



Women on boards - the final chapter, or just the beginning?

The end of October saw Lord Davies issue his final report on women on boards, marking the end of five years of work and reports on gender equality at board level.

The headline point coming out of his latest report is that the UK's FTSE 100 has reached the target Lord Davies set in 2011 of 25% of board positions being filled by women. There are no longer any all male boards in the FTSE 100 and there are also now more women on FTSE 350 boards than ever before, with representation of women more than doubling since 2011. But his targets do not end with this final report; indeed, this final report makes recommendations in five key areas:

1. A further five year period for voluntary action.
2. An increased voluntary target for women's representation in boardrooms of FTSE 350 companies, to a minimum of 33% to be achieved by 2020, with more women appointed to Chair/Executive Director/Senior Independent Director roles.
3. Extending efforts seen at board level to improve gender balance on the Executive Committee and senior leadership positions.
4. An independent steering body to push forward progress.
5. The newly convened steering body to publish more detailed comments on the above recommendations in early 2016.

The report follows hot on the heels of an announcement from the Prime Minister and Nicky Morgan setting out new measures to address gender inequality in the work place and remove barriers to women's success, including forcing larger employers to publish information about their bonuses for men and women as part of their gender pay gap reporting.

The Lord Davies reports have undoubtedly raised awareness of gender inequality at board level over recent years, and the statistics would suggest that this has successfully resulted in a greater female representation on boards. However, critics point out that most of the female board appointments in the past few years have been into non-executive, rather than executive board positions, and that it is only when the number of women in executive roles goes up that we will see real progress in terms of gender equality in the work place. What these figures don't show, of course, is whether the increase in female representation on FTSE 100 boards is solely down to companies wishing to meet the Davies report targets and reacting to political pressure, or if some of these appointments are genuine merits-based selections, regardless of gender.

What does seem clear is that, against this backdrop, there is unlikely to be a move to mandatory quotas, but the journey is still far from over in terms of equality in the board room, whether on the grounds of gender, or many other grounds such as race, religion or sexual orientation.