It's not rocket science

According to Sir Philip Hampton, Chair of the Hampton-Alexander Review, the current rate of progress of the UK's largest listed companies towards better female representation on boards "…does not reflect the population of very talented women capable of making great contributions in boardrooms".

'One and done'

In a joint letter with the HA Review, addressed to sixty-nine FTSE 350 firms, the Investment Association has stated that it will 'red top' their Annual Reports if they fail to set out detailed action plans on how they plan to meet the 33% target by 2020. Of the sixty-nine firms written to, sixty-six of them have a lone female on their boards (the 'one and done' brigade) and three companies still have entirely male boards.

The direction of travel on board diversity was set many years ago, and the business case is well-understood, well-evidenced and accepted. So the debate now centres on the speed of travel – and with this being decidedly sedate, any loss of momentum will stall progress and even send it backwards. At the current rate of progress, it will take until 2052 to close the UK's gender pay gap. Globally, gender parity in the workplace is expected to be achieved in 209 years' time, if the current speed of change persists.

To quota or not to quota

What measures will actually 'move the needle' on this and prevent further generations of female talent from being wasted, missing out on opportunities to reach their full potential? In keeping with the UK's governance mantra of 'comply or explain', we have adopted initiative after initiative, mainly focussed on disclosure and non-binding targets. The argument here is that what gets measured, gets managed – but is that enough? Should we be contemplating mandatory quotas, if not forever but at least until the desired speed of change has been achieved and progress consolidated?

Setting aside their controversial nature, the evidence on the effectiveness of quotas is mixed. Norway is the obvious example here, having set a mandatory 40% female quota on public companies' boards well over ten years ago, with serious penalties for non-compliance including company dissolution. Whilst 42% of main board positions in Norway are currently held by women, the much-vaunted 'trickle down' effect has not materialised, leaving women in senior and middle-management roles facing the same challenges as before. We in the UK should take heed of this example.

Blockages in the pipeline

In the UK, whilst some progress has been made towards the Review's target of 33% female representation on boards by 2020, it is still fragile, and many professional women in the talent pipeline are still coming up against barriers to their progression. These include the unbalanced division of domestic labour, eye-wateringly expensive childcare, the stigmatisation of part-time work as part-time commitment and entrenched negative attitudes towards flexible working in some quarters. I would also add the concentration of better-paid roles in London and the time and expense associated with a long commute into London as significant constraints. It is mid-career when the pipeline of talented women thins out – and it's no coincidence that it's at this point that women are tending to start families.

Career and share plan impacts

Whilst the messy biological business of having babies still rests squarely with women, many of the career impacts of starting a family could be far better shared between partners, regardless of their gender, and other family members – this latter point is especially important for single parents. This would greatly mitigate the impact of parenthood on women's careers in particular. It would also reduce the impact on women's share plan participation. The SAYE & SIP Report that ProShare released this time last year showed that when it comes to Save As You Earn, women save at 71% of the rate of their male colleagues – that's a 29% gap. And, of the 5% of participants saving at the £500 monthly maximum, 72% of those participants were men. For Share Incentive Plan participants, the average shareholding value for male participants was £7,461, whereas for female participants the average value was £6,006.

We should be disappointed by these findings, but we should not be surprised.

We will have more to say about this when we launch this year's SAYE & SIP Report in June.

A shared approach

From my own personal experience, a shared approach to work and parenthood is still comparatively rare. I took a mixture of maternity leave, holiday and unpaid leave after my son arrived a few years ago, totalling seven months away from the workplace. I returned to work full-time and my husband then took three months leave from his work – mostly unpaid and some annual leave – to care for our son. He then returned to work part-time and our son started at nursery near to my work. At that time my husband worked for a large US-listed pharmaceutical company, and was only the second male employee in the sizeable UK business to have taken a significant period of leave specifically for this most fundamental and human purpose: fatherhood. He adored spending this time with our son and feels that as a result their relationship is closer than it would otherwise have been.

Returning to work

I had to battle with the (well-meant but nevertheless irritating) insistence of my then boss that I wouldn't want to return to work full-time after my son's arrival. It was a matter of economic necessity for us, and besides that, I loved my job. I'd spent many years nurturing my career, studying for relevant qualifications, and I had made many sacrifices in pursuit of my professional success. I was damned if I was going to relinquish that hard-won progress! And make no mistake, the thought of returning to work part-time did feel very much like relinquishing progress (it shouldn't have done, but it did). However, I couldn't – and wouldn't - have returned to work full-time and at the time I did, without the support of my husband and his commitment to taking a break from his career to look after our son. We could just about afford to do it financially – many others can't.

Childcare costs

On average across OECD countries, parents spend 12.6% of their household income on childcare – compare that to the UK where the figure is 33%. The Government could alleviate this by properly funding their commitment to nursery care, but that's another article. The author Christine Armstrong, in her book 'The Mother of All Jobs', makes a shrewd observation where she comments that in the context of domestic finances, the cost of childcare is typically deducted from the mother's pay rather than the father's, therefore increasing perceived (as well as actual) unaffordability and thus the likelihood of the mother stepping out of the workplace.

There were times when it did feel lonely to me, returning to work full-time when virtually none of my female peers had taken the same approach. And yes, there were times at work when I really missed my son - on one particularly tough day my husband brought our son to meet me for lunch in the greasy spoon café next door to my office - but my return to work was the right decision for our family. Perhaps it would feel like a less difficult, sometimes lonely, choice if others were enabled to do the same. We know of many people in our professional and social circles who would love to have taken the same shared approach to leave when starting their families, but couldn't because of their financial or work constraints. Single parent families are even more constrained.

Until we change our views of fathers' roles in the early lives of their children, women in the workplace who choose and are able to start families will continue to bear a disproportionate amount of the impact of parenting. They will continue to suffer the 'motherhood penalty', and men who become fathers will continue to miss out on spending time with their children at a pivotal point in their development.

Progress towards parity

Measures focussed on supporting both parents, regardless of gender or orientation, and family members too, would definitely help speed up progress towards gender parity on boards. Male allies in this aim need to be celebrated and their examples should be shared far and wide to encourage other men. So too, should companies putting their money where their mouth is – Diageo has just this month announced that they will give UK employees 52 weeks' parental leave (the first 26 weeks on full pay), regardless of gender, sexual orientation or whether they become parents biologically, via surrogacy or adoption. https://www.thetimes.co.uk/article/diageo-gives-british-staff-52-weeks-parental-leave-k0wzwb6wv

- It cannot be right that businesses are fishing for talent in a pool stocked with only half the available talent.
- It cannot be right, that many mothers (single or with partners) are priced out of the workplace by unaffordable childcare and long, expensive commutes that are yet another barrier to accessing better-paid work in our cities.
- It cannot be right that fathers feel unable to spend significant amounts of time with their children during their youngest years, for fear of damaging their career prospects.

This has to change, and it has to change faster. Nobody truly benefits from the status quo.

The role of business

Whilst it is quite true that businesses have a responsibility towards their people and governments towards their citizens, businesses need to be pragmatic and lead on this if they, their people and society are ever to reap the benefits. The more progressive businesses and their leaders have cottoned on to this but there are still many more who are simply marking time and sticking to the bare minimum laid out by law. We cannot wait for politicians to act, as Parliament continues to be consumed by the never-ending saga of Brexit.

Legislation vs. policy

We don't actually need new legislation to make many necessary changes. We need the will, commitment and focus of companies, as fostered by high-profile initiatives like The Hampton

Alexander Review. There are some terrific examples of companies who are fully engaged on this – many of whom are ProShare members including Unilever, Sainsbury's, Aviva, Vodafone, Lloyds Banking Group, Burberry & Pearson. Their numerous case studies and examples can be found on the Hampton-Alexander Review's website here.

Sensible, pragmatic policies which support flexible and agile working, parental leave (without financial penalties), returnships, board apprenticeships, mentoring and sponsorship, diversity and inclusion and other initiatives, are required to ensure career progression for all those with the talent, the desire and the drive to succeed.

It's not rocket science, after all.