

News story: Revealed: The worst explanations for not appointing women to FTSE company boards

- shocking explanations for not having more women on top company boards include 'they don't fit in', 'they don't want the hassle' and 'all the good ones have already gone'
- evidence has shown that bridging the gender pay gap could add £150 billion to the UK economy by 2025 and tackling the gender pay gap is part of the government's modern Industrial Strategy
- the [Hampton-Alexander Review](#), which reaches halfway mark in June calls for bosses to ensure that one-third of FTSE leadership positions are occupied by women by 2020
- number of all-male FTSE 350 company boards fell from 152 in 2011 to 10 in 2017

Despite a major drop in the number of top companies with all-male boards, many are still refusing to move with the times – and some of the worst explanations firms have made for not having women among their top employees have been revealed today (Thursday 31 May).

Outrageous explanations for not appointing more women include suggestions they are not able to understand the 'extremely complex' issues FTSE boards deal with and the idea women do not want the 'hassle or pressure' of sitting on a top board.

The explanations, which come from a range of FTSE 350 Chairs and CEOs, were heard by the team behind the government-backed Hampton-Alexander Review, which has challenged all FTSE 350 companies to make sure at least a third of their board members and leadership are women by 2020.

The explanations include:

1. 'I don't think women fit comfortably into the board environment'
2. 'There aren't that many women with the right credentials and depth of experience to sit on the board – the issues covered are extremely complex'
3. 'Most women don't want the hassle or pressure of sitting on a board'
4. 'Shareholders just aren't interested in the make-up of the board, so why should we be?'
5. 'My other board colleagues wouldn't want to appoint a woman on our board'
6. 'All the 'good' women have already been snapped up'
7. 'We have one woman already on the board, so we are done – it is someone else's turn'
8. 'There aren't any vacancies at the moment – if there were I would think about appointing a woman'

9. 'We need to build the pipeline from the bottom – there just aren't enough senior women in this sector'
10. 'I can't just appoint a woman because I want to'

The number of women on boards has more than doubled in the FTSE 350 since 2011 according to the most recent statistics (November 2017). In that time, the number of all-male FTSE 350 company boards also fell from 152 to 10.

But Business Minister Andrew Griffiths said such appalling explanations as those released today proved companies have more work to do.

He said:

It's shocking that some businesses think these pitiful and patronising excuses are acceptable reasons to keep women from the top jobs. Our most successful companies are those that champion diversity.

Thankfully, there has been great progress in recent years and through our modern Industrial Strategy and the Hampton-Alexander Review we are determined that everyone has an equal opportunity to reach the top.

Chair of the Hampton-Alexander Review Sir Philip Hampton said:

Around a third of FTSE 350 companies still have very few women either on their boards or in senior leadership roles. We used to hear these excuses regularly a few years ago, thankfully much less so now.

However, leaders expressing warm words of support but actually doing very little to appoint women into top jobs – or quietly blocking progress – are really not much better.

These explanations have been published ahead of the announcement of the latest figures for the number of women on FTSE 350 boards on 27 June, which will mark the halfway point of the independent Hampton-Alexander Review which launched in November 2016.

Many companies reporting their gender pay gap earlier this year explained to the Hampton-Alexander Review team that the pay gap was due to insufficient women in senior roles, and/or a predominance of women in lower paid work. Ensuring women are selected in more equal numbers for senior roles, significantly reduces the pay gap.

Chief Executive of Business in the Community Amanda Mackenzie said:

As you read this list of excuses you might think it's 1918 not 2018. It reads like a script from a comedy parody but it's true.

Surely we can now tackle this once and for all. Maybe those that give credence to these excuses are the ones that are not up to sitting on boards and should move over: we are in the 21st century after all.

However, we have plenty of reasons to be optimistic; the combination of gender pay gap reporting and the increased focus on equality and diversity in general by responsible businesses means there are more women on boards than ever before. While we still have a long way to go, with the collaboration between government, employers and their employees (both men and women), we could see true equality in our lifetime.

Director of Corporate Governance, Legal & General Investment Management (LGIM) Sacha Sadan said:

As a major investor in the UK we see diversity as a key business issue. LGIM has been active in the diversity debate since 2011, and has been voting against all male boards since 2015.

Boards made up of just men, from the same socioeconomic backgrounds, cannot be the optimal forum for challenging debates.

Although we have seen good progress at non-executive level there is still much more to do on the senior leadership pipeline. Therefore we continue to encourage companies to tap into the whole talent pool.

UK government Minister Lord Duncan said:

These shocking and pathetic excuses for not appointing women to FTSE company boards highlight the necessity to keep driving home the message that women must be in senior roles.

However, with the number of women on boards doubling in the FTSE 350 since 2011, there has been solid progress. The UK government will continue to build on this as a key part of our modern and diverse nation.

According to research by McKinsey bridging the gender pay gap could add £150 billion to the UK economy by 2025 and it could translate into 840,000 additional female employees.

Under new laws introduced in April 2017, more than 8,100 private and voluntary sector companies reported their gender pay gaps by the 4 April deadline this year. All companies with more than 250 employees are required to report their gender pay gaps.

Tackling the gender pay gap is a key part of the government's modern [Industrial Strategy](#), through which the government aims to help businesses create better, higher-paying jobs while boosting people's earning power and ensuring that everyone has the opportunity to progress in the workplace.