

# Gender Equality at Work 2019

A longer view

Conrad Liveris  
[conradliveris.com](http://conradliveris.com)  
+61 430 449 116

## Executive summary

The past twelve months has marked some successes and challenges in the pursuit of gender equality at work.

It's hard to ignore that gender equality is still a fair way off. While women outnumber men in entry and junior roles, as soon as decision making roles come into play the contributions of women are sidelined.

At the heart of this is the promotions-gap, which compounds and exacerbates the differences in opportunity for men and women in work.

Gender inequality continues to place a firm handbrake on Australia's opportunity.

In the fifth iteration of *Gender Equality at Work* I seek to show that the progress and energy for incision is there, but that is not widespread and it also comes with intended consequences.

**The focus on women in leadership is having, mostly, positive impacts throughout organisations for gender equality.**

Compared to previous years, I have synthesised my findings into three distinct sections - on Leadership, the Lifecycle and a general overview of facts, the latter from secondary sources.

The purpose of this report has always been to be one-stop-shop. I hope I have made this easier to give you an over of gender equality in our workplaces.

## Key outtakes

**Gender equality is jagged** with some progress and some regress.

11 ASX200 companies have female CEOs, down from 12 in 2018; with **men named Andrew 27 per cent more likely to be CEOs than women.**

There has been **a tripling of female CFOs** in the past three years, to 24 now.

The average ASX200 executive group is 22.25 per cent female, with an **average of two women and seven men.**

There are **14 companies chaired by women**, up from 10 in 2017.

**Women hold the majority on non-manager roles** - sales, operations etc - but fall to a minority in management.

Promotions are on a trend of becoming more equal, they are still given primarily to men. This further **compounds gender inequality.**

The fields men and women study **do not indicate that women are less qualified for management.**

## Leadership

- There are 11 companies with female CEOs, down from 12 in 2018;
- Men named Andrew are 27 per cent more likely to be CEOs than women;
- Female CFOs have increased three-fold in the past three years;
- The average ASX200 company has an executive group comprised of seven men and two women; and,
- 14 companies are chaired by women, up from 10 in 2017.

The galvanising of women onto ASX200 boards over the past decade has resulted in record high numbers of women into directorships, currently 29.7 per cent.

It is an incredible feat which positions Australia as a leader across Asia on diversity in leadership. It is a recognition of the talents of women, alongside men, that deserve a place at the peak of corporate decision making.

Looking below the oft-considered role of women on boards, sits women in chief and executive positions. These are the jobs that women on boards are doing before their elevation, primarily within ASX200 companies and senior roles in professional services.

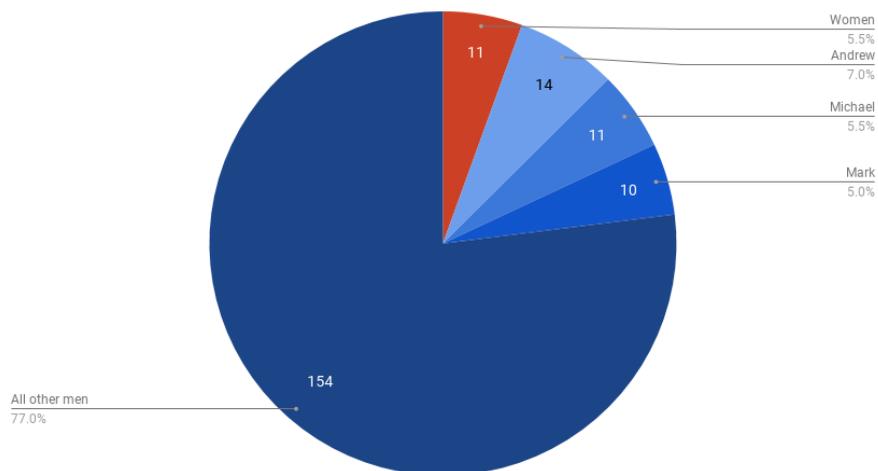
The self-imposed target for boards is resulting in unintended outcomes.

While some high profile appointments have occurred in the past twelve months, the number of women as CEOs has fallen from 12 to 11. This shrinkage becomes a reminder that even one woman matters.

In a typical calendar year, about 20-25 per cent of CEOs resign, thus creating a vacancy. With the emphasis of women in directorships, it seems like women are circumnavigating CEO roles and going from executive to board positions. Though this is not uncommon, but it does indicate where business focus is.

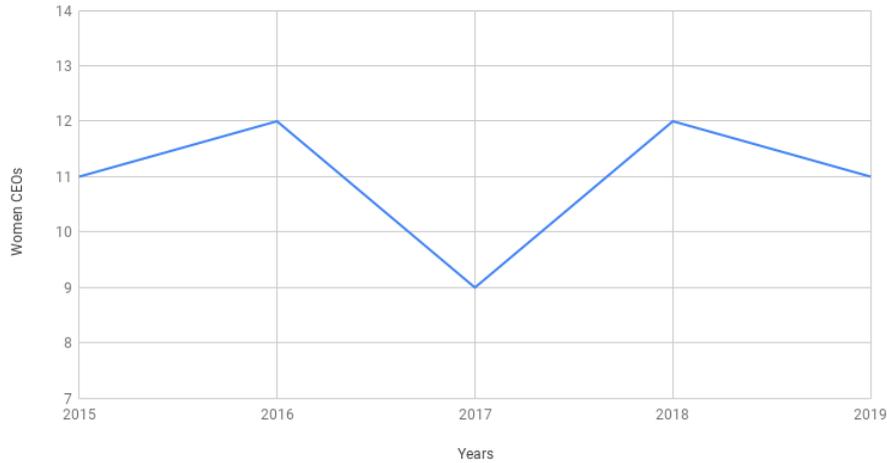
In 2019, men named Andrew are 27 per cent more likely to be ASX200 CEOs than women, with men named Michael just as likely.

Names, gender of ASX200 CEOs, as at March 2019



Source: Conrad Liveris, ASX200 declarations.

Female CEOs in the ASX200



Source: Conrad Liveris, ASX200 declarations.

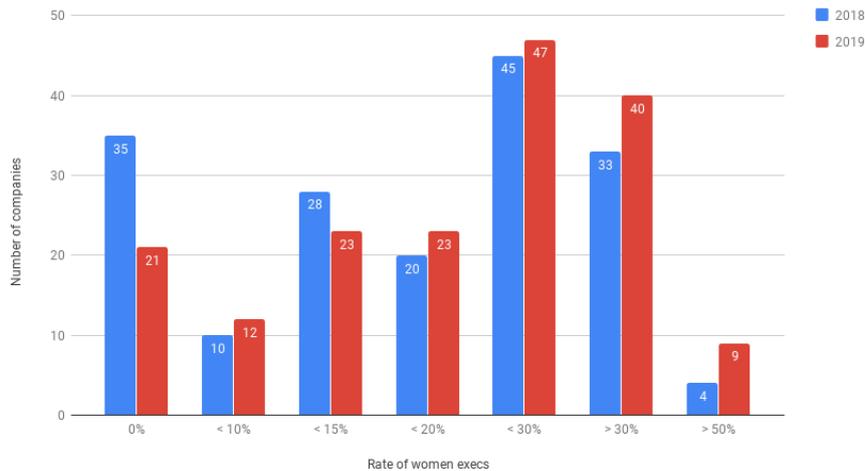
Additionally, the zig-zag nature of women in CEO roles suggests an upward swing and increase in women in those roles over the next 24 months.

Regarding executive roles, historically women have held support roles - HR and marketing - while that trend continues with women dominating those positions in executive management, there is a record number of women in business-wide operational roles. Chiefs of operations and finance are now more commonly held by women which tend to wield greater power than support functions, and CFOs are typically viewed as deputy-CEOs too. On this, female CFOs has increased too, with 24 women now being CFOs of ASX200 companies.

ASX200 companies have an average executive group of nine people, with seven positions held by men. The rate of female executives in the ASX200 is 22.25 per cent, which is up front a stagnant 20 per cent since 2010.

However, women are remain exempt from almost all business unit roles, which are the traditional training ground for CEOs, with men holding 90 per cent of these positions. Executive appointments are usually done on the advice of consultants and the board with the CEO; it is reasonable to conclude that women are being sidelined from business unit roles and in more business-wide roles as a step to directorships.

ASX200 companies by % of women execs, 2018 and 2019



Source: Conrad Liveris, ASX200 declarations.

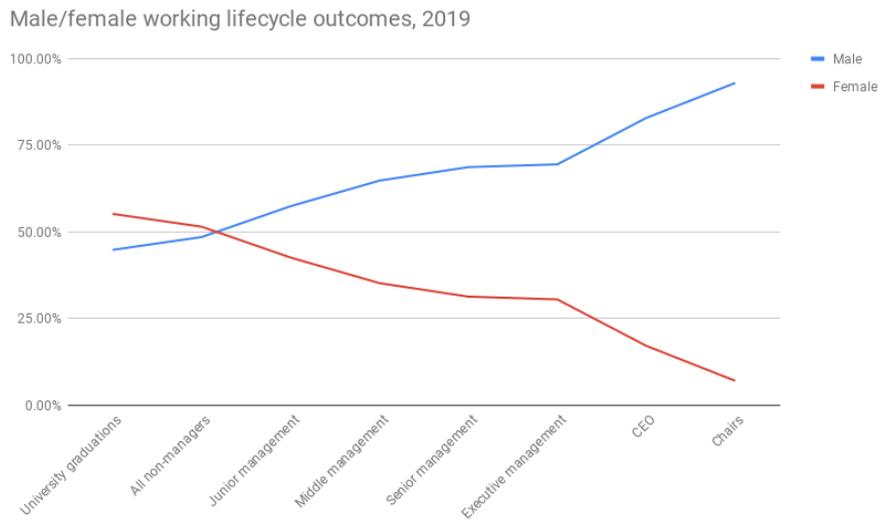
With an increased number of women on boards, like CEOs it is prudent to take stock of women as chairs. As of now, there are 14 companies chaired by women, 13 by men named Peter, and 11 by both men named John and Michael. The number of female-chaired companies has increased from 12 last year and 10 in 2017.

This is likely because of the training ground and peer-observance that boards offer through committees and chairs of those committees. Essentially, future chairs, if elevated from within as is normal, are known quantities.

## Working life gender split

- Women hold the majority of non-manager roles, but a minority management roles;
- While promotions are becoming more equal, the divergence compounds and results in increasingly obvious differences in opportunity for men and women; and,
- The fields men and women study do not indicate that women are less qualified for management.

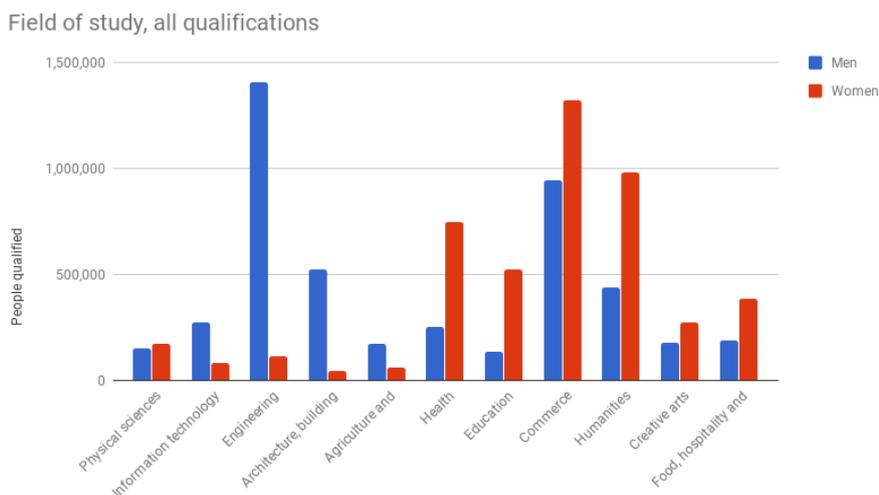
As soon as they enter the workforce, divergences occur for men and women. Over the lifecycle it continues to exacerbate itself, like the multiplier effect.



Source: Conrad Liveris, ASX200 declarations, WGEA 2018, ABS6227.

It's natural to assume that these gender differences play out in education choices, but this is not as conclusive as first thought.

While there are some divergences in educational choices by men and women, the education outcomes are relatively even. While there are a number of fields which are primarily studied by men and women in-part-segregation, the study of commerce is most interesting. Women hold 58.35 per cent of bachelor's degrees in business/commerce, however this is under-utilised by employers. It suggests that business prefers more technical skillsets, like in technology and engineering fields, over generalist management and business operations skills.



Source: Conrad Liveris, ABS6227.

It's also noting that men and women are comparably qualified in the natural and physical sciences.

While there's a keenness for technical skills in workplaces that doesn't fully answer the differences between men's and women's career outcomes.

The outcome suggests that commerce fields, which are assumed to lead to management and corporate careers, either don't best serve the needs of business or that workplaces biased against women with those skills.

Following education, women hold the majority of all non-manager roles, but this reverses when all management and supervisory roles are included. Promotions data shows that this occurs through men receiving 51.9 per cent of all promotions, and 54.0 per cent of management promotions; these majorities have shrunk since 2016.

The compounding of these majorities, however, continue until it reaches the outcomes of more men named Andrew as CEOs than women. What the data on directorships shows, however, is that when sustained effort and interest is placed on business that these statistics and outcomes can be reversed.

Effectively, when the pressure is on business to improve gender equality, it can.

## Facts on workplace gender equality

There's a lot of talk around workplace gender equality. So here are a list of facts and statistics on gender equality at work to help inform you and your conversations.

(Hyperlinked to original source.)

### Flexible working

Chief Executive Women: "In order to advance gender equality in the workplace, flexible work arrangements must be available to and actively supported for both genders. Currently less than 50% of Australian organisations have a workplace flexibility policy and even when such policies exist, there are barriers to effective utilisation."

University of Sydney: "Employers realise that current and prospective employees expect them to be bold and creative in offering different ways to access flexible work, whether through activity-based working environments, policy shifts, and technology to enable shift swapping or innovative approaches to enable more secure flexible work. This focus on the pull-factor of flexibility has driven a range of responses from employers keen to keep the best people and manage turnover costs."

"Some employers also indicated flexible ways of working would help them to tailor their services better to the needs of customers, match the ways of working of their customer organisations or simply stay ahead of competitors in their industry."

### Parental leave

Harvard Business Review, citing the White House: "Paid leave increases not only the probability that new mothers will return to their jobs, but also increases the hours they work when they do so."

Boston Consulting Group: "Women with paid family leave are 93% more likely to be working after having a baby one year later, than those that take no leave."

### Engagement

Chief Executive Women/Male Champions of Change: People may resist change they view as unnecessary or misguided. This may happen if the business case for gender equality, and the benefits it brings, are not clearly communicated, well-understood or accepted. When the business case is not made clear, conversation stalls at opinion and may not advance beyond differences of view.

Diversity Council of Australia: With progress towards gender equality in workplaces, men will enjoy workplaces with greater productivity, creativity, and diversity because of the wider pools of talent and fairer processes on which they are based. Men will also experience higher quality work resulting from greater teamwork and collaboration and a reduced emphasis on competitiveness.

### Corporate performance

Credit Suisse: "Companies with more female executives in decision-making positions continue to generate stronger market returns and superior profits."

Harvard Business School: "In gender diverse organisations, surveyed employees gave higher marks to their organisations in areas that are linked to better performance results including the work environment and values, direction, coordination and control, and of leadership. On the other hand, in organisations lacking gender diversity, employees gave lower marks to their companies for such factors as motivation, capability, accountability, and innovation."

McKinsey & Co: "Gender and ethnic diversity are clear correlated with profitability."

Thomson Reuters: "Organisations that embrace diversity and inclusion will be more competitive in the coming decades and outperform the companies that fall behind."

## **A note on sources and methodology**

The sources used include 200 ASX declarations, data disclosed through the Workplace Gender Equality Agency, per [data.wgea.gov.au](http://data.wgea.gov.au), and ABS data sets 6202, 6227 and 6291.

All charts are original, and where there are multiple years they are from successive ASX200 declarations with the 200 largest companies of that year.

**Disclosure:**

To cite this document please do as: Liveris, C, "Gender Equality at Work 2019: A longer view", March 2019.

This is part of a periodic analysis of various workplace and economic issues of contemporary national and industry interest. All efforts are made to present the evidence as impartial, independent, fair and not misleading. These contributions are verifiable and are reviewed by experts prior to release.

The author, Conrad Liveris, is a corporate adviser on workplaces and risk. Considered one of Australia's leading employment and workplace experts, he works closely with decision-makers across sectors on a range of HR, management and economic issues. He is alumni of the US State Department and the UN, and is an Associate Fellow of the Royal Commonwealth Society (London). He completed his Bachelor of Arts at the University of Notre Dame Australia, a Master of Commerce at Curtin University and has received scholarships for management education at the Governance Institute of Australia and the University of California, Los Angeles.