

# There's more to naming and shaming

- **Top management** has to drive women's board representation
- **Mentoring** is an ideal way to prepare potential candidates for boardroom position



by  
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**E**XPOSING listed companies without female board representation merely to shaming and naming them may not achieve the intended objective given those companies are likely to offer "valid" excuses for the lack of progress.

Although inadvertently the playing field can only be levelled if drastic measures in the form of public humiliation is meted out, it remains imperative that changes have to be driven from the top.

Worth considering is to get male executives to sponsor two or three female leaders as part of their key performance indicators and changing certain mindsets that are counter-productive to diversity (ie promoting people similar to themselves), according to PricewaterhouseCoopers Malaysia's (PwC) people partner Pauline Ho.

"Another action that can be taken is for organisations to provide unconscious bias training for their board members and senior management as a start to uncover biasness and start the mindset shift," she tells *FocusM*.

## No women participation

Ho was commenting on the recent call by Prime Minister Datuk Seri Najib Razak to name and shame listed companies with no women participation on their boards from next year. In the statement made during the recent Invest Malaysia 2017 event, Najib revealed that 17 "top 100" listed companies have no women at all on their boards (only 15 Top 100 companies by market capitalisation has all-male board as of Sept 21).

As of end-June, women make up only 17.9% of the board members of Bursa Malaysia's Top 100 public-listed companies (end-2016: 16.6%; end-2015: 14%). With regard to the whole market, their representation rose slightly to 12.6% during the same period (end-2016: 12%; end-2015: 10.7%).

However, the launch of the

Malaysian Code on Corporate Governance is likely to boost women's participation on the boards of top 100 companies given the newly-enhanced code would ensure that boards are made up of 30% women directors.

The first batch of companies required to report their application of the code would be those with financial years ending Dec 31, 2017.

## Broad management strategy

Rozita Harun, who is the business development director of Lead-Women Sdn Bhd, an outfit pushing the women-on-board agenda, laments that the government has to embark on the act of naming and shaming errant companies to coax them into action.

"For those with zero women on boards, I would suggest a penalty fine to be imposed on all-male board companies at the end of their financial year-end until the target is achieved," she says. "Just naming and shaming may still not get us to 30% women representation on board all our listed companies by our target year 2020."



**Male executives can be made to sponsor two or three female leaders as part of their KPIs, says Ho**



**Rozita suggests the imposition of a penalty fine on all-male board companies at the end of their financial year-end until the target is achieved**



**Jeyanthi's experience of working for multinational companies and on large projects in the Asia-Pacific region helped mitigate her lack of previous board exposure**

## Top 100 Bursa Malaysia-listed companies with 30% and above women representation on their boards (based on market capitalisation as of Sept 21)

COMPANY	BOARD COMPOSITION (WOMEN/OVERALL)	WOMEN-ON-BOARD (%)
1) BIMB Holdings Bhd	4 out of 7	57.1
2) UMW Holdings Bhd	5 out of 11	45.5
3) Petronas Gas Bhd	3 out of 7	42.8
4) Astro Malaysia Holdings Bhd	3 out of 7	42.8
5) Hong Leong Industries Bhd	3 out of 7	42.8
6) AMMB Holdings Bhd	4 out of 10	40
7) Dialog Group Bhd	3 out of 8	37.5
8) Oriental Holdings Bhd	4 out of 11	36.4
9) Tenaga Nasional Bhd	4 out of 12	33.3
10) Hong Leong Financial Group Bhd	2 out of 6	33.3
11) Gamuda Bhd	3 out of 9	33.3
12) Padini Holdings Bhd	3 out of 9	33.3
13) Malayan Banking Bhd	3 out of 10	30
14) Bursa Malaysia Bhd	3 out of 10	30
15) SP Setia Bhd	3 out of 10	30

Source: Companies websites and annual reports

## Mentoring scheme for board-ready women

**T**HE 30% Club Malaysia, an advocate of achieving a minimum 30% women participation on the board of listed companies, has rolled out a programme which pairs board-ready women with current board members in a nine-month mentorship stint.

Modelled around the mentoring scheme by 30% Club UK and Women Ahead, which have achieved tremendous success, the programme is aligned with the government's target of increasing the number of women on the boards of Bursa Malaysia's Top 100 listed companies to 30% by 2020.

The mentors who participate on voluntary basis consist of chairs, board directors, CEOs and senior corporate leaders, while the mentees are women in leadership positions looking to move into the boardroom.

In essence, the nine-month programme has been designed to provide women with a platform to boost their chances of being appointed to boards through sponsorship and opportunities to network in board circles.

This is also an opportunity for board mentors to get to know the accomplishments and strengths of these women so that they can refer the candidates to other boards.

Through the mentee-initiated meetings, they are expected to receive advice, learn first-hand from the experiences of their mentors, and potentially gain the opportunity to be a candidate for a board position.

To ensure the mentoring meetings are effective, guidance will be provided by 30% Club Malaysia which will also monitor and track the success of this pilot programme. Very broadly, the programme also presents board-qualified women with opportunities to expand their own network by attending relevant events that will help increase their visibility among key decision-makers.

On the contrary, Rozita suggests that listed companies which have achieved 30% and above target – and proven to have inculcated gender diversity and inclusion as part and parcel of corporate culture – should be named and praised.

"To address the mindset shift needed for inclusive boards, an additional module on gender diversity and unconscious bias should be incorporated in the mandatory course curriculum for all directors of listed companies," she suggests.

On funding matter, Rozita urges the relevant authorities to emulate the move by Canadian Minister of Status of Women Maryam Monsef who recently channelled C\$2.2 mil (RM7.5 mil) to advance gender equality in the British Columbia province as part of the country's C\$18 mil investment to upgrade the status of women.

More broadly, PwC's Ho opines that any initiative to push for gender diversity at board level needs to be accompanied by a broader change in management strategy led by the senior management themselves.

"Boards and CEOs who are looking at long-term business sustainability should be focusing on diversity as a business issue," she asserts. "This is an issue that can't be delegated to the HR [human resources] department."

Elsewhere, women themselves, too, need to want to progress to the boardroom level. More often than not, women are afraid to ask for opportunities although they are aware of their own capabilities.

"Self-promotion is not something that comes naturally for most women due to societal norms, even though they recognise the benefits of getting a seat at the boardroom table," adds Ho.

## Diversity matters

Deepwater subsea engineer Dr Jeyanthi Ramasamy, 35, who was recently appointed to the board of Rohas Tecnic Bhd as an independent and non-executive director – her maiden directorship – found the most challenging part of her interview was about previous board exposures.

"I never had any board exposure, but my experience of working for multinational companies and on large projects in the Asia-Pacific region helped mitigate that," she says. "The interview focused more on what I can bring to the table from my oil and gas background and multinational companies exposure."

Jeyanthi credits LeadWomen for creating a wonderful platform to raise awareness of gender diversity and promoting talented potential women candidates for

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**Rohas Tecnic resorts to seeking female participation and increasing technical (as opposed to financial and business) competency in the boardroom, says Wan Azmi**

# Maintaining quality standards

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board recruitments. "They also motivated talented women to step up for board positions," she adds. "LeadWomen have broken the stigma by championing women board sourcing across all industries and sectors."

Following a phone call from LeadWomen's Rozita, Jeyanthi went on to complete almost four rounds of interviews. In the first round, Rozita was tough in qualifying her as a matured and level-headed candidate. The next round was a mock face-to-face interview to prepare her for the actual meeting with Rohas Tecnic chairman Tan Sri

Wan Azmi Wan Hamzah.

Commenting on Jeyanthi's appointment, Wan Azmi says Rohas Tecnic has resolved to embrace diversity as a conviction and as an objective. "We believe it furnishes the enterprise with the broadest reach and strongest foundation in the pursuit of our business objectives," he reckons. "And while we seek to address what remains inadequate, we intend to maintain quality standards and not submit to demands of statistical optics."

Wan Azmi says Jeyanthi fits the bill given current efforts by the Rohas Tecnic board to enhance the participation by

directors in matters of business strategy and tactics as well as seeking female participation and increasing technical (as opposed to financial and business) competency in the boardroom.

"Finally, we found a candidate who has a doctorate in engineering, is Indian and a female," Wan Azmi points out. "Rather than viewing her relative youth and inexperience at board level negatively, we voted to see it as a rare opportunity to further the cause of age diversity."

Today, Rohas Tecnic's board comprises two female and six male members. **FOCUSM**