CPRN RCRPP

CPRN DISCUSSION PAPER

Women and Corporate Directorships in Canada: Trends and Issues

by

Karen D. Hughes

Prepared for the
Canadian Policy Research Networks
with financial support from the
Canadian Pacific Charitable Foundation

CPRN Discussion Paper No. CPRN|01

September 2000

Canadian Policy Research Networks
250 Albert Street, Suite 600
Ottawa, ON K1P 6M1
http://www.cprn.org

Women and Corporate Directorships in Canada: Trends and Issues

by

Karen D. Hughes

Work Network
Canadian Policy Research Networks, Inc.

September 2000

The findings of this discussion paper are the sole responsibility of the author and, as such, have not been endorsed by the agencies mentioned in this publication.

Table of Contents

Foreword **iv**

Executive Summary **v**

Acknowledgments **ix**

Introduction **1**

1. Trends in Women as Corporate Directors **2**
Some background on Canadian Women's Changing Presence in Management 2
Canadian Women on Corporate Boards 3

2. Reasons for Women's Level of Representation and Future Expectations **6**
Facilitators 7
Barriers 8

3. Desired Competencies for Directors **12**
Experience 12
Knowledge 14
Skills 15
Attitudes and Personality 15

4. Key Changes Required to Increase Women's Representation as Directors **17**
Developing Female Directors 17
Formalizing Board Planning Nomination, Selection and Appointment Practices 18
Educating Boards, Shareholders, and the Public about the Value of Female Directors 19

Concluding Comments **21**

Appendices
1 – Annotated Bibliography 22
2 –Interviews 39

Foreword

Canadian women have made a great deal of progress in the world of business in the past two decades. Women now account for close to half of graduates from MBA programs. About 40 percent of own-account self-employed workers and nearly one-quarter of self-employed workers with employees are women. And the percentage of women in managerial positions has more than doubled since the early 1970s, reaching just over one-third of all managers nationally. Yet, the glass ceiling continues to be a reality. Women are significantly underrepresented at the most senior corporate levels and their presence on corporate boards of directors is low and is growing slowly.

Observation of the relative scarcity of women at the most senior corporate levels raises the question of why this is so. What characteristics do boards look for when recruiting new members? What processes are used to recruit new board members? Are there any women candidates who meet the requirements for these positions? Are women considered for these positions and, if not, what are the barriers that prevent them from being considered?

The interest is not in having women on corporate boards of directors for its own sake, but because it makes good business sense. They can bring a range of skills, competencies and perspectives that boards often are lacking, in part because they rely on traditional, informal networks of contacts that include few women.

Karen Hughes tackles these kinds of issues in this paper. In preparing this report, she undertook a thorough review of the growing literature on the issue and conducted in-depth interviews with experts who have had extensive experience with the recruitment of highly skilled individuals for corporate-director positions.

The research suggests that several steps can be taken to broaden the scope of boards when they are looking to recruit new members. Important among these are two things. One is that boards must recognize that traditional, informal recruitment methods draw on networks that historically have included very few women; unless those practices are changed, the traditional composition of boards can change only very slowly. Second, steps need to be taken to raise the profile of highly skilled women in Canada, women who have the experience and qualifications needed to serve as valuable board members and who can offer boards new perspectives and sound advice.

In closing, I would like to thank the Canadian Pacific Charitable Foundation for its financial support for this research. In particular, thanks are due to Sheila Carruthers and Jane Pederson at CP and Peggy Valentine and Loren Falkenberg at the University of Calgary for their many helpful comments.

Judith Maxwell
President

Executive Summary

Canadian women have entered management and executive positions in record numbers over the past 25 years. Yet, in the area of corporate boards and directorships, their presence and contribution continues to lag. This report examines the issue of women directors, highlighting past trends, current issues, and prospects for change. It aims to provide a concise overview of current thinking on women and corporate boards, and to spark debate on what is an important economic and social issue.

In terms of its scope and focus, the report examines the following key questions:

(1) What are the historical and current trends in recruiting women as directors of corporations?

(2) What are the reasons for women's level of representation? What facilitators or barriers shape their presence at the board level?

(3) What competencies are required for directors?

(4) What are the key change factors that would lead to a higher proportion of women in directorships over the long term?

Evidence is drawn from existing business and academic literature, and from interviews with experts in the field of board and director recruitment. The key results are summarized below:

Canadian Women's Changing Presence in Management

- Growing numbers of women are entering business schools and earning degrees. Compared to the mid-1970s, when they earned just 16.7% of all business and commerce degrees, women now earn nearly half of all bachelor degrees. At the MBA level, between one-third and one-half of graduates today are women.

- Women's presence in management has grown steadily in Canada, rising from 16% of all management positions in 1971 to 33% in 1991. More recent figures for 1998 indicate that women make up approximately 37% of all managers nationally.

- At the highest ranks of senior management – CEO, Chair, Vice Chair, President, COO, SEVP or EVP – women still form a distinct minority. According to a Catalyst *Census of Women Corporate Officers in Canada* in 1999, women held just 3.4% of such titles in the top 560 Canadian firms, compared to 5.1% for women in the United States.

Canadian Women on Corporate Boards

- At the board level, women's presence has increased slowly and remains low. While there is debate over precise figures, the most recent analysis indicates that women make up 6.0 to 9.4% of all corporate directors. Minority women hold just 1.9% of all directorships.

- Comparing Canada and the United States, a recent Catalyst census suggests that Canadian women hold fewer board seats – 7.5% in the top 560 Canadian firms versus 11.2% in the U.S. Fortune 500. Taking into account firm size, however, shows that Canadian women actually hold 12.0% of directorships in firms with revenue over $5 billion, compared to 11.5% for women in the United States.

- Internationally, statistics from Corporate Women Directors International indicate that women hold 10.7% of board seats in Australia, approximately 5.0% in Britain, and just 0.2% in Japan.

Reasons for Women's Level of Representation and Future Expectations

Existing research reveals diverse views concerning the reasons for women's level of representation on corporate boards. Explanations highlight both *facilitators* and *barriers*, with these typically focusing on either *individual*/*supply-side* factors or *institutional/demand-side* factors.

***Facilitators*:**

- At the individual level, a critical facilitator in improving women's presence at the board level is the growing pool of qualified women. Studies and commentators confirm there is an expanding supply of women in Canada with the requisite business qualifications, experience, and expertise for corporate directorships.

- At the institutional level, there are several key facilitators:

    - The emergence of more professional board practices in recruitment and selection as a result of calls for improved corporate governance.

    - Increased pressure from consumers and others for corporations to achieve greater diversity on their boards.

    - A shrinking pool of qualified men to fill directorships as corporations adopt more rigorous evaluation methods and expect more time, and effort, from their board members.

***Barriers*:**

- At the individual level, some commentators and recruiters suggest that there are still shortages of women who have the necessary seniority and breadth of experience for board appointments. Studies also suggest that qualified women may not be interested in board service, may not pursue board invitations because of other work or family commitments, and may decline board invitations if they believe they constitute a "token appointment."

- At the institutional level, there continue to be several important barriers:

    - Traditional reliance on personal networks and contacts for recruiting and selecting new directors, and an unwillingness to appoint untested women.

- Systemic gender biases in the traditional profile and competencies for the "ideal director."

- A lack of mentoring and sponsorship to assist women into board membership.

Required Competencies for Board Directors

With calls to improve corporate governance, and establish more professional board practices, boards are devoting more time to identifying the competencies they require for new board members. Competencies frequently cited in relation to the "ideal director" include:

- **Experience –** Boards seek individuals with: (i) core business experience (e.g., strategic management, finance); (ii) middle management experience in a specific functional area; (iii) general management experience and the ability to oversee a business; and (iv) senior or top management experience proving a mastery of "big picture" issues and leadership talent. The most preferred candidates continue to be sitting or retired CEOs or Presidents. Experience in corporate environments is preferred, and there is growing interest in candidates with international business experience.

- **Knowledge –** Potential directors must have a sound understanding of: (i) business strategy, business environment, and industry trends; (ii) corporate governance and board operations; (iii) financial accounting and corporate finance; and (iv) contemporary management trends.

- **Skills** – Depending on the competencies of existing members, boards may seek directors with specific technical skills in marketing, finance, and technology. It is difficult to generalize, however, about the specific types of expertise most in demand. With respect to other skills, boards seek individuals who have: (i) demonstrated leadership ability and the ability to motivate high performance; (ii) strong interpersonal and communication skills; and (iii) an ability to deal with challenging situations.

- **Attitude/Personality** – Directors must also possess: (i) independence of thought and judgement; (ii) high ethical standards in values and behaviour; (iii) personal credibility and honesty; and (iv) discretion.

Key Changes Required to Increase Women's Representation as Directors

Many suggestions have been made to improve the presence of women on the boards of Canadian corporations. Research and recruiters emphasize the following:

For Boards

- Boards should continue to professionalize their nomination, selection, and appointment practices instead of relying on informal networks. Boards and CEOs should also engage in more systematic board planning and more extensive search processes that look below the CEO level to find qualified, but still invisible, women.

- Boards and companies can play a part in developing and mentoring female directors by ensuring that senior female managers have the appropriate depth and breadth of experience, knowledge, and skills for board membership.

- "Best practices" in recruitment and selection need to move beyond larger, more established corporations, to medium and small-sized firms, in order to ensure women directors are also well represented there.

For Individual Women

- Aspiring female directors should ensure they have the necessary competencies and knowledge of corporate governance. They should also be proactive, making their interest known to external recruiters and targeting boards that may be interested in appointing women.

For Advocates of Good Governance

- Educating and focusing boards, shareholders, and the general public about the value of female directors is an important task. Information should be shared concerning the business case for greater board diversity, and issues of systemic barriers.

- Resources such as an inventory of qualified women could play an important role in ensuring that qualified women are identified for board appointments.

Acknowledgments

I would like to thank CPRN for extending the opportunity to work on this project, and Kathryn McMullen, Judith Maxwell, Dallas Cullen, Peggy Valentine and Loren Falkenberg for their input and suggestions at various stages. I am grateful to the interview participants who generously shared their insights on women and corporate directorships, and to Tricia Bell for her superb research assistance on this project.

Introduction

Over the past 25 years, women have made significant inroads into management positions within Canadian corporations. From a situation in the 1970s – where women constituted a distinct minority in business schools, in small business ownership, and in middle and senior management – their presence and contribution in these areas today has changed dramatically. Yet, despite these gains, there is one arena in which the presence and influence of women in Canada, and other countries, continues to lag – that of boards and directorships.

This report examines the issue of women and corporate directorships in Canada, highlighting past and present trends, current issues, as well as prospects for change. It seeks to offer a concise, rigorous overview of current research and thinking on women and corporate boards, and to spark discussion and debate on what is a significant economic and social issue. Empirically, the report synthesizes findings from (i) relevant business and academic literature and (ii) interviews with experts in the area of board recruitment. It also includes an annotated bibliography that offers further details on relevant literature on this issue (see Appendix 1).

In terms of its scope and focus, the report examines the following key questions:

(1) What are the historical and current trends in recruiting women as directors of corporations?

(2) What are the reasons for women's level of representation? What facilitators or barriers shape their presence at the board level?

(3) What competencies are required for directors?

(4) What are the key change factors that would lead to a higher proportion of women in directorships over the long term?

In addressing these questions, literature has been drawn from the following sources: (i) the business press (e.g., *Canadian Business, Fortune, Harvard Business Review*); (ii) annual reports from specialist firms in board recruiting and corporate governance such as Spencer Stuart and Patrick O'Callaghan; (iii) studies by independent research organizations (e.g., Catalyst, Conference Board of Canada); (iv) publications and organizations specifically devoted to corporate boards (e.g., *Across the Board*, Institute of Directors); (v) academic publications (e.g., *Journal of Business Ethics, Women in Management Review*); and (vi) public policy documents concerning corporate governance (e.g., OECD).

Information has also been gathered through interviews with experts in the area of board recruitment and those spearheading initiatives to improve women's presence on boards (see Appendix 2 for a list of participants). These interviews were undertaken in April 2000 and provide an up to date Canadian perspective on processes of director recruitment and selection, desired director competencies, and the factors shaping women's presence at the board level.

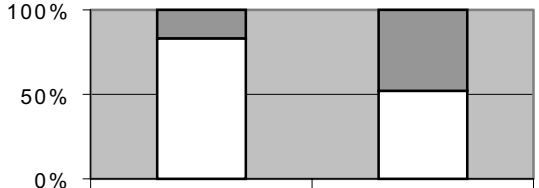
1. Trends in Women as Corporate Directors

Women's representation on corporate boards is a topic that has received a great deal of attention in the 1990s. In order to track trends, research organizations such as Catalyst (1999; 1998) have undertaken various censuses of women's representation on boards in Canada and the United States. Specialist firms, such as Spencer Stuart and Patrick O'Callaghan, also regularly address the issue of women's directors in their annual reports of board practices.

Some Background on Canadian Women's Changing Presence in Management

Before looking at trends in women's representation at the level of corporate directorships, it is useful to highlight some of the historical changes that have occurred in women's presence in management generally – both in business education and in management occupations. With respect to business education, Canadian women have made significant gains. As Figure 1 shows, whereas women received just 16.7% of all business and commerce degrees in 1975, by 1995 they received nearly half of all bachelor degrees (Statistics Canada, 1997, 1977). At the MBA level, between one-third and one-half of graduates today are women (Leighton, 1999).

Figure 1: Bachelor of Commerce Degrees for Women and Men, Canada



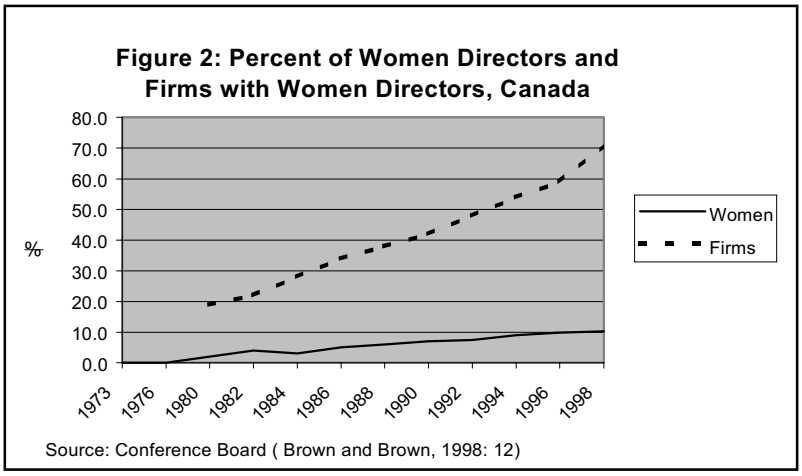
	1975	1995
Women	16.7	48.0
Men	83.3	52.0

In terms of management positions, Canadian women made up 16% of all management occupations in 1971, 25% in 1981, and 33% in 1991 (Andrew et al., 1994: 378). Recent figures for 1998 indicate that women now make up approximately 37% of all managers nationally (Statistics Canada, 1999). As we look up the management hierarchy, however, we can see that Canadian women, like women in other industrialized countries, hold a much smaller proportion of senior management jobs, despite improvements over time. In 1971, for instance, women held just 4% of senior management jobs. By 1991 this had risen to 21% (Andrew et al., 1994: 378). Still, at the highest ranks of senior management – for example, CEO, Chair, Vice Chair, President, COO, SEVP or EVP – women continue to form a distinct minority. According to the Catalyst (1999a) *Census of Women Corporate Officers in Canada*, women held only 3.4% of such titles in the top 560 Canadian firms, compared to 5.1% for women in the United States.

Canadian Women on Corporate Boards

At the board level, it is clear that women hold a small minority of directorships, although there are differences of opinion over the precise figures. Discrepancies stem largely from variations in the number, size, and types of firms that are included in various calculations. In Canada, the first Catalyst (1998) *Census of Women Board Directors* indicates that women hold just 7.5% of all board seats in the top 560 Canadian firms – 6.2% in the top Financial Post 500 firms, and 14.2% of seats in 60 financial service, life insurance, and Crown corporations. The census also shows that 41.7% of the 560 companies have a female board member but only 16.8% have multiple female board members. Compared to the Catalyst figures, which have been widely cited, Spencer Stuart's (1999a) annual *Canadian Board Index* reports slightly higher levels of representation, with women comprising 9.4% of all directors in 100 leading Canadian firms, and 71% of all firms having at least one women director. In contrast, much lower figures are reported in Patrick O'Callaghan's (1999) annual review of 326 top Canadian companies, with women holding 6% of all board seats and 46% of boards having a least one female director. Importantly, their review also analyzes women's representation by industry. Companies most likely to have at least one women director are in pipelines (100% had women directors), communication/media (88%), utilities (81%), merchandising (68%), conglomerates (67%), and financial services (64%). Least likely are those in gold and precious metals (8%), real estate (22%), oil and gas (29%), metals and minerals (33%) and industrial products (39%).

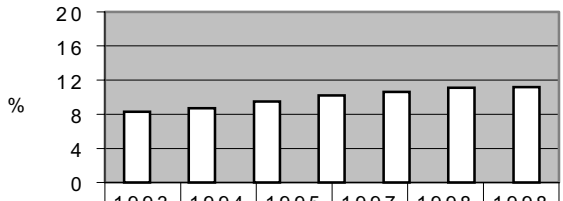
Taken together, these most recent reports on Canadian trends suggest that women make up anywhere from 6 to 9.4% of all corporate directors. As noted earlier, a critical factor influencing these figures is the size, type, and number of firms included in each census or review. All reports are consistent, however, in finding a higher female presence in directorships as the size and revenue level of the company increases. For instance, the Catalyst (1998) report shows that the top 100 companies in the Financial Post 500 are three times more likely to have at least one woman on their board, and that women comprise 8.5% of directorships – a figure much closer to that given by Spencer Stuart for its choice of top 100 firms.



In terms of the trends over time, the Conference Board of Canada suggests that the number of female directors has increased 30-fold over the past 25 years (Brown and Brown, 1998: 12). Their data, shown in Figure 2, suggests that the percentage of women directors rose from close to 0% in 1973 to just 10% in 1998. Over 70% of firms now have one female director, compared to

less than 20% in 1980. In the United States, additional information is available on the changing presence of female directors. As Figure 3 shows, since 1993, when the initial Catalyst census of U.S. firms was conducted, women's share of directorships in that country has increased from 8.3 to 11.2%. In absolute terms, the number of female directors rose from 545 to 685, a 25% increase. In its more recent work, Catalyst has extended its census beyond the Fortune 500 to include Fortune 501-1000 firms as well. It found that women held only 8.5% of seats in the Fortune 501-1000, and that two-fifths of these firms have no women on their boards. Available data for 777 of the Fortune 1000 companies also reveals that women of colour held just 1.9% of all directorships, highlighting that "board diversity" extend beyond the issue of gender (Catalyst, 1999b).

Figure 3: Board Seats in Fortune 500 Companies Held by Women, United States



	1993	1994	1995	1997	1998	1998
Women	8.3	8.7	9.5	10.6	11.1	11.2

Source: Catalyst (1999b: 14)

Comparing the situation of female board directors in Canada and the United States, the Catalyst censuses in both countries suggests that Canadian women hold fewer board seats – 7.5% in the top 560 Canadian firms versus 11.2% in the United States. Fortune 500. In addition, only 42% of the Canadian companies have at least one women board member, compared to 86% in the United States. Yet, Spencer Stuart (1999a) contends that cross-national comparisons should control for firm size, given that there are significant differences in the revenue levels of Canadian and U.S. firms and that size is highly correlated with the presence of female directors. Doing so in their own analysis reveals that Canadian women actually hold 12.0% of all directorships in firms with revenue over $5 billion, compared to 11.5% for women in the United States. For firms with revenues of $1-5 billion, however, women hold just 7.6% of board seats in Canadian firms, compared to 10.8% for women in U.S. firms.

Looking beyond the North American context, comparative statistics from Corporate Women Director's International (see "Web sites" in bibliography) indicate that women hold 10.7% of board seats in Australia, approximately 5% in Britain, but just 0.2% in Japan. According to Holton, while the number of women holding directorships in Britain's top 200 companies more than doubled from 1989 and 1993, at the current pace it will not be until 2017 that each of the top 200 corporations has at least one female board member. Despite this, Holton does note that important changes have occurred in the profile of female corporate directors in Britain. Recent female appointments are less likely to have family board links or a background in voluntary or non-profit appointments, and are more likely to be younger, more broadly educated, with a specialist business background (Holton, 1995). Though unavailable at the time of writing this report, additional information on the profile and presence of women directors in various

countries will be forthcoming in a book to be published by Burke and Mattis (eds) *Women on Corporate Boards of Directors: International Research* (see Richard Ivey School of Business, 1999: 5).

2. Reasons for Women's Level of Representation and Future Expectations

While women's presence on corporate boards in Canada has increased over time, their numbers remain low and there is a great deal of debate over the pace of change and the factors underlying it. Many studies have thus examined the reasons for women's level of representation on corporate boards, in order to gain further insight into the factors encouraging and discouraging change. The following discussion draws on relevant research from several different sources: (i) reviews of existing academic literature on women directors and women in management generally (e.g., Powell, 1999; Burke, 1994a); (ii) surveys of CEOs and senior women on the perceived reasons for women's representation on boards (e.g., Burke, 1994c; Catalyst, 1995); and (iii) practitioner and policy discussions of board practices and corporate governance generally (e.g., Brown and Brown, 1998; Millstein et al., 1998). It also integrates findings on this issue from the interviews conducted with experts in the area of board recruitment (see Appendix 2 for a list of participants).

Existing research reveals diverse views over the reasons for women's level of representation on corporate boards. Explanations emphasize both *facilitators* and *barriers*, with these typically focusing on either *individual*/*supply-side* factors (e.g., the availability of qualified women) or *institutional/demand-side* factors (e.g., board practices, attitudes towards female directors) (Powell, 1999; Reskin and Roos, 1990). Figure 4 highlights some of the most common factors identified in the literature.

Figure 4: Perceived Reasons for Women's Representation on Corporate Boards

	Facilitators	Barriers
Supply-side or individual	- more qualified women at senior level - greater leadership experience	- shortage of qualified women - lack of leadership ability - qualified women already committed - women wary of being "tokens" - women's family responsibilities
Demand-side or institutional	- calls for improved corporate governance - calls for professionalization of boards and "best practices" (e.g., recruiting and selecting directors, assessment) - shortage of qualified directors due to restrictions on multiple appointments and growing demands on directors	- nomination and recruitment practices biased - exclusion of women from informal networks - discriminatory attitudes - selection criteria that discount women's qualifications, skills, and experience - lack of mentoring at senior management level

Drawing firm conclusions on this issue is difficult, as many studies are based on individual perceptions and remain subjective. In this respect, the literature reveals significant differences of opinion between male CEOs/directors and senior female managers/directors – with the former pinpointing women's lack of qualifications and experience as central reasons for their low representation on boards, and the latter highlighting barriers in attitudes, recruitment, and selection processes. Interviews with recruitment experts suggest both sets of factors are at work, with their relative importance depending on particular contexts. The following sections summarize findings from the literature and interviews, in order to provide a current assessment of the Canadian situation.

Facilitators

At the individual level, a key factor in improving women's presence on corporate boards is a ready pool of female candidates who have the required competencies to move into directorship positions. A number of studies suggest that the presence of female directors has grown, and will continue to grow, as women make further headway into management positions. As noted in Section 1, there is a small, but increasing, pool of qualified female candidates at the senior level. Several studies on the qualifications of female corporate directors in Canada point to a "new generation" of women in Canada with the requisite business qualifications, experience, and expertise (Burke, 1994a; 1997; Burke and Kurucz, 1998). Evidence from the United States (Catalyst, 1995; Powell, 1999) and Britain (Holton, 1995) also supports this view. Interviews with recruitment experts in Canada also confirm that there is a growing pool of qualified women, and that this is reflected in the increased presence of women on boards over the past decade or more. Though some recruiters believe there is a need for still more qualified women, the general consensus was that the pool of qualified women in Canada has significantly expanded and will continue to do so in the future.

At the institutional level, there are also a number of important facilitators that either have had, or are expected to have, an effect on women's presence on corporate boards. Particularly important are the growing calls in Canada and other countries for improved corporate governance and for the professionalization of corporate boards (Atkins, 1995; Brown and Brown, 1998; Leighton and Thain, 1997; Millstein et al., 1998). In Canada, the Dey report has prompted growing numbers of firms to adopt "best practices" for board operations, such as setting high standards and clear qualifications for directors, introducing more formal recruitment and selection processes, and carrying out board and director evaluation. According to a 1998 Conference Board study, 84% of Canadian boards now have some type of formal selection process (Brown et al., 1998). A growing number of firms report using nominating committees and position descriptions for board selection (Spencer Stuart, 1999a; Patrick O'Callaghan, 1999). These developments are a significant departure from more traditional selection processes that are largely informal and rely heavily on personal networks. The move away from such informal processes has important implications for women as more formalized processes offers an important check against intentional or unintentional gender bias (Powell, 1999). It also ensures that a more diverse group is involved in the selection process and that the decision does not rest in the hands of a few individuals or the CEO (CWC, 2000).

The interviews conducted for this project strongly confirm that boards in Canada are becoming more professional and objective in carrying out board appointments. As one recruiter noted, "One of the areas of governance that has changed very significantly in Canada is the whole area of how boards search for directors." Whereas in the past, a search might typically involve an "informal canvassing of who do we know?" followed by "a quiet invitation to the board," today the process in major Canadian corporations is led increasingly by a nominating committee and facilitated by a professional search firm. Motivating this, according to one recruiter, is the fact that "…boards realize that the business environment is becoming more complex, they don't know everybody on the scene, and using informal networks is limiting… They now see the value of using professional firms and engaging in a broader search." Along with a more systematic search process, some boards are also devoting more time to "board composition strategy." This involves mapping out the strengths, competencies, and representation of the current board, alongside the strategic goals of the company, and using this to develop a profile of the type of director that is desired.

A second facilitator at the institutional level is the increased pressure on corporations to achieve greater diversity on their boards (e.g., more women, visible minorities). Existing research underlines that this is not simply an issue of fairness but that there is a strong business case for a more diverse board membership. In particular, women are seen to bring important strategic input and perspectives, to maximize specific backgrounds and expertise on the board, to send a positive message to shareholders and the public, and to make the company more attractive to female employees and managers (Brown and Brown, 1998; Brancato and Patterson, 1999; Burke, 1994a; CWC, 2000; Catalyst, 1995; Dawn, 1998; Peters and Peters, 2000). Growing pressures to recruit women are evident in a Catalyst (1997) survey of Canadian CEOs, where 86% indicated that it was important to increase the representation of women on boards. Though some CEOs in this study mentioned external pressures from shareholders or other groups, most cited strong business reasons for giving this issue priority. In the interviews for this project, most recruitment experts confirmed that there is growing pressure for board diversity, particularly in consumer led firms. In some instances boards may specifically seek a female director but, more typically, they simply wish to ensure that qualified women are identified and considered. Recruiters also emphasized that calls for board diversity have not affected firms uniformly. While some boards are aggressively tackling this issue, others may resist pressures in the belief that "diversity considerations" compromise their selection of "the best candidate."

A final facilitator at the institutional level may be a shortage of qualified men to fill directorships, particularly as corporations adopt more rigorous evaluation methods and expect more time, and effort, from their board members (Leighton and Thain, 1997; Burke, 1994c; Brancato and Patterson, 1999). For instance, Burke and Kurucz (1998) suggest that some qualified men do not have the time to join all the boards they are invited to, not do they have time to do justice to their existing board duties, given their other responsibilities and the growing demands of directorships. In the United States, Bavly (1999) discerns a growing reluctance to join boards due to the increased demands and risks directors face. In Canada, commentators suggest that the demand for skilled directors exceeds the supply (Brown et al., 1998), and that this situation may continue as more guidelines are put in place around director retirement and restricting length of tenure (CWC, 2000). This issue was not one widely raised in the interviews, however, with just one expert noting that growing workloads, and restrictions on multiple board appointments, may serve to open up opportunities for women. Another suggested that future opportunities for women may actually decline through "board downsizing," if larger boards attempt to fall in line with recommendations concerning optimal board size.

Barriers

Despite the increasing sophistication of Canadian women's education, qualifications and competencies, there are still many commentators who believe that women lack the necessary seniority and breadth of experience for board appointments (Lear, 1994). Various surveys of CEOs show this to be a commonly held view (Burke, 1994c; Catalyst, 1995). It was the most frequently cited reason by CEOs in the Catalyst (1995) survey, with 78-87% of CEOs agreeing that there are only a small number of women with appropriate business experience for board directorships. While some believe that female managers lack minimum qualifications, other argue that the demographic profile of women (e.g., younger, less seniority) simply puts them at a disadvantage relative to older, more senior, male candidates (Leighton, 1999). Of interest is the

fact that a minority of women currently serving on boards (25%) also believe that there is a shortage of qualified women (Burke, 1997).

Questions about the supply of qualified women were raised in the interviews for the project, with varying views expressed on this issue. For some, finding qualified female candidates was not a significant problem: "I just completed a search for a major Canadian corporation who wanted a senior women in a specific area and we were able to find a huge number." Others, however, reported difficulties finding highly qualified women, especially in specific sectors: "We just have a shortage of women at the appropriate levels… There are not sufficient numbers, or at least we're pretty limited in what we can draw from." An important issue in all of this concerns the definition of a "qualified women." As one recruiter observed, "the most sought after director is a sitting CEO" where the number of women is "still very, very small." If boards are willing to look "beyond just CEOs" and consider "up and coming executives," however, the supply of qualified women expands significantly. Speaking to this, another recruiter suggested that U.S. boards seem to be more willing to appoint women who are below the CEO level, whereas Canadian boards do not appear to have "pushed as hard at the next level."

Besides the issue of qualifications, research studies suggest additional barriers at the individual level. Surveys of female directors indicate that a small minority believe that qualified women are not interested in serving on boards, or do not make their interest known (Burke, 1997). Other commentators suggest that qualified women are often already over committed with directorships and cannot accept all the invitations they receive (Dawn, 1994; Banks and North, 1996; *National Post*, 2000a). Factors such as family responsibilities and the inflexibility of organizations may also keep women from pursuing board appointments, much the same as in senior management positions (Catalyst, 1997; Power, 1999). Importantly, some commentators also suggest that qualified women may decline board invitations if they believe they will be a "token" appointment (Dawn, 1994). In the interviews for this project, the only issue highlighted in this regard was the problem of a small group of high profile women being repeatedly identified in board searches. According to one recruiter, there is "a cast of usual suspects" who are in high demand but rarely in the position to take on any additional roles.

Turning to the institutional level, a number of factors have been noted as potential barriers for female directors. Without doubt, the most commonly cited is a traditional recruitment and selection process for board appointments that has relied exclusively on personal networks and contacts (Burke, 1994a; Catalyst, 1997; Holton, 1995; Leighton, 1999; Leighton and Thain, 1997; Powell, 1999). To the extent that women are often excluded from such networks, they are less likely to be identified, nominated, or selected for board membership. Indeed, a common reason cited by CEOs for women's low representation is the difficulty in identifying qualified women (Burke, 1994c; Catalyst, 1995). While traditional, informal processes are beginning to change with growing pressures for "best practices," studies suggest this continues to be a significant obstacle. Interestingly, though, women do appear to have had some success through informal networks. In one survey of Canadian female directors, 74% had been recommended by another board member, 58% were recommended by a CEO, and 33% were recommended by a third party who knew the CEO or a board member (Burke, 1997).

The recruitment experts interviewed for this project confirm that traditional processes relying on informal networks and personal contacts have posed a formidable barrier to women. Board members may not know qualified women, nor know who to begin identifying them. As one

recruiter pointed out, "If you have a group of male board members in an industrial firm sitting around trying to come up with names, it's unlikely they will know many women." Another concurred, noting that boards have little success identifying qualified women when the search process involves "Fred asking Joe asking Steve asking Tom." Yet, as noted previously, there was also a strong consensus amongst those interviewed that appointment processes were becoming far more professional and rigorous, and that this trend would continue in the future. While some recruiters felt certain sectors, such as major financial and consumer product firms, led in "best practices" in the selection and recruitment of new directors, others felt that "best practices" and good corporate governance were not industry specific.

A second barrier at the institutional level is attitudes towards female managers and directors. Several commentators suggest that boards may be reluctant to appoint women because they are untested or because they believe that they will bring a "women's issues" agenda rather than acting as "objective" directors (Lear, 1994; Burke, 1994c). Importantly, there are significant differences in the perceptions of women and men on this issue. According to Catalyst (1997), senior women are more likely to see male attitudes as a problem than are senior male CEOs and board members. Burke's (1997) survey also found that roughly half of female directors believe boards do not look for qualified women and have little interest in increasing women's numbers. In their recent annual report, Spencer Stuart (1999a) finds some evidence of what they term a "diversity backlash" – with low levels of agreement from CEOs that "the number of women on boards is insufficient" and strongly polarized reactions to the statement that "the pressure to add women and minorities to boards is unnecessary."

Those interviewed for this project felt that for the most part boards were very interested in having more women directors. Said one recruiter: "I think most boards want to have more women on their boards, I honestly believe that. There may be a few archaic hold outs on that, but most of the boards I work for right now want to include women candidates and are struggling to do that." Yet, despite this growing openness, recruiters also noted that attitudes towards women continue to operate in subtle, but important, ways. In some cases, board members may not feel there is a proper "fit" or "comfort level" with a proposed female candidate. In others, female directors may not feel able to make the contribution they would like. Speaking to this issue, one recruiter remarked: "The 'club,' so to speak, exists in many different subtle ways. It's really not intentional. It's just the way it is."

In terms of additional barriers at the institutional level, some commentators suggest there may be systemic gender biases in the traditional profile and competencies for the "ideal director." In many cases, the desired qualifications and competencies favour the types of experience and background more commonly held by men, and there is a need to examine whether alternative backgrounds, skills, or experience may be equally as valuable (Brancato and Patterson, 1999; Burke, 1997; Dawn, 1998; Powell, 1999). Reliance on traditional profiles may act as a barrier for women, and men, with other types of relevant backgrounds and skills. Some commentators also suggest that women face barriers to the type of mentoring that would assist them in moving progressively into more senior positions and eventually into board membership (Catalyst, 1997; Powell, 1999; Ragins et al., 1998).

The issue of desired competencies for directors is an important one, which is receiving greater attention. Many of those interviewed noted that the boards they worked for were taking a more systematic approach to board composition and director profiles, and thinking more carefully

about the types of experience, skills, and backgrounds they require. Within this process lies an opportunity to identify whether the criteria used in a board search are set out in ways that unintentionally but systematically exclude female candidates. For example, specifying a "current CEO" as one criteria automatically limits the pool of qualified women, when it is possible that individuals not yet at the CEO level may have the requisite experience, skill, and background. According to one recruiter, more work needs to be done to ensure that boards and nominating committees are aware that "if you set up a competency profile that looks like this, you cannot have candidate that look like that." This is not an issue of "lowering the bar" but of ensuring that criteria are relevant, well specified, and framed in inclusive ways.

3. Desired Competencies for Directors

As noted above, the issue of competencies for directors is one that is currently receiving attention, not just in relation to the female board directors but also as part of the push towards improved corporate governance and the professionalization of board practices and performance. In Canada, the Dey Report (1994) has recommended that individual boards establish clear criteria for identifying board candidates (e.g., experience, ethics, personality, time availability). In the United States, the National Association of Corporate Directors (NACD) has developed a list of core competencies for directors (see Brancato and Patterson, 1999: 11). The following overview draws on general discussions of desired competencies for directors (Brancato and Patterson, 1999; Brown et al., 1998; Institute of Directors, 1999; Leighton and Thain, 1997; Spencer Stuart, 1999b), as well as a smaller number of studies that have focused specifically on competencies for women directors (Burke, 1997; Catalyst, 1995). It also draws on the interviews with experts in the area of board recruitment to provide an up to date perspective on the Canadian situation.

"Competency" is a concept that has been defined in many ways but, typically, it refers to individual knowledge, skills, attitudes, and behaviours that are associated with superior performance (Athey and Orth, 1999). In organizing findings from the literature and interviews, this discussion focuses on four clusters of competencies that are most frequently cited in relation to the "ideal director." Shown in Figure 5, these include experience, knowledge, skills, and attitudes/personality. It should be emphasized that while commonly desired competencies for directors can be identified, there are difficulties in making generalizations. Currently, there are no well established and agreed upon standards as to what constitutes a "qualified director" (Leighton and Thain, 1997: 213) and even when desired competencies are identified, they are not always well specified or fleshed out in adequate detail. Boards also vary widely in the criteria they use for selecting directors (Dey, 1994), and desired competencies may be highly unique in each case as boards attempt to match appointments to their evolving strategic goals. Speaking on this issue, one recruiter noted the difficulty of identifying a generic profile. "Boards are thinking more strategically about what they need and are framing criteria around those requirements." Certain "givens" remain but it is "more difficult to generalize than it ever has been before."

Experience

Without doubt what is most frequently sought in a director is someone with depth and breadth of top or senior-level experience, and a proven track record, in the relevant industry or field (Leighton and Thain, 1997; NACD cited in Brancato and Patterson, 1999; Catalyst, 1995; CWC, 2000; Brown et al., 1998; Burke, 1997c). In detailing the range of experience directors require, Canadian commentators Leighton and Thain (1997) argue that it should include experience in (i) core business areas, such as strategic management, finance, organizational behaviour, marketing; (ii) middle management experience demonstrating ability in a specific functional area; (iii) general management experience and the ability to oversee a business; and (iv) senior or top management experience proving a mastery of "big picture" issues and leadership talent (Leighton and Thain, 1997).

Figure 5: Desired Competencies for Directors	
Experience	- preference for past or current CEO with proven track record of leadership - solid experience at senior or executive management level, with mastery of "big picture" - past experience in general management, middle management, and core business areas such as strategic management, finance, organizational behaviour, marketing

Knowledge	- substantive knowledge in the following areas:
	  - business strategy, business environment, industry trends
	  - corporate governance and board operations
	  - financial accounting and corporate finance (i.e., "financial literacy")
	  - contemporary management trends

Skills	- skills in the following areas:
	  - demonstrated leadership skills and ability to motivate high performance
	  - strong interpersonal and communication skills
	  - ability to work effectively with others
	  - ability to deal with crises and limit negative impact for the company
	  - specific technical skills that complement or enhance skill set of existing board (e.g., financial, marketing, high tech, international business, language)

Attitudes / Personality	- independence of thought and judgement - high ethical standards in values and behaviour - personal credibility and honesty - - discretion
Source: Composite from interviews and literature (Bavly, 1999; Brancato and Patterson, 1999; Brown et al., 1998; Burke, 1994c; 1997; 1997c; Catalyst, 1995; CWC, 2000; Gillies, 1992; Institute of Corporate Directors, 1987; Institute of Directors, 1999; Leighton and Thain, 1997; Longair, 1992; MacLellan, 2000; Mueller, 1996, Spencer Stuart, 1999b).	

Although boards may be open to diverse types of experience, they still appear to be most interested in appointing sitting or retired CEOs or Presidents. This seems especially the case for women directors. In a Catalyst study (1995), for instance, over 80% of CEOs of Fortune 500/Service 500 firms placed priority on female directors with top level corporate experience in major corporations. In Canada, Burke (1994c) also found the most desirable qualities and profiles involved top level business experience. Yet, other types of experience may be viewed favourably – for example, leadership in small to mid-sized companies (Catalyst, 1995) or success as an entrepreneur (Burke, 1994c). In a current initiative to develop a databank of women qualified to serve as directors in the communications industry, Canadian Women in Communications specifies experience in one or more of the following positions: CEO of any size of company, COO of mid-sized to large company, senior VP of a business division in a mid-sized to large company, VP of a functional specialty in mid-sized to large company, or senior executive or entrepreneur in "dot com enterprise" (CWC, 2000).

With respect to types of experience, it is clear that a premium is placed on experience in corporate environments, with backgrounds in other environments (e.g., government, colleges/universities, and non-profit) being less highly regarded (Catalyst, 1995; Burke, 1994c). Interestingly, while some analysts highlight previous board experience as an important qualification, it is not emphasized to the extent that one would expect (Gillies, 1992; CWC, 2000; Burke, 1994c; MacLellan, 2000). An emerging trend in the context of globalization and internationalization appears to be an increased interest in directors who have some kind of

international business experience (Brown et al., 1998: 12; NACD cited in Brancato and Patterson, 1999). Studies focusing on female directors in the United States and Canada also confirm a growing demand for international experience (Catalyst, 1995; Burke, 1994c).

Interviews with recruitment experts in Canada strongly confirm the emphasis on top-level experience within the industry or a related field. Said one recruiter: "Most companies want someone who is CEO or President… that's often their first criteria." Typically boards seek such individuals because of their experience in "monitoring and evaluating a senior management team," "dealing with difficult crises," and providing "strategic direction." Underlining this is a belief that "you are more likely to have developed the wisdom that is required, if you've 'been there'." However, because sitting or retired CEOs are in high demand, boards often find it necessary to look below this level, "at up and coming executives, some who may eventually be a CEO, if not of that company then maybe of another company." A board's willingness to look at such candidates will depend on the context they are operating in. Remarked one recruiter: "If you have a strong board, with a number of CEOs and Presidents, you tend to see more openness to sponsoring a young up and comer. On the other hand, if you have a board that is hungering to establish it's credibility with the public market, then they will put premium on having a President or CEO." Recruiters also acknowledged the growing importance of international business experience, though not in all cases. Said one: "Where companies have an international profile, or are anxious to get there, they would certainly look for individuals who could complement that with their own international experience." But, noted another, they are "not necessarily looking for this in all directors."

Knowledge

Beyond experience and a proven track record, boards also seek directors with substantive knowledge in a range of areas. This knowledge may be developed through first hand experience, observation, formal education, or some combination of these. Existing literature suggests that directors should ideally have: (i) knowledge and understanding of business strategy, the business environment and industry trends (Gillies, 1992; Institute of Directors; NACD cited in Brancato and Patterson, 1999; Spencer Stuart, 1999b); (ii) a sound understanding of corporate governance and board operations (Leighton and Thain, 1997); (iii) "financial literacy" – that is, knowledge of financial accounting and corporate finance (Brown et al., 1998; Bavly, 1999; Institute of Corporate Directors in Canada, 1987; Leighton and Thain, 1997; NACD cited in Brancato and Patterson,1999); and (iv) a good grasp of current management trends. While other types of substantive knowledge may be desirable, these will vary with each specific board appointment and its requirements.

In discussing the current Canadian context, the recruitment experts interviewed for this project confirmed the importance of these knowledge bases, particularly that of "financial literacy." Said one recruiter: "People expect financial literacy, they expect directors to be able to understand and comment on financial statements, balance sheets, income statements, to have a basic grasp in the financial area." Being knowledgeable in the area of business strategy, management trends, and corporate governance and board operations was also considered critical. One recruiter also noted that expertise in the area of corporate governance has provided an entrée onto boards for some women, with "a number who have made their later careers as consultants on governance being picked up quickly as directors."

Skills

In terms of specific skills, boards seek directors who have both the general skill set needed to work effectively with other board members, as well as more specific technical skills that may help to "round out" the profile of a particular board. Commonly highlighted in the literature are: (i) demonstrated leadership skills and the ability to motivate high performance (Leighton and Thain, 1997; NACD cited in Brancato and Patterson, 1999; (ii) strong interpersonal and communication skills, and the ability to work effectively with others (Institute of Corporate Directors in Canada, 1987; Longair, 1992; Mueller, 1996; Spencer Stuart, 1999b); and (iii) an ability to deal with crises and limit the negative impact for the company (NACD cited in Brancato and Patterson, 1999). With respect to specific technical skills, boards may seek a potentially wide range to complement or enhance the skill set of the existing board. Commonly mentioned areas include marketing, financial, and high tech skills. Important, but less often mentioned, were language skills. The ability to speak other languages may grow in importance with the internationalization of business and is a point of information in the database under development by Canadian Women in Communication (CWC, 2000).

While recruitment experts generally confirmed the importance of leadership, interpersonal and communication skills, there was less consensus of whether specific technical skill sets were currently in high demand. When asked, one expert suggested there was a growing demand for skills in marketing, merger and acquisitions, and "high tech" and "dot com" ventures. Another noted that "from time to time, special skills are singled out." However, a third expert felt there was a "real danger" in trying to generalize. "Because companies are thinking more strategically, they don't just say 'Oh, we need a marketing person and a financial person.' That's not where this process is leading." In their view, profiles were increasingly unique, reflecting strategic goals and existing board composition.

Attitudes and Personality

Beyond the specific experience, knowledge, and skills, boards also seek directors who possess important traits in terms of attitudes and personality. Commonly cited in the literature are:
(i) independence of thought and judgement (Bavly, 1999; Gillies, 1992; Institute of Directors; Institute of Corporate Directors of Canada, 1987; Longair, 1992; Spencer Stuart, 1999b);
(ii) high ethical standards in values and behaviour (Gillies, 1992; Leighton and Thain, 1997);
(iii) personal credibility and honesty (Spencer Stuart, 1999b; Leighton and Thain, 1997); and
(iv) discretion (Spencer Stuart, 1999b).

Those interviewed identified many of these same traits and attitudes. Observed one recruiter: "There are personal characteristics that people take as a given when you are looking for a director – integrity, accountability, wisdom, maturity, confidence." Board also want "people who set high expectations for themselves and therefore for the people they are working for, or with, around the board table." While some experts detailed the desired personality and attitude of directors, others acknowledged its importance but were far less specific. For example, one recruiter noted that "on the personal qualities side, the key thing is the 'culture fit.' The board spends a fair amount of time describing that for us so that we are moving to find individuals who corporately and culturally fit with a certain style of organization, a certain style of board." Speaking to this issue, another expert noted: "Board matches are going to be very personal…

they're not systematic. It's a 'fit' issue and it's doing to be different for every single case." The issue of "fit" inserts some ambiguity into desired profiles in that its elements are not explicitly set out. It may also have important disadvantages for women if gender influences the "comfort level" boards have with specific candidates.

4. Key Changes Required to Increase Women's Representation as Directors

In terms of increasing women's representation at the board level, what are the key factors that would lead to change? In examining this question we can look at many specific proposals that have been made (Catalyst, 1995) as well as current initiatives underway such as the inventory of women being developed by Canadian Women in Communication (CWC, 2000; DeMont, 2000). There is also a well developed body of academic and business literature on bringing women into senior management and executive positions, that provide additional insights (Powell, 1999; U.S. Department of Labor, 1996). Again, as in Section 2, change factors have been identified at both the *individual* and *institutional* level. The discussion here addresses factors at both levels, grouped under headings for the most commonly suggested types of initiatives.

Developing Female Directors

Given that many CEOs and directors believe, rightly or wrongly, that there is a shortage of qualified women for board membership, many commentators emphasize that a critical change factor will be continued development and mentoring of senior female managers and business owners in order to ensure that they have the appropriate depth and breadth of experience and skills for board membership.

At an individual level, this depends on women acquiring the necessary skills, knowledge, and experience. In particular, commentators suggest that women take assignments that will help them develop core competencies and gain a profile in their firm or industry. They also suggest that women educate themselves about corporate governance, make their interest in board service known to external recruiters, and target boards with significant female clientele who may be interested in appointing more women. Finally, they encourage women to learn as much as possible about the board selection process and how to present themselves successfully (Catalyst, 1995; Lear, 1994; Leighton, 1999; Peters and Peters, 2000).

Though much of the necessary development can be gained only through experience, there is growing emphasis on educational resources for directors. In Canada, the Dey report (1994) recommended "the development of external courses to educate directors on their responsibilities, on how to function as an effective director, and on issues of corporate governance generally" (30). Commentators have also suggested that such courses should be part of the business school curriculum (MacLellan, 2000). Presently in Canada, there are some workshops, conferences, and educational material on director development offered by the Conference Board of Canada and the Institute of Corporate Directors of Canada. In the United States, the National Association of Corporate Directors (NACD) offers short courses on director education, as do firms such as Spencer Stuart in partnership with the Wharton Business School. In the United Kingdom, the Institute of Directors (IOD) provides one of the most comprehensive programs of director education. Specific educational and networking forums also target women. In the United States, for example, Radcliffe offers Women in Corporate Governance seminars in partnership with the NACD. In June 2000, the NACD and Corporate Women Directors International will also sponsor the first ever Global Women Directors Colloquium (see "Web sites" in Appendix 1 for further details on these resources).

With respect to developing female directors, commentators also emphasize that companies and boards must play an active role in identifying, mentoring, and developing qualified women (Powell, 1999; Ragins et al., 1998). In terms of increasing women's presence at the senior management level, specific suggestions include: identifying high potential women early on and providing the developmental opportunities needed for senior leadership positions; ensuring women are represented amongst candidates for key positions, special assignments, and developmental opportunities; examining the process of international assignments to create a level playing field for women; developing female managers specifically to serve as inside directors; and encouraging women in the company to serve on outside boards that will provide them with important experience. In terms of introducing women to board culture, specific suggestions include: providing female executives with opportunities to interact with directors through presentations at board meetings and informal events; and asking senior women to attend meetings when inside directors are unavailable (Catalyst, 1995, Holton, 1995; Peters and Peters, 2000; Powell, 1999). In the interviews for this project, the issue of mentoring was one that was particularly emphasized by some recruiters. Observed one: "A lot of people find themselves with fabulous careers, and on boards, because they have been somebody's protege. They've been mentored, they've been recommended, by very successful, credible people."

Formalizing Board Planning Nomination, Selection and Appointment Practices

As noted in Section 2, the traditional, informal approach taken to board nominations, selection and appointment have come under increasing criticism. Many believe that informal approaches limit the breadth of competencies and viewpoints needed for an effective board and may lead to the appointment of directors lacking the necessary education, training, and experience (Dey, 1994; Leighton and Thain, 1997). They also have important implications for levels of female representation. As recruitment firms and studies suggest, existing board members may know few women who they consider qualified for board membership, or fail to see the potential in women in senior management whom they know (Catalyst, 1995).

Suggested changes thus emphasize the importance not just of professionalizing nomination, selection, and appointment practices, but also of engaging in more systematic board planning (Leighton and Than, 1997; Leighton, 1999; Catalyst, 1995; Power, 1999). In terms of specific suggestions, commentators emphasize the need for clear selection criteria and processes when making appointments (Brancato and Patterson, 1999, Leighton and Thain, 1997). Boards must develop profiles of desired skills and competencies, and also develop and follow systematic procedures for the nomination and selection process. There is also growing support for the use of professional external recruiters in searching for and selecting candidates (Leighton and Thain, 1997; Holton, 1995; Catalyst, 1995). In addition to ensuring a more professional, and objective process, commentators note that external recruiters can help to diversify the board, by drawing on extensive networks, looking in non-traditional places, and ensuring gender equity is considered throughout the search process. It has also been suggested that developing an inventory of qualified women would be a useful initiative (Burke, 1994c). In Canada, this was a key recommendation in a recent roundtable on Women on Boards organized by the Richard Ivey School of Business (see MacLellan, 2000). Currently, an inventory of qualified women specific to the communications industry is under development by Canadian Women in Communications (CWC, 2000; DeMont, 2000).

It has already been noted that those interviewed for this project believe that boards are moving towards a more professional, objective process for new appointments. However, at least one recruiter felt this was limited to larger, more established, corporations, and that there was a need for "best practices" for filter down to medium and small-sized firms. Another important insight that emerges from the interviews is that even with a more professional, objective search process and the identification of well-qualified female candidates, the successful appointment of female candidates is not necessarily assured. As one recruiter noted, nominating committees may be interested in new names an external search can bring but then "become uncomfortable with the idea of bringing someone they don't know onto the board." This is especially important for qualified women who do not have the "traditional pedigree." Another recruiter noted: "It's sometimes difficult to make the transition where you can convince the client that this women, although she may be running a division, has every bit as much experience as this man." Consequently, an important step in the selection process is having someone involved who can bring "a sense of the individuals to the discussion, to bring these people alive… and hopefully create a degree of comfort in potentially going after a less obvious, or less known, solution."

Beyond a more professional, rigorous search process, some observers have also argued for the need to rethink traditional criteria and approaches that may unintentionally favour men. For example, Burke (1997; 1994c) suggests that boards and CEOs engage in a more extensive search process that looks below the CEO level to find qualified, but still invisible, women. The 1998 U.S. Spencer Stuart report also suggests that boards and recruiters need to identify talented women at earlier stages, be willing to recruit at a less senior level, and provide development to them at the board level (Dawn, 1998). This avoids the problem of waiting until women are promoted to top management, when they are in much greater demand for board service. Finally, some suggest that boards need to rethink traditional specifications for board directors (e.g., currently active CEO with long experience) and critically examine the specific expertise that they require (Dawn, 1998). Doing so may enable them to broaden the pool of candidates by considering those who have the competencies but do not fit the typical profile (Catalyst, 1995; Holton, 1995). In the words of one executive quoted in a recent report on *Board Diversity in U.S. Corporations*:

> If board chairmen could look past the traditional, historical perspective that new board members should be sitting CEOs or major business unit heads and consider people with specific expertise in important areas like finance, marketing, legal, crisis management, IT, public relations, and even human resources… they could find minority and women candidates fairly readily. These executives would also bring much needed expertise in areas increasingly important to business success and board governance. You've got to change the lens through which you examine board membership criteria if significant inroads in board diversity are to be made (Alfred Little Jr., VP Human Resources, Newport News Shipbuilding cited in Brancato and Patterson, 1999: 11).

Along these lines, some commentators also suggest that changes in the criteria and perceptions information board appointments may bring a more positive evaluation of qualified women in the not-for-profit and government sectors (Burke, 1994b).

Educating Boards, Shareholders, and the Public about the Value of Female Directors

A final set of suggestions concerns educating and focusing boards, shareholders, and the general public on the value of female directors. This is seen as an important step in countering attitudes

that work to women's disadvantage – such as the tendency to stereotype or discount women's skills and experiences, or to believe female directors will bring an "women's agenda" rather than operating as effective, independent directors. In terms of specific suggestions, commentators emphasize the importance of educating boards about the business case for increasing the representation of women (e.g., maximizing the potential pool of candidates, bringing new perspectives and greater diversity). It has also been suggested that more CEOs and boards with successful women directors take an active role in raising public awareness and challenging discriminatory attitudes. Finally, some suggest that CEOs and other board members – particularly female board members – can play an active role in educating and mentoring female managers and executives who are interested in board service. This would involve meeting with them, providing information on criteria used for board selection, and giving realistic feedback on the additional experience and skills that they require (Catalyst, 1995).

Several of those interviewed for this project felt that it was important to provide education, and focus attention, on the business case for women directors and board diversity more generally. Here a number of different points were raised. With respect to the issue of director competencies and profiles, for example, one recruiter noted: "I think one of the things people have a hard time understanding, and it's very basic once you get into it a little bit, are issues of systemic discrimination and barriers… Education around that would be extremely helpful." Another expert noted the importance of raising awareness about female directors in firms and specific sectors, encouraging boards to focus on improving the situation, and suggesting targets they might aim for with respect to new board appointments. A final point raised concerned the importance of targeting information, education, and change where it can have the greatest probability of success. As one recruiter noted, because some firms will resist change no matter what the merits, efforts should focus on firms that are open to "the insights that a more diverse board can bring."

As with other initiatives that have been successful in increasing women's representation in management and business generally, those aimed at the board level will be most successful if they share similar features. As noted in the U.S. Glass Ceiling Commission, most successful programs of change are comprehensive, inclusive, and part of a broad strategic plan. They are also specific to organizations, recognizing their unique features, histories, and goals. Of critical importance, effective initiatives track progress over time, promote accountability, and have the active support of the top management and CEO (U.S. Department of Labor, 1996).

Concluding Comments

Much work remains to be done to increase women's presence on the boards of Canadian corporations. Despite the gains women have made at the board level over the past 25 years, the number of women directors remains low and there is enormous scope to improve their presence and contribution. One factor that may accelerate the pace of change is the growing recognition of the "business case" for female directors. This, coupled with calls for improved corporate governance and more professional board practices, suggests a context that should encourage greater board diversity. Yet, change will not happen quickly, easily, or on its own accord. Over the past two decades, women's presence as directors has increased slowly and today women hold just anywhere from 6.0 to 9.4% of board seats. At this pace, it will not be until 2080 that Canadian women hold board seats in proportion to men. This scenario does not bode well for Canadian corporations or for aspiring female directors, and suggests a need to tackle the issue on a number of different fronts.

In assessing the current situation, this report has surveyed existing evidence and interviewed recruitment experts in order to identify the facilitators and barriers to women's increased presence, the competencies directors require, and the types of initiatives that may bring about change. Amongst its key findings:

- Several factors are facilitating change – in particular, a growing pool of qualified women, calls for improved corporate governance, and increased professionalism in board practices. But barriers persist and require attention. These include real or perceived shortages of qualified women in some sectors, the continued use of traditional recruitment practices, selection criteria that discount women's qualifications, and a failure to mentor women or recognize the value they bring to boards.

- Boards seek directors with specific types of experience, knowledge, skills, and attitudes/personality, though it is increasingly difficult to generalize about a desired profile. While boards continue to favour active or past CEOs, many are appointing more strategically, searching more widely, and considering candidates that diverge from the traditional profile.

- Improving women's presence on boards requires initiative in a number of areas. Most important is developing female directors through education, experience, and mentoring; encouraging the professionalization of boards and promotion of "best practices" in director recruitment; and educating and focusing boards, shareholders, and other stakeholders on the value of women directors.

In concluding, it needs to be emphasized that corporations, boards, recruiters, and aspiring directors all have a role to play in creating an expanded presence and role for women in Canadian boardrooms. So too do advocacy groups who can help to identify qualified women and focus attention on this issue through public education and further research.

Appendix 1

Annotated Bibliography

***Key Sources*:**

Atkins, David H. 1995. "Corporate Governance: Lessons From Abroad." *Canadian Business Review* 22(3):24-27.

Abstract: This article reviews international developments in corporate governance, in order to draw lessons for Canada and Canadian corporations. It focuses particularly on the recommendations made by the Cadbury Report in the United Kingdom, with respect to director's responsibilities, independence, and best practices, and examines current practices of corporate governance in Britain, the United States, and Canada. Drawing lessons for the Canadian situation, the author offers suggestions for improving the effectiveness of directors. These include educating the board in the business through retreats and education sessions; providing a means for the board to assess its own effectiveness and that of its members; encouraging board members to speak directly with senior management; ensuring board members have a clear understanding of the direction of the company; and remunerating directors in proportion to their responsibilities and risks. Atkins also argues that a good system of governance requires greater emphasis on the duties and responsibilities of directors, and less emphasis on government regulation and supervision.

Bank of Montreal Institute for Small Business. 1996. *Myths and Realities: The Economic Power of Women-Led Firms in Canada.*

Abstract: This report provides a national portrait of women-led firms in Canada in the mid-1990s, highlighting women's growing business experience and skill. Women-led firms are defined as companies where women hold the position of president, owner, co-owner, CEO, chair, or partner. Methodologically, the report draws on 1991-94 data from *Statistics Canada's Labour Force Survey*; *Statistics Canada Business Register Division;* and *Dun and Bradstreet.* Key findings from the report indicate that in the mid-1990s there were 700,000 women-led firms in Canada, providing jobs for 1.7 million Canadians. Women led firms were growing at twice the national average and creating employment at four time the national rate. According to Dun & Bradsheet's stability score, women led firms were as financially strong as the average firm and at no greater risk of going out of business. While women-led firms were younger than other firms, they have also matured, with two-thirds in business for at least 9 years. Women-led firms were represented in every industrial sector, and have increasingly diversified into non-traditional sectors (e.g., financial service, agribusiness, mining, wholesale trade, business services).

Banks, Brian and David North. 1996. "Madam Chair, I Presume?" *Canadian Business* 69 (8):13-14.

Abstract: This article profiles five women who are in demand as directors on Canadian corporate boards. The list is based on an informal survey of recruiters and women executives, and includes the following: (1) Diane McGarry - Chair, President, and CEO of Xerox Canada Inc. since 1993 (Director of C.D. Howe Institute, National Quality Institute, Conference Board of Canada, and Business Council on National Issues);

(2) Sheelagh Whittaker - President and CEO of EDS Canada (Director of Royal Bank of Canada, Royal Trust Group, Spar Aerospace Ltd. and Imperial Oil); (3) Eva Lee Kwok - CEO of Amar International Investment Corporation (Director of Mutual Life Assurance Co. of Canada, Coca-Cola Beverages, Fletcher Challenge Canada Ltd., Husky Oil Ltd, and Melcori Mercantile Inc.); (4) Marie-Jose Drovin Kravis - former Executive Director of Hudson Institute of Canada (Director of Seagram Co. Ltd. and CIBC); and (5) Jocelyn Cote-O'Hara - President and CEO of Stentor Telecom Policy Inc. (Director of International Development Research Centre, Communications Research Centre, Xerox Canada Inc, Northern Trust Company, Women's Television Network Foundation, and Canadian Labour Market and Productivity Centre).

Brancato, Carolyn K. and D. J. Patterson. 1999. *Board Diversity in U.S. Corporations: Best Practices for Broadening the Profile of Corporate Boards*. New York: The Conference Board of Canada.
Abstract: This report examines issues of corporate governance and board diversity in the United States. It addresses four key issues: (i) reasons and motivations to increase board diversity; (ii) trends in diversity on U.S. corporate boards; (iii) best practices in recruiting; and (iv) best practices in board operations. Evidence is drawn from existing surveys (in particular, the 1998 Catalyst Census of Women Board Directors) and from working group meetings with senior corporate executives, investors, experts on diversity issues (e.g., Society for Human Resource Management) and experts on corporate governance (e.g., National Association of Corporate Directors). Overall, the report suggests that there is a strong business case for increasing diversity on boards. Gender and race are important issues, as is cultural diversity given the growing internationalization of business. With respect to female directors, the working groups agreed that they bring strategic input to boards, generate productive discourse, add vital, diverse perspectives, expand the talent pool, and send a positive message to shareholders, employees, and the public. While there are no conclusive links, Catalyst research suggests an association between women's presence on boards and corporate profitability. Given the importance of board composition and selection, companies must develop: (i) systematic procedures for organizing lists of desired board qualifications; (ii) clear selection criteria and processes; and (iii) profiles of desired director skills and competencies. With respect to the latter, the National Association of Corporate Directors' (NACD) list of core competencies for directors includes: expertise in financial accounting and corporate finance; proven record of sound business decision making; understanding of management trends; ability to deal with crises and limit negative impact for the company; first hand experience in international business; leadership skills to motivate high performance talent; and ability to provide strategic insight and help the organization sharpen its vision.

Briggins, Angela. 1998. "Equity Lacking in the Boardroom." *Management Review* 87(2): 6.
Abstract: This article reports on research by executive search firm Korn/Ferry International. Results suggest that despite women's increased representation on U.S. corporate boards over the past 10 years, female directors believe they are less influential than their male peers. Of the 119 women surveyed in Korn/Ferry's 24th Annual Board of Directors Study, 35% of women felt they had influence on management succession issues (compared to a rating of 46% for their male peers) and 25% felt they had influence on executive compensation (compared to 44% for men). The author argues that women's

influence on boards can be deceiving because, although their representation has improved since the 1980s, they are still a distinct minority. Findings also indicate that female CEOs are the top choice for board service – they account for 25% of all women board members while senior corporate officers account for 22%.

Brown, David et al. 1998. *Canadian Directorship Practices 1997: A Quantum Leap in Governance*. Ottawa: Conference Board of Canada.
Abstract: This report is part of a series of studies by the Conference Board on corporate governance in Canada, the United States and other countries. It examines the changing environment of corporate governance internationally and nationally, surveys current research on corporate governance, and outlines key changes and emerging/next practices in the Canadian context. Of particular interest to the issue of women and corporate directorships is the "Governance Index" developed by the Conference Board in 1997. This index establishes a benchmark for the three main dimensions of strong board practices: (1) appropriate levels of responsibility (measure 6/20); (2) independence from management (measure 7/20), and (3) effective functioning (measure 7/20). Research in 1998 shows that Canadian companies with high Governance Index scores are more likely to have increases in revenue growth, profit growth, and recognition as industry leaders. Interestingly they are also more likely to have at least one woman on the board. Also of interest is the detailed examination of Governance Codes in Canada and internationally (e.g., OECD task force, UK Combined Code, Japan Corporate Governance Forum, etc). This outlines codes concerning: board responsibilities; separation of chair and CEO; outside, unrelated, non-executive directors; director selection and development; CEO evaluation and succession; board performance and evaluation; and board committees. With respect to director selection and development, 1998 research by the Conference Board suggests that 84% of Canadian boards have a formal selection process and 80% have a formal orientation program. With respect to board performance, 57% of boards formally evaluate board performance, but fewer than 20% evaluate individual board members. Finally, the report suggests that Canadian companies are leaders internationally in corporate governance, and that major improvements have occurred for Canadian companies in the 1990s. However, despite the priority given to board composition, and the representation of women, results continue to lag. While the overall number of female directors has increased 30-fold since the early 1970s, women still barely represent 10% of directors. The case for diversity goes beyond issues of fairness, and is integrally linked to issues of improved corporate performance. Emerging best practices will include aggressive director recruitment, the use of outside recruitment agencies, and performance based compensation.

Burke, Ronald J. 1994a. "Women on Corporate Boards of Directors." *Gender and Organizations: Changing Perspectives*, (eds) Jeanne de Bruijn and Eva Cyba. Amsterdam: VU University Press.
Abstract: The article reviews existing business and academic literature on women and corporate boards. The author argues that there is a need to hire more qualified directors in light of concerns and criticism about the quality of corporate governance. Recruiting qualified women is critical as it expands the existing talent pool. In terms of the characteristics of women directors, the literature suggests they have more varied backgrounds and experiences than their male counterparts, are younger, and have shorter board tenure. There also appears to be a "new generation" of female directors emerging

in the 1990s with greater business qualifications and experience, as well as specific skills and expertise. Research also suggests that despite the growth of nominating committees, selection processes continue to rely heavily on personal contacts. Personal networks are thus important both for female and male directors, but women face more difficulty being identified initially in the recruitment process. As to why so few women are on corporate boards, the literature suggests a range of reasons: a lack of qualified candidates; selection processes based on male networks; risk aversion to appointing untested female candidates; and beliefs that appointments should not be based on equity considerations. Research also suggests several reasons for appointing more women: a lack of qualified male candidates, especially CEOs; a desire to maximize the specific backgrounds, skills and perspectives on a board; and the potential to make the corporation more attractive to senior female managers. The article also reports on findings on 1992 study of Canadian women on corporate boards of directors. These are similar to those discussed in Burke (1997).

———. 1997. "Women on Corporate Boards of Directors: A Needed Resource." *Journal of Business Ethics* 16(9).

Abstract: The article examines the background, competencies, recruitment/selection, and influence of women directors in Canadian private and public sector organizations. It is based on a survey of 278 female directors. The sample was drawn from the 1992 Financial Post Directory of Directors; the response rate was 50%. In terms of their background, 90% of female directors were university graduates, and approximately 25% had one or more professional designation. With respect to professional competencies, 19% had accounting credentials, 16% legal expertise, and 8% medical or health care credentials. With respect to business competencies, almost one-half had general management background, one-third had financial, expertise, and one-quarter had public relations, marketing, or human resource experience. Finally, with respect to non-profit background, 21% had experience with educational institutions, and 18% with government. In terms of their recruitment and selection, female directors indicated that the three most important factors for selection were a strong track record in one's field (42%), business contacts (21%), and a good understanding of business (20%). In their own selection, 74% were recommended by another board member, 58% recommended by a CEO, and 33% recommended by someone who knew the CEO or board member. In terms of their influence, female directors felt they had limited influence in creating greater sensitivity to women's issues (e.g., board sensitivity to concerns of affect female employees, company's ability to recruit women, and the representation of women in senior management). The survey also asked female directors to evaluate possible reasons for women's low numbers of corporate boards. In total, 51% agreed that companies do not look for qualified women, 48% felt that companies had little interest in putting more women on boards, 45% agreed that companies do not think women are qualified for board membership, 44% felt companies were afraid to take on women who were not already on boards, 35% agreed qualified women were not indicating their interest in board service, 25% felt companies were concerned women would bring a "women's issues" agenda, and 25% felt there are not enough women qualified for board service or that qualified women are not interested in board service. Based on these findings, the author argues that male CEOs/chairs must approach the director selection process differently – with a more extensive search process that looks below the CEO level to find

qualified, but still invisible, women. An equally important question concerns what role women currently on boards should play in this process.

Burke, Ronald J. and Elizabeth Kurucz. 1998. "Demographic Characteristics of Canadian Women Corporate Directors." *Psychological Reports* 83:461-62.
Abstract: In this brief report, the authors examined the profile of Canadian women corporate directors. Based on data from the top 1000 Canadian companies in 1996, they compile a listing of 254 female directors in order to assess their qualifications. The report outlines women director's current job titles, educational background, qualifications, and current board membership/activity. The data suggest that women corporate directors are highly educated, diverse in business experience, and extremely successful occupationally and professionally. Given this, the authors question arguments that attribute the low representation of women on corporate boards to a lack of qualified women. In their view, more women should be appointed to boards because there are qualified women available. Moreover, there are not enough qualified men to serve as directors because men do not have time for all the boards they are invited to join, and they do not have the time to do a board justice with their current demands.

Canadian Women in Communications (CWC). 2000. *Improving the Representation of Women on Boards of Directors within the Communications Industry: Discussion Paper*. Toronto: Canadian Women in Communications.
Abstract: This paper examines women's presence as directors in the Canadian communications industry and provides background to CWC's current initiative to develop an industry specific inventory of qualified women for board appointments. Its census of 54 firms in the communication industry shows that 12.7% of directors are women, slightly more than for Canadian corporations overall. Women's representation is much higher in public sector communication firms (34.9% of directorships) than in the private sector (10.9%). Interviews conducted by CWC with 15-20 senior industry executives and search firms suggest the following findings: there is awareness and concern about the low representation of women from a shareholder perspective and as part of a larger corporate governance issue; there is a need to emphasize the business costs of women's poor representation, and to have high profile, successful women in the industry raise awareness on this issue; available resources (including search firms) have been of limited help in identifying qualified women and there is interest in the inventory CWC is undertaking; both nominating/governance committees and search firms need to be sensitized to issues of women's representation; there is a misperception that women do not have enough experience for boards, given the practice of looking at the CEO level; informal selection processes are still widely used; difficulties appointing women may ease as retirement guidelines are implemented with respect to age and length of service; women need a minimum of senior operational experience for board service; they need to make board membership a career goal; they can gain experience and visibility by serving on community and not-for-profit boards before serving on corporate boards. Future plans of CWC include undertaking an annual census of women's representation on boards, developing an inventory of qualified women that can be accessed for board searches, and working to focus attention and promote change on this issue.

Carey, Dennis C. and Robert E. Mittelstaedt Jr. 1999. "Interactive Learning at the Top: News From the Wharton/Spencer Stuart Directors' Institute." *Point of View* Fall:5-12.

Abstract: This article describes the Spencer Stuart Directors' Institute at Wharton, which has been running successfully for 6 years, and is now also operating in London as the Directors' Forum. The three day course uses the teaching method of a "living case" where participants serve as a board for a fictitious company. The article identifies alumni of the Directors' Institute and discusses insights from past sessions on board relationships, communication, board independence, CEO assessment, and effective board meetings.

Catalyst. 1995. *The CEO View: Women on Corporate Boards.* New York: Catalyst.
Abstract: This research explores CEO opinions relating to female directors. It draws on a 1994 survey of CEOs in n=325 companies from the Fortune500/Service 500 list, as well as 22 in-depth interviews with a sub-sample of these same respondents. Overall, the report examines: (i) whether recruiting a female director is a priority for CEOs; (ii) expectations concerning women's contributions, and (iii) the skills and competencies CEOs expect female directors to have. In terms of recruiting priorities, 86% of CEOs believed that recruiting a female director was very important or important. While some CEOs cited external pressures, most reported strong business reasons for increasing women's representation – in particular, women's strategic input, diverse perspectives, increased skills and representation within business positions. In terms of women's contribution, 62% CEOs expected the same level of contribution from female and male directors. Moreover, they express concern about female appointments being used for window dressing or tokenism. In term of core skills and competencies, CEOs agreed that the following were a top priority or a priority: top level corporate experience (82%); international business experience (60%); prior corporate experience (58%); leadership in small to mid-sized company (55%); leadership of college/university (31%); leadership in public sector/government (27%) and leadership in major not for profit (19%). In terms of the reasons for low female representation, CEOs most commonly indicated the small number of women with appropriate business experience, women's shorter tenure in the leadership pipeline, and difficulties in identifying female candidates. In contrast, very few CEOs felt women's low representation was due to a lack of sponsorship or the opposition of male board members. The report concludes with 20 recommendations for corporate board leaders for improving women's representation. These include broadening recruiting pools by including VPs and CFOs; seeking professional assistance to diversify the board; and additional recommendations for female directors as well (e.g., identify and sponsor potential female board members).

———.1997. *Closing the Gap: Women's Advancement in Corporate and Professional Canada.* New York: Catalyst.
Abstract: This report examines women's corporate advancement from the perspective of both CEOs and senior women. The Conference Board of Canada and Catalyst produced it jointly, with the sponsorship of a consortium of Canadian corporations and professional firms. Evidence is drawn from a 1997 survey of 417 women (vice-president and higher in large corporations, or senior partners in professional service firms), and 159 CEOs of large corporations or professional service firms. In-depth telephone interviews were also conducted with 19 senior women and 14 CEOs. Topics covered include reasons for promoting women, extent of opportunities, impact of employment equity policies, obstacles to women's advancement, impact of family, and strategies for retainment and advancement. Overall, the findings suggest that both groups see women's advancement

as a critical issue. Yet, women and CEOs often hold diverging views on the current situation, obstacles, and strategies for change. With respect to women's opportunities, 75% of CEOs believe these have improved, compared to just 56% of women. CEOs also estimate a higher number of women at the senior level than female respondents. In terms of obstacles to women advancement, both CEOs and women cited family responsibilities, lack of mentoring, and failure of senior leadership. Yet, women more often identified discriminatory attitudes (e.g., male preconceptions of women's roles/abilities) and exclusion from informal networks of communication than did CEOs, who felt the key issues were women's lack of business experience and leadership background. In terms of the three most critical qualifications required for senior management, CEOs identified the importance of being a team player, a good communicator, and having good business development abilities. Many also believed that women lack general management skills/experience (e.g., leadership, networking) or specific experience in line positions, and suggested job rotation, training opportunities, and other strategies, to broaden women's cross-functional and developmental experience. The findings suggest a need to address the perception gap between CEOs and senior women in order to develop an understanding of gender equity issues and to produce workable strategies for retaining and advancing women.

———. 1998. *Women Board Directors in Canada: 1998 Catalyst Census.* New York: Catalyst.
Abstract: This report provides the results of the first census of women board directors in Canada in 1998. It was conducted by Catalyst, a New York based nonprofit organization that has done a similar census in the United States since 1993. Data comes from the Financial Post 500 (FP500) and the top 20 financial institutions, top 20 crown corporations, and top 20 life insurance companies in Canada. Overall, the findings show that women hold 7.5% of all board seats in Canada – 6.2% of FP500 seats and 14.2% of seats in the other 60 organizations. In total, 41.7% (234) of the 560 companies have female board members. Only 16.8% (94) have multiple female board members. The top 100 ranked companies in the FP500 are three times more likely to have at least one woman on their board, and publicly owned companies are twice as likely to have at least one woman on their board (44.5%) than privately owned companies (24.2%). In terms of the profile of female directors, 87% hold one board seat and 63% come from the corporate sector. The report also provides detail on women's representation in different industries and geographical areas. Comparing the Canadian result to similar Catalyst census in the United States reveals that Canadian women hold fewer board seats (7.5 vs. 11.1% for the U.S. Fortune 500) and fewer Canadian companies have at least one women board member (42 vs. 86% of the U.S. Fortune 500). However, almost twice as many female directors in Canada hold corporate positions (63 vs. 34% in the United States) and Canadian women hold more inside directorships (4 vs. 1% in the United States).

———. 1999a. *Women Corporate Officers in Canada: 1999 Catalyst Census.* New York: Catalyst.
Abstract: This report provides results of a census of women corporate officers in Canada in 1999. Data comes from the Financial Post 500 (FP500) and the top 20 financial institutions, top 20 crown corporations, and top 20 life insurance companies in Canada. Overall, the findings show that women make up 12% of corporate officers in Canada, compared to 11.9% in the United States, and hold 6.4% of line positions, compared to 6.8% in the United States. However, in terms of the most senior positions (Chair, CEO,

Vice Chair, President, COO, SEVP and EVP) Canadian women hold just 3.4% of all such titles, compared to 5.1% for women in the United States. While more women run companies in Canada (12 vs. 4 in the U.S. Fortune 500), Canada lags behind in other respects. Twice as many Canadian firms have no women officers at all (43.6 vs. 21% in the United States) and nearly twice as many firms in the United States have multiple women officers. The report suggests these differences are likely due to the smaller officer pool that averages 10 officers in Canada, compared to 23 in the United States.

——— .1999b. *Women Board of Directors of the Fortune 1000*:*1999 Catalyst Census.* New York: Catalyst.
Abstract: In this annual census, Catalyst provides an overview of women's representation on the corporate boards in the United States. Unlike previous reports, it extends its focus from the Fortune 500 to the Fortune 1000 top companies. Overall, the results show women hold 10% of all board in the Fortune 1000 – 11.2% in the Fortune 500, 8.5% of seats in the fortune 501-1000. Since 1993, when the first Catalyst census was conducted, the number of Fortune 500 companies with at least one women board director has increased by 21%. Nearly one-third of the Fortune 1000 now has more than one woman on their board. However, nearly one-fifth of Fortune 500, and two-fifths of Fortune 501-1000, companies have no women on their boards. Available data for 777 of the Fortune 1000 companies also reveals that women of colour hold just 1.9% of all directorships. The report provides additional detailed statistics on women's representation by revenue, industry, geographical area, and trends from 1993-99.

Conger, Jay A., David Finegold, and Edward D. Lawler III. 1998. "Appraising Boardroom Performance." *Harvard Business Review* 76(Jan-Feb):136-48.
Abstract: Addresses changing practices concerning performance appraisal of board performance. Evidence suggests the quality of a company's board has become an important factor for investors. Board appraisal can clarify expectations and improve functioning and performance, both at the individual and collective level. It can also improve working relationships between management and the board. Despite these benefits, a survey of Fortune 1000 companies by Korn/Ferry International indicates that only one-quarter evaluate board performance and just 16% evaluate individual board members. Drawing on interviews and survey collected over a two year period from CEOs and board at 12 companies implementing board appraisal, the article outlines appraisal strategies in terms of content and process. It includes examples of self-evaluation forms.

Dawn, Julie H. 1998. "Why CEOs Have a Tough Time Recruiting Women Directors." Pp. 2-6 in *U.S. Spencer Stuart Board Index: Board Trends and Practices at Major American Corporations.* New York: Spencer Stuart.
Abstract: A special feature in the 1998 U.S. Spencer Stuart Board Index report, assessing the recruitment of women board directors. Provides an overview of women's representation on U.S. corporate boards and the arguments for increasing their numbers. The author argues that many boards want to increase women's numbers because women comprise a majority of their employees or customer base, and they hope to gain a greater understanding of women's needs and views. Others see an increased presence of women aiding board effectiveness, by creating greater diversity amongst the skills, background, and perspective of board members. In terms of recruiting women directors, a number of factors continue to restrict significant change. One issue is the selection criteria and

desired profile established for board members. The ideal profile is still an active CEO of another company, with long experience and seniority, despite the fact that few women have attained this position and continue to be under-represented at the level of senior-line managers as well. Moreover, the women who do meet existing requirements may be over committed as, once they achieve the appropriate level of experience, they receive numerous board invitations. Women also report being wary of joining boards if they feel they are being invited to improve female representation, rather than add value through their specific expertise. For women at the cusp of senior management, board duties may hinder their ability to compete for a desired promotion. Given these difficulties, the author suggests that boards and recruiters need to identify talent at an earlier stage, and be willing to recruit at a less senior level and develop female directors. Boards also need to rethink the traditional specification that a board member be an active or retired CEO, and look instead at the specific expertise required.

Holton, Viki. 1995. "Women on the Boards of Britain's Top 200 Companies." *Women in Management Review* 10(3):16-20.

Abstract: This article reviews trends in British women's presence on corporate boards, drawing on 1989 and 1993 surveys by the Ashbridge Management Group. Between 1989 and 1993 the total number of women holding directorships in Britain's top 200 companies rose from 24 (6 executive, 18 non-executive) to 57 (11 executive and 46 non-executive). Despite this increase, women accounted for only 4% of all director appointments in 1993. At this pace of change, it will not be until 2017 that the top 200 corporations have at least one woman on their board. Changes in the profile of female corporate directors are also occurring – they are less likely to have family links to the board, and a background in voluntary or non-profit appointments, and more likely to be younger, more broadly educated, with a specialist business background. Informal selection and the use of social networks in appointing directors continue to create barriers for women. Suggestions for increasing women's presence at the level of senior management and corporate directorships include: greater use of part-time/flexible work; using professional search firms; including gender equity considerations in the search process; recruiting through less traditional channels in order to broaden the potential pool of candidates; and inviting junior female colleagues to substitute for board members who are unable to attend meetings.

Leighton, David. 1999. "How Can Women Access Boards? Still the Key Question." *Women in Management (Newsletter of Richard Ivey School of Business, University of Western Ontario)* 10(1):4-5.

Abstract: A brief summary article exploring the reasons for the slow rate of change in women's representation in corporate directorships in Canada. Leighton notes that while women make up between one-third to one-half of MBA graduates today, they comprise only 6% of directors on Canada's largest corporations. His research with colleague Donald Thain suggests two key reasons for the slow rate of acceptance of women directors: (i) the demographic profile of female candidates, who are relatively younger and less experienced than male candidates (ii) "an antiquated system of director selection that grows from and reinforces an extremely tightly-knit board culture." While Leighton believes women's experience, seniority, and competencies will soon match that of men, he notes that the selection process remains a crucial barrier in increasing women's presence on boards. It remains informal, relies heavily on personal networks, and

involves little long range planning. He suggests strategies for women to break into directorships including understanding the selection process, developing competencies and qualifications, taking assignments that gain attention, and targeting boards with significant female clientele.

Leighton, David S. R. and Donald H. Thain. 1997. *Making Boards Work*. Canada: McGraw-Hill Ryerson.
Abstract: A practical guide to corporate governance, focusing on "best practices" and professional standards of directorships. The authors are both Professors Emeritus at the Ivey Business School, University of Western Ontario, each with 30 years of board experience. The book addresses a range of issues: board failure and turnaround; board leadership; board operations; director duties; characteristics and qualifications of competent directors; selection and training of directors; board culture; and the future of corporate governance. Case studies are provided throughout. Particularly relevant to the issue of women board directors are the discussions of director competencies and director selection. With respect to competencies, the authors argue that directors should meet minimum standards in three areas: (i) knowledge; (ii) attitudes; and (iii) ability. At minimum, directors should have exposure to core business areas (e.g., strategic management, organization behaviour, marketing, finance, etc.); middle management experience proving ability in a functional area; general management experience proving ability to oversee a business; top management experience indicating a mastery of "big picture" issues and leadership talent; understanding and experience of corporate governance and board operations; and a capacity for learning and growth. These qualities can be acquired through a combination of formal training and experience. Additional minimum requirements include: time availability; personal credibility; high standards of behaviour and values; and breadth of interest and intelligence. With respect to director selection, the authors emphasize the need for more formal procedures, particularly with respect to planning board composition, developing clear director specifications, and using external, professional recruiters for the search and selection process. They argue that traditional, informal, procedures limit the breadth of competencies and viewpoints required for an effective board, and may lead to the appointment of directors lacking the necessary education, training, and experience.

MacLellan, Lila. 2000. "Women on Boards: We Know the Problems, What Are the Solutions?" *Women in Management (Newsletter of Richard Ivey School of Business, University of Western Ontario)* 10(3):5-8.
Abstract: A special supplement reporting on a roundtable discussion on Women on Boards. The consensus of the roundtable was that there is no shortage of women qualified for board service in Canada. Rather, the issue is one of ensuring women are identified, elected to serve on boards, and properly prepared for their duties as directors. In terms of specific methods for improving women's presence, the participants recommended: (i) creating a database of women in Canada who would be qualified for board service; (ii) encouraging and pressuring boards to elect female directors; and (iii) educating and preparing directors for their duties. With respect to the proposed database, participants agreed that there must be clear criteria for inclusion and that it should include only those women who meet the highest standards. In developing criteria for qualifications, they also agreed that it would be important to critically evaluate existing ideas about what constitutes an effective director and ensure that these are accurate and up to date. Specific

ideas were also put forward for encouraging boards to increase women directors and for preparing women for board service by developing courses as part of the business school curriculum, and through targeted directorship courses and workshops. It was also suggested that a lobby group with the mission of improving women's presence on boards could play a vital role in creating change. Participants of the roundtable included: Martin J.G. Glynn, President and CEO, HSBC Bank Canada and First Vice-Chair, Canadian Chamber of Commerce; Barbara R. Hislop, Group Vice-President, Wood Products, Canfor Corporation, Board Member (Hudson's Bay, The Bank of Canada), Director (Forintek Canada Corp, Vancouver Board of Trade); David S.R. Leighton, Chair, National Arts Centre, Professor Emeritus, Ivey Business School and director of numerous corporations in Canada; Carole Taylor, Director (HSBC Bank Canada, Republic National Bank of New York [Canada], Vancouver Board of Trade, CPR, Canadian Pacific Ltd.); and Milton K. Wong, Chancellor, Simon Fraser University, Chair (Laurier Institution, HSBC Asset Management [Canada] Ltd).

Millstein, Ira M., Michel Alberta, Adrian S. Cadbury, Dieter Feddersen, and Nobuo Tateisi. 1998. *Corporate Governance: Improving Competitiveness and Access to Capital in Global Markets - A Report to the OECD by the Business Sector Advisory Group on Corporate Governance*. Paris: OECD.
Abstract: A report of the OECD Advisory Group of Corporate Governance. It emphasizes the need to improve corporate governance practices, given increasing globalization, competition, and capital mobility. The Advisory Group recommends this is done in a framework where corporations and investors voluntarily improve governance, and public policy makers encourage improvement rather than attempting to regulate it directly. The specific chapters of the report address the following issues: public policy perspectives and recommendations; the mission of the modern corporation; ensuring adaptability of corporate governance arrangements; protecting shareholder rights; enabling active investing; aligning the interests of shareholders and other stakeholders; and recognizing societal interests. Of relevance to the issue of female directors, the report emphasizes the need for individual corporations to continue to adopt voluntarily "best practices" in corporate governance that will improve the quality, performance, and independence of board members.

Patrick O'Callaghan & Associates. 1997. *Corporate Board Governance and Director Compensation in Canada: A Review of 1996*. Patrick O'Callaghan & Associates.
Abstract: The 3rd annual report on corporate board governance and director compensation. Data is drawn from annual reports and proxy circulars for 290 public companies that are listed on one or more of the following: the Financial Post 200, Financial Post Top Financial Institutes, or the TSE 300. The report highlights the changes occurring in corporate governance in Canada in light of the federal government report on corporate governance. Over 51% of companies in this survey had created corporate governance committees in the past year, compared to 2% two years previously. Issues covered in the report include board size, composition, meetings, share ownership, committees, and compensation. It reviews firms' adherence to the 1995 TSE guidelines on corporate governance. With respect to women directors, 7% of directors in these firms were women, and 46% of boards had at least one women director. With respect to nomination and selection of board members, 64% of boards had a committee responsible

for proposing nominees to the board. With respect to position descriptions, 16% of firms had formal descriptions, 17% did not, and 67% did not indicate.

———. 1998. *Corporate Board Governance and Director Compensation in Canada: A Review of 1997*. Patrick O'Callaghan & Associates.
Abstract: The 4th annual report on corporate board governance and director compensation. Data is drawn from annual reports and proxy circulars for 303 public companies that are listed on one or more of the following: the Financial Post 200, Financial Post Top Financial Institutes, or the TSE 300. The report highlights issues board size, composition, meetings, share ownership, committees, compensation, and reviews firms' adherence to the 1995 TSE guidelines on corporate governance. With respect to women directors, 6% of directors in these firms were women, down from 7% in the previous year. 46% of boards had one women director. By industry, the companies most likely and least likely to have one women director are the same as reported in the 1998 review, with some slight reordering in specific percentages. With respect to nomination and selection of board members, 67% of boards had a committee responsible for proposing nominees to the board. With respect to position descriptions, 30% of firms had formal descriptions, 22% did not, and 48% did not indicate.

———. 1999. *Corporate Board Governance and Director Compensation in Canada: A Review of 1998*. Patrick O'Callaghan & Associates.
Abstract: The 5th annual report on corporate board governance and director compensation. Data is drawn from annual reports and proxy circulars for 326 public companies that are listed on one or more of the following: the Financial Post 200, Financial Post Top Financial Institutes, Report on Business Top 200, Canadian Business Top 200, and the TSE 300. The report highlights issues board size, composition, meetings, share ownership, committees, compensation, and reviews firms' adherence to the 1995 TSE guidelines on corporate governance. With respect to women directors, 6% of directors in these firms were women and 46% of boards had one women director. These figures are the same as in the previous year. By industry, the companies most likely to have at least one women director were in pipelines (100% had women directors), communication/media (88%), utilities (81%), merchandising (68%), conglomerates (67%), and financial services (64%). The least likely were gold and precious metals (8%), real estate (22%), oil and gas (29%), metals and minerals (33%) and industrial products (39%). With respect to nomination and selection of board members, 65% of boards had a committee responsible for proposing nominees to the board. With respect to position descriptions, 25% of firms had formal descriptions, 18% did not, and 57% did not indicate.

Spencer Stuart. 1997. *1997 Canadian Board Index: Board Trends and Practices at Leading Canadian Companies*. Toronto: Spencer Stuart.
Abstract: A report of the1997 Canadian Spencer Stuart Board Index (CSSBI), the second annual survey on the practices of Canadian corporate boards. Data is collected from: (i) proxy circulars published by 100 major public companies, 33% being widely held and 75% with revenues of over $1 billion; and (ii) survey responses from 60 CEOs and corporate secretaries of major Canadian companies. The report focuses on corporate practices in light of recommendations by the TSE under the Dey report. It examines the following issues: corporate governance; board size and composition; board meetings;

board compensation; and future issues. With respect to women directors, the report found that 68% of Canadian boards had a women director, an increase of 7% from the previous year. However, this pales to the United States, where 99% of boards have one women director. Unlike more recent Spencer Stuart reports, the findings in this report do not control for the size of the firm.

———. 1998. *1998 Canadian Board Index: Board Trends and Practices at Leading Canadian Companies*. Toronto: Spencer Stuart.
Abstract: A report of the1998 Canadian Spencer Stuart Board Index (CSSBI), the third annual survey on the practices of Canadian corporate boards. Data is collected from: (i) proxy circulars published by 100 major public companies that are widely held, 95% with revenues of over $1 billion; and (ii) survey responses from 60 CEOs and corporate secretaries of major Canadian companies. The report addresses the following issues: corporate governance; board size, composition, and meetings; board compensation; and board issues in the future. This report contains an extended discussion of women directors. It argues that existing comparisons suggesting women hold fewer board seats in Canadian firms, than in U.S. firms, is misleading, as they fail to control for the different size of firms in both countries. Focusing on firms with revenues of more than $4 billion, the report finds that women hold the same proportion of board seats (11.9%) in Canadian and U.S. firms. However, within smaller firms, with revenues of $1-4 billion, Canadian women lag, holding just 6.8% of board seats, compared to 10.7% of women in U.S. firms.

———. 1999a. *1999 Canadian Board Index: Board Trends and Practices at Leading Canadian Companies*. Toronto: Spencer Stuart.
Abstract: A report of the1999 Canadian Spencer Stuart Board Index (CSSBI), the fourth annual survey on the practices of Canadian corporate boards. Data comes from three sources: (i) information collected from proxy circulars published by 100 major public companies that are widely held, with revenues of over $1 billion; (ii) consultation with corporate governance experts; and (3) a survey of 65 CEOs and corporate secretaries of major Canadian companies. The report covers the following: board size, composition and meetings; board independence; corporate governance (e.g., formal position descriptions, director orientation and development, board evaluation); and board compensation. Of particular relevance to this report are the findings concerning women's representation on boards. In the 100 CSSBI firms, women made up 9.4% of all directors, and 71% of all firms had at least one woman director, up slightly from the previous year. In comparing Canadian and U.S. trends, Spencer Stuart controls for firm size. This shows that Canadian women actually hold 12.0% of all directorships in firms with revenue over $5 billion, compared to 11.5% for women in the United States. Comparing firms with revenues of $1-5 billion, however, women hold just 7.6% of boards seats in Canadian firms, compared to 10.8% in U.S. firms. The report also suggests evidence of a "diversity backlash." Results from the survey show fairly low levels of agreement to the statement that "the number of women on boards is insufficient" and strongly divided opinion on the statement that "the pressure to add women and minorities to boards is unnecessary." Of additional relevance, the report notes a growing use of nominating committees; position descriptions for board's members; new director orientation; and board/committee evaluation.

———. 1999b. "What Makes a Good Board Director?" *Insights* Winter:1-2.
Abstract: Spencer Stuart and the University of Chicago Business School have created the Director's College, an educational program on issues of board service. This article is based on a forum at an inaugural conference, where Arthur C. Martinez, chairmen of Sears, Roebuck & Company, and James H. Drury III, vice chairman of Spencer Stuart, offered their views. The article outlines reasons why individuals should become directors, and identifies key qualities and characteristics of good board directors. These include: objectivity and forthrightness; integrity and honesty; discretion; business savvy; independence and thoughtfulness; collegiality; and participation.

***Secondary Sources*:**

Articles and Books

Adler, Nancy J. and Dafna N. Izraeli. 1994. *Competitive Frontiers: Women Managers in a Global Economy*. U.S.: Basil Blackwell.

Andrew, Caroline, Cecile Coderre, and Ann Denis. 1994. "Women in Management: The Canadian Experience." Pp. 377-87 in *Competitive Frontiers: Women Managers in a Global Economy*, (eds) Nancy Adler and Dafna Izraeli. Cambridge, Massachusetts and Oxford, England: Blackwell Publishers.

Athey, Timothy R. and Michael S. Orth (1999) "Emerging Competency Methods for the Future." *Human Resource Management* 38(3): 215-226.

Bavly, Dan A. 1999. *Corporate Governance and Accountability: What Role for the Regulator, Director, and Auditor?* Westport, Connecticut and London: Quorum Books.

Brown, David A.H. and Debra L. Brown. 1998. *Success in the Boardroom! 25 Years of Canadian Directorship Practices*. Ottawa: Conference Board of Canada.

Brown, Robert D. 1994. "Corporate Governance: The Director As Watchdog, Juggler, or Fall Guy." *Canadian Business Review* 21(1): 39-42.

Burke, Ronald J. 1994b. "Women on Corporate Boards of Directors: Forces for Change?" 9(1):27-31.

Burke, Ronald J. 1994c. "Women on Corporate Boards of Directors: Views of Canadian Chief Executive Officers." 9(5):3-10.

Catalyst. 1984. *Women on Corporate Boards: A Period of Adjustment.* New York: Catalyst.

Charkham, Jonathan P. 1994. *Keeping Good Company: A Study of Corporate Governance in Five Countries*. New York: Oxford University Press.

Conner, Carolyn. 1995. "A New Era in Corporate Governance." *Canadian Business Review* 22(3):16-21.

Daniels, Ronald J. and Randall Morck. 1996. *Canadian Corporate Governance Policy Options*. Canada: Industry Canada.

Dawn, Julie. 1998. "Women on Board!" *Chief Executive* (138):40-43.

Dey, Peter. 1994. *'Where Were the Directors?': Guidelines for Improved Corporate Governance in Canada.* Draft Report of the Toronto Stock Exchange Committee on Corporate Governance in Canada. Toronto: Toronto Stock Exchange.

Gillies, James. 1992. *Boardroom Renaissance: Power, Morality and Performance in the Modern Corporation*. Canada: McGraw-Hill Ryerson.

Guyon, Janet. 1998. "The Global Glass Ceiling and Ten Women Who Broke Through." *Fortune* 138(7):102-3.

Institute of Corporate Directors in Canada. 1987. *Guidelines for Corporate Directors in Canada: Recommendations and Guidance on Boardroom Practice*. Ontario: Institute of Corporate Directors in Canada.

Institute of Directors. No Date. *Non-Executive or Executive Director Survey*. London: Institute of Directors.

International Labour Office (1997) *Breaking Through the Glass Ceiling: Women in Management*. Geneva: ILO.

Lear, Robert W. 1994. "Here Come the Women Directors." *Chief Executive* 93(10):10-11.

Longair, John. 1992. *Choosing the Board of Directors For the '90s*. Ottawa: Conference Board of Canada.

Lorsch, Jay W. 1995. "Empowering the Board." *Harvard Business Review* 73(Jan-Feb):107-17.

Marshall, Katherine. 1996. "The Diversity of Managers." *Perspective on Labour and Income* Winter:24-30.

McFarlan, F. W. 1999. "Working on Nonprofit Boards: Don't Assume the Shoe Fits." *Harvard Business Review* 77(Nov-Dec):65-80.

Meyerson, Debra E. and Joyce K. Fletcher. 2000. "A Modest Manifesto for Shattering the Glass Ceiling." *Harvard Business Review* 78(1):126-36.

Northcraft, Gregory B. and Barbara A. Gutek. 1993. "Point-Counterpoint: Discrimination Against Women in Management – Going, Going, Gone or Going But Never Gone?" Pp. 219-45 in *Women in Management: Trends, Issues and Challenges in Managerial Diversity*, (ed) Ellen A. Fagenson. Newbury Park, California: Sage.

Peters, Barbara H. and James Peters (2000) "Leadership Redefined: Leveraging the Talent of Women in your Business." *Across the Board* 37(6).

Powell, Gary N. 1999. "Reflections on the Glass Ceiling: Recent Trends and Future Prospects." Pp. 325-45 in *Handbook of Gender and Work*, ed Gary N. Powell. Thousand Oaks, California: Sage.

Ragins, Belle R., Bickley Townsend, and Mary Mattis. 1998. "Gender Gap in the Executive Suite: CEOs and Female Executives Report on Breaking the Glass Ceiling." *Academy of Management Executive* 12(1):28-42.

Reskin, Barbara F. and Patricia A. Roos (1990) *Job Queues, Gender Queues: Explaining Women's Inroads into Male Occupations*. Philadelphia: Temple University Press.

Richard Ivey School of Business (1999) *Women in Management Newsletter* 10(1).

Sweetman, Katherine. 1996. "Women in the Boardroom." *Harvard Business Review* 74(1):13-16.

Tapsell, Sherrill. 1998. "Leading Ladies." *Management* 45(1):24-37.

Townsend, Bickley. 1996. "Room at the Top for Women." *American Demographics* 18(7).

U.S. Department of Labor. 1996. "Executive Summary." *The Glass Ceiling Fact-Finding Report*. [On-line] Available: www.ilr.cornell.edu/library/e_archive/GlassCeiling/

News Clippings

Brooke, James. 7 Nov 1999. "Cracks in the Glass Ceiling." *The Edmonton Journal*, E3.

Church, Elizabeth. 10 Feb 2000. "Women Still Shut Out of Many Top Posts." *The Globe and Mail*, B15.

DeMont, Philip. 20 Jan 2000. "Too Few Women in Boardrooms." *Ottawa Citizen*, E1-2.

Editorial Board. 12 Feb 2000. "Throwing Stones at the Glass Ceiling: Men and Women Measure Success Differently." *The Globe and Mail*, A12.

National Post. 4 Mar 2000a. "A Few Women Find Themselves on a Disproportionate Number of Boards." *The National Post*, E5.

National Post. 4 March 2000b. "What Boardroom Recruiters Seek in Women Candidates." *The National Post*, E6.

Pappone, Jeff. 7 Feb 2000. "Desperately Seeking Susan or Jane, or Shelly... to Sit on High Tech Boards." *Ottawa Citizen*, D1-2.

Statistical Sources

Statistics Canada (1999) *Labour Force Update: Employment by Industry and Occupation Based on New Classifications*. Volume 3(2).

Statistics Canada (1997) *Education in Canada, 1997*. Ottawa.

Statistics Canada (1977) *Education in Canada, 1977*. Ottawa.

Specialist Publications

Across the Board

Directors and Boards

Directors Magazine

Web Sites

Corporate Women Director International
http://www.globewomen.com/CWDI_/cwdi_.html

Institute of Corporate Directors of Canada
http://www.icd.ca

Institute of Directors (Britain)
http://www.iod.co.uk

National Association of Corporate Directors (United States)
http://www.nacdonline.org

The Conference Board of Canada
http://www2.conferenceboard.ca/cgov/

Women in Corporate Governance (Radcliffe, United States)
http://www.radcliffe.edu/leadership/corp/

Appendix 2

Interviews

Telephone interviews were conducted with several key informants who have expertise in the area of board recruitment, or specific interests in the issue of women and corporate directorships. The purpose of the interviews was to gather up to date information on the current Canadian context. Topics covered included: the recruitment and selection processes currently being used in Canadian corporations, the competencies currently being sought for directors, and the factors shaping women's presence as on corporate boards. Given the small number of interviews, they are not statistically representative. However, they do provide expert opinion and informed insight from individuals closely involved in director recruitment and selection in Canada.

We wish to thank individuals from the following firms for participating in these interviews and sharing their knowledge:

Canadian Women and Communication, Toronto, Ontario

O'Callaghan Honey McKay/Ray & Berndtson, Calgary, Alberta

Patrick O'Callaghan & Associates, Vancouver, B.C.

Spencer Stuart, Toronto, Ontario

Thomas-Mitchell Associates, Toronto, Ontario