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## INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY | RESEARCH ARTICLE

# Women directors on FTSE company boards: An exploration of the factors influencing their appointment

Claire Barnes<sup>\*1,2</sup>, Rachel Lewis<sup>1</sup>, Joanna Yarker<sup>1</sup> and Lilith Arevshatian<sup>1</sup>

**Abstract:** This study provides analysis and insight into the views and experiences of 12 top executives of FTSE 350 companies about appointing women to their boards, against background growth in the number of female non-executive directors but the number of female executive director appointments showing no progress. Findings showed that the idea of women on boards as non-executive directors is well embedded, yet many barriers to increasing the numbers of women executive directors remain. *Lack of robust selection processes, negative views of executive search companies, and views about the shortage of suitably qualified women* are reported while most participants did not view the development of the female executive pipeline as a top priority. Findings suggest that public focus on increasing the number of non-executive directors has been effective, attention should be shifted to galvanise efforts in FTSE companies to develop their female talent and increase executive director numbers.

**Subjects:** Gender Studies - Soc Sci; Leadership; Personnel Selection, Assessment, and Human Resource Management; Business, Management and Accounting

**Keywords:** women; female; boards; appointments; FTSE companies

### ABOUT THE AUTHOR



Claire Barnes

Dr Claire Barnes is a chartered organisational psychologist and a visiting fellow in the Department of Organisational Psychology at Birkbeck, University of London. She spent the first part of her career in the advertising and media industry as it was beginning to widen its representation to women and other minorities. She trained in organisational psychology at a time when the value of diversity was being recognised more widely in business and now has a small private practice in organisational research, development and coaching. She is a founder member of the Women's Equality Party and became increasingly interested in the barriers to diversity at the top levels in organisations, which led directly to this research study. This research contributed to the lead author's Professional Doctorate, supervised by Dr Joanna Yarker and Dr Rachel Lewis and advised and reviewed by Lilith Arevshatian.

### PUBLIC INTEREST STATEMENT

Women make-up an increasingly large percentage of the workforce but are very under-represented at the top of organisations. This study looks at the boards of arguably some of the most elite UK organisations—public company in the FTSE 350, and sets out to understand the factors that might be holding women back in the appointments process. It finds that selection processes tend to be shaped around traditional white, male candidates. Existing company leaders think there is a shortage of suitably qualified women and also tend not to view the development of the female executive pipeline as an urgent priority. Many Chairs held negative views of the top executive search companies and their ability to widen the pool of candidates, yet indicated that they did little to address this. The paper makes some recommendations for improvements that can be made to widen the representation at the top of companies for women. These improvements are likely to assist other minorities.

## 1. Introduction

There has been a significant increase in the participation of women in the workforce in the last three decades in the United Kingdom, and more recently, this has been accompanied by a gradual rise in social and political pressure to increase women's representation at the top of organisations. Government has sponsored initiatives and reports such as the Davies Report (2011) and the Hampton-Alexander Review (2016) which have made strenuous efforts to increase the number of women on public company boards. Progress however has been slow and women are still under represented (Heemskerk & Fennema, 2014; Terjesen & Sealy, 2016). This study investigates the appointment of women to public company boards to try to shed light on why progress has been sluggish and to identify the factors that facilitate progress.

Women held 12% of seats on public company boards worldwide in 2017 (Director Search, 2018). In the United Kingdom, of the most prestigious companies, the FTSE 100, women hold 29% of board seats, which has risen from 23.5% in 2015. While this success seems encouraging, it is confined to a rise in the number of non-executive directors who are independent directors employed on public company boards for a few days a year. The number of executive directors, full-time employees who direct the day to day running of the business and are arguably more powerful and integral to businesses as a whole, has increased by less than two percentage points over the same period. For the next level of companies, the FTSE 250, progress is even slower and more disappointing.

The arguments for increased female representation broadly divide into two categories: social justice and business case. The first includes the social fairness and equity case (Noon, 2007; Van Dijk, Van Engen, & Paauwe, 2012); social fairness is centred around the fact that women represent half the population, are as well educated as men and active in the labour market, and therefore should be equally represented in top leadership positions. The equity argument suggests that the function of a corporate board is to represent the interest of its stakeholders and so should be representative of these stakeholders (Huse & Rindova, 2001). The business case suggests that increasing the number of women on boards makes the best use of talent, improves decision making due to diverse experiences and perspectives that women bring to the board, improves corporate governance and brings greater independence of perspective, therefore avoiding the pitfalls of group think (Adams & Ferreira, 2009; Fitzsimmons & Callan, 2016; Nielsen & Huse, 2010). There have also been widespread suggestions that women on boards improves firms' financial performance (Ellemers, Rink, Derks, & Ryan, 2012), partly due to women being less susceptible to risk taking; however, evidence is mixed and recent studies such as that by Carter, D'Souza, Simkins, and Simpson (2010) and Marinova, Plantegna, and Remery (2016) of US firms and Dutch and Danish firms respectively could find no link at all. Much of the research suffers from methodological defects and does not robustly establish cause and effect as noted by Antonakis, Bendahan, Jacquart, and Lalive (2010) and Adams (2016).

In an effort to improve the rate of progress of appointing women on boards, several countries have acted at a regulatory level and introduced reporting requirements, targets and quotas. These measures range from advice to legislation supported by penalties, but is commonly aimed at companies that are large and/or have publicly traded shares (Terjesen & Sealy, 2016). For example, Norway made an early bold move in introducing mandatory quotas for the percentage of women on boards began in 2006 with compliance to be achieved by 2008. Having imposed quotas, Norway shows the most effective growth, while France, Iceland, the Netherlands and Spain are now in the process of implementing quotas (Ahern & Dittmar, 2012; Bohren & Staubo, 2014).

At an organisational level, efforts have been made to increase the number of senior women including the establishment of mentoring, networking and returnship programmes to encourage the development of female leaders (Jacobs, 2017; Mesue, 2017). Yet, progress is slow, described by one US sociologist as a stalled gender revolution (England, 2010).

Explanations for the lack of progress despite the drive to do so are not hard to find. These include structural problems such as maternity and childcare, the lack of women with technical

backgrounds and the role played by executive search companies in the selection of public company directors (e.g. Adams & Kirchmaier, 2015; Auster & Prasad, 2016). More psychological explanations such as stereotyping and bias are given by many authors as some of the mechanisms at work obstructing women's progress. Eagly and Sczesny (2008) suggest that even when female leaders bring additional benefits to boards, male leadership behaviour is the dominant stereotype and highly prized. Heilman (2012) proposes that gender stereotypes have both descriptive and prescriptive properties and that women are exposed to potential derogation and devaluation if they violate them (see also Brescoll, Okimoto, & Vial, 2018). According to Heilman "The gender-typing of agentic behaviours is culturally determined and highly resistant to change." (2012, p. 127). Heilman claims that the male stereotype of agency and the female of communality are stable and consistent across time, creating "lack of fit" for women who aspire to leadership, which is seen by others such as Hoyt and Murphy (2016) as a major explanation for the lack of progress in female equality at work. They suggest that being viewed via the stereotype lens compromises women's performance and ultimately leads to many women dropping out of the career track.

A further explanation for the lack of progress is the tenacity of the status quo and the forces that maintain the power and privilege of a single demographic group. Black and Stone (2005) define privilege as unearned advantage that leads to exaggerated self-worth and belief in personal superiority. They suggest that people are reluctant to name personal privilege—probably because they are unable to avoid benefitting from it. Having achieved power, leaders in organisations tend to perpetuate and reinforce the status quo through their biases behaving according to stereotype confirmation (Vescio, Gervais, Synder, & Hoover, 2005), while retaining control of organisational resources (Fiske, Dupree, Nicolas, & Swencionis, 2016). Van Berkel, Crandall, Eidelman, and Blanchard (2015) research suggests that disrupting the power status quo in organisations is difficult because status and hierarchy are found in every society of humans and that constant effort and cognitive resources are needed to suppress the inclination towards it and develop greater egalitarianism. In addition, the persistent power of the male stereotype as leader further indicates the difficulties of disrupting male dominance in organisations (Ratcliff, Vescio, & Dahl, 2015).

Fitzsimmons and Callan (2016) suggest that women have positive impact on corporate performance via ethical, distributed, transformational and authentic styles of leadership. They posit however that the dominance of one group (male CEOs) inter-generationally reproduce their own views without much resistance and chairs (usually white males) are able to impose their own vision on an organisation. Fitzsimmons and Callan propose that there is "ample" evidence that direct discrimination still exists. Auster and Prasad (2016) spell out psychological explanations for this, include subtler biases the "double bind" (criticism levelled at women who violate the female stereotype), role incongruity, stereotyping and the masculinised model of incumbent male leadership. They also note widespread poor evaluation at top levels in organisations and urge greater study of the top echelon because the stakes are highest. To date, academic papers that have investigated board chairs and CEOs have tended, rather than speaking to them directly, to seek evidence from published sources and annual reports (Boyd, Chandy, & Cunha, 2010; Hutzschenreuter, Kleindienst, & Greger, 2015). As a result, our knowledge of their views and attitudes tends to be acquired via the mainstream media vehicles such as the Financial Times, often as soundbites (e.g. Ralph & Murphy, 2018).

## 2. Present study

The aim of this study is to explore the factors that affect the appointment of women to FTSE boards in the United Kingdom in order to find ways of increasing women's representation, specifically to understand the barriers and facilitating factors that affect the appointment of women to FTSE boards. The most powerful people in these organisations are board chairs and CEOs who lead the board appointments process, and this study seeks to gather the attitudes, views and experience of this group.

Appointments to the board are made by the chairman who works closely with CEO and a board sub-group called the nominations committee. The UK Corporate Governance Code (2016, p. 16)

also advises that executive search firms are employed to facilitate the process and they usually work hand-in-hand with the chairman. By definition, this process is highly sensitive and confidential and is therefore hard to investigate and the key players are difficult to access. Shedding some light on the process however is essential in accounting for the sluggish pace of progress. The present study set out to interview key players in publicly listed companies to answer the central research question: *What are the facilitating factors and what are the barriers influencing the appointment of women to public company boards in the UK?*

### 3. Method

#### 3.1. Participants

A purposive sampling approach was used where by the lead researcher sought to identify individuals with specific knowledge and relevant experience. While this approach is limited by non-random sampling and the bias in identifying the participants may impede the ability to draw inferences about a population, it is appropriate for use in qualitative research where there are individuals with specific experience or knowledge that can usefully inform the research question (Etikan, Musa, & Alkassim, 2016). Chairs and CEOs of UK public companies are a difficult sample to access and personal introduction is an efficient method of recruiting participants. Through business contacts, the lead researcher was introduced to nine participants who were asked to make further introductions leading to three further contacts who agreed to be interviewed. Twelve interviews were conducted in summer 2018 with current or recently retired CEOs or chairs of UK public companies. Nine participants were men and three were women and all were white. Chairs and CEOs of public companies in the United Kingdom are mixed in gender although heavily biased to men, so the researcher set out to find a mixed sex sample to explore the views of both sexes. Women are about 10% of executive directors and in the FTSE 100, 30% of non-executive directors, so as 25% of this sample, they are arguably well represented. They ranged in age from 55 to early 70s with a median age of 61. Seven had served on the boards of FTSE 100 companies and the all remainder on the boards of FTSE 250 companies. A number of the older participants had several decades of experience on FTSE boards.

Given the small population size, along with high visibility of this group, individual demographic characteristics are not stated in order to protect participants' anonymity.

#### 3.2. Procedure

One to one interviews of up to an hour were used as these are a familiar and convenient format for the sample. Participants gave written consent for their data to be audio recorded and used anonymously (see Appendix 2). Interviews were semi-structured to give flexibility of questioning (see Appendix 1 for guide). Questions were informed by findings from the literature review; covering selection criteria and process following the observations of Auster and Prasad (2016), about diversity and potential biases, and board management.

Seven interviews were conducted face to face, four on the telephone and one via Skype. Interviews were transcribed and specific company details and names expurgated from the texts. To protect participants' identities further, efforts have been made to avoid indicating the sex of participants alongside their participant number and participant numbers have also been omitted where direct quotes that might give clues as to participants' identities.

#### 3.3. Analysis

Thematic analysis was identified as an appropriate methodology to use for this data as it is a flexible and inductive method with a fluid, iterative approach that is recommended for exploratory research where there are no pre-existing themes or coding framework (Tuckett, 2005) and the stance taken was inductive for gathering data and exploration of themes. Once coding commenced, some codes emerged that relate to real life constructs, such as maternity leave as a barrier to women's promotion, and were identified from a deductive perspective. Furthermore, the researcher was familiar with theories of stereotyping and bias (Heilman, 2012) which may also

have influenced the coding of the analysis. Overall, however, the approach was open-minded and followed the iterative approach as recommended by Frith and Gleeson (2004) and Tuckett (2005). The thematic analysis procedure outlined by Braun and Clarke (2006) was followed. The data were analysed inductively, searching for repeated themes from the bottom up (Frith & Gleeson, 2004). In this way, themes were identified that didn't necessarily fit into a pre-existing framework.

The coding and grouping of sub-themes and was conducted by the lead researcher and codes were allocated preliminary names. Eighteen discrete codes emerged from the interviews. A number of these codes were clustered around central concepts and to improve sensemaking the eighteen codes were grouped into four over-arching themes. They were then discussed with the co-authors for sensemaking. Sample extracts were shared and discussed to check interpretation, to ensure agreement and to support the reliability of the analysis and interpretation as recommended by Frith and Gleeson (2004). The lead researcher then reviewed the themes by reading all the verbatim extracts that evidenced them to ensure coherence. The final set of codes and themes was then reread by all three researchers to confirm agreement.

#### 4. Findings

##### 4.1. Key themes

Four main themes as presented in Table 1 were identified: *Diversity* with the specific focus on the participants' attitudes to it; *Barriers* to women being appointed to boards; *Facilitators* and *Conditions for Change*. Themes will be presented and summarised individually.

**Table 1. Themes and sub-themes**

Theme	Sub-themes
Diversity	Well-accepted and benefits embedded
	Can be harder to manage
	Used to signal virtue
	Own definitions of diversity
	Effortful
Barriers	Risks and trade-offs
	Executive search companies
	Shortage of candidates in pool/pipeline
	Male dominance in some sectors
	Maternity
	Culture
	Adverse reactions to external pressure
	Bias and exceptionalism
Meritocracy and assessment	
Facilitators	Being seen to responding to pressure, including investors
	Benefits of being balanced
	Chair leading with supportive culture and values
	Executive search companies and improvements to selection
Conditions for change	Highly committed leader
	Signalling change
	Normalising caring
	Pipeline and promotion strategy
	Need whole framework over the long term

#### 4.2. Theme 1: diversity

The idea of women on boards was generally *well accepted by participants* and the majority understood the pressure for greater boardroom diversity as a reflection of wider societal change. P3 spoke for many in saying: "actually this is the way the world is going". P6 saw having more women on boards as "part of a wider societal aim" although was the only participant to locate this acceptance within an explicit social justice context: "there is a societal imbalance which is unfair to a large swathe of this society." P11 saw the women on boards issue as a reflection of societal change but saw it in the context of one of a number of issues putting pressure on businesses:

... I do worry that all the societal pressures on business in the end will take businesses too far away from their basic service, which is to create value for shareholders by taking risks ... . If its contribution to society is to create wealth and jobs and all of those kinds of things, and lots of other things like plastic recycling and all that, are all important and they can make a contribution, but just be careful that weight of all of this kind of social responsibility doesn't kill the golden goose.

The apparent benefits of appointing more women on boards seemed also to be well embedded in the chairs' and CEOs' rhetoric. There was a general consensus that having women on boards meant inputs from a wider range of experience that improved decision making. P2 was very clear that having a more diverse board leads to a situation in which, "the more broad and deep your thinking is the better the discussions and the better the decisions." This was accepted uncritically by most participants and at least on the surface, everyone seemed to accept in a manner that was not directly solicited by questioning that diversity confers benefits on a board.

*Managing more diverse boards can be harder.* Their attitudes to the experience of managing women on boards was directly solicited and while one of them (P4), remarked that they found the experience of managing a more diverse board "thoroughly positive. I mean I think that's the fun of it", some acknowledged that managing a range of opinions can be more challenging. P2 commented "I think it's a bit more challenging, because they don't always agree in the same way." P11 talked about being sensitive to different emotions and temperaments among a more diverse group:

it is true that a lot of women react emotionally differently to men. Women will often show less anger but be more what men would call 'emotional'—they might cry—than men. Men do less crying and more shouting. So you just have to be more sensitive to those kinds of responses and reactions, so that you identify a stressful situation before it manifests itself necessarily in that way, and give people permission to get passionate about any difficult situation ... .

Managing more diverse boards was seen generally to require more awareness and skill.

Many participants signalled their achievements in recruiting women directors, *using diversity to signal virtue*. Phrases such as (P2). "It was no accident that I think my first appointment was the first [BAME director] on the company X board and my second appointment was a very capable woman", are typical of the majority of participants. One participant noted:

"I question the motives of some of these white blokes who bang on and on about it. Because I know quite a lot of them. And then it's all about them appearing to be great and good." As this participant went on to say, there are public and private appointments available either directly in service of diversity or on other government bodies for which being seen to do the right thing is a useful qualification. However, it also points to one of the difficulties here about the extent to which any changes are surface actions rather than deep level changes in attitudes.

Many participants could be said to have their *own definitions of diversity*. On closer reading of the transcripts, participants said they would consider types of diversity for their boards that avoids the straightforward protected characteristics of gender or ethnicity. A number talked about diversity to them being "cognitive diversity". For instance, P8 stated strongly:

For me, diversity is cognitive diversity ... there is no point in going out and finding me women because I need to adjust the gender balance. I want particularly to think about different styles, different approaches, different experiences and people who think quite differently.

Diversity is reshaped by participants to suggest differences between candidates that lie outside protected characteristics, although it isn't clear why this is the case—see Discussion section below.

Diversity is experienced as *effortful* and finding different types of candidates for boards is experienced almost universally as an onerous process. As P1 remarks about the voluntary rising targets that have been set, “ ... you should have a third, at least a third going up to 40%, of females on the board. I mean, it's going to be very difficult.” Echoed by P4; “you put a huge amount of time into it.” P11 also observed that while directors might look different in terms of protected characteristics, they in truth might not stray far away from the traditional white middle-aged male, Oxbridge educated model:

...they might be from lots of different countries and they might be, as I say, a mix of men and women, and all sorts of things that would mean that on a diversity grid they would tick all the boxes. But if they've all been to Harvard or they've all been to London Business School and they all read the Economist and they all go to Davos, actually, they all think the same.

Or as P12 observed: “And it's quite easy for boards to get very ... they're normally rather well off, well heeled, maybe intellectual people who are not like the mass of the population, so it is very difficult ... easy rather, for a board to become divorced from whatever stakeholder matters.” Clearly this is a very literal interpretation of diversity in as much as most participants find balancing the diversity agenda against selecting candidates with the requisite type of experience to be difficult.

This leads to a balance of *risks and trade-offs*. As P4 puts it, “ ... there's no point in having somebody who's a woman or black, or Indian or whatever background if actually they don't have the capability to apply to your business.” These appointments are generally seen as inherently risky: “ ... the point I'm making is that you've got to take some risks in a Board to get diversity.” (P4). This is expressed as a balancing act. As P3 expressed it; “ ... one of the challenges of diversity is if you end up trading a little bit of relevant experience, background, years in the industry blah blah for a bit of diversity.” P7 discusses one appointment as such a trade-off:

we took a big, bold decision about appointing a lady as chief risk officer, because that was a big stretch for her, a really big stretch.

This exposes the tension that is voiced by most participants between on the one hand, being in service of diversity and on the other, feeling exposed through candidates having less experience.

#### **4.3. Theme 2: barriers**

Four structural barriers and four cultural and implicit barriers were identified. The structural barriers are presented first:

The use of *executive search companies* is encouraged in the UK Corporate Governance Code for board appointments to assist impartiality and to discourage cronyism. Nearly all the chairs and CEOs were extremely critical of the larger executive search companies that generally supply candidates for public company boards. Criticisms revolved around them being poorly differentiated in their services, for example, P7 described them as having a “cookie cutter approach”. They were criticised for relying on a small number of the same candidates: “...there is a tendency for them to sort of turn the meat grinder and come up with the same tired names that you've seen before.” (P4). By extension, participants were very critical of their ability to source a pool of women candidates. Finding a sufficient depth and breadth of female candidates is a common refrain, or as in P7's opinion, “The mainstream take you to the same pools all the time really.” P2 used some particularly harsh words for them, describing them as being London-centric and staffed by: “ ... lots

of public schoolboys” and finishing most insightfully with: “ ... they are also a huge blocker to change, in my view.” As will be seen in Theme 3 below, participants did suggest the best ways of using such firms and smaller, more boutique companies, but they were almost universally damning of the large, London oriented executive search agencies.

The perceived *shortage of women candidates in the pipeline* for board positions is a complaint repeated many times in this study, although there has been more success in increasing numbers of non-executive directors than executive directors. Every single participant commented on this, exposing an inherent tension between the lack of supply of oven ready board candidates and the availability of talented women. Participant 1 noted that “it’s quite a shallow pool” and P2 focussed on there not being enough women with board experience or those who do have experience take multiple non-executive roles, as P1 noted “the ranks of executive female are being denuded by females thinking of four or five non exec directors at £60,000 a year... looks attractive.” P3 remarked that this is particularly acute when it comes to the executive pipeline, using phrases such as; “certainly there aren’t enough women there and there aren’t enough executives coming through the pipeline”. Having said all that, participants also note that there is plenty of female talent if you look hard enough for it. For one participant, this is internally in a retail business; “I think about 40 percent of our top 100 were women so I mean it wasn’t as though we didn’t have a lot of talented women in the business, or recruit talented women,” or casting the net more widely for more diverse candidates for P7 in a more technical sector: “I think the argument that says there’s not enough talented people is ‘bollocks’.” This tension doesn’t seem to be apparent to any of the participants, and indeed one participant remarked on being disappointed that, in a business dominated by women, they never composed more than 30% of the board. There seems to be a gap between their concern that there might not be enough female candidates who are prepared through job experience to be board directors and the fact that there are evidently many talented women in their business communities. As noted by one (female) chair: “I can’t think of a bad reason to pump prime the executive pipeline with females”, there is a lack of clarity of thought or responsibility from many participants as to how this might happen.

*Male dominance in some sectors* is recognised as a structural barrier. A number of participants lament male dominance in the finance sector, and P6 noted, “I think they’ve had to work that little bit harder in what are effectively male dominated pools”. Ps 5, 7 and 9 remark on the shortage of women in technical and engineering domains and how this makes it much more difficult to make progress with women on boards.

*Maternity* is the final structural sub-theme to emerge. While it is described overtly as a problem by only a minority of participants, a few participants tackle it head on. P11 discussed how in a retail business, associating with a number of senior women, had as described: “a lightbulb moment I suppose. Yeah, when I began to realise the challenges ... not so much that women face, ... .but more that mums face, if I could put it that way.” This participant then went onto how it can be hard but is possible to accommodate these circumstances. One participant illustrated this well:

I have many of my Chief Execs [who] will say, ‘well you know, I think she’s great but you know, she is at that age, she is going to have kids soon’ and it is like ‘hang on a minute, let’s assume she did and she did tomorrow and we just promoted her, what’s the worst thing that is going to happen? You’re going to get at least nine months of an exceptional person and how do we make it easy for her to come back?’

The prohibitive cost of childcare then leads to women taking career breaks of a number of years which further disadvantages them. As P10 went on to say; “I think that’s [career break] too long, I’m afraid. It’s very difficult to say that, but if you were in middle management, the whole bloody world has changed in four years.”

*Culture* was identified as a sub-theme. P11 identified some retail businesses as being masculine-favouring: “I think whenever you get macho cultures—and working in store is a bit of a macho

culture it's a typical store manager will be out on the terrazzo six days a week, fourteen hours a day sort of thing—those kinds of environments are not conducive to a particularly diverse recruitment policy.” Culture can therefore impede efforts to recruit more diversely and act as a barrier to women's development to senior levels. This also exhibits itself in the boardroom making organisations difficult and unattractive to work in. For instance, P11 also stated: “ ... in a diverse board you've got to be conscious about trying not to have what is still a majority of men sitting there talking about football and sport, which for the people—men and women who don't like football and sport—is a massive turnoff.” At a boardroom level, the chair has an important role to play in setting the tone on a board, see Theme 4 below.

*Adverse reactions to external pressure* emerged as a barrier. Most participants criticised the external pressure that has arisen from recent reviews as having a distorting effect that leads to unwanted outcomes. The most prominent of these is tokenism which is mentioned by several participants, although it seems to have an outcome that is essentially speculative as only one (P5) gave an actual example of tokenism happening, saying that the first board P5 was part of:

... was what I would call a very traditional board. So I was an executive of that, and the non-executives were absolutely white, Anglo-Saxon male, and there was no discretion or diversity. When the regulations came in, they appointed initially one woman and then another lady to the board, neither of whom, in my opinion, were of the right calibre.

This is one of the “sub-optimal outcomes” that P3 fears and described the pressure to appoint women as being “too much.” P5 was especially critical; “just find it irritating that people who are making potentially legislation and demanding what companies do don't really have a full understanding of the impact of what they're talking about.” However, when probed, participants failed to cite examples of adverse consequences.

*Different biases, unconscious and overt*, emerge strongly as a final sub-theme. Despite the apparent widespread acceptance of women on boards and the benefits arising from more diverse appointments, biases can be found in the majority of interviews. Conscious and unconscious biases are found across the general population, so they should be expected in any sample. In this sample of senior business leaders, it can be seen how gender bias affects thinking and acts as a barrier to women. At the beginning of at least five of the interviews when participants were asked about women on boards they made the assumption that the interviewer was asking them about non-executive (rather than executive) appointments. One example, P3 stated: “what I do, therefore, when I'm looking for a new non-executive director, is to have a clear thought about what is the area that I'm looking ... ”. There has been a lot of publicity about non-executive directors recently so it could be argued that this is an inevitable case of non-executive directors being salient. Later in the interviews, a number pointed to unconscious bias being alive in individuals and in organisations. P11 stated in the context of being biased against women, “The thing is in-built and unconscious. I mean, I haven't deliberately done that, but the situation we've got to, enough of people like me must have done that, otherwise it would have changed wouldn't it?” Several participants described themselves as being very aware of bias and suggested they are vigilant in monitoring themselves against bias and stereotypes. P2 stated: “I think there are a lot of chairs who are quite ... they don't mean to be biased, it's unconscious,” and P3 said: “ ... you have to be very careful you're not defining fit as something that looks just like me or somebody who looks just like a stereotype I've formed.” Despite being concerned about one's own bias, exceptional stereotypes (Heilman, 2012) are evident in some descriptions of successful candidates; variously described as a “firecracker” or “an exceptional woman” (P5), an “exceptional person” (P8) or, a woman being appointed as a “big, bold step” (P7) and about a different candidate, “she's an astonishingly capable lady”.

Several participants talked about how businesses should be *meritocracies* and that is they are truly gender neutral, this allows people to be judged fairly and objectively. One participant

described how the early part of her career was accelerated as it was spent inside an organisation that judged her by performance and where this wasn't evaluated through a biased lens. This points to a key issue in this study which is a number of participants described appointing directors because of their "fit". As P12 pointed out, director assessment is largely down to making personal judgements made by experienced people who can police their own biases; "it's like a lot of things, you start off with sort of a formal process and in the end you end up with quite a lot of personal judgement." P3 stated; "So you have to be very careful you're not defining fit as something that looks just like me". Assessing candidates on the basis of personal judgement can be tricky. P2 suggests that if your objective is to broaden diversity at this level: "you evaluate people in a different way according to their own background and skills and achievements, and not just how they've performed in that particular interview." As has been seen, there is a shortage of women with board experience and biases must inevitably come into play when judgements are being made through the lens of individual subjectivity. P12 recalled a conversation with a large City investor who said:

We look at it like this. We invest for the long-term investor but we want to make money, and we want to invest in companies that are meritocracies, because if they're not meritocracies we don't think we're going to end up with the right people at the top. And if the right people aren't at the top ... . And so we absolutely reject the notion that the right people at the top are always going to be white males.

The definitions of meritocracy and fit appear to be down to individual judgement. As P11 put it, "But if I'm really honest, it's not a meritocracy because we don't have a population at the top of the business that is reflective of the society around it. And so we're meritocratic to a point, we're probably better than a lot, but we've not been any better than anyone else in bringing senior women through the business, for example." While being meritocratic sounds like an objective way of judging people, it is a subjective method of assessment that is seen through the lens of individual bias.

#### **4.4. Theme 3: facilitators**

The sub-themes in this section are the direct counterparts to themes under barriers—as participants have found solutions to some of the structural problems in increasing diversity, but this doesn't make them less interesting or less instructive.

One of the most evident is that while external pressure may cause individual psychological resistance, *responding to pressure* has been a great facilitator at a macro level. Many participants acknowledged that having targets has been good and a force for change, although remarkably, a number felt that they hadn't needed external pressure to motivate them P7 said: "I've never needed to be convinced about that. So we've done it irrespective." However, while most participants didn't feel that external pressure was needed to motivate them, it was needed for others: "I think there are a number of people who've been on a journey and have suddenly had their eyes opened because they've had to do it" (P7). P11 stated, " ... there's nothing business likes more than a good target."

At an individual level, then, external pressure might have been necessary largely for other people, but being seen to be responding to it corporately has been essential. As P3 said, it's been desirable to be: "...out of the immediate line of fire" and P6: "... it's a level of scrutiny I just don't wish to have, and the easiest way to avoid it is to recruit more women onto the board full stop." P9 concurred that it focusses organisations' minds and P4 thought that: " ... you'd have to be mad," to go on the record saying that you are opposed to board diversity, revealing that being seen to respond to pressure is not necessarily the same thing as changing attitudes as a result of external pressure. Having said that, participants were sure that the voluntary system of "comply or explain" has been a success because it is voluntary. As P12 explained, " I think if the British thing worked, I think it's actually more powerful. It just means that people have embraced it rather than it being imposed on them through law. " There was a feeling among at least half the sample

that this is preferable to enforced action through legislation. For example, “quotas are seen as a cheap threat” (P3), although, in a slight contradiction, P4 felt that the threat of legislation has concentrated people’s minds—and therefore could be said to have been effective. However, the idea of quotas was widely disliked.

Part of the facilitation effect of external pressure is that investors are beginning to be influenced by diversity requirements. P12 was quoted in the previous section recalling a large City investor showing an interest in women on boards. P2 said: “I hope that the investors would eventually start voting against the chairman, because they have the authority to do that every single year. They should have some warning, could be told to sort the board out, and if they absolutely refuse to do so then they need to be voted off.” The various reviews and voluntary targets seem to be leading to additional pressure from investors who can have a potentially powerful influence on diversity throughout organisations.

The perceived *benefits of being balanced* is a further facilitator to emerge from these interviews. P12 stated this very clearly:

... We all know that the boards that go wrong tend to be quite monothematic if you like. The herd mentality group thing, whatever you want to call it, is always a big danger, so having the right range of skills. And also, the appropriate range of personalities. That can involve gender, it can involve also age and other dimensions.

Three further participants (P4, P7, and P9) declared that they didn’t want in P4’s words: “a bunch of clones” on their board and other participants talked repeatedly about the need for a balance of skills. This demonstrates the extent to which the value of having different experiences and different points of view has become normative and has become embedded partly as a result of societal change and external pressure but perhaps to some extent, as a change in life experience in CEOs and chairs having a more diverse group of peers.

*Chairs leading with supportive culture and values play a facilitating role* in managing a board, in setting the tone and culture to encourage women to contribute to board business. P10 stated: “chairs are very important figures in this whole landscape, because they can change things.” As P3 observed, a board can be intimidating and as many participants point out, the chair has a powerful role in codifying values (P4), being the guardian of the company’s values (P7) and encouraging mutual respect among directors (P5). Chairs considered that it was important that they have humility (P2, P4) which helps to avoid stereotyping (P3) and helps build consensus. Most participants stressed that the particular role of the non-executive directors is to challenge the executives constructively and balance this against being supportive (P9), and chairs discussed how they provide inductions (P2 and P5) and coach, encourage, and support new directors (P4, P5, P7, P8). P8 suggested, “they have a buddy, you know, somebody else on the Board other than the Chairman who makes sure that they’re feeling comfortable.” Describing the appointment of one woman as a non-executive director, P3 said: “I was very conscious of the need to work hard, both outside the boardroom to give her the confidence to speak, and inside the boardroom to make sure that she had made ... she had spoken, had expressed a view and was comfortable about doing that.” On the other hand, chairs were concerned to conserve these supportive resources. P2 said, “I would say you can only have one person on the board who really needs to be developed.” P9 also commented that getting female non-executive directors to perform well is a worthwhile role for the chair, but will not change the pipeline or the culture of the organisation—a subject which will be returned to below.

*Executive search companies and selection processes* is the final sub-theme. Undoubtedly, the most popular view stated here is that to get better results through wider searches and better shortlists, these companies need to be managed very firmly. Recommended tactics for managing them include from P2, being prepared to sack them during an assignment: “We weren’t getting

the right people, so I moved to someone else who did find a better list.” Many other participants suggested that the way to get results was to be demanding. In the case of P2 again: “I think it’s very clear, you simply say to the recruitment consultant ‘I would expect to see 50 on my list, 50% women and 50% men. And if you can include in those categories people from other backgrounds, so much the better. Different ethnicities, so much the better’,” which is echoed in the comments of P9 who suggested that if you don’t ask, then you don’t get. Three participants suggested avoiding the large London firms altogether and using boutique and specialist companies that work harder at finding women and ethnic minority candidates. P8 said, “So, I really like boutiques. The boutique head-hunters who think more creatively and where the partners are involved right from the very word go to the very end.” As public companies are expected to use such organisations for board appointments, it seems reasonable to suggest that favouring more specialist companies is a constructive way forward in terms of improving and widening women on their shortlists. Other ways that some participants have made efforts to improve selection to get more women and diverse candidates on board fall into two areas: setting expectations and improving assessment. Two participants talked about how they have improved things by setting expectations. P4 said: “I think it’s a lot to do with how you set expectations at the start.” P2 said: “I think it is about prepping and about being clear, not leaving it to chance,” and “I just think we need to be open when we’re recruiting, when we put a panel together we need to be open with them about presentation, what we’re looking for, that there isn’t one answer, one person that we’re looking for, one type.” While at the same time, participants recommended tackling bias in assessment (P8), using psychometrics for more rigorous evaluation (P5). In these ways, CEOs and chairs have sought to improve the appointments process to make it fairer and widen the pool of candidates.

#### **4.5. Theme 4: conditions for change**

This collection of sub-themes emerged from the interviews—it wasn’t anticipated at the outset by the researcher. Some of this rose organically as a result of several participants being eloquent about their drive to create wholesale change in terms of women on boards and increasing women’s participation more broadly. In addition, the interviewer responded to participants’ satisfaction at their progress with women on boards by asking them what advice they would give to other senior leaders on the subject and this surfaced some data in support of these themes.

The essential role played by the *highly committed leader* who genuinely believes that women can be senior leaders at board level in their business is vital in creating successful change. As P7 said: “You have to believe it ... you have to work at it.”, and went on to say: “Take risks, but never compromise and accept a person who has not got the potential and never compromise on barriers and behaviours. Just for diversity. Never do it for tokenism, just keep working until you find the right person, because they’re there.” Leaders who drove change in this sample showed great clarity and firmness with advancing the change agenda. As P2 said: “I think people who weren’t as clear as me had to be made more clear.” Others described how leaders need to be assertive and prepared to tackle difficult situations and people through personal intervention (P9). This is illustrated by P8 who talks about influencing and advocacy: “... trying to get those who are making the recruiters to think differently about young women.” Individual sustained action from very determined senior leaders is identified here as a necessary condition for creating change.

*Signalling change* is an important weapon at chairs’ and CEOs’ disposal in progressing the women on boards agenda within their organisations. One participant discussed how the appointment of a female CEO and COO sent out a powerful signal to organisations: “... it’s very powerful. It makes people re-think the norm, without you having to constantly say it.” As P9 observed, signalling change involves ensuring that the organisation sees high-profile female appointments and also, perhaps even more importantly, the leader needs to be prepared to sanction prejudice and in some cases fire senior men who indulge in poor sexual behaviour. Such signals are powerful and if women are promoted to senior leadership positions and to the board, this attracts other women to the organisation. In this sense, actions speak louder than words. As P7 put it: “... people

are great bullshit spotters, and if you're not authentic you're dead, no chance." Other ways of signalling change noted here include having internal diversity targets and role modelling.

*Normalising caring* for all directors regardless of sex is described as being essential by a number of participants. P7 felt that organisations need to have a flexible approach which is better for everyone, saying, "I talk a lot about carers' responsibilities. I've swapped a child for my mother", which reflects how caring is changing from being simply about childrearing to wider family responsibilities and particularly affects the increasing number of people who have elderly parents. P8 discussed how to improve maternity provision and attract returners by being flexible and accommodating part-time work: "... thinking about different ways we can access that talent pool with the task that needs to be done". P9 also commented that family friendly policies that are acted on by both men and women, particularly at the highest level in the organisation, are powerful signals that attract and retain female talent and caring needs to be normalised in companies as a necessary activity that can affect anyone with policies designed to support it.

Developing a *pipeline and promotion strategy for women* is the next sub-theme. Developing the executive pipeline to support the many talented women in organisations is critical to increasing the number of executive directors and as P9 observed, is the only way to create sustainable long-term change so that diversity and women on boards eventually becomes a non-issue. Many participants advocated mentoring and both P7 and P9 saw an important role here for senior women mentoring junior women. As voiced by one participant: "Very few women in very senior jobs come in and talk about how they do it, why they do it, how they do it, how they deal with maternity leave, how they deal with difficult men, how they deal with pay rises," but when they do it, it's very powerful. P10 discussed in detail how setting up women's networks is a very influential force for change and allows senior women leaders to mentor more junior women:

we would meet every two or three months, other women saw opportunities in other group companies, got to meet people that they would ask to mentor them, that were not in their company, and got to actually see what other senior jobs there were that were being occupied by women.

This helps women actively manage their careers if there is the infrastructure and culture to support them.

A *whole framework over the long term* needs to be in place to drive change. Participants that expressed efforts need to be made across all fronts to create change; changing policies and practices across the whole organisation to make things happen and to change organisational culture. As P7 said: "... how can you create policies, practices, support?" and P2 observed: "... you need a whole framework of best practices in organisations." P12 stated:

there's definitely not a single magic wand or whatever, but I think the two things that matter most in leadership ... like anything in the business, if the leader embraces it, it's more likely to happen or likely to be given a good crack. So the bosses have to believe that this is right and right for long term direction. And then you have structure and process around it to make it happen—structure, process, targets.

This is supported by P8 who thought: "... If you just tackle one strand, you get a lopsided strategy." And as P10 said, unless all this change becomes embedded into the corporate culture, it's pointless: "So you've got a corporate culture that works against, it doesn't matter how many diversity initiatives they have", which makes it a long-term project. P7 said that: "... the biggest barrier has been just the practicality of making change happen over a period". Others discussed periods of 5–10 years, and boards have cycles of tenure which make progressing female appointments something that has to be thought about strategically over a number of years.

## 5. Discussion

Women remain under-represented on public company boards, particularly in executive director roles. The conclusions of much of the academic research examining the business case for increasing the number of women on boards is unclear due to methodological issues and while theoretical explanations as to the lack of progress exist such as bias and stereotyping (Heilman, 2012), there is a gap in the literature in terms of understanding the board selection and appointments process. The present study set out to interview key players in public companies to gain a more detailed understanding of the factors involved and to answer the central research question: What are the facilitating factors and what are the barriers influencing the appointment of women to public company boards in the United Kingdom?

To address this question, the study interviewed the gatekeepers of board appointments, chairs, and CEOs. It makes a unique contribution by providing a detailed analysis of views and experiences of some of this difficult to access group. It supports existing research that suggests that many efforts have been made to increase the number of women on boards as non-executive directors and this idea is well-embedded (Vinnicombe, Doldor, & Sealy, 2018). It also suggests that the other (arguably more difficult) part of the women on boards equation, namely how to appoint many more female executive directors, is scarcely on the radar, and reveals some of the structural and psychological processes underlying this.

The first theme identified in the interviews was “Diversity”. One of this study’s key findings is that the idea of appointing women as non-executive directors is widely accepted by this sample, as is the idea that this is beneficial to discussion and debate. That said, the interviews suggest a residual awkwardness and lack of clarity about diversity and protected characteristics. Participants talked about selecting board candidates who had a variety of styles and experience rather than a diversity of protected characteristics of gender, race, sexual orientation or disability. Gender is viewed in the literature as the strongest and most powerful social category difference (Eagly & Sczesny, 2008; Rink & Ellemers, 2008) and discussion of gender for these participants seems to be socially awkward—a few participants refer to their comments and observations not being politically correct. This seems indicative of anxiety about appointing candidates outside the norm. The idea of diversity being expressed as cognitive diversity being beneficial is one espoused by several participants but as with references to merit, but this idea is undefined and therefore difficult to use as the basis of a robust selection process. There might be a number of reasons for participants’ anxiety: perceived risk, difficulty in assessing merit in anyone other than the stereotypical white male board director, an inevitable erosion of white male privilege, and the simple effort involved in making such changes when it is always easier to appoint (or promote) a candidate who is predictable to the competencies and behaviour that one is used to. It might also be that this anxiety is the reason for the exceptionalism around female candidates; as if the difficulty in assessing merit in candidates who are in any way different to the stereotypical white male can only be assessed and expressed through superlatives, sometimes used almost defensively. Participants seem to have become used the idea that a small number of women can be selected to be competent non-executive directors, but struggle with articulating and defining diversity and how it can be harnessed to be of service to their boards. This indicates some of the difficulties in increasing the number of women as executive directors.

The second theme identified was “Barriers”. Participants expressed very negative views of executive search companies. Criticisms revolved around them being repeatedly turning to a limited pool of candidates as well as being blinkered in their efforts to find more executives with more diverse backgrounds and skills. Tienari, Meriläinen, Holgersson, and Bendl (2013) study of similar types of companies in Scandinavia showed in detail how masculine models and outright bias can operate in such organisations tending to support these findings. A more recent UK study by Doldor, Sealy, and Vinnicombe (2016) took a more optimistic view and suggested that head hunters could play a more constructive role as “accidental activists” in supporting the change agenda by encouraging their clients to accept more diverse candidate lists. The present study finds that the large mainstream executive search companies are currently failing the diversity agenda

and urgently need to reform their services. Public companies might do well consult more boutique firms and the larger firms should pay serious heed to this competitive threat.

There is some agreement in psychology literature that blatant sexism is less rife in contemporary culture than it has been, but many subtle biases remain (eg. Douglas & Sutton, 2014). As explained by Barreto, Ellemers, Cihangir, and Stroebe (2008) “...prejudice is often expressed outside a person’s awareness, even when people are subjectively convinced that they do not endorse prejudicial beliefs or are trying hard not to express them (Macrae, Bodenhausen, Milne, & Jetten, 1994, p. 102)”, and continue to affect behaviour. The participants here reveal that despite their attempts to control and account for stereotyping and biases towards women, they are evident in their discourse. As outlined in the Introduction, public companies are largely controlled by well-educated white males, and like other dominant groups, they tend to perpetuate and reinforce the status quo through their biases (Vescio et al., 2005). When dominant groups are in control they can find it difficult to deal with inequity head on as it isn’t in their interests to do so (Fiske et al., 2016). This is one explanation as to why change is so difficult and effortful and why bias remains widespread. As referred to in the Barriers section, social dominance theory (Sidanius, Pratto, & Bobo, 1994) predicts that biases support male dominated hierarchies and make it difficult for women to infiltrate them. Biases and stereotypes are deep seated and need to be challenged which requires intensive effort.

Biases are further evidenced in this study by the disconnect between the awareness that there are talented women in business but complaints that there aren’t enough appropriate board candidates—many participants were not asking themselves how these factors can apparently co-exist and what their roles and responsibilities might be in resolving them. The obvious actions have been taken in response to societal and government pressure and the number of non-executive directors has risen, but the more intractable issues of barriers to building the executive pipeline have not and efforts need to be increased considerably to develop, promote and select senior women as executive directors.

In terms of factors that facilitate women on boards (theme 3), voluntary targets and external pressure are perceived to have played a powerful role by participants, in acting to motivate their peers. Targets and scrutiny have been especially facilitative at a corporate level where being seen to promote diversity has been desirable, and a balanced board and the chair leading a fairer approach to board appointments are facilitators. If executive search companies are used effectively alongside more robust selection processes, these too can facilitate women on boards appointments. In addition, this study also found factors that facilitate change in progressing women to the board in organisations; very determined leaders in place prepared to use direct interventions in their businesses and ensuring that they signalled their determination through these actions. Among the strategies that they suggested were effective included role modelling, normalising caring as an activity for both sexes at all levels in an organisation, making strenuous efforts to developing the executive pipeline, especially through mentoring but essentially by building their agenda into all aspects of their businesses.

The final theme identified was “Conditions for change”. The successful efforts made to increase in the number of women non-executive directors are admirable, but intensive efforts now need to be focussed on achieving parity of representation for women as executive directors. In the long run, sustained change will only happen when, as this study shows, committed leaders establish policies and practices that drive change, tackling the structural and cultural issues that block the executive pipeline. Adams and Kirchmaier state in their (2015) study: “When policies are implemented that encourage firms to appoint female directors, firms seem to be able to find women to fill the board positions” (p. 25). As they suggest, success lies in addressing barriers directly. The most recent FTSE board report (Vinnicombe et al., 2018) states: “ ... there is no doubt that there is a tremendous amount of activity around gender diversity in many of the FTSE 350 companies—beautiful websites, great policies, innovative women’s leadership programmes and Unconscious Bias training available to all employees. Yet these count for nothing unless targets are truly embedded in the organisation” (p. 42). This study finds that public companies need chairs and

CEOs who are committed to driving and role modelling change through all levels and policies in organisations if the huge imbalance in gender representation at the senior executive level is to be overturned. Focussing on the caring agenda so that it becomes normalised as joint responsibility appropriate for all employees regardless of sex or status is a critical part of this.

## 6. Limitations

One of this study's key weaknesses is that it has a relatively small sample of chairs and CEOs and based only on hour-long interviews which limits the amount of data the study can cover. In addition, the method of analysis used for the data as discussed in the Method section is affected by researcher's own biases that cannot be eliminated and is therefore open to alternative interpretations (Flick, 2006). A larger sample and one possibly split into CEOs and chairs might give more in depth and generalisable results, and these could be further sub divided by industry type. An acknowledged problem with interviewing as a research method is that some participants may have a bias to giving socially desirable answers and this might be particularly evident when interviewing about a topic with such a high public profile (Kelle, 2006). Further, it could also be argued that attitude change is generational so that the views of the older chairs do not represent what is happening now. This could be seen as an explanation as to why change has been so slow and difficult and interviewing a younger sample would arguably help to understand the state of play as it affects the immediate future.

A further weakness is that possible differences between male and female participants have not been analysed. This was a consequence of their gender not being identified in order to preserve participants' anonymity—particularly the anonymity of the female participants who might be identified as there are so few women operating at this level. A further, larger study could elucidate these differences (if they exist).

Several studies have observed that female candidates who are selected to be board directors are neither necessarily representative of women as a whole, nor are they uniform as a group, such that advising investigating barriers to promotion on the basis of a stereotypical class of characteristics can be misleading (Bruckmuller & Branscombe, 2010; Eagly, 2016). Clearly this also applies to intersectional disadvantage in the case of BAME women (Atewologun & Sealy, 2014; Atewologun, Sealy, & Vinnicombe, 2016) which this study has not investigated.

## 7. Directions for future research

These will be discussed in three sections in line with findings from the literature review; selection process, women's representation and board management. In terms of selection process, as findings here support evidence from authors such as Auster and Prasad (2016) that these tend to be weaker at a senior level, therefore studies that investigate the efficacy of high stakes processes at public company board level and investigate ways of mitigating adverse impact on underrepresented groups would add to the knowledge base in this area. Exploring the role of nominations committees, would also introduce valuable insights into the appointments process.

There is much useful scope for research into a larger group of CEOs to understand the drivers of diversity change in greater detail. A group of CEOs could be identified who have been successful in driving change at the executive level and this could yield rich data to give guidance to other organisations seeking to make change and to understand the role that corporate investors might have in driving change. More research about the factors affecting the executive pipeline and to understand women's experiences as they have progressed their careers or fallen off the career track would be useful, including possible gender differences and the experiences of BAME women.

As discussed in the opening section of this paper, possibilities for further research into board management and outcomes are considerable, (Adams & Ferreira, 2009; Fitzsimmons & Callan, 2016; Nielsen & Huse, 2010), especially for studies that are well-designed with robust methodology (Adams, 2016; Antonakis et al., 2010). Research that elucidates women's own experiences of the facilitating factors and barriers to their promotion and performing effectively at board level would add to the research base.

In summary, this study identifies a number of gaps in the extant research. Specifically, very little is known about the selection processes used for the appointment of directors and the role of nominations committees within that; the experiences of women whose career trajectory has stalled; and the experiences of BAME women in their mid-career. It is also apparent that research has been limited by the absence of multi-method, multi-disciplinary approaches. There is need for researchers to draw on qualitative and quantitative methods, examining boards and appointees over time, to better understand the nature and context of the factors that influence board appointments.

### **8. Implications for practice**

Improving selection processes and making them more robust is essential if board participation is to be widened. Participants talk about matrices of skills but in reality, experience is a proxy for merit (previous board positions in this case), making it difficult to break out of the chicken—or egg cycle of there not being enough women with the “right” kind of experience for board positions. The usual custom and practice here is based more around “fit”, a nebulous concept that can easily be a substitute for “people like me”. There is ample evidence that lack of highly specific criteria in selection processes and lack of objective diagnostic testing mean that evaluation is insufficiently concrete. Both executive search companies and chairs have an important role to play in developing more robust selection methods that can deal with assessing more contextual information and achievements that encourage wider selection and reduce the perceived risk and anxiety that some of these participants show about going off the usual grid. As Heilman writes: “... it is clear that the tenacity of gender stereotypes is considerable and the magnitude of their influence remains sizable.” (p. 130).

Occupational psychologists could help further in improving selection processes by clarifying clients’ understanding of what merit means to them and how candidates who have career experiences that might be different from the norm that can be contextualised could support more secure decision making. Developing innovative ways to help clients understand biases in more detail and how they affect behaviour and culture beyond current unconscious bias training could make a big difference inside organisations.

Executive search companies have a huge opportunity to seek out and support a wider pool of female talent and public company chairs should continue with the good work in increasing the number of women on boards and initiate discussions with their CEOs and human resources professionals as to how to build their female executive pipeline.

For policy makers the implications of this research from the success in increasing the number of women as non-executive directors on public company boards are clear—targets and the exposure to scrutiny has worked well and focus needs to be shifted to increase the number of female executive directors.

This study offers practical advice for organisations and business leaders. The value of regularly reviewing selection processes cannot be overstated. Despite the dissatisfaction with Executive Search companies recognised in this study, and the significant gap in female appointments, there has been little scrutiny of the processes and approaches used by Executive Search companies to identify and put forward appropriate candidates for board appointments. While less is known about the process of appointment thereafter. This requires urgent attention.

There is a wealth of evidence to steer selection and assessment practices in a way that reduce bias and increase reliability, driven forward by organisational and business psychologists. Employing organisational psychologists to review and support the appointment process may be one way to ensure that Chairs are informed by recent research and decisions are underpinned by evidence and best practice. Widening representation at more senior levels also requires effort in identifying candidates that have work experience and skills that might not conform with a traditional high status education and employment CV. Organisational psychologists can support

the process of contextualising this experience and helping to make secure assessments. Widening the pool of candidates is also an effortful process and there are executive search companies that have a proven track record in this domain that can support companies in their search.

## 9. Conclusion

The women non-executive director project is well embedded in the FTSE 100, yet has been less successful for FTSE 250. This study suggests that while CEOs and chairs of boards acknowledge changes are necessary and are very happy to display their achievements, many barriers remain in the path of increasing the appointments of women as executive directors. This study identifies five areas in which changing behaviours could facilitate progress: properly defining what is meant by diversity, cognitive diversity and merit and increasing the robustness of selection processes; placing greater demands on the services of executive search companies which urgently need to improve their approach; challenging widespread bias and stereotyping and taking responsibility for developing the large communities of talented women in these businesses to build the executive pipeline. Many of the conditions for change are clear and require sustained and committed leaders to enact them. Only by tackling barriers head on, and developing a firm evidence-base on which to ground these actions, will things change and women will gain equality of representation on public company boards.

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## Appendix 1

### Questions for chairs

Thank you for participating in this project. As you know, I am researching the topic of board diversity and am very appreciative of your input. I have a consent form for you to sign for research purposes.

In line with our agreement, your identity and your company will be anonymised in my doctorate Is that ok?

We have 60 minutes and there is a lot to ask you about, so I am going to digitally record this interview—so just please could you confirm that you're happy with that?

The interview will fall into two parts—the first part will cover specifically board appointments that you've recently been involved with. I'd like to ask you questions that are focussed quite factually

about how these appointments have come about. The second part will be more about your

opinions and will be about your experience of diversity trends and PLC boards so I can gain some insights from the depth of your experience. Is that ok?

**Part One: The process of making board appointments**

**(1) Before we start, when you think about the qualities of an excellent board director, what do you think they are?**

**(2) Thinking back to times when you have a recruitment need for your board, what processes do you go through to assess what you need?**

*Prompts:*

- *Do you go through a gap or needs analysis?*
- *Do you start with a reasonably clear picture of what you have wanted from the beginning?*
- *How does the process differ for appointment of an NED vs. an exec director?*
- *How does the process differ for internal or external appointments?*
- *In the selection process, how do you/your team decide what the qualifying criteria might be?*

**(3) You are more or less obliged to use an executive search firm. How do you work with them?**

*Prompts:*

- *How do you choose the exec search firm?*
- *How has your experience of working with search firms been?*
- *In the recent past, have you relied solely on exec search firms for your appointments?*
- *If not, what other ways do you use to communicate what you are looking for?*

**(4) In order to shortlist candidates, how does the process work?**

*Prompts:*

- *Do you get involved in the shortlisting process?*
- *Do you involve other board members? How does this work?*

**(5) How does the final appointment get made?**

*Prompts:*

- *What is your role in this?*
- *What is the role of others?*

**(6) In making recent appointments, how important has diversity been for you?**

Prompts:

- *What is/would be your strategy for widening the types of candidates in the pool?*
- *How do you create a process in which diverse candidates can do well? How easy/hard is this?*
- *How do you assess risk in candidates? Is this process different for more diverse candidates?*

**Part Two: Opinions about and experience of diversity trends**

Thank you for all that detail. It will provide me with lots of material, so brilliant. I know want to move on to the second part of the interview which is about your views and experience of the appointments of Women on boards more generally.

- (1) What has been your experience of managing more diverse boards?**
- (2) What are your thoughts on the importance of a diverse representation on boards?**
- (3) What, if any, are the implications of not addressing board diversity?**
- (4) There has been a lot of external pressure to appoint women onto boards—what are your thoughts on this?**

Prompts:

- *Is it helpful?*
- *Can some of this pressure result in window dressing?*
- *What factors hinder female board appointments?*
- *Are there any factors which facilitate female board appointments?*

**(5) Considering diversity, in particular gender diversity, more widely, have you monitored this in firms you have worked with?**

Prompts:

- *If yes, how have you done this? Has it been successful?*
- *Have you put in a strategy internally for progression of more diverse candidates?*
- *What strategies have you seen work in terms of progress of diversity?*

**Appendix 2**

**Research to explore factors that influence women being appointed to FTSE boards**

**Consent form**

