

Quotas and other enabling measures



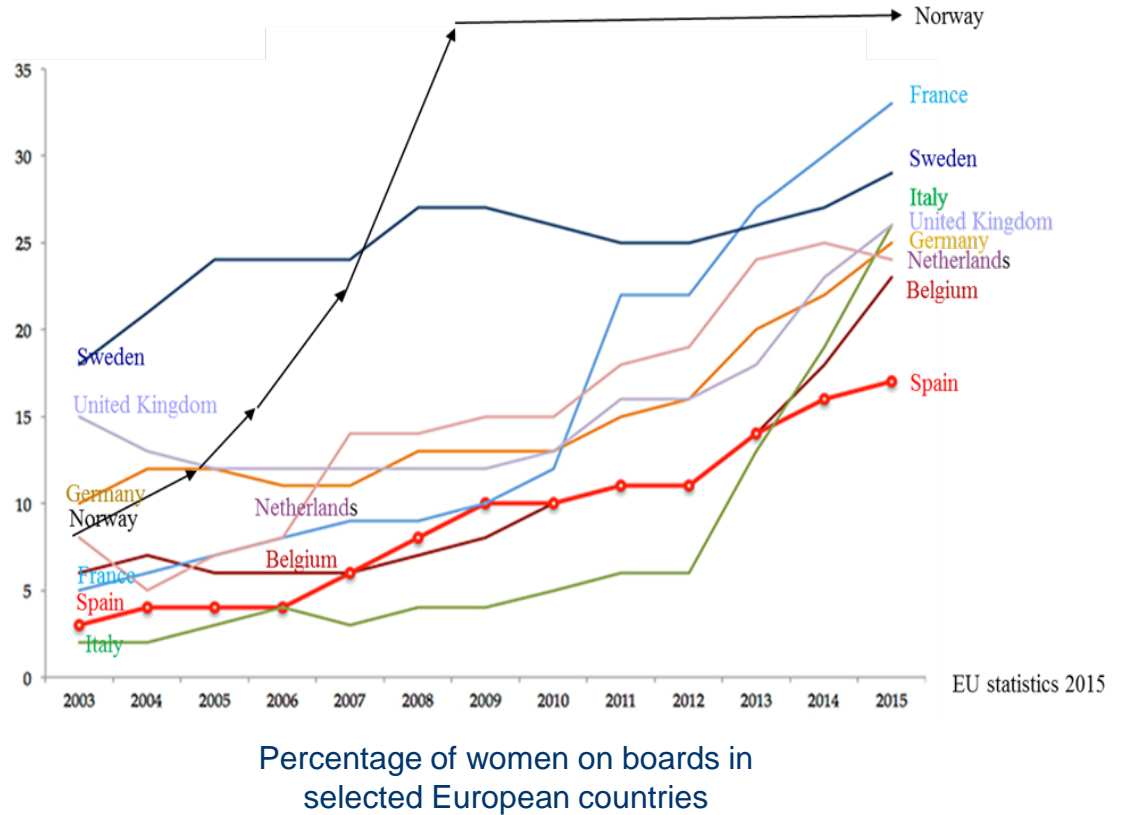
EQUINET 14.11.2017

Morten Huse

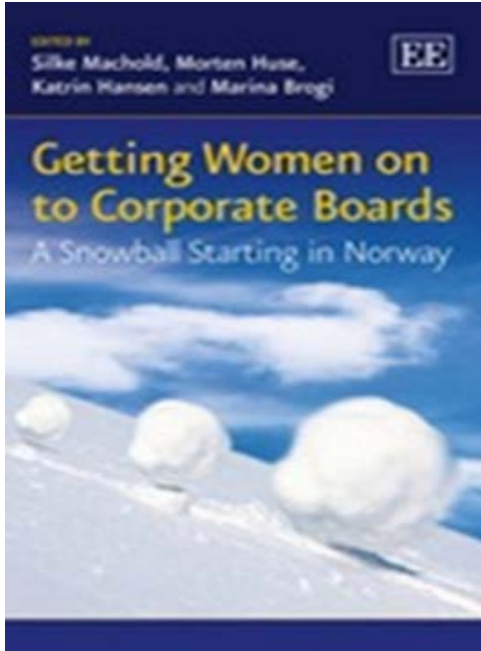
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«The rationale behind the introduction of women's quot on company boards»

Motivation
Types
Consequences
Dissemination

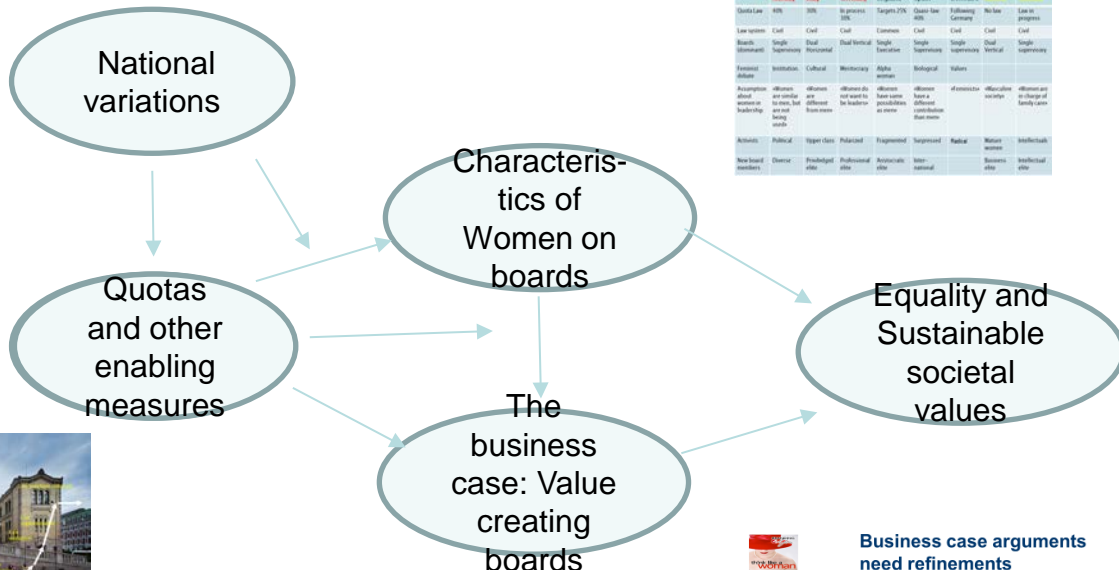


Actual literature/studies

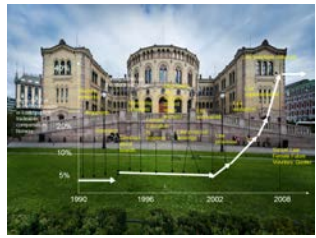


- Huse 2011: The Golden Skirts – Changes in Board Composition following the Gender Quotas on Corporate Boards, ANZAM
- Machold, Huse, Hansen & Brogi 2013: Getting Women on to Corporate Boards – A Snowball Starting in Norway, E.Elgar
- Iannotta, Gatti & Huse 2016: Institutional Complementarities and Gender Diversity on Boards; CGIR
- Seierstad, Warner-Søderholm, Torchia & Huse 2017: Increasing the Number of Women on Boards, JBE
- Seierstad, Gabaldon & Mensi-Klarbach 2017: Gender diversity in the boardroom, Palgrave/macmillan
- Huse 2018: The business utility case for women on boards, in Dewnew et al

BEYOND THE DEBATE ABOUT QUOTAS FOR GETTING WOMEN ON TO BOARDS



	Norway	Italy	Germany	England	Spain	Denmark	France
Legal system	Common Law	Common Law	Continental Law	Common Law	Continental Law	Common Law	Continental Law
Board structure	Single director	Single director	Single director	Single director	Single director	Single director	Single director
Board composition	Single director	Single director	Single director	Single director	Single director	Single director	Single director
Board diversity	Single director	Single director	Single director	Single director	Single director	Single director	Single director
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Business case arguments need refinements

Our WOB Findings

1. Defining value creation (vs. distribution?)
2. Board task differences (strategy, control, service?)
3. Deep level diversity (female, feminine, feminist?)
4. Tokenism (competence and preparation?)
5. Critical mass (adapting to culture?)
6. Gender related dynamics (baking cakes?)
7. Gender role stereotyping (the men?)
8. Using diversity (leadership?)
9. Evolution of a new discourse (box ticking?)

- Our earlier published research:
 - Sitton and Huse 1997, Huse and Sobberg 2006
- Our recently published research:
 - Turches and Huse 2007, Huse 2008, Huse, Neilson and Hagen 2009, Neilson and Huse 2010a,b, Turches, Calabro and Huse 2010, Turches, Calabro, Huse and Berg 2010, Turches, Calabro and Huse 2011

Lessons learnt from the use of quotas so far: twelve points



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BI NORWEGIAN BUSINESS SCHOOL



- A. Quotas are not enough
- B. Gender differences
- C. Regional differences

The "Golden skirts" – learning and evolution

	Principle- and facts-oriented golden skirts	Pragmatic business-oriented golden skirts
Aspiring golden skirts (Less experienced as decision-makers)	<p>The analytics: "The young, smart and clever – having fact on the fingertips, often having mentors" (around 40 years)</p> 	<p>The controllers: "The ambitious and pragmatic women – using the opportunities given by the law" (50 years +)</p> 
Experienced golden skirts (Experienced as decision-makers)	<p>The decision makers: "The iron fists being used to fight – experience from top level politics" (50 years +)</p> 	<p>The value creators: "The business experienced - being board members before the gender-balance law" (55 years +)</p> 

A. Quotas are not enough

1. Getting women in top in the business society has developed fast during the recent decade, but it is still a long way to go for gender equality. (EU data).
2. Norway became a benchmark that helps set the agenda. Voluntary actions did not work in Norway. (The voluntary action study).
3. Immediate results vs potential long term results. (The golden skirts studies in Norway.+ 5 years after)
4. Other countries have been influenced by Norway even without introducing a quota – but just by the threat of a quota. (Lord Davies comments + examples from Sweden and Finland)



B. Gender differences



1. Quotas on boards are not enough to get and use diversity in boards and in the corporate suites. (Business case studies + powers study + Golden skirts study + complementarity study).
2. Why are women underrepresented on boards and in the corporate suites: (Rennison/Sandberg study - Gender codes and feminist discourses. Motivations for getting women on boards)
3. How are men and women different? Female, feminine and feminist. (Hakim – preferences and erotic capital).
4. It is important to get the right women on boards and have them use their knowledge and skills. (Illustrations from across Europe. Izquierdo et al 2016)

C.Regional differences

1. Important to understand national and regional differences and gender and social cultures and different board and corporate governance systems in the various European countries – and in e.g. USA
2. Quota pressure provides more diversity than tokenism and voluntary action (including gentlemen pressure). (Study in Italy).
3. The snowball is rolling – a destructive avalanche or sustainable value creation in business or society?
4. Urgent now to use the present movement for the best for individuals, institutions/business and society – efforts to prepare a large scale cross-national/regional research project to facilitate a positive development.
 - a) ERC Advanced Grant – WoB and Equality networks
 - b) EqUIP: EU-India



Conclusions: Opportunities and challenges



- **Beyond stereotyping – national debates based on facts/reality**
- **Quotas have been important (snowball and avalanche – challenges for women)**
 - Direct effect
 - By example or threat
 - By focusing equality and equity issues: Culture-quota-culture
- **Quotas are not enough (complementarities - challenges for men)**
 - Compulsory paternity leaves
 - Shades of grey and holes in the corporate pipeline (also for men)
 - Champions



A1

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Business case arguments need refinements

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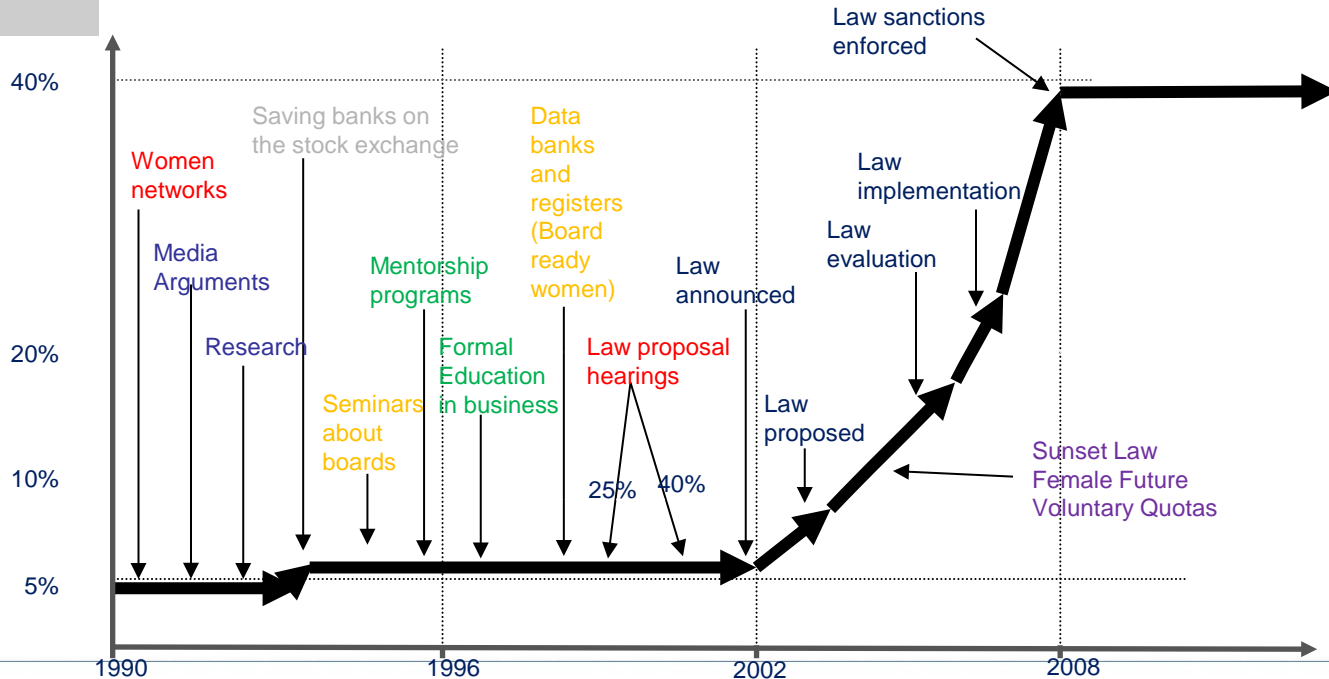
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«Getting women on boards» discourses





- Meritocracy
- Diversity
- Equality/Equity
- Pipeline

Discourses in Norway in the 1990's – the story about getting women on boards

A2



The "Golden skirts" – learning and evolution

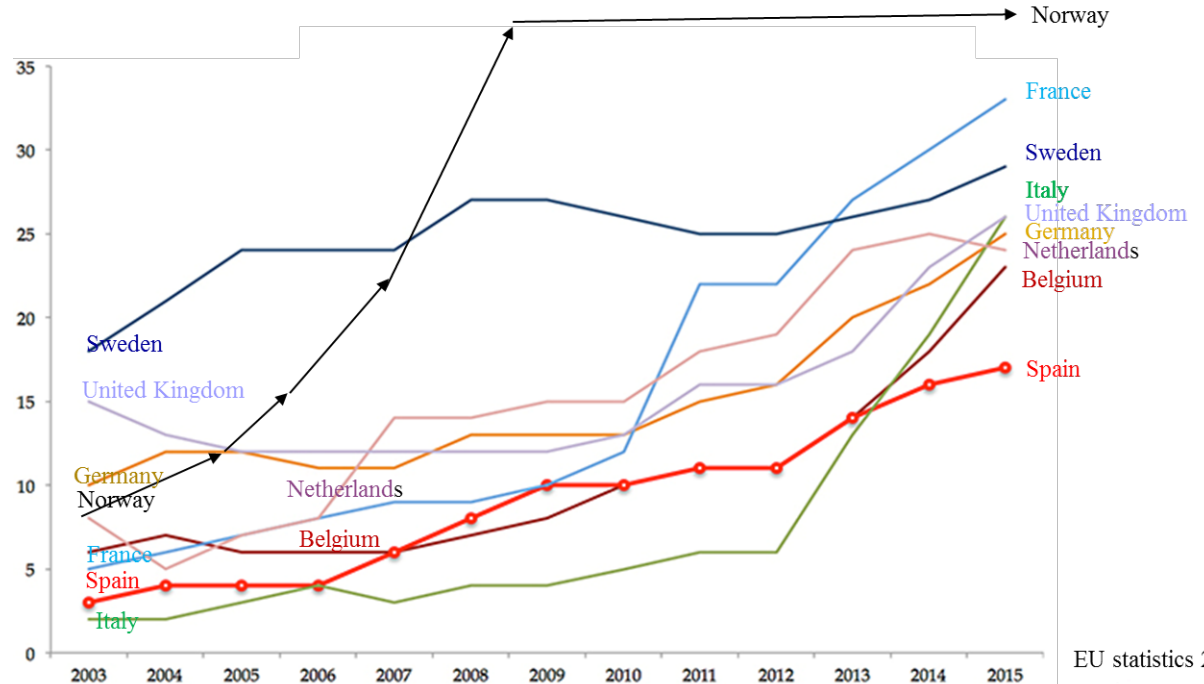
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A3

Who are the women being recruited to boards in various quota regimes?

A4

- Golden skirts - Norway**
- Seasonal- France**
- BBB - Italy**
- International – Spain**
- Habitus - Germany**



EU statistics 2015

Research agenda: Studying actors and interactions



- Norway
- Italy
- Germany
- Slovenia
- Spain
- United Kingdom
- Austria
- Australia
- New Zealand
- USA
- Scandinavia
- EU
- Africa
- Latin-America
- Asia/India

A5

Stereotypes in WoB discussions - across Europe

	Norway	Italy	Germany	England	Spain	Denmark	Austria	Slovenia
Quota Law	40%	30%	In process 30%	Targets 25%	Quasi-law 40%	Following Germany	No law	Law in progress
Law system	Civil	Civil	Civil	Common	Civil	Civil	Civil	Civil
Boards (dominant)	Single Supervisory	Dual Horizontal	Dual Vertical	Single Executive	Single Supervisory	Single supervisory	Dual Vertical	Single supervisory
Feminist debate	Institution.	Cultural	Meritocracy	Alpha woman	Biological	Values		
Assumption about women in leadership	«Women are similar to men, but are not being used»	«Women are different from men»	«Women do not want to be leaders»	«Women have same possibilities as men»	«Women have a different contribution than men»	«Feminists»	«Masculine society»	«Women are in charge of family care»
Activists	Political	Upper class	Polarized	Fragmented	Suppressed	Radical	Mature women	Intellectuals
New board members	Diverse	Priviledged elite	Professional elite	Aristocratic elite	Inter- national		Business elite	Intellectual elite

A6