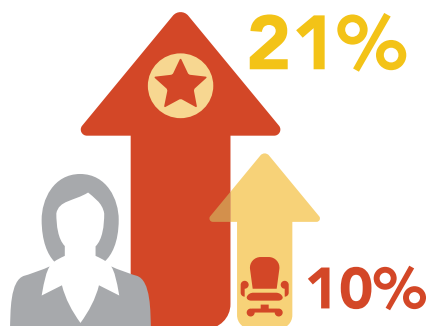


FIRST STEP:

Gender Diversity at the Top Pays Off

From the Boardroom to the C-Suite



Over time, a 10% increase in female board membership is associated with a 21% increase in female executive presence in companies.

More and more companies now recognize the benefits of well-managed diversity and how important it is to have women at decision-making tables. In particular, research shows that women board directors make invaluable contributions to companies and the boards on which they serve.¹ But the benefits of having women on the board go beyond simply influencing board deliberations, better meeting attendance and preparation, and improved boardroom behavior.² In fact, having more women on the board may help companies solve the problem of insufficient numbers of women in their executive ranks.

More Women Board Directors Mean More Women Executives

The presence of women on a company's board sends an important message to employees and other stakeholders: women are valued leaders who contribute to the company's success. Women board directors also provide vital role models for other women, helping dismantle a documented barrier to women's advancement.³ Yet women on the board do more than just send a message or show women that "someone like me" can reach the top. Specifically,

higher percentages of women on a board are associated with greater percentages of women executive officers in subsequent years,⁴ as well as greater percentages of women in line roles⁵—those key profit-and-loss positions that are often required for advancement. Furthermore, research has found that, over time, a 10% increase in female board membership is associated with a 21% increase in female executive presence in companies.⁶

The Presence of Women on Boards Creates Robust Talent Pipelines

The bottom line is that women's membership on boards is important to getting more women into companies' top positions.⁷ Greater representation of women on boards correlates with an increase in women executives. In turn, these executives advocate for the women below them, creating a virtuous cycle and a robust talent pipeline.⁸ The result is both a bottom-up and top-down approach to women's advancement that results in, quite literally, a seat at the table.⁹

CATALYST BOARD RESOURCES

There are a number of ways companies can help increase the number of women on boards. Start with this suite of Catalyst knowledge products and services:

- The *Setting the Record Straight* research series debunks myths about corporate boards and corporate leadership, providing companies with valuable information to help make change.
- *A Bright Spot Case Study: How Individual Champions Help Close the Gender Gap* highlights how influential individuals can significantly impact women's advancement.
- The *Catalyst Accord* calls on Canadian companies to increase the overall proportion of FP500 board seats held by women to 25% by 2017.
- The *Catalyst Corporate Board Resource: Connecting CEO-Sponsored Women to Board Opportunities* allows Catalyst member CEOs to:
 - Sponsor board-ready women for director positions.
 - Access Catalyst's directory of CEO-recommended women board candidates.
 - Share board opportunities with other Catalyst members.

Endnotes

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5. Joy.
6. Matsa and Miller.
7. Matsa and Miller; Skaggs et al.; Bilimoria.
8. Bilimoria; Sarah Dinolfo, Christine Silva, and Nancy M. Carter, *High Potentials in the Pipeline: Leaders Pay it Forward* (Catalyst, 2012).
9. Joy.