



Chief Executive Women

Women leaders enabling women leaders

MEDIA RELEASE

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## **ASX200 moving slowly towards gender balance**

**CEW ASX200 Senior Executive Census 2018**

According to the 2018 Chief Executive Women (CEW) Senior Executive Census, women make up almost a quarter (23%) of the executive leadership teams (ELT) of the ASX200.

This year's annual CEW Senior Executive Census, which is designed to measure\* year on year progress towards gender balance made by Australia's largest listed companies, also found:

- Men hold 93% of ASX200 CEO roles
- Men hold 88% of ASX200 CFO roles
- 22 ASX200 companies have 40% or more women in their ELT
- 177 ASX200 companies have one or more women in their ELT

### **Notable change since the 2017 CEW Senior Executive Census:**

- The total number of women in ASX200 ELTs increased by 49, with women now accounting for 23% of ELT roles, up from 21% (2017)
- The number of ASX200 female CEOs increased to 14 from 11 (2017)
- The number of ASX200 female CFOs increased to 24 from 17 (2017)
- 82 ASX200 companies grew the percentage of female representation on their ELT
- The number of ASX200 companies with no women on their ELT decreased from 41 (2017) to 23 (2018)

According to CEW President, Kathryn Fagg, the gradual improvement over the past twelve months is encouraging.

“In just a year the number of companies with no women in their leadership team has almost halved, and there are notable increases in the number of women in not only CEO roles but also CFO and Group Executive roles.

“I am further encouraged by the appointment rate of women to new CEO roles over the last 12 months - 17% versus the 12 to 13% that we might expect given the current number of women in CFO and line roles,” says Kathryn Fagg.

## **Minimal change in line roles since 2017**

- The percentage of women in line roles has increased slightly to 12.3% (2018) from 12.0% (2017).
- The number of companies with no females in line roles has reduced to 59% (2018) from 63% (2017).

Line roles are those that directly drive key commercial outcomes in a business and usually involve profit and loss accountability – these include Chief Operating Officers and Heads of Business Units. In contrast functional roles govern specific operations of an organisation such as finance, legal, compliance or human resources.

## **Career pathway to the top is narrow**

Chio Verastegui, a Partner at Bain & Company, who led the data collection and analysis, believes this Census gives clear insight into career pathways to CEO roles.

“Line roles are a critical pathway to the top job: of the 23 CEOs appointed in the year to August 2018, 78% previously held line roles. Unfortunately, the least movement in female appointments has been in line roles, 88% of which are still held by men.

“While there has been a healthy increase in female representation for HR, corporate affairs and legal roles, the proportion of women in key ‘CEO feeder roles’ only increased by 1.5 percentage points in the last year.

“Moving the needle towards gender balance across all levels of leadership will require a bolder, multi-pronged approach. Companies could consider strategies to rotate female talent across operational business areas to grant them broader exposure, and a more deliberate approach to succession planning in key feeder roles.

“Without taking these types of actions, we should not be surprised to see that the ASX200 only has 14 companies led by female CEOs,” says Chio Verastegui.

Kerri Burgess, a CEW member, who specializes in CEO and board succession at Spencer Stuart, contributed to the analysis of the Census data and commented that:

“Along with line roles with P&L accountabilities, CFO, COO, and strategy roles are also potential career paths to the CEO role”.

“Whilst the percentage of women CFOs has increased from 9% to 12% this year, the percentages of COO and strategy roles held by women have both remained at 15%. These are roles which companies should look to place more female talent into if they aspire to have more female CEOs and ELT members,” says Kerri Burgess.

The census found 53% of the women in ASX200 teams were internally promoted to the ELT.

“Businesses have an opportunity here to dissect the data and benchmark their own performance. They then need to decide what the key success criteria for both internal

promotion and external hire will be, and reinforce their leadership development programmes to help women executives progress to the top,” contends Kerri Burgess.

### **Sustained leadership on gender balance is key**

“We know that measuring performance is important and the annual CEW Senior Executive Census provides visibility of the progress and representation of women in our leading listed companies,” says Kathryn Fagg.

“Given gender balance is commonly expressed as being 40% of each gender and 20% of either gender, the 2018 Senior Executive Census shows that 21 companies now have between 40-60% women in their ELT, an improvement of 5 companies from last year.

“While good progress has been made since last year, more than half of the ASX200 still have no women in line roles in their ELT. Achieving gender balance within ELTs across the ASX200 has a way to go and requires commitment and leadership from each organisation’s Chair, Board, CEO and leadership team,” says Kathryn Fagg.

[Full Report](#)

### **About Chief Executive Women ([www.cew.org.au](http://www.cew.org.au))**

Chief Executive Women is the pre-eminent organisation representing more than 500 of Australia’s most senior women from the corporate, public, academic and not-for-profit sectors. Its mission is “women leaders enabling women leaders”. Through advocacy, targeted programs and scholarships, CEW works to remove the barriers to women’s progression and ensure equal opportunity for prosperity. CEW offers innovative and substantive programs aimed at enabling women’s participation and future leadership.

CEW wishes to acknowledge the generous assistance of its sponsors and partners, Bain & Company and Spencer Stuart for their data collection and analysis for the 2018 Senior Executive Census.

*\* Information for the 2018 CEW Senior Executive Census was collected in August 2018 from ASX200 company websites. When information was not available from websites it was sourced from BoardEx®*

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