

On Leadership

# Nearly 30% of new board members appointed this past year were women

By Jena McGregor July 28

Amid all the dismal statistics about how few women have corporate leadership roles—women make up less than [5 percent](#) of CEOs and hold less than [20 percent](#) of board seats—one new number may offer a little hope.

The executive search firm Heidrick & Struggles is releasing new research this week revealing that nearly a third of all newly appointed directors in 2014 were women. They received 29 percent of the seats last year, up from 26 percent the year before and just 18 percent in 2009.

At that rate, said Bonnie Gwin, who leads the firm's North American board practice, women will likely account for half of all new board appointees in the United States by 2024.

"That's a big rate of increase," Gwin said in an interview. "What it says to me is there's an increased seriousness and desire on the part of boards to bring in more women to the boardroom. If that number continues to accelerate every year, that's going to drive some real gender change."

Eventually.

Yes, that accelerating pace of new appointments is encouraging. And some companies appear to have finally realized it doesn't look good to have only men on their boards. Since October 2014, when Catalyst last identified the S&P 500 companies with [no female board members](#), at least eight of the 18 on that list have added one or two female directors. A few of the companies even expanded the size of their boards in the process, adding seats in order to bring in a female director.

But those changes hardly seem like enough to make a big dent in the overall number anytime soon. While women are taking a greater percentage of the open board seats each year, the total percentage of women on the boards of S&P 500 companies has grown by only three percentage points over the past five years, from 16 percent to just 19 percent, according to another executive search firm's [data](#).

That's partly because the turnover rate for board positions is still very low: Just 6.7 percent of all seats turned over in 2014, according to Heidrick & Struggle's numbers.

Compounding the challenge, some [research](#) has shown a decline in the number of boards that have a mandatory retirement age—meaning that old, male directors may even start sticking around longer. While the issue of [director tenure](#) has been getting more attention from investors, Gwin said alternatives such as term limits are not very [common](#).

In other words, as has been [pointed out before](#), getting significantly more women onto boards is likely going to hinge on getting significantly more male directors to leave their current posts. Even then, boards will have to overcome some pretty innate, sub-conscious thinking. A study published last year [found](#) evidence of a "gender matching effect" on boards—that is, when a woman leaves her seat, she's likely to be replaced by a woman; and when a man leaves his seat, he's likely to be replaced by a man.

This means that boards will have to make a particularly conscious effort to keep increasing the number of women they appoint to open seats. According to Gwin, some are doing so by getting to know potential directors earlier in their careers, broadening the pool of candidates beyond the CEO ranks to include more women. The growing number of research studies that have found ties between better financial performance and women's presence on boards is also spurring directors to be proactive and deliberate about bringing in women, Gwin said.

Then again, Gwin added, "I don't know that we need a study [to show] that having diverse insights and perspectives help a company and management team."

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Jena McGregor writes a daily column analyzing leadership in the news for the Washington Post's On Leadership section.

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