million.

Women still find a glass ceiling in larger corporations, though cracks are evident

But a glass ceiling does remain in the largest corporations, in terms of size and turnover. Only 12 per cent of directors within businesses of more than 250 employees are female and just 11 per cent of directors within organisations with a turnover of more than £22.8 million are female.

One note of optimism in this field is the rate of growth of female directors in the largest companies. Since 2005, 1,496 more women have become directors within organisations employing more than 250 people – an increase of 24.5 per cent.

9. PROFIT AND LOSS – FEMALE DIRECTORS AND PROFITABILITY OF BUSINESS

Female directors work in more profitable companies

Female directors continue to be more likely to be involved in companies that make a profit compared to their male counterparts. Overall 44 per cent of companies with female directors made a profit in their last reported year compared to 41 per cent of companies with male directors.

Women work in less risky businesses

Female directors are also likely to be involved with more stable businesses, classified as being of low or below average risk of failing within the next 12 months. Nearly two-thirds (63 per cent) of female directors work within businesses that have a Commercial Delphi score of 51 or more, compared to 61 per cent of male directors.

Commercial Delphi is Experian's risk assessment tool which uses a blend of integrated consumer and business data to deliver immediate commercial insight by predicting the likelihood of business failure within the subsequent 12-month period.

Risk Band	Commercial Delphi Score
Dissolved or serious adverse information such as a liquidator, receiver or administrator appointment, a resolution to wind up, a winding up order, a meeting of creditors or a voluntary arrangement.	0
Recent Winding-up Petition or Intention to Dissolve notice.	1
Maximum Risk	2-15
High Risk	16-25
Above Average Risk	26-50
Below Average Risk	51-80
Low Risk	81-90
Very Low Risk	91-100

Table 10 – Risk bands and Experian Commercial Delphi score

Over 18 per cent of male directors, on the other hand, are involved in businesses with a Commercial Delphi score of less than 25 or with a high risk of failing within the next year, compared to 17 per cent of women.

10. ABOUT EXPERIAN

Experian is a global leader in providing information, analytical and marketing services to organisations and consumers to help manage the risk and reward of commercial and financial decisions. Combining its unique information tools and deep understanding of individuals, markets and economies, Experian partners with organisations around the world to establish and strengthen customer relationships and provide their businesses with competitive advantage. For consumers, Experian delivers critical information that enables them to make financial and purchasing decisions with greater control and confidence. Clients include organisations from financial services, retail and catalogue, telecommunications, utilities, media, insurance, automotive, leisure, e-commerce, manufacturing, property and government sectors.

Experian Group Limited is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. It has corporate headquarters in Dublin, Ireland, and operational headquarters in Costa Mesa, California and Nottingham, UK. Experian employs around 15,500 people in 36 countries worldwide, supporting clients in more than 65 countries. Annual sales are in excess of \$3.8 billion (£1.9 billion/€2.8 billion).