



Merely Cracking the Glass Ceiling is Not Enough: Corporate America Needs More than Just A Few Women in Leadership

by

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Thank you for that kind introduction. I am honored to be here with the Women's Executive Circle of New York (the "WECNY") to discuss a topic that's critical to our country's future. Before I begin my remarks, let me issue the standard disclaimer that the views I express today are my own, and do not necessarily reflect the views of the U.S. Securities and Exchange Commission (the "SEC" or "Commission"), my fellow Commissioners, or members of the staff.

Throughout my tenure as an SEC Commissioner, I have spoken out repeatedly on the subject of diversity – and the benefits it can bring to our economy.¹ I strongly believe in the importance of diversity and inclusion. I continue to be deeply concerned with the lack of significant progress in the recruitment, retention, and promotion of women and persons of color – whether in corporate boardrooms, Wall Street, or at my own agency, the SEC.

Today, although much of what I will say applies equally to other forms of diversity such as race and ethnicity, I will focus my remarks on the important issue of gender diversity in corporate America – particularly:

- The wealth of talent and positive impact of gender diversity;
- The dismal lack of progress in increasing gender diversity on corporate boards; and
- Improving disclosures about diversity, or the lack thereof.

The Wealth of Talent and Positive Impact of Gender Diversity

As our nation looks for ways to grow economically, it is clear to me that we must build an environment that utilizes the abilities of a significant portion of our nation's skilled population – women. World Bank President, Robert Zoellick, once stated that gender equality is simply "smart economics."² I completely agree. Let me highlight a few interesting facts:

First, women make up the majority of our nation's college graduates. A recent report from the U.S. Department of Education found that in the current graduating class of 2013,³ women will earn:

- 61.6% of all associate's degrees;
- 56.7% of all bachelor's degrees;
- 59.9% of all master's degrees; and
- 51.6% of all doctorate degrees.

Today, women earn more than 36.8% of new masters' of business administration ("MBAs") degrees.⁴ Overall, 140 women will graduate with a college degree at some level this year for every 100 men.⁵ This is not a new development. From 1982 through 2012, women have earned almost ten million more college degrees than men.⁶ Currently, women are clearly a significant portion of our nation's college-educated labor force. Clearly, there is a wealth of talent available to corporate America.

Second, as it relates to corporate boards, gender diversity on boards gives businesses a distinct competitive advantage. A 2011 study found that:

The business case for increasing the number of women on corporate boards is clear ... and that companies with a strong female representation at board and top management level perform better than those without and that gender-diverse boards have a positive impact on performance. It is clear that boards make better decisions where a range of voices, drawing on different life experiences, can be heard. That mix of voices must include women.⁷

Numerous other studies have also found that there is a connection between greater board diversity and improved corporate governance and financial performance.⁸ These studies are considered quite robust. Nonetheless, I recognize that certain studies have been criticized for methodological flaws such as not controlling for industry or size, or having data samples that are geographically limited or cover short periods of times.⁹ However, an August 2012 report by Credit Suisse controlled for both market-cap and sector, and examined 2,400 companies over a six-year period, from December 2005 through December 2011.¹⁰ The Credit Suisse report found that, for large-cap stocks (which includes a market cap greater than \$10 billion) "companies with women board members outperformed those without women board members by 26% over the past six years. For small-to-mid cap stocks, [companies] with women on the board outperformed those without by 17% over the same period." This same report also found that net income growth over the last six years averaged 14% for companies with women on the board, compared to 10% for those with no female directors.¹¹

In addition, a July 2012 report found that companies with the most women board directors, especially those where there is a critical mass of three or more women board directors, had better financial performance than those with just one or two women directors.¹² Research has shown that companies with three or more women on their boards scored higher on a number of performance metrics than companies with fewer female board members.¹³

Third, studies have shown that companies with women directors deal more effectively with risk.¹⁴ A survey of more than 600 board directors showed that women are more likely to make decisions by taking the interests of multiple stakeholders into account in order to arrive at a fair and moral decision.¹⁵ The study also found that women directors will also tend to use cooperation and consensus-building more often in order to make sound and prudent decisions.¹⁶

Fourth, companies that have gender diverse boards improve their ability to attract and retain other talented women. One study has shown that companies that had women elected to their board are more likely to see a subsequent increase in their percentage of women in senior leadership.¹⁷

It is overwhelmingly clear that the presence of female directors has been linked to better organizational performance, higher rates of return, and more effective risk management. For these and other reasons, in recent years, investors,¹⁸ academics,¹⁹ consultants,²⁰ and some corporate insiders²¹ have asked for companies to become more diverse. As one investor put it:

Diversity is a critical attribute to a well-functioning [sic] board and an essential measure of good governance. In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, experience and expertise internally increases the likelihood of making the right decisions. Director and nominee diversity that includes race, gender, age, and geography helps to ensure that different perspectives are brought to bear on issues, while enhancing the likelihood that proposed solutions will be nuanced and comprehensive.²²

Yet, despite the evidence of the positive impact women directors have on entities, there has not been a significant improvement in the number of women directors in corporate America. A number of reports continue to show that women – and persons of color – continue to be severely under-represented on corporate boards²³ and in corporate leadership.²⁴

The Dismal Lack of Progress in Increasing Gender Diversity on Corporate Boards

To be clear, the numbers have inched up. In 2002, only 13% of the more than 5,000 corporate board seats for S&P 500 companies were occupied by women.²⁵ Ten years later, that number modestly increased to 17%.²⁶ As to the Fortune 500 companies, according to a recent report, women held 16.6% of board seats in 2012, compared to 16.1% in 2011.²⁷ Another report found that the percentage of new board members in S&P 500 companies that were women in 2012 was 21%, as compared to 18% in 2011.²⁸ While it is a positive that the rate of women joining U.S. boards is increasing, it's hard to get excited about the slow pace of progress. It is clear that it will take many years for there to be meaningful board diversity. We need to shatter the glass ceiling that keeps women out, not merely put cracks in it.

In fact, even with the modest improvement, the statistics are far below what should be the case given the percentages of women in the labor force, those with higher education, and those that have graduated with advanced degrees. These statistics also fly in the face of multiple studies that show that diverse boards perform better than non-diverse boards.²⁹ These statistics are particularly disappointing given the efforts of many groups working to improve board diversity, and the increasing efforts by institutional investors to get women on boards.³⁰

Nations around the globe seem to understand the benefits associated with the important goal of gender diversity and have decided not to wait for a change that may never happen. For example, in 2002, Norway passed a law requiring that 40% of board members be women.³¹ Iceland, France, the Netherlands, Spain, Italy, Malaysia, and Belgium have passed similar laws.³² On January 1, 2011, the Australian Stock Exchange adopted "comply or explain" corporate governance guidelines, setting benchmarks for progress and reporting on gender diversity by listed companies.³³ By the end of 2011, 40% of new additions to Australian corporate boards were women.³⁴ Additionally, the European Union has recently proposed legislation that sets an objective that, by 2020, boards of large publicly-listed companies in Europe have 40% of their non-executive board seats held by women.³⁵

Another disappointing statistic for the United States is that, in 2012, only 18 women served as CEOs of Fortune 500 companies.³⁶ In India and Brazil, 11% of CEOs of large companies are women, compared with the 3% of Fortune 500 CEOs in the United States.³⁷ Moreover, another study found that 32% of senior managers in China are women, compared with 23% in the United States.³⁸ As a nation, these statistics should cause us to re-examine why, in light of the benefits that gender diversity appear to have, so many companies in our country fail to have a significant number of women on their boards or in senior leadership positions.³⁹ To my mind, there really are not any good answers to this question.

I also believe that this lack of women in leadership positions also makes it easier for women to be treated worse than men – such as denying them equal pay for equal work.

Proof of that difference can be found in the Presidential Memorandum issued by President Obama on May 10, 2013, to address the gender pay gap in the federal workplace by requiring a full review of pay and promotion policies.⁴⁰ The Presidential Memorandum states:

Almost 50 years ago, when President John F. Kennedy signed the Equal Pay Act of 1963, women were paid nearly 59 cents for every dollar paid to men. Today, women are paid 77 cents for every dollar paid to men. At the same time, nearly two-thirds of women are breadwinners or co-breadwinners for their families. Unjust pay disparities are a detriment to women, families, and our economy.

Thus, even today, women continue to be paid significantly less than men for equal work. Having women at the top can be a real remedy for this pervasive problem.

This is just one more reason why boards and their nominating committees need to urgently address this lack of diversity. There is no excuse for delay. Board nominating committees often say that the small number of women on boards is due to the small number of perceived candidates in the pipeline.⁴¹ However, there are many resources available to public companies to help them achieve greater gender diversity on their corporate boards. A number of organizations spend considerable time and effort to train and identify potential diverse candidates.⁴² Some executive search firms are also noted for their expertise in diversity searches.⁴³ In addition, there are databases that act as clearinghouses for potential director candidates, with emphasis on a more diverse range of backgrounds, perspectives, skills, and experience.⁴⁴ It is my view that there are plenty of qualified female candidates if you look for them. It is critical that nominating boards spend more time and effort identifying potential female board directors.

Improving Disclosures about Diversity or the Lack Thereof

I also think that boards need to be more transparent about their activities. As an SEC Commissioner, I understand that our system does not work unless investors have clear, adequate, and transparent information regarding their investments. One such area where there has been some progress, albeit limited, involves additional disclosure by public companies regarding the diversity of corporate boards.

As some of you may know, in response to the demands of shareholders and others seeking greater information about diversity on corporate boards, in 2009, the SEC adopted a new rule that requires U.S. publicly-traded companies to disclose in their annual proxy statements whether, and if so how, a corporate board or nominating committee considers diversity in identifying nominees for director. If the company has a policy regarding the consideration of diversity in identifying director nominees, the proxy statement must disclose how this policy is implemented, as well as how the company assesses the effectiveness of its policy. This requirement is not limited to companies with a written policy; and companies with *de facto* policies regarding board diversity must disclose such policies as well.

This disclosure requirement is an important first step in providing investors with the diversity disclosures that they have been requesting.

However, it is really only a first step. Because the rules do not define diversity, and companies may define diversity in various ways – companies are not always providing the disclosures investors have wanted. Numerous investors have made it clear that they are particularly interested in board policies regarding gender, racial, and ethnic diversity. And, for our capital markets to work, it is that information that they want to have in making voting and investment decisions.⁴⁵ It is important that investors receive the specificity of disclosure that they seek.

This type of disclosure, which investors are requesting, should not be controversial. In fact, many companies are already providing such data as to their board. For example, The Coca Cola Company,⁴⁶ Wells Fargo & Company,⁴⁷ and Citigroup Inc.⁴⁸ were among the companies that provided disclosure in their latest proxy statements as to how their corporate boards considered diversity in identifying nominees for director seats and the number of minorities serving on their respective boards. A recent study has shown that 51 of S&P 100 companies disclosed gender and/or ethnic diversity as a desirable characteristic of their board of directors.⁴⁹ Moreover, this same report found that over half (54) of S&P 100 companies disclose some level of workforce diversity data, such as the percentage of women employees or number of new minority hires.⁵⁰

I commend the companies that are bringing greater transparency to their diversity, including their board diversity – and I look forward to 100% of the companies doing so. Given the evidence of the impact diversity on boards has on the bottom line and the boardroom changes taking place with our counter-parts across the globe, gender diversity – and diversity in general – should be a priority for U.S. companies and their boards.

I encourage companies to prioritize and implement practices to increase diversity on boards. To do this, it is critical to have processes in place to be able to identify women and minority board candidates. For example, a nominating committee should follow policies and procedures that require the proactive development of a diverse slate of board candidates in advance of a board opening becoming available. In today's environment, diversity in the boardroom is a business necessity that companies need to take seriously. In order to achieve greater diversity in the corporate boardroom there must be a commitment to change. I look forward to the day when corporate boards reflect the diversity of our nation.

Conclusion

Our country is growing more and more visibly diverse and yet, leading institutions of power and leadership do not reflect these realities. It is incumbent upon us to ask why this is the case. I don't think there is a good answer to justify the current lack of diversity. The dialogue in our country has to change from the discussion of why diversity is important, to a focus on why our institutions – corporations, government agencies, banks, etc. – are not diverse? And then, we need to aggressively demand change.

As a nation, we cannot afford to have corporate leadership that lacks gender diversity. The impact women have on our economy is beyond question. Women expect – deservedly so – to have full equality in the workplace. Unfortunately, that expectation is eroded when women cannot achieve equal status at the highest level of the corporate ladder – particularly in corporate boardrooms – and when they're not treated and paid the same as men.

Today, women comprise about 47% of the total U.S. workforce, and more than half of all managers are women.⁵¹ There are more than ten million majority-owned, privately-held, women-owned firms in the U.S., employing more than 13 million people and generating more than \$1.9 trillion in sales.⁵²

There are many highly-qualified women who have the ability and talent to serve on boards and to lead companies. That's also true in other fields. For example, I urge corporate America to learn from the progress that has been made in the world of classical music. In the 1970s, 95% of musicians in symphony orchestras were white males. By the mid-2000s, orchestras were on average 35% female.⁵³ What changed? Researchers attribute the change, in part, to some orchestras implementing a blind audition process, a process adopted following lawsuits charging racially discriminatory practices.⁵⁴

During these auditions, the candidates perform behind a screen so that they are not visible. They also walked onto a stage covered with carpet to muffle the sound. The judges could no longer identify whether the candidate was wearing high heels or flat shoes. Researchers found that blind auditions increased the probability that a woman would advance from preliminary rounds by 50%.⁵⁵ This process worked to mitigate biases in hiring, and put the focus on the talent.

Clearly more can be done to mitigate or correct for bias in the hiring and promotion process in corporate America. The talent is there – and it needs to be utilized.

I will conclude my remarks with a quote from the American novelist Fannie Hurst, who died in 1968. Ms. Hurst once said that, "A woman has to be twice as good as a man to go half as far."⁵⁶ In 2013, this is unfortunately still true in corporate America. Obviously, there is much that needs to be done to develop proactive and effective programs to identify and recruit existing qualified women to be among the leadership in corporate America. There is no shortage of candidates.

Thank you.

¹ Luis A. Aguilar, "Inclusion is a Strength: Corporate America and the SEC Should Reflect America" (March 21, 2013), <http://www.sec.gov/news/speech/2013/spch032113laa.htm>.

² Robert B. Zoellick, "Empowering Women Powers Nations" (September 19, 2011), <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:23004424~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

³ U.S. Department of Education, "Digest of Education Statistics 2011" (June 2012), <http://nces.ed.gov/pubs2012/2012001.pdf>.

Statement by the Policy and Impact Committee of the Committee for Economic Development, "Fulfilling the Promise: How More Women on Corporate Boards Would Make America and American Companies More Competitive" (2012), http://www.fwa.org/pdf/CED_WomenAdvancementonCorporateBoards.pdf.

⁵ *Id.*

⁶ *Id.*

⁷ Lord Davies, "Women on Boards: Report to UK Secretary of State for Business, Innovation and Skills and the Minister for Women and Equalities" (February 2011), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31480/11-745-women-on-boards.pdf.

⁸ See, e.g., Catalyst, "The Bottom Line: Corporate Performance and Women's Representation on Boards" (2007),

<http://www.catalyst.org/knowledge/bottom-line-corporate-performance-and-womens-representation-boards>; Catalyst, "The Bottom Line: Connecting Corporate Performance and Gender Diversity" (2004), <http://www.catalyst.org/knowledge/bottom-line-connecting-corporate-performance-and-gender-diversity>; Roy D. Adler, Ph.D., "Women in the Executive Suite Correlate to High Profits," European Project on Equal Pay (2008),

http://www.w2t.se/se/filer/adler_web.pdf; Georges Desvaux, Sandrine Devillard-Hoellinger, and Marcy C. Meany, "A business case for women," The McKinsey Quarterly (September 2008), <http://dca.org.au/files/file/gender%20documents/Business%20Case%20for%20Women%20McKinsey%20sept08.pdf>.

9 Nina Smith, Valdemar Smith, and Mette Verner, "Do Women in Top Management Affect Firm Performance? A Panel Study 2500 Danish Firms," 55 International Journal of Productivity and Performance Management (2006); and David A. Carter, Frank D'Souza, Betty Simkins, and W. Gary Simpson, "The Gender and Ethnic Diversity of US Boards and Board Committees and Firm Financial Performance," 18 Corp. Governance (2011).

10 Credit Suisse, "Gender diversity and corporate performance" (August 2012), https://infocus.credit-suisse.com/data/_product_documents/_shop/360145/csr_gender_diversity_and_corporate_performance.pdf.

11 *Id.*

12 Catalyst, "Why Diversity Matters" (July 2012), <http://www.catalyst.org/knowledge/why-diversity-matters>.

13 See, e.g., Catalyst, "The Bottom Line: Corporate Performance and Women's Representation on Boards" (2011), <http://www.catalyst.org/knowledge/bottom-line-corporate-performance-and-womens-representation-boards>; and Vicki W. Kramer, Ph.D., Alison M. Konrad, Ph.D., and Sumru Erkut, Ph.D., "Critical Mass on Corporate Boards: Why Three or More Women Enhance Governance," Wellesley Centers for Women, Paper No. WCW11 (2006).

14 Chris Bart and Gregory McQueen, "Women Make Better Decisions than Men," International Journal of Business Governance and Ethics (March 2013).

15 *Id.*

16 *Id.*

17 Catalyst, "Advancing Women Leaders: The Connection Between Women Board Directors and Women Corporate Officers" (2008), <http://www.catalyst.org/knowledge/advancing-women-leaders-connection-between-women-board-directors-and-women-corporate> (the study found that companies with women on their boards had more women in senior leadership just five years later); see also, European Commission, "The Costs and Benefits of Diversity: A Study on Methods and Indicators to Measure the Cost-Effectiveness of Diversity Policies in Enterprises" (2003), http://www.kartaroznorodnosci.pl/public/files/Komisja%20Europejska_costs%20and%20benefits%20of%20diversity_2003.pdf (Beyond diversity on corporate boards and leadership, I also encourage companies to establish diversity programs to enhance diversity throughout their organizations. This study showed that 58% of companies with diversity programs reported higher productivity as a result of improved employee motivation and efficiency, and 62% said that the programs help recruit and retain highly talented people).

18 See, e.g., letters from Calvert Group, Ltd (September 16, 2009); California Public Employees' Retirement System (September 16, 2009); General Board of Pension and Health Benefits of The United Methodist Church (September 15, 2009); and Boston Common Asset Management, LLC (September 14, 2009), SEC File No. S7-13-09, <http://www.sec.gov/comments/s7-13-09/s71309.shtml>.

19 See, e.g., James A. Fanto, Lawrence M. Solan, and John M. Darley, "Justifying Board Diversity," 89 N.C. L. Rev. 901, 930-934 (2011).

20 See, e.g., Virtcom Consulting, "Board Diversification Strategy: Realizing Competitive Advantage and Shareowner Value" (2009), <http://www.calpers.ca.gov/eip-docs/about/press/news/invest-corp/diversification-strategy.pdf>.

21 See, Lissa L. Broome, John M. Conley, and Kimberly D. Krawiec, "Dangerous Categories: Narratives of Corporate Board Diversity," 89 N.C.L. Rev. 759, 760 (2011).

22 Letter from Calvert Group, Ltd, SEC File No. S7-13-09 (September 16, 2009).

23 See, Calvert Investments, "Examining the Cracks in the Ceiling: A Survey of Corporate Diversity Practices of the S&P 100" (March 2013), <http://www.calvert.com/nrc/literature/documents/BR10063.pdf> (the study provides that since 2010, the overall percentage of women serving on S&P 100 boards rose just 1% from 18% to 19%).

24 See, DiversityInc, "Where's the Diversity in Fortune 500 CEOs?" <http://www.diversityinc.com/facts/wheres-the-diversity-in-fortune-500-ceos/>.

25 Ernst & Young, "Women on the board: Diversity and good governance" (September 2012), <http://www.ey.com/US/en/Issues/Governance-and-reporting/Audit-Committee/BoardMatters-Quarterly--September-2012---2---Women-on-the-board>.

26 *Id.*

27 Catalyst, "2012 Catalyst Census: Fortune 500 Women Board Directors" (December 11, 2012), <http://www.catalyst.org/knowledge/2012-catalyst-census-fortune-500-women-board-directors>.

28 Ernst & Young, "Getting on board: Women join boards at higher rates, though progress comes slowly" (2012), [http://www.ey.com/Publication/vwLUAssets/Getting_on_board/\\$FILE/Getting_on_board.pdf](http://www.ey.com/Publication/vwLUAssets/Getting_on_board/$FILE/Getting_on_board.pdf).

29 See, *supra* Note 23; see also, Thomas Barta, Markus Kleiner, and Tilo Neumann, "Is there a payoff from top-team diversity?," McKinsey Quarterly (April 2012), http://www.mckinsey.com/insights/organization/is_there_a_payoff_from_top-team_diversity.

30 Many institutional investors, as well as non-profit organizations, business leaders, and government officials, advocate vigorously for greater diversity in senior management and corporate boards. For some investors, this includes voting against the election of any slate of directors nominated by management, if the slate would result in a board that has no women or minority members. See, e.g., Domini Social Investments, "Shareholder Activism: Your Dollars at Work for Change," available at <http://www.domini.com/shareholder-advocacy/index.htm>. Diversity advocates also write letters to management and ask about diversity policies at annual meetings of shareholders. Recently, a group of advocates and investors—whose members include asset managers with over \$1.2 trillion under management—wrote letters to 168 public companies with no women on their boards, and this year investors affiliated with that group filed shareholders' resolutions with more than 20 of these companies, urging them to adopt charter language supporting board diversity and to

institute a practice of including women and minority candidates on their boards. This initiative was led by The Thirty Percent Coalition Institutional Investor Committee, co-chaired by Janice Hester-Amey, portfolio manager with the California State Teachers Retirement System (CalSTRS), and Timothy Smith, senior vice president with Walden Asset Management. Resolutions were also filed by Calvert Investments and Trillium Asset Management. See, Press Release, Thirty Percent Coalition, "Institutional Investors file Shareholder Resolutions Encouraging Diversity in Company Charter Language and in the Corporate Boardroom" (February 28, 2013), [available at http://www.30percentcoalition.org/news/97-institutional-investors-file-shareholder-resolutions](http://www.30percentcoalition.org/news/97-institutional-investors-file-shareholder-resolutions).

³¹ Nicola Clark, "Getting Women Into Boardrooms, by Law," The New York Times (January 27, 2010), <http://www.nytimes.com/2010/01/28/world/europe/28iht-quota.html?pagewanted=all&r=0>.

³² *Id.*

³³ Deloitte, "Women in the boardroom: A global perspective" (November 2011) http://www.deloitte.com/assets/Dcom-Tanzania/Local%20Assets/Documents/Deloitte%20Article_Women%20in%20the%20boardroom.pdf.

³⁴ Michelle Lamb, "A Credit to Mentors Down Under? A Record-setting year for Australian Female Directors," GMI Ratings (January 6, 2012), <http://www3.gmiratings.com/home/2012/01/a-credit-to-mentors-down-under-a-record-setting-year-for-australian-female-directors/>.

³⁵ European Commission, "Women on Boards: Commission proposes 40% objective" (November 14 2012), http://europa.eu/rapid/press-release_IP-12-1205_en.htm.

³⁶ Catalyst, "Women CEOs of the Fortune 1000" (May 8, 2013), <http://www.catalyst.org/knowledge/women-ceos-fortune-1000>.

³⁷ *Id.*

³⁸ The Economist, "The daughter also rises" (August 27, 2011), <http://www.economist.com/node/21526872>.

³⁹ *Supra* Note 6 (Well over half (56%) of S&P 100 companies have no women or minorities in their highest-paid senior executive positions. While women make up 19% of S&P 100 board of director positions, they represent only 8% of the highest-paid executives).

⁴⁰ Presidential Memorandum, "Advancing Pay Equality in the Federal Government and Learning from Successful Practices" (May 10, 2013), <http://www.whitehouse.gov/the-press-office/2013/05/10/presidential-memorandum-advancing-pay-equality-federal-government-and-le>.

⁴¹ *Supra* Note 13.

⁴² See, e.g., Catalyst (www.catalyst.org), InterOrganization Network(www.ionwomen.org), Watermark Institute Board Access (www.wearewatermark.org), The Executive Leadership Council (www.elcinfo.com), Hispanic Association on Corporate Responsibility (www.hacr.org), New America Alliance (www.naaonline.org), Director Diversity Initiative (<https://ddi.law.unc.edu/default.aspx>).

⁴³ See, e.g., The Prout Group (www.proutgroup.com), and Diversified Search (www.diversifiedsearch.com).

⁴⁴ See, e.g., the Diverse Director DataSource (www.gmi3d.com) (The Diverse Director DataSource, or "3D," was commissioned by the California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS), and is operated by GMI Ratings). See also, Forté Foundation, Women on Boards Global Board-Ready Women List, http://www.fortefoundation.org/site/PageServer?pagename=gj_boards (The goal of the Forté Foundation, in partnership with its sponsoring business schools and companies, is to build a list of board-ready women and bring attention to the lack of women on corporate boards); Press Release, Forté Foundation, "Forté Foundation announces new initiative with US business schools and European Commission to increase the number of women on corporate boards" (June 28, 2012), http://www.fortefoundation.org/site/DocServer/Forte_-_European_Commission_.pdf?docID=17521; The European Business Schools Women on Board Initiative, "Corporations and Executive Search Firms Invited to Access Database of Global Board Ready Women (GBRW) on International Women's Day," <http://www.edhec.com/html/Communication/womenonboard.html> (last visited May 21, 2013).

⁴⁵ SEC Release No. 33-9089, notes 116-117, note 193.

⁴⁶ The Coca-Cola Company, Notice of 2013 Annual Meeting of Shareowners and Proxy Statement, <http://assets.coca-colacompany.com/73/c2/ae4b8b5648b3af972cf2a4db1c69/2013-coca-cola-proxy.pdf>.

⁴⁷ Wells Fargo & Company, Notice of 2013 Annual Meeting of Stockholders and Proxy Statement, https://www.wellsfargo.com/downloads/pdf/invest_relations/2013-proxy.pdf.

⁴⁸ Citigroup Inc., Notice of 2013 Annual Meeting of Stockholders and Proxy Statement, <http://www.citigroup.com/citi/investor/quarterly/2013/ar13cp.pdf>.

⁴⁹ *Supra* Note 26.

⁵⁰ *Id.*

⁵¹ Women Moving Millions, "Facts" (2012), <http://www.womenmovingmillions.org/how-we-do-it/facts/>.

⁵² Elissa Sangster, "Women on Corporate Boards: The Role of Business Schools for Fundamental Change," Graduate Management Admission Council (March 2013), <http://www.gmac.com/why-gmac/gmac-news/gmnews/2013/march-2013/women-good-for-business.aspx> (women are also responsible for almost 80% of consumer spending.); see also, Michael J. Silverstein and Katharine Sayre, "Women Want More: How to capture your share of the world's largest, fastest growing market," Boston Consulting Group (September 2009) (recent estimates have determined that women control \$12 trillion out of the \$18.4 trillion in global consumer spending).

⁵³ Daniel J. Wakin, "In American orchestras, more women are taking the bow," The New York Times (July 27, 2005), http://www.nytimes.com/2005/07/26/arts/26iht-violin.html?_r=0&pagewanted=print.

⁵⁴ Claudia Goldin and Celicia Rouse. "Orchestrating Impartiality: The Impact of 'Blind' Auditions on Female Musicians," NBER Working Paper Series, National Bureau of Economic Research (January 1997), http://www.nber.org/papers/w5903.pdf?new_window=1.

⁵⁵ *Id.*

⁵⁶ Jone Johnson Lewis, "Fannie Hurst Quotes," About Women's History, http://womenhistory.about.com/od/quotes/a/fannie_hurst.htm, last visited May 20, 2013.

<http://www.sec.gov/news/speech/2013/spch052214laa.htm>

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