A recent report by the Equal Opportunities Commission contends that women are still significantly under-represented in boardrooms across the UK. What stops women rising to the top in the financial services sector, asks Faith Glasgow.

Where are all the UK's bright, ambitious, potentially influential women? Not in the boardroom, that's for sure.

The Equal Opportunities Commission's (EOC) recent report, *Sex and Power: Who Runs Britain? 2007,* shows that women hold just 14% of company directorships in Britain. They are slightly better represented in senior roles within the public sector, where they account for 24% of top jobs, but right across the board, progress towards genuine equality is creakingly slow.

Those depressing findings are backed up by the Cranfield School of Management's latest research on women's representation at the top of FTSE 100 companies. It reports that over the year to November 2006, the proportion of new board appointments that went to women actually dropped to 12.5%, down from 17% over the previous two years.

Women now hold just over 10% of directorships in FTSE 100 companies, and less than 4% of executive directorships (amounting to a measly 15 out of 391 executive seats). And things are even worse in FTSE 250 companies, where less than 7% of board positions are held by women.

missing from the boardroom

FTSE 100

However, there's a ray of cheer for ambitious women within the financial sector. The *Female FTSE 100* report ranks the top 100 companies according to the proportion of female board directors, and 12 out of the top 23 places go to banks, insurance houses and investment companies.

AstraZeneca and British Airways score highest by a slim margin, but Lloyds TSB and HBOS are joint third with 27% of their boards made up of women, followed by Legal & General at 25%. Royal & Sun Alliance, Friends Provident, 3i and WWP all score at least 20%, with Standard Life, HSBC, Northern Rock, Aviva and Alliance & Leicester managing at least 15%. (However, a scattering of financial houses – including Barclays, Royal Bank of Scotland, Amvescap and Old Mutual – do appear at the other end of the scale, with only one female board member or none at all.)

At senior levels below board directorship level, women may be more in evidence: Barclays, for example, reports that at the end of 2006 21% of senior management were women (up from 19% the previous year), and 30% of all new hires at senior executive grades were women.

Moreover, the company is quite proactive in its efforts to get more women into senior positions. "In 2006 we delivered a range of initiatives, including a one-day gender roadshow involving both men and women, and also a women in leadership programme involving the line managers of talented women as well as the women themselves," observes Barclays' head of corporate media relations, Alistair Smith.

"But that said," he continues, "the most effective activities have been those which embed diversity into existing processes. So, for example, we have amended our senior hiring processes to include a 'challenge and review' stage around diversity, which incorporates our work with executive search agencies. In 2007 we will be taking a closer look at our internal talent processes, to ensure our existing female talent is retained and developed."

Clearly, recruitment and retention initiatives such as these are not instant fixes. The results will be evident over the longer term. But without such proactive policies, it's arguable that gender equality is not on the agenda at all in the foreseeable future. We're 30 years on from the Sex Discrimination Act, yet women do not have equal stakes with men at the top of even the most egalitarian big companies. So what's stopping them?

family

The EOC report does not mince words in its assessment of the problem: women remain the main carers in the family, and those responsibilities tend to clash with the inflexible, long-hours work culture that persists in many organisations. "The reality is that unless women can combine work and caring roles successfully they are unlikely to reach the top in great numbers," it observes. "What's more, all women will continue to experience a thin veneer of equality that cracks as soon as they have children or take on caring responsibilities."

The higher they get on the career ladder, the fewer opportunities there are for part-time or flexible working. As a consequence many women return to less demanding positions, often because that's the only way to job-share or work part time. In other cases they may have little choice in the matter, partly because employers believe they will struggle to manage more demanding jobs alongside family commitments. And that, of course, is likely to become a self-fulfilling prophecy unless the employer takes a sympathetic, supportive and flexible approach.

An increasing number of firms are introducing more flexible working practices,

continued over

missing from the boardroom (continued)

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though the real test is whether talented, committed but time-limited employees are actually rewarded with promotion as they might be if they worked longer hours.

At PriceWaterhouseCoopers LLP, mother of two Katharine Finn was recently made up to partner, despite the fact that she works only a four-day week. "I think there have been enormous changes," she says. "At PwC, parents are given considerable support to help them achieve the right balance. We have the option of childcare vouchers as part of the flexible benefits package for staff, and we're piloting an emergency childcare back-up service for when normal childcare arrangements fall-through unexpectedly. There's also an active and useful PwC Parents' Network, which connects people with similar experiences and provides online information relevant at different stages of being a parent."

Midlands-based financial adviser Torquil Clark is also very supportive, although as investment director Philippa Gee points out, it's a much less structured and formalised arrangement. She has a two-year-old child and works full time, "But only because the firm is so helpful and considerate about things like working from home or the time I arrive and leave work."

She estimates that the split at director level is relatively equal at about 60% men to 40% women. "There's certainly no glass ceiling here. The company is very keen to be flexible and encourage anyone who is committed and prepared to work hard to further their career."

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going into business

However, there's a way to go. In the meantime, the report highlights another common response from women with families: many give up on corporate life altogether and set up their own business. More than a million women are self-employed, up 18% over the last five years, and the report estimates that between 34% and 41% of UK small businesses are owned or co-owned by women.

Sara Harvey, director of a small accountancy practice in Norwich, is a prime example of someone who has engineered a working compromise but turned her back on the upper echelons of big business in the process. She left her 70-hour a week job at KPMG to have a family at the end of the 1980s, but eventually went back to full-time work after five years out of the system, relying on nannies and childminders when the children were small. However, rather than returning to KPMG she opted for a less stressful environment with a local firm (where she subsequently became a partner). Six years ago she set up her own business.

"If I had wanted to get to the top of the tree I would have had to go back to KPMG; things are probably better now, but back in the early 90s I would have had to behave as though I didn't have kids, so this was my compromise solution," says Harvey. "Former colleagues who are still at KPMG still work ridiculous hours; indeed, one friend, a mother of two, has just left to join a smaller practice. No matter how much childcare you have," she believes, "something has to give once you have a family." ■

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