

Australian Social Trends December 2012

Women in leadership

www.abs.gov.au/socialtrends

AUSTRALIAN BUREAU OF STATISTICS CATALOGUE NO. 4102.0

ABS catalogue no. 4102.0

ISSN 1321-1781

© Commonwealth of Australia 2012



This work is licensed under a Creative Commons Attribution 2.5 Australia licence.

In all cases the ABS must be acknowledged as the source when reproducing or quoting any part of an ABS publication or other product. Please see the <u>Australian Bureau of Statistics website copyright statement</u> for further details.

Produced by the Australian Bureau of Statistics

INQUIRIES

• For further information about these and related statistics contact the National Information and Referral Service on 1300 135 070, or refer to contacts listed at the back of this publication.



Women in leadership

Women in Australia have more employment opportunities and are more educated than ever before, however gender equality at senior levels in the workplace has yet to be achieved. In senior leadership positions, men outnumber women across the public and private sectors, as well as in the upper and lower houses of federal parliament.

This article focuses on the number of women in senior positions, some of the barriers that may be blocking women from reaching senior positions, and current initiatives being put in place to not only increase the number of women in leadership roles, but also get people to look outside the square and start cultural change within the workplace.

A lack of a great push forward

When Queen Elizabeth II touched down in Canberra for the start of her Australian tour in October 2011, she was greeted by an entourage of women, all in senior positions; Prime Minister Julia Gillard, Governor-General Quentin Bryce, and ACT Chief Minister Katy Gallagher. It was a considerable 'first'.

Despite aspirations for more women in senior leadership roles, progress over the last 10 years has been slow. While in 2011–12 women represented close to half of the labour force as a whole (46%), and 45% of Professionals, women remain under-represented at senior levels within both the private and public sector.

... in parliament

A key measure of women's empowerment in society is their participation in politics.¹ Women make up half of Australia's total population (50%),² however as of 1 January 2012, less than one-third (29%) of all Federal Parliamentarians across Australia were women (66 out of 226). In the federal government, seven ministers including the Prime Minister were women, compared with 23 ministers who were men.3 In the Federal Parliament, there is a higher proportion of women in the Senate or upper house (38%) than in the House of Representatives or lower house (25%). The Senate has traditionally had a higher proportion of women than the House of Representatives.³ This may be due to people regarding upper house seats in the Senate as less desirable than seats in the House of Representatives, particularly ambitious people who aim their careers towards working in the House of Representatives where government is formed.3

Data sources and definitions

Data relating to senior leadership has been sourced from ABS <u>Gender Indicators, Australia, Jul 2012</u> (cat. no. 4125.0).

For other data relating to the proportion of women in the workforce, and selected industries and occupations, this article draws on information from ABS <u>Labour Force, Australia, Detailed</u> (cat. no. 6291.0.55.001), and ABS <u>Labour Force, Australia, Detailed, Quarterly</u> (cat. no. 6291.0.55.003).

Labour force refers to those who were employed or unemployed.

Parliamentarian is a member of parliament.

House of Representatives is one of the two houses of the Australian Federal Parliament, the other being the Senate. It is sometimes referred to as the 'lower house', and has 150 members.

Senate is the other house of the Australian Federal Parliament. It is sometimes referred to as the 'upper house', and consists of 76 senators, 12 from each of the six states and two from each of the mainland territories.

Chief Executive Officer (CEO) is the most senior person within an organisation.

Board of Directors is a body of elected or appointed members who jointly oversee the activities of a company or organisation.

Dependent child refers to a child aged less than 15 years, or a child aged 15–24 years and a full-time dependent student.

In 2012, the proportion of state and territory parliamentarians who were women was 30% – slightly higher than the proportion of Federal Parliamentarians, but still just less than a third. Female state and territory parliamentarian representation rose from 27% in 2002 to 31% in 2006, but has remained relatively stable since then.

Federal and State Parliamentarians who were women(a), 2002 - 2012



 2002
 2003
 2004
 2005
 2006
 2007
 2008
 2009
 2010
 2011
 2012

 (a) Reference period is at 1 January each year.

Source: ABS Gender Indicators, Australia, Jul 2012 (cat. no. 4125.0)

The Pioneers

Over the years there have been a number of successful women who have become role models for other women to look up and aspire to.

One of the earliest women to become successful in business was Mary Reibey. Originally sent to Australia from England in the late 1700s as a convict, Mary went on to become a respected businesswoman in Sydney during the 1800s.⁴

During the 1970s and 80s, Ita Buttrose paved the way forward as editor and chief within some of Australia's top magazines and newspapers.⁵ And in the corporate world, Gail Kelly became Australia's first woman Chief Executive Officer of a top Australian bank in 2002.⁶

In parliament, Edith Cowan was elected to the Western Australian Legislative Assembly as member for West Perth in 1921 – she was the first woman elected to any Australian Parliament, and she fought to improve conditions for women, children, families, the poor, the under-educated and the elderly.⁷

In 1943, the first women were elected to federal Parliament when Dame Dorothy Tangney won a Senate position to represent Western Australia, and Dame Enid Lyons was elected to the House of Representatives in the seat of Darwin, Tasmania.³

...CEOs and Board Directors

Corporate leadership is an important aspect of governance in Australian society. The business sector drives our economy, and provides support to the community. Gender diversity in corporate leadership indicates the level of access and support available for women to take up business leadership roles.⁸

The Australian Government Equal Opportunity for Women in the Workplace Agency (EOWA) collects information on women in executive management and board director positions by conducting a census of Australia's top 200

Women CEOs(a) and Board Directors in top 200 ASX companies(b), 2002–2012



(a) CEO - Chief Executive Officer.

(b) 200 ASX companies - the top 200 companies listed on the Australian Stock Exchange.

Sources: <u>ABS Gender Indicators, Australia, Jul 2012</u> (cat. no. 4125.0), and Equal Opportunity for Women in the Workplace Agency (EOWA), <u>2012</u> <u>Australian Census of Women in Leadership</u>

Benefits of women in senior leadership

A number of benefits have been put forward as to the advantages of increasing female representation at senior levels including:

- Women bring new ideas, and different decision-making and communication styles that can have positive effects on board function and company management.⁹
- Women on boards can provide insights into consumer behaviour for women, and their presence improves company and brand reputations - especially for the female market.⁹
- Companies and organisations miss half the talent pool by not investing in gender diversity.⁹
- Women in management positions serve as role models for others; they encourage the career development of women and ensure the pipeline of qualified and experienced women remains open.⁹
- Companies with female CEOs, female board membership and a higher proportion of women in senior management are more profitable.¹⁰
- Equal representation of women and men in leadership roles allows quality outcomes for all Australians by ensuring the issues, perspectives and needs of women and men are equally represented in decision-making processes.¹¹

companies listed on the Australian Stock Exchange (ASX 200). In the 10 years the Australian Census of Women in Leadership has been run, there has been very little change in the number of women in executive ranks. However, there has been a positive increase in the number of female board directors.¹²

In 2012, women remained under-represented in the most senior corporate positions within the top 200 ASX companies.¹² Six boards (3.0%) had a woman as chair (one more than in 2010, and two more than in 2008), and seven (different) companies had a female Chief Executive Officer (CEO) (3.5%, up from 1.3% in 2002).¹²

At board director level there was a significant increase in female representation, with an increase from 8.4% in 2010 to 12.3% in 2012.¹² For the first time since the Women in Leadership Census began, more ASX 200 companies had at least one woman director than those who did not (62%).¹² The number of ASX 200 companies with more than one woman director has also increased from 13% in 2010 to 23% in 2012. The 2012 Women in Leadership Census shows that women are more likely to have multiple directorships than men, suggesting companies are looking for proven women directors rather than searching for new female talent.¹²

Achievers

There are a number of Australian women – too many to mention - who are known for their achievements; whether it be in science, sport or giving back to the community.

In science, Dr Fiona Wood has been a burns surgeon and researcher for the past 20 years. She pioneered the 'spray-on-skin' cell technology used to treat burn victims, and was awarded Australian of the Year in 2005.¹³

In sport, Layne Beachley is the first woman ever to win seven world surfing championships – six of them consecutive.¹⁴ And swimmer Jacqueline Freney won eight gold medals at the 2012 London Paralympics, making her Australia's most successful athlete at a single games.¹⁵

Dr Catherine Hamlin; an Australian obstetrician and gynaecologist co-founded with her late husband Dr. Reg Hamlin, the Addis Ababa Fistula Hospital in Ethiopia 33 years ago. The hospital is the world's only medical centre dedicated to treating women with obstetric fistulas – devastating childbirth-related injuries rarely seen in Western nations since the end of the 19th century. She was nominated for the Nobel Peace Prize in 1999.¹⁶

...Senior Executives in the Australian Public Service

The Senior Executive Service (SES) forms the senior leadership group of the Australian Public Service (APS). The role of the SES is to provide expertise and policy advice within the APS. SES officers are expected to have high level management and leadership skills. Women comprised more than half (57%)¹⁷ of all Commonwealth public servants in 2012, but despite the proportion of women in senior roles within the APS increasing in recent years, women are still not equally represented in the most senior roles within the APS.¹⁸

Women Senior Executive Service managers in the APS(a), 2002–2012



Sources: <u>ABS Gender Indicators, Australia, Jul 2012</u> (cat. no. 4125.0), and Australian Public Service Commission (APSC), <u>State of the Service 2011–</u> <u>12, Chapter 6 Diversity</u>

Making a difference

In 2011–12, women made up a notable proportion of people employed in Health care and social assistance (78%), and Education and training (69%) industries.

Within the Managers occupation group, women made up the vast majority of Child care centre managers (96%), three quarters of Health and welfare services managers (78%), and there was almost an equal proportion of School Principals (48%). Of the Professionals occupation group, women represented the majority of Early childhood teachers (97%), and Primary school teachers (86%), as well as Counsellors (82%), and Welfare, recreation and community arts workers (80%).

Women made up a notable proportion of those employed in the Community and personal service workers occupation group, Child carers (96%) and Enrolled and mothercraft nurses (95%). Also, 91% of Education aides, 87% of Special care workers, and 80% of Aged and disabled carers were women.

In 2012, women made up 39% of the Senior Executive Service (up from 28% in 2002).¹⁷ The proportion of women in middle management within the APS was much closer to that of men, with 47% of Executive Level (EL) Managers (up from 36% in 2002) being women.¹⁷

One possible reason for the lack of 'examples' of senior women for the current generation in the APS may be due to the marriage bar which was in place until 1966.¹⁹ Prior to 1966, women were forced to resign once they married, and were therefore inhibited from progressing their careers. Although it might seem like the removal of the marriage bar happened a long time ago, attitudes and unconscious bias towards women in the workplace have been slow to change.¹⁸

Barriers

Although men and women may enter the workplace at similar levels, with similar credentials and career aspirations, their career paths often diverge.²⁰

...work and family balance

Women may not seek promotion because of family responsibilities, and a lack of family friendly and flexible working environments. Even if women were to have the support necessary to succeed in advancing their career, some women may not be prepared to make the sacrifices necessary to do so.²⁰

An increasing trend for families with children is where both parents are employed. In 2009–10, both parents were employed in 63% of the 2.3 million couple families with dependent children.²¹ Although time spent looking after children is usually a responsibility shared among couples, women do usually take on a large share of the caring and nurturing role,

Other factors

...lacking confidence

Some women are seen to have a lack of confidence in their abilities and are less likely to put their hands up for promotion.²³ Whereas men are willing to put their hand up for a role where they may not tick some or all of the boxes, some women may only apply for the job if they feel confident they are a good fit for the job.²³

It has been suggested that women tend to be uncomfortable with self-promotion.²⁴ Being more hesitant to promote themselves and their accomplishments may come across as a lack of confidence in their own abilities.²⁴ Ironically, the very qualities that hold women back from putting themselves forward for higher roles – being cautious and risk adverse – may also make them better in those roles.²⁴

...unconscious bias

The glass ceiling is a term that is often applied to women being unable to progress from middle to senior management. One reason for this may be due to unconscious bias towards leaders of a certain age, gender and race.²³ Unconscious bias is not a concept that can be measured, but it is seen as a barrier.²³

whether that be with their children, the household, and increasingly, their elderly parents.²² For example in 2006, women employed full time spent 6 hours and 39 minutes per day taking care of children, compared with men employed full time who spent 3 hours and 43 minutes. The time men spent taking care of children remained unchanged since 1997, whereas for women it increased by 49 minutes.

International comparisons

Boards around the world are under increasing pressure to increase the number of women in senior roles.²⁵

Total hours a day spent taking care of children by parents employed full time(a)(b), 1997 and 2006



(b) Children aged between 0-14 years.

Source: ABS Gender Indicators, Australia, Jul 2012 (cat. no. 4125.0)

Quotas vs. cultural change

Although targets and quotas make a difference to the number of women in senior leadership roles, some believe quotas are wrong in principle, are tokenistic and counterproductive to changing the workplace culture.²⁶ One of the most common objections to quotas is that they aren't based on the principle of merit and don't represent the best person for the job.²⁷

Quotas can have some unintended consequences for companies and boards. For example, Norway introduced mandatory quotas in 2003. While they did achieve the legislative requirement that at least 40% of the board members of listed companies be women, there was no change in the proportion of women senior executive positions, which in 2010 remained at 12%. The proportion of women chairs stayed at 2%, and the proportion of women CEOs remained at 5%.²⁸ Instead of increasing the number of women holding board positions in Norway, a select few held between 25 to 35 director positions each.²⁹

Other ways suggested for increasing the number of women in senior leadership positions include reviewing diversity policies such as recruitment practices to address barriers, implementation of family friendly policies and flexible work options, and intervention programs to foster the career development of women employees.²⁶

When it comes to women in leadership, Australia has fallen behind. In 2012, 16% of board directors in the United States were women (compared with 12.3% in Australia). In South Africa 5.3% of board chairs were women (compared with 3.0% in Australia), and in Canada, 6.1% of CEOs were women (compared with 3.5% in Australia).³⁰

It's not just in the corporate world that Australia has fallen behind. When comparing the proportion of women in national parliaments internationally, Australia's ranking has slipped from 21 to 38 over the past decade.³

International comparisons: Women who were Board Directors, Board Chairs and CEOs(a)(b), 2012



(a) CEO - Chief Executive Officer.

(b) Canada, Israel, South Africa and the United States were as at Aug 2012. Australian figures are from November 2012.

Sources: Catalyst,

<www.catalyst.org/file/728/qt_australia_canada_israel_south_africa_us.pdf>,and Equal Opportunity for Women in the Workplace Agency (EOWA), <u>2012 Australian</u> <u>Census of Women in Leadership</u>

Looking ahead

The Australian Human Rights Commission's *Gender Equality Blueprint 2010* identified women in leadership as one of five key priority areas in achieving gender equality.³¹ To address the low number of women in senior leadership positions, a number of initiatives have been introduced by both corporate organisations and government.

Corporately, since 2010 the Australian Stock Exchange requires companies to report the numbers of women in senior decision-making roles, set targets and report on their progress each year.³² There have also been positive outcomes following the Australian Institute of Company Directors introducing the Chairmen's Mentoring Program, which involves Australia's leading chairs mentoring women over a 12 month period.³³

At the government level, the Commonwealth Government's Office for Women manages the AppointWomen initiative, which gives women the opportunity to be considered for appointment to a variety of Commonwealth Government boards and other decision making bodies.³⁴ Individual government departments may also have their own initiatives to widen and deepen the pool of future women leaders.³⁵

Boardlinks is a network established in 2012 to provide more opportunities for women seeking board positions.¹¹ In particular, Boardlinks will focus on strategies to ensure women, who are otherwise skilled and experienced, gain their first board appointment.¹¹

Endnotes

- 1. Allessandro Motter, 2011, <u>Statement before the</u> <u>Third Committee of the General Assembly, Inter-</u> <u>Parliamentary Union</u>, viewed 16 November 2012, <<u>www.un.org</u>>.
- Australian Bureau of Statistics, <u>Australian</u> <u>Demographic Statistics, March 2012</u>, cat. no. 3101.0, <<u>www.abs.gov.au</u>>.
- Department of Parliamentary Services, 2012, Parliamentary Library; <u>Representation of women</u> <u>in Australian parliaments</u>, Dr Joy McCann and Janet Wilson, <<u>www.aph.gov.au</u>>.
- Australian Dictionary of Biography, <u>Mary Reibey</u>, G.P. Walsh, <www.<u>www.adb.anu.edu.au</u>>, Last accessed 1/11/2012.
- Talking Heads, <u>Ita Buttrose transcript</u>, <<u>www.abc.net.au</u>>, Last accessed 1/11/2012.
- The Age, 2005, <u>CEO who gave birth to triplets</u>, <<u>www.theage.com.au</u>>, Last accessed 1/11/2012.
- Edith Cowan University, <u>Edith Dircksey Cowan</u>, <<u>www.ecu.edu.au</u>>, Last accessed 2/11/2012.
- 8. Australian Bureau of Statistics, 2010, <u>Measures of</u> <u>Australia's Progress, 2010</u>, (cat. no. 1370.0), <<u>www.abs.gov.au</u>>.
- The University of Melbourne, Melbourne Business School, 2012, <u>Gender Equality Project,</u> <u>Targets and Ouotas for Women in Leadership: A</u> <u>Global Review of Policy, Practice, and</u> <u>Psychological Research</u>, Dr Jennifer Whelan, Professor Robert Wood, <<u>www.mbs.edu</u>>.

- 10. McKinsey & Company, <u>Women Matter 2010,</u> <u>Women at the top of corporations: Making it</u> <u>happen, www.mckinsey.com</u>, Last accessed 23/11/2012.
- Department of Families, Housing, Community Services and Indigenous Affairs, <u>Gender Balance</u> on Australian Government Boards Report 2011– 2012, <<u>www.fahcsia.gov.au</u>>.
- Equal Opportunity for Women in the Workplace Agency (EOWA), 2012, <u>2012 Australian Census of</u> <u>Women in Leadership</u>, <<u>www.eowa.gov.au</u>>.
- 13. Fiona Wood, <u>Fiona Wood Foundation</u>, <<u>www.fionawoodfoundation.com</u>>, Last accessed 23/11/2012.
- 14. Saxton, <u>Layne Beachley speaker profile</u>, <<u>www.saxton.com.au</u>>, Last accessed 23/11/2012.
- 15. ABC News, <u>Paralympians return to Australia</u>, <<u>www.abc.net.au</u>>, Last accessed 23/11/2012.
- 16. The Age, <u>The miracle worker</u>, <<u>www.theage.com.au</u>>, Last accessed 23/11/2012.
- 17. Australian Public Service Commission (APSC), State of the Service 2011–12, Chapter 6 Diversity, www.apsc.gov.au, Last accessed 4/12/2012.
- CEDA's Women in Leadership Series, 2012, <u>Women as agents of change</u>, Speech by Stephen Sedgwick AO, Australian Public Service Commissioner, <<u>www.apsc.gov.au</u>>.
- 19. Australian National University E Press, Sex Discrimination in Uncertain Times, Margaret Thornton, <u>3. Women's Work is Never Done: The</u> Pursuit of Equality and the Commonwealth Sex <u>Discrimination Act</u>, Marian Sawer, <<u>www.epress.anu.edu.au</u>>.
- 20. <u>Women in Management Worldwide, Progress</u> <u>and Prospects, Second Edition</u>, Marilyn J. Davidson and Ronald J. Burke, Last accessed 16/10/2012.
- University of New South Wales, Knowledge of Australian School of Business, <u>Women and</u> <u>leadership: Putting Unconscious Bias Top of</u> <u>Mind, 2011, <www.asb.unsw.edu.au</u>>.
- 22. The Globe and Mail, <u>Why are women less likely</u> to lobby for promotion?, Augusta Dwyer, September 2012, <<u>www.theglobeandmail.com</u>>, Last accessed 16/10/2012.
- 23. ABS, <u>Labour Force</u>, <u>Australia: Labour Force and</u> <u>Other Characteristics of Families</u>, <u>Jun 2011</u> (cat. no. 6224.0.55.001), <<u>www.abs.gov.au</u>>.
- Committee for Economic Development of Australia (CEDA), 2011, <u>Women in Leadership:</u> <u>Looking below the surface</u>, <<u>www.ceda.com.au</u>>.
- The Australian Institute of Company Directors, 2009, <u>AICD Takes Action on Board Diversity</u>, <<u>www.companydirectors.com.au</u>>, Last accessed 16/10/2012.
- 26. The Monthly, <u>Status Quota: Do Mandatory</u> <u>Gender Quotas work?</u>, Cordelia Fine, <<u>www.themonthly.com.au</u>>, Last accessed 16/10/2012.
- 27. The Conversation, 2012, <u>Exploring the use of</u> <u>quotas for women in leadership roles</u>, Jennifer Whelan and Robert Wood, <<u>www.theconversation.edu.au></u>, Last accessed 5/11/2012.
- 28. Radio National, Life Matters, <u>Tomorrow's Boards,</u> <u>August 2011</u>, <<u>www.abc.net.au</u>>.
- Journal of Financial Economics, 2009, <u>Women in</u> <u>the boardroom and their impact on governance</u> <u>and performance</u>, Renee B. Adams and Daniel Ferreira, Last accessed 16/10/2012.
- 30. Catalyst, <u>http://www.catalyst.org/file/728/qt australia can</u> <u>ada israel south africa us.pdf</u> <u><www.catalyst.org></u>, Last accessed 16/10/2012.
- 31. Australian Human Rights Commission, <u>Gender</u> <u>Equality Blueprint 2010</u>, <u><www.humanrights.gov.au</u>> Last accessed 16/10/2012.

- 32. Equal Opportunity for Women in the Workplace Agency (EOWA), <u>Australian Census of Women in</u> <u>Leadership, 2010</u>, <<u>www.eowa.gov.au</u>>.
- Australian Institute of Company Directors, <u>Directors take the lead in helping put women on</u> <u>boards</u>, <<u>www.companydirectors.com.au</u>>, Last accessed 16/10/2012.
- Department of Families, Housing, Community Services and Indigenous Affairs, <u>AppointWomen</u>, <<u>www.fahcsia.gov.au</u>>, Last accessed 16/10/2012.
- The Australian Government the Treasury, 2011, <u>Progressing Women, A Strategic Priority</u>, <u><www.treasury.gov.au</u>>.

FOR MORE INFORMATION . . .

- *INTERNET* **WWW.abs.gov.au** the ABS website is the best place for data from our publications and information about the ABS.
- LIBRARY A range of ABS publications are available from public and tertiary libraries Australia wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our website for a list of libraries.

INFORMATION AND REFERRAL SERVICE

Our consultants can help you access the full range of information published by the ABS that is available free of charge from our website, or purchase a hard copy publication. Information tailored to your needs can also be requested as a 'user pays' service. Specialists are on hand to help you with analytical or methodological advice.

- PHONE 1300 135 070
- EMAIL client.services@abs.gov.au
- FAX 1300 135 211
- POST Client Services, ABS, GPO Box 796, Sydney NSW 2001

FREE ACCESS TO STATISTICS

All statistics on the ABS website can be downloaded free of charge.

WEB ADDRESS www.abs.gov.au