

# THE GENDER EQUALITY CHALLENGE: Would quotas help?



**5% of the 500 CEOs** on the 2016 Fortune 500 list are women, a mere 27 out of 500



Men are **two to three times more likely** to hold senior management positions

**45%**

In Canada, despite a “comply or explain” disclosure regime, **45% of companies still have no women** on their boards



In Canada, achieving **30% female** representation on boards of directors would require at least **30 years**

## SOMETHING MUST CHANGE... Should government or firms impose quotas?



### Quotas WON'T work

**Perceived as unjust:**

Quotas may be seen as violating justice for individuals, even if the group outcome is improved.

**Potential stigma:**

If women are added to boards at token levels, they might be seen as less qualified and will likely be delegitimized.

**Reduced employee engagement:**

Perceptions of unfairness can lead employees to disengage.

**Reduced support for diversity:**

Because quotas are externally imposed, managers may not be motivated to support the goals.

**Failure to address underlying discrimination:**

Quotas per se do not address the underlying bias in society.



### Quotas WILL work

**Fears about quotas are overblown:**

Countries that don't have quotas fear them, countries that do, appreciate them.

**No pipeline problem:**

Imposing quotas leads boards to search more creatively for new members, increasing candidate pools.

**No stigma:**

Quotas achieve a critical mass of women, thus avoiding tokenism and marginalization.

**Substantial positive effects:**

Diversity in leadership makes groups more effective.

**A useful shock to the system:**

Quotas provide a structured framework to overcome biases.

## BUT HOW? Next steps:



### If you DON'T use quotas

**Engage** in targeted recruiting to reach out to potential female candidates.

**Provide** voluntary opportunities for diversity training.

**Appoint** diversity managers to increase social accountability.

**Create** corporate diversity task forces.

**Hold** people accountable through external monitoring.

**Set** diversity targets as part of compensation and reward systems.



### If you DO use quotas

**Frame** affirmative action plans as remedying past discrimination in order to reduce opposition.

**Establish** a critical mass (30-40%) so that female members are not tokens.

**Expand** your search and actively seek qualified women.

**Shift** your definitions of the ideal candidate.

**Expect** some discomfort. Any organizational change requires a period of transition.