

20-first's 2013

GLOBAL GENDER BALANCE SCORECARD

Where the World's Top Companies Stand

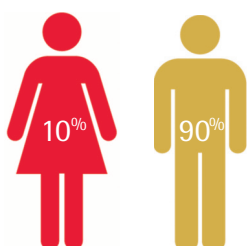
FOURTH ANNUAL SURVEY

February 2013

THE CORE METRIC

Every year, the 20-first Global Gender Balance Scorecard looks at a single measure of progress: the gender balance of the Executive Committee of the TOP 100 companies in three key regions of the globe.

Executive Committee Members Globally



A growing number of studies show the correlation between gender balance in leadership and improved corporate performance. The complementary skills and styles of men and women have a positive impact on business. Not surprising, when most of the educated talent in the world and a majority of the consumer market is female.

Today, more and more companies are waking up to this 21st century reality and have begun to make gender balance in leadership a strategic priority. Let's take a look at where the top companies around the world are on their gender journey.

THE PIPELINE CHALLENGE



(Sven Paustian)
So whether it's quotas, the threat of quotas or the determination to avoid quotas, quotas have served to help gender balance corporate boards in Europe and the US.

Yet this improvement is unevenly affecting the reality *within* companies. Over half the top US companies now have more than a single woman on their Executive Committee. But Europe has made progress only on Boards, leaving the Executive Committee as unbalanced as before. Many are simply poaching Executive level women to staff Boards, draining companies of key talents at an important transitional moment. Asia is making some progress in our Scorecard, but from a very low base.

Interestingly, the most gender balanced companies span a wide range of industries, from the predictable retail sector with Target, to the more surprising aerospace and security company Lockheed Martin.

In Europe, interesting to see German companies finally appearing. A few leaders are now making good progress, with Deutsche Telekom and Lufthansa achieving critical mass, and even the arrival of an Italian bank, UniCredit, to this level.

These examples prove that sector and culture are not the determining factors. Successful gender balancing depends primarily on where it sits on the CEO's list of priorities.

Our Asia rankings have been historically dominated by completely 'Asleep' Japanese multinationals, but keep an eye on the Chinese companies moving up. They are likely to be more gender balanced.

We'd like to congratulate the companies that have made progress on their gender journeys this past year. We know they will enjoy the competitive edge that comes from effectively reflecting and serving 21st century talent and markets.

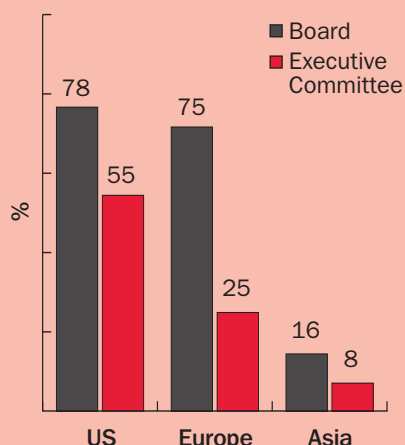
Avivah
Wittenberg-Cox

PROGRESSING BEYOND TOKENISM

Today the US and Europe are almost at par in getting women on Boards. 78% of companies in the US have at least two women on their Board; 75% of European companies do. However, the picture looks quite different when it comes to the Executive Committee numbers in these two regions. A clear majority of US companies have at least two women on their Executive Committee, with 55%. Europe is far behind with only 25%.

Turning to Asia, the region continues to lag behind. Only 16% of companies have at least two women on their Board and a mere 8% of companies have at least two women on their Executive Committee. Despite a tradition of women in management in many countries in the region, the largest Asian companies are still struggling to many in top positions.

% of Companies with at least 2 women on their Board or Executive Committee



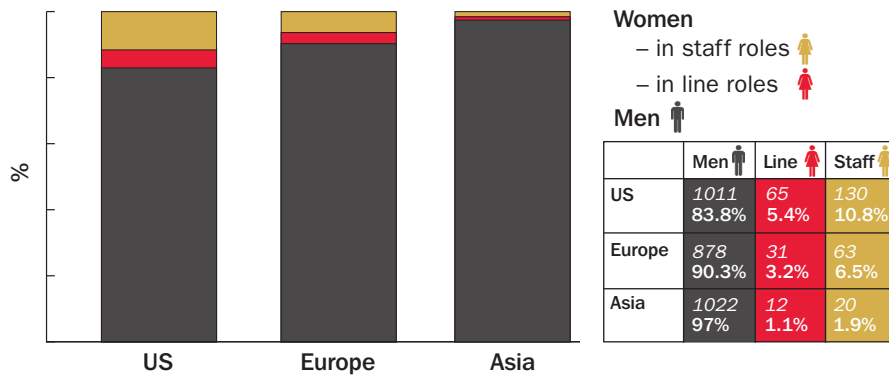
8 FEMALE CEOs IN TOP 300



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EXECUTIVE COMMITTEE MEMBERS OF EACH REGION'S TOP 100 COMPANIES



KEY FINDINGS

- US Moves.** The US leads the way with 55% of companies having at least two women on their Executive Committees. However, upon closer inspection the picture is not quite so rosy. Of the 1,206 Executive Committee members of America's Top 100 companies, only 195 (or 16%) are women and 1011 (or 84%) are men. The majority of these female Executive Committee members are in staff or support positions (130, or 11% of total) such as HR, Communications or Legal, whereas only 65 women (or 5% of total) are in line or operational roles.
- Europe Stuck.** With only 25% of companies having at least two women on their Executive Committees, the overall picture shows that European companies are still struggling to make progress in gender balancing their top teams. Of the 972 Executive Committee members of Europe's Top 100 companies, only 94 (or 10%) are women and 878 (or 90%) are men. Again, most of these women (63, or 7% of total) are in staff or support roles. Only 31 women (or 3% of total) are in line or operational roles.
- Asia Still Lags.** With only 8% of companies having at least two women on their Executive Committee, the overall picture is one of significant imbalance. Indeed, compared to the 1022 men (97%) on Executive Committees in Asia, there are only 20 women in staff roles (1.9% of total) and a mere 12 women in line or operational roles (1.1% of total).

WHY LOOK AT STAFF VS LINE?

Companies that only manage to promote women into leadership through staff roles demonstrate that they have not yet worked out how to gender balance their leadership development systems and their talent pipelines. We would assume this also has consequences on their ability to understand the gender opportunities in their markets and among their customers. This does not bode well for the future sustainability of the gender balance in these organizations.

Staff or support roles include Communications, HR, Legal, IT, Strategy, Public Affairs, etc. Line or operational roles include CEO, CFO, Country Head, Business Unit Head, and positions with profit & loss responsibility.

SURVEY METHODOLOGY

The data for this survey is based on publicly available information provided by the top Fortune 100 companies in each region (United States, Europe and Asia) on their websites as of January 2013. The list of companies was drawn from the Fortune 500 Global rankings published in July 2012. Three companies in Asia were excluded because information on the Executive Committee was not provided. All percentages referred to in this document for Asia are based on the 97 companies retained.

The Executive Committee is defined as the group of executives who report directly to the CEO.

THE SIX PHASES

ASLEEP

Some companies haven't even started the journey; we put them in our 'Asleep' category. These companies are still, in 2013, run by an exclusively male team.

TOKEN

Many companies have appointed a 'Token' woman to the team, or sometimes two, but in any case less than 15% of the Executive Team. And in this category, she is in a staff or support function rather than a line or operational role. This is a key distinction for companies interested in creating sustainable and effective role models.

STARTING SMART

Next are the 'Starting Smart' companies. They also only have a single woman, or less than 15%, but she is in a central core or operational role, or is even CEO, and so offers a better role model to get companies started on the journey.

PROGRESSING

Moving right along, are companies that have progressed beyond a single representative of the female sex, and have achieved a male / female balance between 85/15 and 76/24. These companies are beginning to render visible at senior levels the investment they have made in building their talent pipelines over the previous decade.


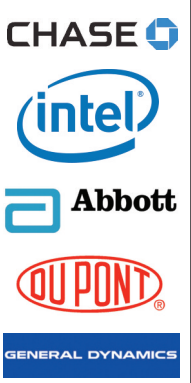

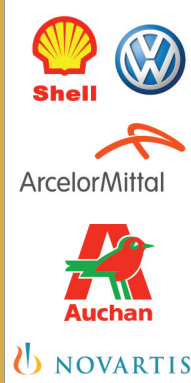






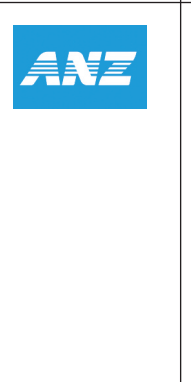
CRITICAL MASS

These are companies that have achieved a male/female ratio of at least 75/25. This is the level at which the women on the team - and their views - are no longer seen as minority representatives, but as integral parts of the talent and executive pool.

BALANCED

The rare companies that have achieved gender balance, with a minimum 40% of either gender on the Executive Team. This is where the gender journey ends, and where balance at the top begins to reflect the reality of 21st century customers, leadership and talent and gives companies the competitive edge to innovate and deliver value sustainably and globally.

THE GENDER JOURNEY

	ASLEEP	TOKEN	STARTING SMART	PROGRESSING	CRITICAL MASS	BALANCED
Number of Companies	14	24	9	30	19	4
UNITED STATES						
	ASLEEP	TOKEN	STARTING SMART	PROGRESSING	CRITICAL MASS	BALANCED
Number of Companies	43	22	9	20	6	0
EUROPE						
	ASLEEP	TOKEN	STARTING SMART	PROGRESSING	CRITICAL MASS	BALANCED
Number of Companies	75	6	6	9	1	0
ASIA						

Three companies from Asia were excluded from the survey as information was unavailable.



20-first works with leading global companies interested in optimizing both halves of the market and both halves of the talent pool – the male and female halves.

Avivah Wittenberg-Cox, ground-breaking co-author of WHY WOMEN MEAN BUSINESS (2008) and HOW WOMEN MEAN BUSINESS (2010), and a network of international experts work with CEOs, executive committees and managers to build 21st century gender ‘bilingual’ organisations.

WHY OUR APPROACH IS DIFFERENT

20-first innovates in the area of gender by focusing on leaders rather than on women. We seek to promote ‘gender balance’ (a balance of men and women) rather than ‘women in leadership’.

Gender balance is above all a business issue. In a constructive and optimistic way, 20-first helps companies unlock the market and talent potential – and helps them reap the considerable economic benefits – that gender balance brings.

We have a global perspective and have worked with global companies across all regions and cultures of the world.

ROLL-OUT: HOW WE CAN HELP

Our experience has shown that companies need help at different levels of their organisation and at different stages of implementation.

Building buy-in among the leadership team is critical. So is the challenge of cascading a gender balance initiative across geographies, business lines and functions, and then to all managers and eventually, to all employees.

20-first has developed a suite of services to help companies design and implement a successful gender balance initiative – at every level, at every stage.

20first
CONSULTING

- **Audit** – Analyse how gender balanced your company and culture are today
- **Awareness** – Get buy-in on WHY gender is a business opportunity and HOW to scale it
- **Align** – Build ‘gender bilingual’ management competencies
- **Sustain** – Keep up the momentum, track progress and reward success

20first
ON-LINE

- **e-Learning Courses** – Cascade gender awareness to all the managers in your organisation
- **Toolkits** – Provide a globally accessible multimedia resource with everything that managers need to know about gender balance - at the click of a mouse

For more information, please contact queries@20-first.com

