Gender-Balanced Company Boards in the EU

Convergence of Minds
Diversity of Approaches

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1. What diversity of national approaches?
Locating Member States

- Most CEE-countries, Luxemburg, Portugal
- Norway, Belgium, France, Italy, Germany, Greece, Slovenia,
- UK, Netherlands, Sweden, Finland, Denmark, Spain
- Poland
- Hungary

No action
Pure self-regulation
Conditioned self-regulation & soft public policies
Hard law regime; quota
Looking inside these regimes

Variety as to:

- Public or private approach;
- Voluntary or binding nature;
- Temporary or unlimited duration;
- Non-executive and/or executive board members;
- Private, listed and/or state companies;
- Size of the companies covered;
- Level of ambition and target set;
- Time-limits for their realization;
- Implementing and monitoring mechanisms;
- Provision of sanctions and their harshness
Diversity of monitoring & enforcement mechanisms

- Annual report (legal) duty on compliance corporate governance code/set target
- Comply and/or explain duty
- Refusal of registry of company boards
- Leave company seats open or nullification of board elections
- Warnings and fines
- Dissolution of company
2. What underlying legal tension/dilemma?

**Societal rationales**
- equality
- democracy
- social justice
- fairness

**Company rationales**
- enhanced performance, quality of decision-making and of corporate governance/ethics
- better use of the talent pool
- better reflection of market needs
- driver for innovation

inducing ACTION, but...
... also different balancing acts between different fundamental rights ...

- Public
  - social justice
  - equal opportunities
  - gender equality

- Private
  - ownership
  - corporate freedom
... also different balancing acts between different fundamental rights ...

- Public
- Private

- Ownership
- Corporate freedom
- Gender equality
3. Effectiveness; what reflection of diversity of approaches in outcomes?

% female board members (Source: EC database on gender balance in decision-making positions – Board members, 7.3.2014)
Elements affecting credibility and effectiveness

- Political pressure, strong media, public debate
- Provision for voluntary measures
- Types and strictness of sanctions