

20-first's 2014

GLOBAL GENDER BALANCE SCORECARD

Where the World's Top Companies Stand

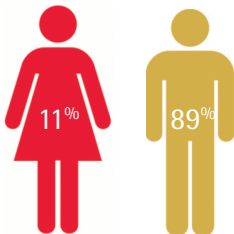
FIFTH ANNUAL SURVEY

March 2014

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.

SMALL STEPS



I suppose one should applaud incremental improvements. Our latest Scorecard shows that 87 of the top 100 American companies now have at least one woman on their Executive Committee (EC),

while 60 have 2 or more. 8 are now led by women. But cause for celebration? Muted at most, since imbalance predominates. Men comprise 83% of these companies' EC members. Europe lags further behind; 38 of its top 100 companies lack a single female EC member. Only 29 can boast 2 or more. None has a female CEO. Men hold 90% of European companies' EC positions. As for Australasian companies, only 4% of EC members could, if they wished, wear a skirt.

Yet these figures make the point that, like trousers and skirts, gender roles are culturally imposed rather than innate. Such regional differences demonstrate the part cultural attitudes and biases continue to assert in a business environment that claims to be meritocratic. That women fill 4% of top team jobs in Asian companies, 10% in European and 17% in American clearly shows that increasing gender balance in leadership is possible. And as women continue to outnumber men in the talent pool and consumer purchasing power, the companies that win out will be those who recognize these realities and build the balanced teams that are better across a range of leadership metrics.

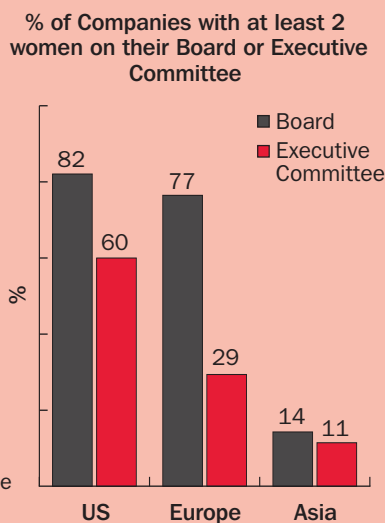
So congratulations General Motors and Mondelez this year for bringing women to the CEO role, but equal congratulations to all the CEOs who are strategically driving towards more gender-balanced teams.

Avivah Wittenberg-Cox

PROGRESSING BEYOND TOKENISM

Today the US and Europe are almost at par in getting women on Boards. 82% of companies in the US have at least two women on their Board; 77% 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 60%. Europe is far behind with only 29%.

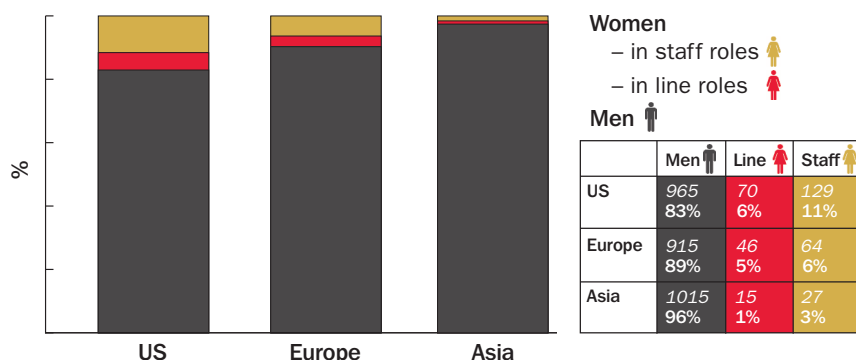
Turning to Asia, the region continues to lag behind. Only 14% of companies have at least two women on their Board and a mere 11% of companies have at least two women on their Executive Committee. Despite a tradition of women in management in many countries in the region, the largest Asian companies are still struggling to gender balance top positions.



9 FEMALE CEOs IN TOP 300



EXECUTIVE COMMITTEE MEMBERS OF EACH REGION'S TOP 100 COMPANIES



KEY FINDINGS

- US LEADS.** The US leads the way with 60% of companies having at least two women on their Executive Committees. Eight companies, including IBM, Pepsico, Lockheed Martin and General Motors, have a woman Chief Executive. But closer inspection shows there's a long way to go. Of the 1,164 Executive Committee members of America's Top 100 companies, only 199 (17%) are women and 965 (83%) are men. Two thirds of these women are in staff or support positions (129 or 65%) such as HR, Communications or Legal. Only 70 (35%) are in line or operational roles. And there has been no significant change in these percentages over the last three years.
- EUROPE STILL FOCUSED JUST ON BOARDS.** Meanwhile, Europe's companies, while progressing on Board balance in some countries because of quotas (or the threat of them), are still struggling to balance their top Executive teams. Only 29% of European companies have at least two women on their Executive Committees, although this does represent an increase from 20 in 2011. None have a female CEO. Of the 1,025 Executive Committee members of Europe's Top 100 companies, 110 (10%) are women, while 915 (90%) are men. Most of these women (64, or 58%) are in staff or support roles. A higher percentage than in the US are in line or operational roles (46 women or 42% of total).
- ASIA NOT INTERESTED?** Only 11% of Asian-based companies have at least two women on their Executive Committee. Compared to the 1,057 men (96% of total) on Executive Committees in Asia, there are only 42 women (4% of total), two thirds of them (27) in staff roles and a mere 15 in line or operational roles.

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 March 2014. The list of companies was drawn from the Fortune 500 Global rankings published in July 2013.

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 2014, pictures of imbalance. They are run by an exclusively male team.

TOKEN

Less than 15% of both genders on the Executive Team. In this category, the individual(s) is in a staff or support function rather than a line or operational role.

STARTING SMART

Next are the 'Starting Smart' companies. They also have less than 15% of both genders in the mix, but they are in a central core or operational role, sometime even CEO.

PROGRESSING

Reached a minimum of between 15% and 24% of both genders on their top team.






CRITICAL MASS

These are companies that have achieved a balance of at least 25% of both genders, but less than 40%.

BALANCED

The rare companies that have achieved gender balance, with a minimum 40% of both genders on the Executive Team. This is 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	13	25	6	31	23	2
UNITED STATES						
	ASLEEP	TOKEN	STARTING SMART	PROGRESSING	CRITICAL MASS	BALANCED
Number of Companies	38	20	15	18	8	1
EUROPE						
	ASLEEP	TOKEN	STARTING SMART	PROGRESSING	CRITICAL MASS	BALANCED
Number of Companies	71	10	8	9	2	0
ASIA						

Companies shown are representative

Who we are

20-first is one of the world's leading global consultancies focused on gender balance as a business and economic opportunity.

We work with many of the best known global companies that seek to move from 20th century mindsets, management styles and marketing approaches into more progressive 21st century forms – and to stay first at the game.

Hence our name. It underlies our purpose, and those of the clients we serve.

1

Wake Up
Engage leaders and managers

2

Start Smart
Launch an initiative with the right people and the right positioning

3

Align Leaders
Get buy-in on why balance is a business opportunity and how to scale it

4

Build Management Skills
Equip managers with skills needed to manage across genders

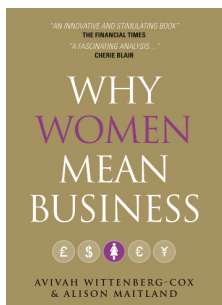
5

Sustain the Change
Keep up the momentum, track progress and reward success

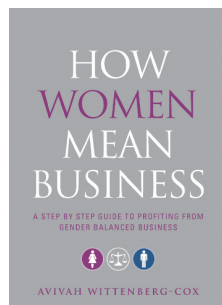
What makes us different

- **The business imperative:** We help companies to unlock 21st century Market and Talent opportunities
- **Focus on leaders, not on women:** We equip leaders with a strategic understanding and management competencies to work across genders
- **Global perspectives:** We are experienced working with global companies across all regions and cultures of the world

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

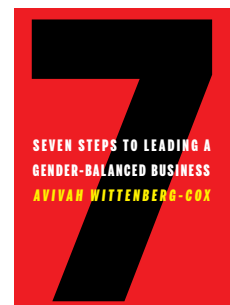


Business Case



Implementation

And just published by Harvard Business Review, the new e-book: **Seven Steps to Leading Gender-Balanced Businesses**



Leadership