

# Balancing the boardroom

**Sandra Lam** asks whether there should be more women at the top

With Yahoo's high-profile chief-executive appointment of Marissa Mayer last summer following hot on the heels of Virginia Rometty becoming the first female CEO of IBM after over a century of male rule, a great wave of optimism was stirred up about more women taking up top jobs at Fortune 500 companies in the United States.

Similar optimism can be felt after a glance at a recent Grant Thornton report which shows that in Hong Kong, women fill a promising 30 per cent of senior management positions, compared with a global figure of 24 per cent.

Just as in the US, however – where the percentage of female CEOs in Fortune 500 companies stands at a dire 4 per cent – in Hong Kong, the figures get decidedly grimmer the higher up the management ladder you look.

According to Standard Chartered Bank's *Women on Boards: Hang Seng Index (HSI) 2013* report, women represent only 9.4 per cent of boards at companies listed on the HSI, compared with figures of anywhere between 15 and 40 per cent in other developed countries. As you look even higher, only 4 per cent of Hong Kong CEOs are female, compared with a global average of 14 per cent, according to Grant Thornton.

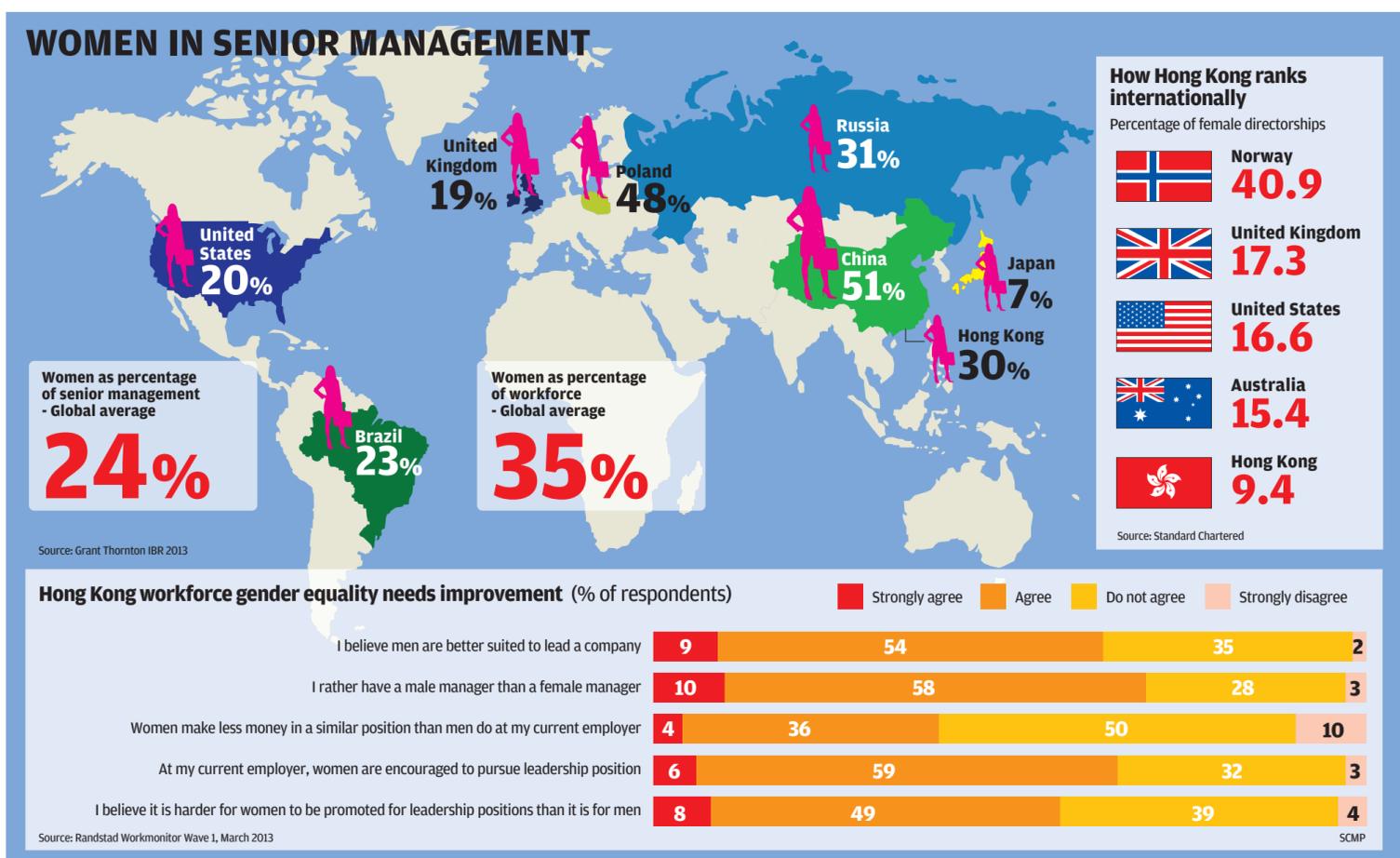
Efforts are, however, being made to address this. From this September, under a new Code Provision introduced by Hong Kong Exchanges and Clearing (HKEx), listed companies will have to report their board diversity policy. Su-Mei Thompson, chief executive of The Women's Foundation (TWF), applauds the move as a critical first step towards achieving greater board diversity in Hong Kong, but also thinks HKEx should have gone further.

"We consider that the issue of gender diversity warrants specific attention given it is the most glaringly obvious disparity ... Even more concern-



**Women always give me more specific feedback to work on**

SIMON HEATON, HEAD OF RECRUITMENT, WALMART ASIA



ing, there has been no improvement in the under-representation of women on Hong Kong boards over the last five years," she says.

Bonnie Chan, chief executive of the Icicle Group, a marketing-solutions provider, says that a balanced senior-management team with a 50/50 male-female split – like Icicle – increases a company's adaptability and inner strength. This, however, is not common practice in Hong Kong for several reasons – one being the specific challenges a woman in senior management here faces, which Chan admits she finds frustrating at times.

"Being a woman boss can sometimes be quite tough in a male-dominated environment," she says. "I find that it takes longer and more effort to gain respect, especially from middle-aged men."

She adds that doing business in China involves additional challenges for women, where social activities such as going out for drinks can sometimes be essential for building client relationships. "Men restrain their behaviour out of respect when a woman is around, which makes it even more difficult to break the ice," she says.

The situation was not helped by Sun Hung Kai Financial executive director Joseph Tong's comments last November, when he stated that women were less entrepreneurial than men, resulting in less women owning businesses and holding director positions on listed-company boards.

He is far from alone in his thoughts, however. A recent global

survey by Randstad Workmonitor, which gathered the opinions of 14,780 employees from 32 countries, found that of the 400 respondents from Hong Kong, 63 per cent felt that men are more suitable to lead a company.

Is this really true? Studies tend to show otherwise. In 2012, a Dow Jones study showed that venture-backed start-ups with five or more women executives failed only 39 per cent of the time, compared with the average failure rate of 75 per cent. The study also found that the fewer women represented at executive level, the more likely the start-up was to fail.

Simon Heaton, head of recruit-



**The skills needed at the top are about ... dealing with people**

SIMON PAGE, MANAGING PARTNER, EGON ZEHNDER

ment at Walmart Asia, emphasises the importance of having women in the boardroom. "If we don't have a leadership team and commercial team that represent females, we often don't come up with the right [product] range," he says.

Sally Hasler, policy and networks manager at TWF, says: "If you have a group of people with the same educational background and the same life experiences, then there is a strong risk that the group can develop a group-think mentality."

The general perception of the Hong Kong workforce, however, is discouraging. According to the Randstad survey, 68 per cent of Hong Kong employees say they prefer male managers to female managers.

Is the idea of working for a female boss really that bad? Dr Janet De Silva, dean of Ivey Asia, says: "I've worked for some really amazing bosses – some of them were women and some of them were men. I've also worked for some pretty terrible bosses – some were women, some were men."

The fact that people generally prefer male to female bosses, she thinks, may be a reflection of the long-standing gender disparity on company boards. "If an employee has only ever reported to men, there will be an impression that men make better bosses. The reality is that until we have more women in managerial roles, there will probably be a false sense of overweighting on men being more effective bosses."

From her own point of view as someone who was once a young manager of male staff twice her age,

De Silva thinks trust is crucial. "It's about being respectful to people and the skills that they have and not making a big deal about gender."

Equality and diversity should go both ways, however, and women should be hired based on their ability and performance, not because of their gender. "It is not about me saying pick me ... or give me this opportunity because I'm a woman," De Silva says. "My value system is that I want to have this opportunity because I'm the best person for that job. I think it's about becoming invisible from a gender perspective, but visible from a talent perspective."



**Gender diversity ... is the most glaringly obvious disparity**

SU-MEI THOMPSON, CHIEF EXECUTIVE, THE WOMEN'S FOUNDATION

Simon Page, managing partner at executive search firm Egon Zehnder, says that many women are good at the skills needed for top roles, such as the ability to deal with people and to build and maintain relationships. Such high-level relationship skills are in particular short supply in China.

"In a service- and knowledge-based economy, the kind of skills needed to succeed at the top are about being able to deal with people," he says.

Heaton says the demand for female CEOs in China is high. "Our expectation for China over the next 20 years is that Walmart China could be bigger than we are in the US. We are always on the lookout for great women to come and work in our business because the CEO of the household ... who decides where all the household expenditure goes is the woman."

Heaton himself has only ever had three male bosses and has generally worked under women. "I've always enjoyed working for female bosses more," he says. "Women always give me much more specific and actionable feedback to work on."

Perhaps the final word should go to the managers of female bosses. Eric Schmidt, executive chairman of Google and Marissa Mayer's boss before her move to Yahoo, made an insightful comment after her appearance in *Time* magazine's list of the top 100 influential people in 2013. "When I think back to our time working together, the gender distinction melts away," he said. "She is simply one of the smartest, most talented leaders the tech world has ever known."

## EMBA scholarships give women the XX factor

If you think that taking an Executive MBA (EMBA) is like those days at university when you could sit back and relax or even skive, then think again. Like most executive courses, the Ivey Executive EMBA programme requires persistence and commitment.

And for those female executives and managers who think they have what it takes, The Women's Foundation (TWF) has launched a scholarship programme with Ivey Business School. Sally Hasler, policy and networks manager at TWF, says the scholarship aims to build and promote a pipeline of executive and non-executive directors in Hong Kong. "So there's three scholarships offered annually to support women," she says.

Dr Janet De Silva, dean of Ivey Asia, says women only represent 25 per cent of the intake in EMBA courses, versus 50 per cent for undergraduate courses.

"That is why this programme... is so important in raising the profile and visibility of continued education and more experience to build up a ready pipeline of aspiring women," she says. "By the time you've completed our 15 modules, you'll also have debated

and prepared a 150 business cases... So you'll become really good at dealing with many of the real-life issues faced by senior executives," De Silva adds.

All the cases are real-life scenarios and sourced from companies, alumni and organisations.

Students are expected to engage and contribute actively in a class typically made up of 10 different nationalities. Cultural diversity is not the only benefit. About 15 per cent of the class comes from companies with a headcount of fewer than 15, and 40 per cent from those with 50-1,000 staff, while 8 per cent are from corporations with over 100,000 employees.

Relentless debates in class are seen not only as beneficial for extending networks but also as very enlightening. When most of the students are senior company executives, the chances are participants will be exposed to marathon discussions on the real crises that many executives face.

Students rate each other in terms of contribution and interaction. They meet for four days of weekend classes each month, and students are expected

to spend 10-12 hours a week on homework.

Simon Heaton, head of recruitment at Walmart Asia who is halfway through the course, says: "For me personally, it's been a transformational programme."

While considering that he has benefited a great deal from the programme, Heaton especially embraces the 100 per cent case-based study method and attributes his work appraisal result to it.

"I just had the assessment centre that we go through in Walmart ... And I can honestly say I would not have got the feedback and the strengths in the report that I got had it not been for the three professors particularly, and the

classmates that I have that we debated the cases," he says.

A former CEO of Canada Sun Life Financial's business in Hong Kong and then a China joint venture, De Silva explained why she took the programme in the 1990s. "I was at a point of in my career where the people at the next level up seemed to have broader skills and experience than me. The programme helped me round out my skill set and build my confidence to higher-level, more strategic discussions, and this raised my visibility for and access to, more senior, complex roles," she says.

Women who can demonstrate strong managerial skills and growth in their career, as well as contributing to

the community by heading non-profit boards or mentoring jobs, are encouraged to apply. The scholarship is also aimed at role models who have helped other women advance in their own organisations.

The course will start in August and the intake admits about 35-40, students who take 18 months to complete the programme. The admission requirement is a minimum of 10 years' managerial experience for undergraduate degree holders, and 15-20 years for non-degree holders. Applications should be in by May 31. *Sandra Lam*

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