

# THE INDEPENDENT

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## Boardroom equality won't happen on its own

There are not enough women in Britain's boardrooms. In an interview, David Cameron "urged" companies to appoint more women and made clear he would prefer to avoid any compulsion.

When the Prime Minister moves so tentatively towards his declared goal, do not hold out much hope for significant change. Mr Cameron spoke in Sweden, where women hold a quarter of the boardroom posts. In Norway, where quotas came into force in 2008, the figure is 40 per cent. In the UK, the latest research suggests the proportion is much lower, at around 15 per cent at most. Mr Cameron told the conference he would like the total to double, but without imposing a quota.

The Prime Minister is in danger of navigating a Tony Blair-like "third way". No doubt he is sincere in seeking a higher number of women in the boardroom, but is also wary of intervening in the affairs of companies. Politically, it suits him to be in a position where he is seen to be speaking on behalf of women without imposing precise demands on the private sector. His poll ratings are poor with female voters and he has already got into difficulties intervening in corporate affairs in relation to executive pay. Exhortation seems to be the dream political solution for him as well as chiming with his own convictions.

The arguments against centrally imposed targets are familiar and, in some cases, valid. There is a danger of tokenism or at least perceptions that women are being appointed in order to meet the quota rather than on the basis of talent. For many vocations, such targets would be inappropriate, but in limited circumstances they work. The substantial intake of Labour women MPs after the 1997 election changed for the better the culture in Parliament, and to some extent addressed the gender imbalance that had made the Commons such an unrepresentative forum. Some of the MPs who were elected on this basis had limited political talent or none at all, but many were impressive. They would not have been elected in such large numbers without an act of positive discrimination. When he was Leader of the Opposition, David Cameron considered a similar move, but opted instead for exhortation as he is doing now in relation to representation in the boardrooms. As a result, there are proportionately fewer women on the government benches than there were when Labour was in power.

Part of the problem with the culture of the boardroom is that the pool from which members are appointed is shallow. They tend not only to be male, but to be from similar backgrounds and have a shared corporate outlook. It is unlikely that more women will rise to the top without rules that make their elevation a necessary requirement.

A report last year said quotas should be imposed unless top firms acted to increase the number of women on their boards to at least one in four by 2015. There is no need to wait. Mr Cameron has made the case for more women and praised his counterparts in northern Europe for leading the way. He should introduce quotas for the boardroom before 2015 and put an end to a damaging and unjustified imbalance as quickly as possible.