

# How can more women land spots on company boards?

March 11, 2011 10:54 am

**A dearth of women in top executive positions has contributed to the lack of women on corporate boards. But new pathways to the boardroom are opening.**

*By Stephenie Overman, contributor*

It's a vicious cycle. A dearth of women in top executive positions has contributed to a lack of women on corporate boards.

Women make up an estimated 47% of the American workforce (as of 2009), but they accounted for just over 14% of executives and less than 16% of board seats at public companies in 2010, according to Catalyst, a nonprofit organization supporting women in business.

"Traditionally, boards have been made up of CEOs. Since most CEOs have been male, most boards have been male," says Libby Sartain, who serves on the boards of directors of Peet's Coffee and Tea, Inc. (**PEET**), and Manpower Inc. (**MAN**).

Aida M. Alvarez, a member of the board of directors of Wal-Mart Stores, Inc. (**WMT**) and Union Bank N.A., agrees.

"The case has to be made that companies

need to diversify their talent. There's much value to diversifying a board, whether for gender purposes or other reasons," Alvarez says. "It brings a different perspective."

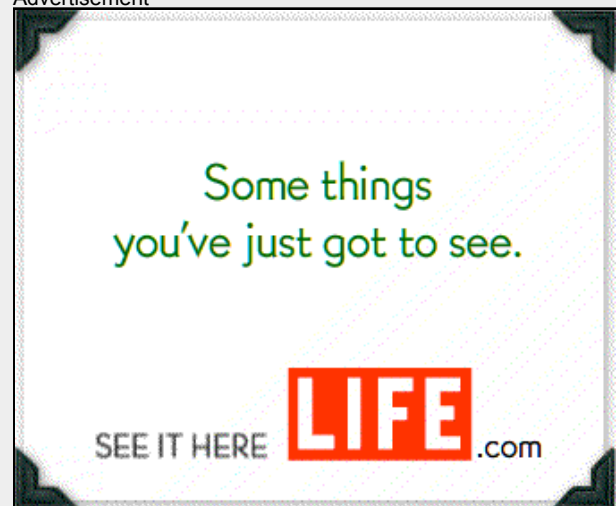
But new pathways to the boardroom are opening.

Indeed, Sartain, Alvarez, and others say that more companies are including chief financial officers, chief information officers and executives in government and academia on their boards, and that can help women who are interested.

With global competition among companies so intense, corporate executives "can't just have their best friends" on the board, says Susan Stautberg, co-founder of Women Corporate Directors. "They have to have to have the best people. Instead of just bringing on sitting CEOs and retired CEOs, they have to look at their strategic plan."

Companies that take that second look at what makes a great board member often realize that executives below the CEO level who have expertise in a range of areas, such

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as global branding or manufacturing in China, can be significant assets, Stautberg says. Companies "are looking for brain power, not titles. They're looking at the next level of people who have the expertise the company needs right now, who can look at issues from different points of view."

Procter & Gamble (**PG**) has gotten the message, according to Stautberg. The consumer products giant now has five women on its board, including a physician and a former general counsel. Procter & Gamble "really uses these women, it's not just window dressing," Stautberg says.

Both Alvarez and Sartain bypassed the corporate CEO office on their path to the board room. Alvarez served as head of the U.S. Small Business Administration. She was also the founding director of the Office of Federal Housing Enterprise Oversight and was a vice president in public finance at First Boston Corporation and Bear Stearns & Co., Inc.

Sartain was chief human resources officer at both Yahoo! Inc. (**YHOO**) and Southwest Airlines (**LUV**), companies that were listed on **Fortune's Best Companies to Work For** during her time at both companies. She sees a growing recognition of the need for human resources executives to serve on boards because "a good 30% of board work is related to HR types of activity -- executive compensation, talent revenue, succession planning."

Being a member of a corporate board is a great education, says Dorothy Kaplan Light, who is the co-author of *Into the Boardroom: A how-to guide for getting your first seat on a corporate board* and has served on the

board of directors of the New Jersey Resources Corporation, a diversified energy holding company. "You get different perspectives from each executive on the board. You're learning about other industries and organizations."

For women who want to become board members, "it's the same as looking for a job," Sartain says. "You have to network. Challenge your friends who are CEOs. Tell them you're interested in joining a board, so they have you in the back of their mind" when an opening becomes available.

Alvarez recommends seeking out a mentor -- "it doesn't matter if it's a man or woman, but it has to be someone who is influential."

Not only can a mentor help with career development, "but at a critical moment, they can validate you. When you have a relationship with someone, they can say 'I know her and she's terrific.'"

Alvarez also advises women to look for positions on the boards of nonprofit organizations as a first step toward a corporate board spot. "A pipeline is already

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out there, a pipeline from nonprofit to for-profit boards," she says.

Serving on the board of a large nonprofit organization means "sitting around [the] table with other CEOs who see you in action," Stautberg says. "It's a chance to show you know the issues, know the trends, to show you've got that talent and you can look at [the] bigger picture."

Women who aspire to board spots should also make sure that they are not putting in the extra effort at work under the radar.

"I think women have a tendency to work late and hope their work gets noticed. Let people see. It helps your career," Stautberg says. "You have to be in the arena to be seen and to be a leader."

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