

18 December 2012
MEDIA RELEASE



Male referral networks the stumbling block for women seeking executive roles - survey

- *Six out of ten business women consider male dominated referral networks one of the biggest challenges in landing an executive role*
- *Only 1.5 per cent of women believe the Workplace Gender Equality Act will finally crack the 'glass ceiling'*
- *Australian women want a proactive approach to complement changes in policy*

Some 60 per cent of Australian business women say male dominated referral networks are one of the biggest barriers in their rise to executive roles, a new survey from Executive Women Australia has found.

The online survey of 500 EWA members found that while 35 per cent considered the announcement of the Workplace Gender Equality Act earlier this year a step in the right direction, only 1.5 per cent believe this will finally crack the glass ceiling.

The results come after a decade of little change, as the number of female executive roles in some of Australia's largest companies remains below 10 per cent.

The survey showed that one in two Australian women partly attributed the low percentage of female executives to the belief that ASX500 employers had a lack of experience with female executives, and weren't willing to invest the time to evolve their company's culture.

An overwhelming 70 per cent of women said the hesitancy of many leading businesses to implement relevant cultural reforms supporting the introduction of the ASX Corporate Governance Council's diversity related amendments had made the workplace no more conducive to women holding executive management roles.

EWA Executive Director, Tara Cheesman, said the survey results made it clear that women feel limited by the 'boys club' culture surrounding executive positions.

"Many senior roles are filled via referrals, and the reality is that the current field of executives is dominated by men. This creates an ongoing employment cycle that excludes women, and limits transparency in the recruiting process.

"It is important that we break this cycle of male employment, and open our eyes to the overwhelming evidence that suggests diversified boards outperform non-diversified boards."

When asked which initiatives companies could use to increase the number of women in executive roles, one in two women said facilitating top-end managers to network with executive women was one of the most crucial steps.

Some 40 per cent of women thought a company setting internal achievable targets for gender representation was another of the most vital initiatives.

Ms Cheesman said the fact that almost three quarters of women labelled last year’s ASX diversity amendments ineffective proves that it is unrealistic to expect cultural change solely through policy.

“While policy can articulate a desired outcome and may inform change, we can’t expect to facilitate change without a more proactive approach.”

“Internal education, inclusive networks and greater flexibility in the workplace are the actions businesses need to take to increase the number of women in executive roles,” she said.

According to new figures from the Australian Bureau of Statistics (ABS), only 3.5 per cent of ASX 200 companies had a female CEO, and only 12.3 per cent of corporate board directors were women. Of ASX 500 companies nearly two thirds have no female executives.

Ms Cheesman said businesses continue to overlook women in executive roles, despite the obvious benefits. And whilst the issues that shape today’s executive gender divide are complicated, that is cultural, social and personal; the solution is simple – employ executive women.

“Research from Catalyst, JB Were and Goldman Sachs has shown that having women in strong executive roles correlates with greater financial performance. On top of this, it places the business in a position of industry leadership, which will be more important as the government continues to introduce policy that will name and shame businesses on the basis of gender equality.”

SUMMARY OF RESULTS

Has the announcement of the new Workplace Gender Equality Act given you hope that more women will be able to secure executive management roles with leading companies in the future?	
Yes, this will finally crack the glass ceiling	1.5%
I feel more hopeful than I’ve felt before	15%
I’d like to believe that it will improve executive management opportunities for women, but for the past decade nothing has changed	35%
I think it’s a step in the right direction	35%
I can get a top job by myself. I think such legislation is unnecessary	4%
No, only quotas are going to shift current executive management behaviours within leading companies to benefit women	10%

For the past decade the number of women in executive roles within Australia’s largest companies has remained unchanged – below 10 per cent. Which of the following would you say are the main reasons these numbers remain so low? [select three]	
Many senior roles are filled via referrals and women haven’t been able to tap into these referral networks	60.0%
Many ASX500 employers haven’t had female executives previously and aren’t willing to invest the time to evolve their company’s culture	50%
Many employers are concerned that women may not have the fortitude to cope with the continual pressures of senior management	15%
Women don’t interview as well as men	5%
Men have more senior workplace experience	15%

Recruiters run the risk of losing their commission by offering women as senior candidates, as statistically they're much less likely to be chosen	15%
Women often leave to take care of children	15%
Many women have ongoing family commitments which limit their available hours	30%
Men are better self-promoters than women	50%

Which are the most important initiatives that companies can implement to increase the number of women into executive roles? [select three]	
Ask recruiters to source at least one female candidate for each executive management role	30%
Set internal achievable targets for gender representation	40%
Facilitate C-level managers to network with executive women to ensure they're included when sourcing referrals for senior positions	50%
Publicly advertise all executive management roles	30%
Offer equal rates of pay, commissions and bonuses for comparative roles	30%
Develop a workplace culture that supports executive managers with flexibility needs	65%
Develop policies of positive discrimination	10%
Have senior HR personnel join relevant professional women's networks to identify executive and pipeline talent	25%

Has the Australian workplace become more conducive to women holding executive management roles since the introduction of the ASX Corporate Governance Council's (CGC) diversity-related amendments introduced on 1 January 2011?	
Yes	30.0%
No	70.0%

- ENDS -

For more information please contact:

Marnie Sironen
 SenateSHJ
 P: (02) 9256 9700
 M: 0423 588 449
 E: marnie@senateshj.com.au

About Executive Women Australia

Executive Women Australia (EWA) is a private member based organisation committed to increasing C-level career opportunities for executive women and improving their managerial and societal influence. EWA's program and suite of events tackle two of the major barriers currently contributing to workplace inequity for women: poor C-level representation and a lack of decision-maker connections.

EWA engages like-minded professionals and organisations in an effort to advance Australia's workplace gender diversity up-take and best practice, and to address the current rate of decline of senior female appointments. EWA offers a quality collection of private member and public events, seminars, mentoring programs and social media forums.

Founded in mid-2010, EWA has quickly gained 8,000 online professional participants and is fast becoming one of the nation's leading action-oriented business networks. EWA works with its membership to provide collaborative input to governments, corporations, SME's, non-profits, education and community groups to assist in the development of Australia's workplace diversity solutions.

www.executivewomenaustralia.com.au