



Gender Balance on Company Boards Norwegian Experiences

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Gender Balance





**Why did Norway take the decision to
introduce binding legislation of
- (60/40 per cent) -
Gender Balance on Company Boards?**





Norwegian Context

- High-level of female employment (67 percent) combined with high fertility rates (1,9 children).
- Focus on Reconciliation Policies - Full coverage of kindergartens at affordable prices – in combination with - very generous parental leave schemes.
- Almost gender parity in political decision- making – versus - an overwhelmingly male dominance in economic and commercial decision-making





90 per cent of Norwegian Fathers take Parental Leave





Political Ambitions

- Foster Democratic participation & Equal opportunities
- Creating Gender Balance in the upper echelon of economic decision-making
- Eradicate Gender stereo types and break the notion of “economic decision-making as a male domain.”
- To get *the* return from investments in free higher education

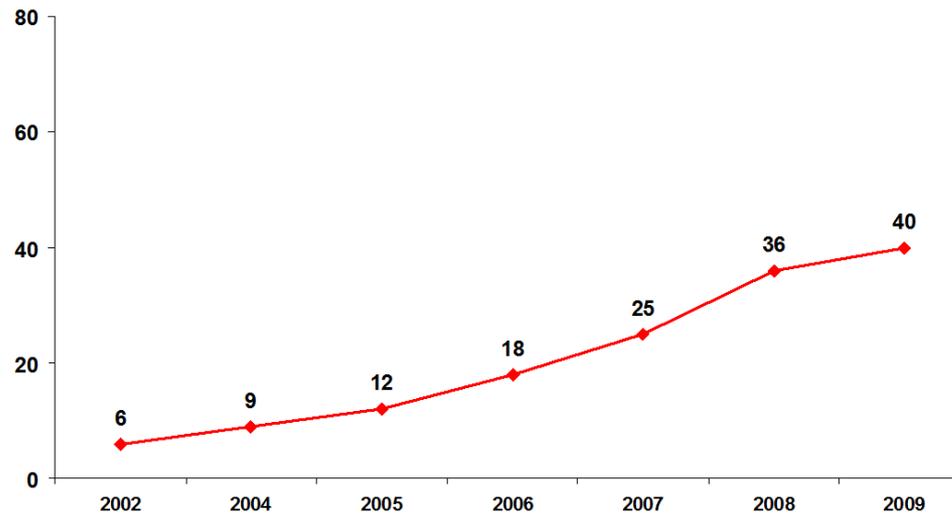




Towards Gender Balance



Women on the boards of public limited companies, 2002-2009 (%)





The Basic Characteristics of the NORWEGIAN MODEL





Basic Characteristics of the Norwegian Model – (I)

Gender Neutral legislation

- 40 percent representation of either women or men in boardrooms – (State owned companies and Public limited Companies listed at the Stock exchange as the most prominent) -(approx. 2000 companies).
- Norway`s 220.000 SMEs (Private limited liability companies) are not regulated.
- Legislation regulates supervisory boards not executive management.





Basic Characteristics of the Norwegian Model – (II)

Gender Mainstreaming.

- Quota legislation is an amendment of a set of company laws.
- Compliance with the Regulations is monitored and enforced by the Norwegian Business Register.
- Sanction mechanism: If failing to comply with legislation, a company can be dissolved by court order!





Norwegian Experiences & Lessons learned





Effects:

Successes

- Excellent open and exciting public discussions on gender equality in its deepest and most profound sense.
- New and relevant social and economic research – input for further policy making.
- Stimulated the corporate sector to set up good and relevant programs for diversity and for recruiting / short listing persons of both genders for boardroom elections and for competing for top management.





Effects:

Changed Perceptions & Corporate Cultures

- It is not a human right to be elected to a board room, most men do not sit on boards. But it is a human right to be seen and acknowledged as a competent person, not biased by stereotyping of your sex.
- Change in board compositions – led to more efficient boards with stronger capacity building and new competencies with a strengthening of strategy and monitoring procedures.
- The quota helped to change perceptions and corporate cultures.





Profile: Female Board Member





Effects:

Boardroom diversity & Women`s profile

- Women are younger than their male colleagues.
- Women have a higher formal education & training.
- While men very often are owners, Women are largely recruited from outside – thus bringing external expertise and professionalism to the fore.
- Not many women or men hold multiple board memberships – However between the “Goldie's” there still more «Golden Suits» than «Golden Skirts!»





Effects:

Disappointments

- Disappointments in the sense that these gender balanced boards did not – “immediately” – recruit and hire female CEO`s (top managers).
- General Assemblies did not – “immediately” – choose female chairpersons of the boards (8 percent of the listed companies boards have a female chair).
- The regulations did not have an – “immediate” spin-off effect down the line in the corporations: more women in line management.





Conclusion

- Quota regulations have important symbolic effects, but are limited in scope and do not necessarily have – “immediate” - spill-over effects onto the number of women in (top) executive management.
- Quota regulations were never seen as a “quick fix” to all aspects of gender equality or corporate life...but as part of the overall tool box.
- Quota regulations need to be complemented and supported by a wider Gender Equality framework and voluntary measures developed by the corporate sector.





Conclusion

- The quota has been an important driver for change and has produced good outcomes for company governance and society.
- Today - Based on the lessons learned – regulatory and self-regulatory measures – once adversaries in a very heated debate – live side by side – and work together as complementarities towards increasing the number of women in economic decision-making in Norway.
- The quota hardly make any headlines in Norwegian News anymore.

