

## Sancta Sophia College – Address for Academic Dinner 16 April 2007

Chairman of Council Josephine Heesh

Principal Dr Elizabeth Hepburn

Chair and Members of Council

Monsignor Walsh

Women of the College

And may I make special mention of John Sheldon, who continues the Sheldon family's deep connection with Sancta

### \* **Women on Boards – the end of civilisation as we know it?**

My former den-mate, retired Justice Roderick Pitt Meagher, eminent jurist, classics scholar and formerly an inmate of St John's College, had his judicial chambers next to mine. His door had on it what the French called "affiches". Many wicked cartoons designed to provoke you to think he was, like his description of Patrick White, "*an old curmudgeon with a tea-cosy on his head*", for which read "wig"!

One of the cartoons had a picture of a head-hunter in full regalia pointing to an even more decorated woman of his tribe, a witch doctor, expostulating, "*Women doctors, the end of civilisation as we know it*".

I want to talk to you about women on boards in the same vein. There was a time when corporate Australia thought that this too was the end of civilisation as we know it, or at any rate, the end of the long male Board lunch.

One of the outstanding women of her generation, Mary Archer, eminent chemist and academic, and also known as the wife of Jeffrey Archer, had the following school report, aged six: "*gymnastics – Mary works well. She must learn not to mind if she cannot always be a leader*". It reminded me of the stained glass window in a church in Hunters Hill, in memory of a deceased parishioner. The inscription about her read, "*she did what she could*".

These two quotations encapsulate barriers women face. They must not mind too much if they cannot be leaders and are praised for doing what (little) they could.

But what is the picture today when it comes to women on corporate boards? I distinguish here the higher percentage of women on "not for profit boards" no doubt reflecting the positive influence of government and universities. Take for example our Senate. There women represent close to half of the appointees while your outstanding Council is led by Josephine Heesh. But when you come to corporate commercial boards, statistics are depressing, though they are signs of an upward trend in the percentage of women. Today, on Australian publicly listed top 500 companies the percentage is around 8%, with only 3% of public companies and associations having female chairs. In the United Kingdom the percentage of directorships held by women is just slightly higher at 10.5% while in the USA 14.7%.

Nonetheless there are some interesting trends identified and quantified by Claire Braund, co-founder of the organisation "Women on Boards" or "WOB":

- (1) Companies with better financial results are more likely to have female directors;

- (2) Companies listed since the year 2000 are more likely to have female directors;
- (3) Women are least likely to be on boards in Queensland (27%), Victoria (33%), Tasmania (33%) and Western Australia (34%). Interestingly enough women are much more likely to be on boards in New Zealand (55%) ACT (58%), New South Wales (47%), while the Athens of the south, South Australia, comes in at 37%;
- (4) Larger companies with more employees have more women on their boards;
- (5) Perhaps reflecting the herd instinct and the inadequate intelligence about women who are eligible for board appointments, once appointed to a board the same women are appointed to more boards on average than men.
- (6) In banking and finance (Josephine take a bow) we are much more likely to find one or more female directors, along with insurance and petroleum process industries (85%). What I found surprising was that the least likely to have women on the board were hotels, restaurants and leisure sectors (9%); sectors where women are likely to bring a distinct set of insights from men.
- (7) In searching for the explanation for this you have to ask how people get appointed to boards in the first place. The short answer is that 60-80% are appointed by personal knowledge through the “old-boy” network. Then there is the 10-20% who get appointed through the work of search companies – ASX 100 companies are much more likely to use the search company. But WOB questions whether their databases could be expanded and refreshed.

So how do networks come about and how do you join one? Here university is specially critical. As women of exceptional ability, each of you have the opportunity to make your mark at university and be noticed, though let me quickly add that this does not mean that you have to behave like a man.

So that I do not suffer the same fate as Larry Summers, ex-President of Harvard, let me say that the next generalisation comes from Claire Braund. She says, recognising this is a very broad generalisation, that on the whole men are focussed on competitive outcomes so that going up in the career path is an end in itself. Whereas, she says women tend to be more focussed on process. Certainly I learnt from Lee early on as a commercial lawyer and later as a judge, that there was much insight to be derived from understanding the **process** of what is going on rather than mindlessly demanding “*where’s your evidence*”. I have always been conscious of that in court. As Oliver Sacks observed, “*a good judge has to have both empathy and objectivity*”. Empathy allows you to enter into the mind of those before you, while objectivity helps you distance yourself from partisanship or visceral prejudice. There is of course a place for evidence. It is how you interpret it that brings in your sensibility and discernment.

However these gender stereotypes are not to be pressed too far. I was intrigued to learn that the Australian Rugby Union Captain, Nick Farr-Jones, in 1998 called his demoralised team together to try and find out what was going wrong. He found that his players were focussing on the scoreboard rather than on the process of play. You could say that he instilled a feminine insight by shifting that focus back to process on the field.

It is interesting to observe how clubs, another important source of networking, are breaking down the barriers for women as women are admitted. Of course there is nothing wrong with retaining the option to join an all-women’s club or all-men’s club, so long as there are also equivalent clubs of the mixed variety. The same, as I do not need to tell you, applies to your all-women’s College, compared to St John’s mixed one. It is great to have that choice.

Sporting clubs are an especially important source of networking. From time to time I go to a University Rugby Dinner and I am always amazed at the extraordinary range of business contacts that come out of it. But you can find replicated mixed clubs such as rowing, tennis and the like where the networking opportunities are equally available to men as to women. We know that our elite sports men and women actually do exceptionally well when they turn the discipline and the intelligence to their careers that they have brought to bear in managing their time successfully between sport and study.

So answering the question, why aren't there more women on boards I agree with Claire that absence of networking opportunities is certainly one factor. Others include that men prefer women to exhibit feminine traits, which can then be at odds with stereotypic business expectations. You see it in the different vocabularies used to describe the same qualities in men (confident, take-charge, committed) and women (bossy, aggressive, emotional). Again to quote Claire, men are seen as competing harder than women, but not working harder than women.

Women are often better at work life balance issues and employers are not always discerning enough to see that someone with that perspective is likely to have good judgment in business issues as well.

In all of this let me emphasise that I am not for tokenism. Rather, I am for appointing women whose merit warrants that appointment and for merit to be fairly judged. There is no doubt that many of you who choose a business career or even a more limited board role will be eminently suitable for top positions in business. You will only value that when you have been appointed on merit and for the distinctive perspective you can bring.

I have no doubt that boards are no longer seen as a sinecure. Nor are they. So it is a legitimate question as to whether it is really so desirable to be on a board. However from corporate Australia's viewpoint, I believe it is highly desirable for boards to have more qualified and competent women. This is in order to have the diversity in gender and background along with the insights that go with that. I frequently experience those insights as I sit on the Court of Appeal with its women members.

So let me leave you with this message. Become part of the networks that will naturally advance your career prospects, but do so not for that reason. The network you join will likely work best for you if it is intrinsically congenial and of people with whom you share things in common. Many of these will quite naturally and not for expedient reasons become your friends. In philosophy you will know about the hedonistic fallacy. It is essentially that to pursue happiness is to lose it; happiness must rather come upon you unsought. In the same way I am confident you will win success in whatever sphere you pursue, whether board appointments or quite different aspirations. The important thing is to retain your own distinctive insights and values in the process. And especially those you derive from this College with its outstanding role models among your mentors, here tonight at each table.

**G F K Santow**  
*Chancellor*  
**University of Sydney**