

## **RALLYING CALL FOR FEMALE BOOST IN BUSINESS AND THE BOARDROOM**

**- Sir Philip Hampton and Dame Helen Alexander announce details of their review on women in senior leadership -**

**- New 2016 Female FTSE Board Report released by Cranfield University, City University London and Queen Mary University -**

**- Cilla Snowball announced as new leader of the Women's Business Council -**

Top leaders from some of Britain's most influential and successful companies are being rallied to help deliver more progress for greater female representation in business, backed by Government support.

The event, hosted at KPMG's offices in London, will see Sir Philip Hampton, Chair of GlaxoSmithKline and Dame Helen Alexander, Chair of UBM lead a team of influential leaders from a diverse range of industries from banking to engineering. They will undertake a new review on improving female representation in leadership positions of British business, broadening the ambition to the entire FTSE 350 and raising the target to 33 per cent of women on boards by 2020.

The review will focus on ensuring the very best of female talent make their way up the pipeline by removing barriers to their success and continue to drive forward the momentum from [Lord Davies's work](#) – which pushed the numbers of females on FTSE 100 boards up from 12.5 per cent to 26 per cent.

The focus for the work on the pipeline will be on representation on Executive Committees and direct reports to the Executive Committee in FTSE 350 companies.

### **Sir Philip Hampton said:**

“It is clear that gender balance on FTSE boards has undergone a dramatic shift in recent years and this progress continues. However, we must significantly increase the number of women in senior leadership roles if we are to harness the skills of women for the benefit of business and the UK economy.”

### **Minister for Women and Equalities Nicky Morgan said:**

“This Government has prioritised equality for women, pushing for greater representation in business and providing young women with the role models that inspire them and their career choices. We have already made huge progress— having increased the percentage of women on FTSE 100 boards from 12 per cent to 26 per cent.

“But now is not the time to pat ourselves on the back and say ‘job well done’ – we must be even more ambitious. That’s why I am delighted that Sir Philip and Dame Helen will be heading up such a prestigious team of Britain’s best and brightest leaders to drive this ambition forward.

“The expertise and passion of all the people involved leave me with no doubt that we will continue to see a genuine culture change at the heart of British business. This isn’t just important for women – it’s critical for our economy – that’s why I want to see greater representation from the classroom to the boardroom.”

Sir Philip and Dame Helen have already begun taking action by engaging with executive search firms, business leaders, academics and other key parties on how best to improve the female pipeline within the FTSE 350.

A key element of the review will also consider current research on how to drive improvements and the obstacles preventing women's progression. It is expected that findings will be presented to Government by the end of 2016.

**Corporate Governance Minister Baroness Neville-Rolfe said:**

"We have seen an increase of 137 per cent in the number of women on boards. Yet 15 boards in the FTSE 350 are still all male and women only count for 7 per cent of Executive Directors.

"Philip Hampton and Helen Alexander will examine how to improve the representation of women in the executive layer and champion continued increases in the representation of women on boards across the FTSE 350.

"This will help to ensure a sustainable talent pool of women for board positions for both executive and non-executive positions in the future."

The announcement comes as the new 2016 Female FTSE Board Report is released by Cranfield University, City University London and Queen Mary University London, which shows that the overall percentage of women on FTSE boards has increased compared to March 2015.

In order to meet the 33% target for FTSE 350 Boards by 2020, a constant turnover is required and an appointment rate of one in three board positions going to women. Recently turnover rates have decreased, with less people leaving and joining companies and the percentage of new appointments going to women over the past six months, dropping below the one in three required to meet the 33% target.

Many boards have already met or exceeded the target which is excellent news. However, there are signals of the need for a renewed push and increase in the pace of change. Progress in the executive ranks and in the executive pipeline remains very slow. Only 9.7 per cent of executive directors in the FTSE 100 are women, dropping to only 5.6 per cent in the FTSE 250.

These figures indicate that the pipeline of female talent in business needs to be addressed with urgency and will be the focus of the new Hampton Alexander review.

**Susan Vinnicombe CBE, Professor of Women and Leadership at Cranfield University and co-author of the Female FTSE Board report 2016, said:**

"The focus on boards must be preserved as the pace of change has not kept up after the Davies Closing Report. In order to hit the 33 per cent board target by 2020, Chairmen and search consultants must ensure the board appointment process remains robust, transparent and gender-inclusive"

**Dr Ruth Sealy, Senior Lecturer in Organisational Psychology at City University London and co-author of the Female FTSE Board report 2016, said:**

"For change to be sustainable, we must focus on the pipeline and ensure that women can progress through senior management ranks. Only 19.4 per cent of FTSE 100

Executive Committee members are women, and women hold only 10 per cent of the most important senior executive and operational roles on these committees."

**Dr Elena Doldor, Lecturer in Organisational Behaviour at Queen Mary University London and co-author of the Female FTSE Board report 2016, said:**

"Companies must do more to support women's careers below board level. Our research shows that rigorous gender metrics and voluntary targets are effective tools that companies can use to redress their gender balance and achieve cultural change."

The announcement comes as Cilla Snowball CBE, is appointed as the new Chair of the Women's Business Council (WBC). Group Chairman & Group CEO at AMV BBDO, she has set out the priorities for the Council with an increased focus on maximising opportunities for women – from the classroom to the boardroom.

The new look Women's Business Council also brings seven new members from a range of industries – from manufacturing to defence – and from across the UK. The new members also raised the male headcount on the group, encouraging other senior men to act as visible agents for change to help women to build and sustain rewarding careers.

Harnessing their shared expertise they will be working across sectors, building partnerships with schools and colleges and developing industry solutions by business for business - championing an industry-led approach to increasing women's contribution to economic growth.

**Cilla Snowball said:**

"I am delighted to be appointed new Chair of the Women's Business Council and I'm looking forward to joining forces with the Hampton- Alexander Review to increase the number of women leading our businesses.

"The refreshed Council will now extend its reach across more sectors than ever before; providing valuable insight into how to tackle the barriers to women's progression and shining a light on the benefits to business of harnessing the skills, experience and talents of women throughout industry."

**Note to editors:**

For more information or information about the launch event please contact the Government Equalities Office Press Office on 020 7340 8465.

For copies of the report or further information on the findings please contact the Queen Mary University of London on 020 7882 5378.

The Hampton-Alexander Review Steering Group members have been chosen for their experience in driving change in women's representation and business. Alongside the Steering Group, an advisory panel has also been formed, which will be consulted on an ad hoc basis to provide additional advice to the Chair and Deputy Chair.

**The Hampton-Alexander Review steering and advisory groups consist of:**

- Sir Philip Hampton, Chair of Review, Chair of GSK (FTSE 100)
- Dame Helen Alexander, Deputy-Chair of the Review, Chair of UBM (FTSE 250)
- Andy Duff, Chair Severn Trent (FTSE 100)

- Alison Platt, CEO Countrywide (FTSE 250)
- Charles Berry, Chair Weir and Senior (both FTSE 250)
- Denise Wilson OBE, former member of Lord Davies's Steering Group Women on Boards
- Fiona Cannon OBE, Group Director Inclusion and Diversity Lloyds Banking Group (FTSE 100)
- Simon Collins, Senior Partner and Chairman of KPMG

#### **Advisory Group**

- CBI, Carolyn Fairbairn
- IoD, Lady Barbara Judge
- 30per cent Club, Brenda Trenowden
- Investment Association, Andrew Ninian
- Cranfield University, Susan Vinnicombe CBE
- Women's Business Council, Cilla Snowball CBE

#### **New Members of the WBC - July 2016**

- Deirdre Michie CEO Oil and Gas UK
- Roger Whiteside CEO Greggs
- Clive Hickman CEO Manufacturing Technology Centre
- Rick Lee HR Director Willmott Dixon Construction
- Chris Stylianou MD Sky plc
- John Whelan UK HR Director BAE Systems
- Dr Fiona Withey, MD UK Clinical Services PCI (Biotech Services)

#### **The Hampton-Alexander Review: FTSE Women Leaders Terms of Reference:**

To consider options, make recommendations and work with the business community and others to improve the representation of women below the board in the senior layers of FTSE 350 companies.

To champion work to continue improving the representation of women on FTSE 350 boards.

In doing so, consider the obstacles women might face in reaching the boardroom during the course of their careers. This will include:

- Consideration of existing research on what is preventing women's progression;
- Consultation/seeking feedback with a cross section of interested parties, including chairs, CEOs, senior women, executive search firms and other organisations as appropriate;
- Presentation of these findings, views of stakeholders and supporting rationale for change, including proposed actions to improve opportunities for women.
- Work will take place during 2016, with a view to present recommendations to Government before the end of 2016.

#### **Additional Quotes:**

**Melanie Richards, Vice Chair at KPMG, which is the business supporter of the report, said:**

"Businesses are facing significant challenges following the EU referendum, but we cannot allow gender diversity to slip down the agenda. The conversations I have had with chief executives reveal the intention to tackle diversity is there, but this intent must continue to be matched by action if we are to make greater progress on this issue.

“I believe the barrier to female progression exists not in the boardroom, but deeper within the business. We need to redouble our efforts and look beyond the board to the executive layer, and rethink how we recruit, retain and promote our people. Only through this systemic change will we level the playing field for women working in business.”