



Women CEOs lag behind men: Report

The proportion of Australian women holding private sector senior management roles has dropped by 3 per cent ranking Australia 21st globally, according to the latest research from Grant Thornton.

The figures released today from Grant Thornton's International Business Report (IBR) reveal that just below one in four (24 per cent) senior management positions in private businesses surveyed in Australia are held by women, down from 27 per cent in 2011.

Nicole Bradley, head of Grant Thornton Australia's Diversity initiative DAWN, said this steady drop-off in gender equality in Australia's private sector was a real concern.

"The worry is that we may be reaching the point where Australian standards are lagging behind the rest of the world.

"Although organisations such as the Australian Institute of Company Directors and many large corporates have been progressive in this area, this drop in representation shows there is more work to be done."

"The last thing we want to see is a race to mediocrity where the proportion of women in senior roles bottoms out and stagnates for a number of years, or indeed that Australia loses talent because women are not getting the opportunities or are opting out of the workforce altogether,"

Ms Bradley said.

Ms Bradley called for organisations to set clear targets around key indicators, which they hold themselves accountable to.

“It is my view that measurable goals are more likely to be achieved.”

“There needs to be continued public discussion and benchmarks set on the implementation of policies and practices like flexible work arrangements, diversity programs, and the availability and affordability of child care that will enable and encourage women remain and continue to progress in the workplace,” she said.

While Australia has been a strong global contender on gender equality issues in recent years - ranking in the top 10 in 2011 - European countries clearly took the lead this year with the proportion of women holding senior management roles steadily increasing despite rising unemployment.

Surprisingly, countries like Russia, Botswana, Thailand, the Philippines, New Zealand, Vietnam and China continue to outrank Australia on this issue.

Similar falls have been recorded in other Asia Pacific economies, and the BRIC economies.

The fall in these emerging markets, where businesses have historically employed more females in senior roles, have resulted in a global average at 21 per cent, barely higher than the 2004 level.

The IBR suggests that offering a flexible working environment could help reverse this trend. Nearly two thirds of businesses in the EU (65 per cent), where the proportion of women in senior management roles is increasing, currently offer flexible working. This is well ahead of Latin America (49 per cent), the BRIC economies (36 per cent) and Asia Pacific (32 per cent).

However Ms Bradley said given the fact that more than three quarters of private businesses in Australia already offer some form of flexible working program, it seems Australia has its own unique challenges.

“To really make some headway on this issue, the Australian private sector needs to address other factors, such as the perception of those on flexible arrangements, as well as the high cost and low availability of childcare,” she said.

Of the 40 economies surveyed, businesses in Russia employ the most women in senior management (46 per cent), ahead of Botswana, Thailand and the Philippines (all 39 per cent), while Italy ranks highest in Europe (36 per cent).

Bottom of the table is Japan, where only 5 per cent of senior management positions are filled by women, below Germany (13 per cent), India (14 per cent) and Denmark (15 per cent). The biggest risers over the past 12 months include Turkey (25 per cent to 31 per cent), and the United Arab Emirates (8 per cent to 15 per cent), results that suggest that the wave of economic liberalisation in the Middle East as a result of the Arab Spring could have boosted the chances of women in the region reaching the top.