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*Sex Discrimination*

**Progress Is Halting on Adding Women to Boards of Directors**

Progress on increasing the number of women on boards of directors has nearly ceased for both public and privately held companies, consultants and advocates say.

“I think it’s stagnating,” Janine Yancey, president of San Francisco-based online workplace compliance training company Emtrain, told Bloomberg BNA Aug. 7.

Gender diversity of boards isn’t matching the hopes advocates had 15 to 20 years ago, Yancey said, adding that the numbers haven’t yet reached the “tipping point” or “critical mass” where a previously underrepresented group has enough support to grow itself.

Specifically, “it’s not an ideal situation” where a board has only one female member, such as Arianna Huffington on Uber’s board, Yancey said. In such a situation, the other, male board members tend to look at the lone woman’s actions “as an example of what a woman does,” she said. Such stereotyping is less likely in a situation where there are two, three, or more women on the board and they can exercise their influence to make things “different,” she said.

Equilar, a Redwood City, Calif.-based provider of board intelligence solutions, said Aug. 2 that the percentage of women on Russell 3000 boards increased to 16.2 percent at the end of the second quarter of the year, from 15.9 percent at the end of the first quarter. There were 610 boards of directors in this group that still didn’t have any women as of June 30, compared with 642 three months earlier, meaning that just under 80 percent had at least one woman on their boards.

**Progress Good in ‘Pockets,’ but Slow Overall** “There’s been good progress in pockets,” said Lesley Grossblatt, COO and VP Product at theBoardlist, a “curated talent marketplace” that helps business leaders find qualified women for boards of technology companies. For example, she told Bloomberg BNA Aug. 7,

Harvard Business Review found increasing gender diversity among new members of boards in 2016.

But overall, progress is slow because “the way boards are structured really leads to some very slow change,” Grossblatt said. Usually, board members don’t have term limits, she said. And privately held companies tend to stack their boards with investors, “who are 93 percent male,” along with founders and CEOs who are also overwhelmingly male, she said.

For privately held companies, the solution is to bring in independent board members who are industry experts, she said, as well as trying to increase the numbers of female investors and company founders.

Legal mandates probably wouldn’t get very far in the U.S., Yancey said. “I don’t think any of us are comfortable with advocating for social engineering,” imposing quotas for the proportion of the board that has to be female. However, if even one influential company voluntarily set such a goal for itself, it could result in significant progress, she said.

“Women remain underrepresented on boards, and companies that fail to build diverse boards do so to their own detriment,” Joelle Emerson, founder and CEO of Palo Alto, Calif.-based diversity and inclusion consultancy Paradigm, told Bloomberg BNA in an Aug. 4 email. “An abundance of research indicates that diverse boards in particular drive positive financial outcomes for businesses.”

According to Grossblatt, boards need to “realize there’s a strategic advantage, a business advantage in refreshing their makeup and composition.”

BY MARTIN BERMAN-GORVINE

To contact the reporter on this story: Martin Berman-Gorvine in Washington at [mbermangorvine@bna.com](mailto:mbermangorvine@bna.com)

To contact the editor responsible for this story: Tony Harris at [tharris@bna.com](mailto:tharris@bna.com)

*The “Equilar Gender Diversity Index” for the second quarter of 2017 can be accessed at <http://www.equilar.com/reports/50-gender-diversity-index-q2-2017.html>.*