

Women on US boards: what are we seeing?

Despite the value of bringing more women onto corporate boards being increasingly recognized, US companies continue a slow march toward gender diversity. While progress is being made, it is not at the pace needed to result in a significant expansion of board diversity in the near term, or to compete with public sector approaches being taken in other markets.

This report looks at diversity in US boardrooms at the time of their 2014 annual meetings and, unless otherwise noted, reflects S&P 1500 companies. It is based on the EY Center for Board Matters' proprietary corporate governance database. It is also part of the Center's ongoing board diversity series and follows [Diversity drives diversity: From the boardroom to the C-suite](#) (2013) and [Getting on board: Women join boards at higher rates, though progress comes slowly](#) (2012). For EY's global perspective, see [Women on boards: global approaches to advancing diversity](#) (2014) and [Women. Fast forward](#) (2015).

This year, we highlight three observations about gender diversity on US corporate boards:

1. Increasing board size to add female directors is common
2. Female directors bring different experience to the board
3. Gender diversity is rising, but slowly

1 Observation: Increasing board size to add female directors is common

Women as a percentage of new board members across all companies has increased. And just about 15% of S&P 1500 companies have increased the number of female-held directorships since 2013.*

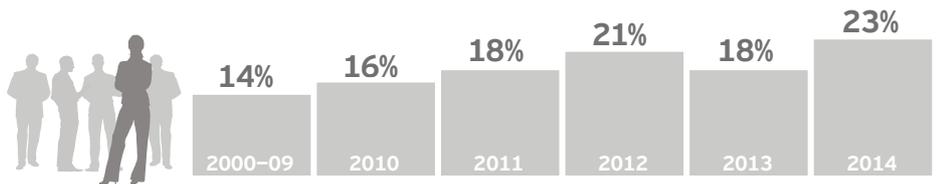
However, 51% of the companies that increased directorships held by women last year did so by increasing board size. This raises questions around whether boards are holistically refreshing or simply adding more directors to the board.

It also explains why the larger the board size, the more likely it is for the board to include female directors.

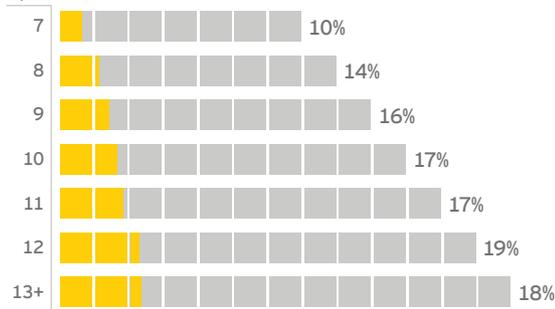
Only 54% of S&P 1500 companies with a board size of seven directors have at least one female director versus 98% for those with 12 directors.

* Based on a subset of companies that held annual meetings in both years.

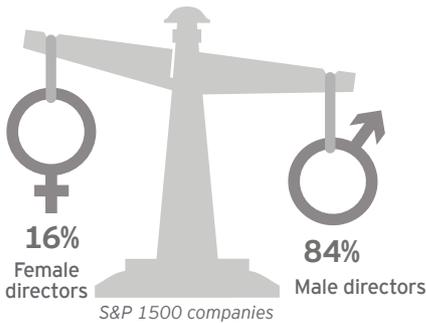
Women as a percentage of new board members at S&P 1500 companies



% of female directors
by board size

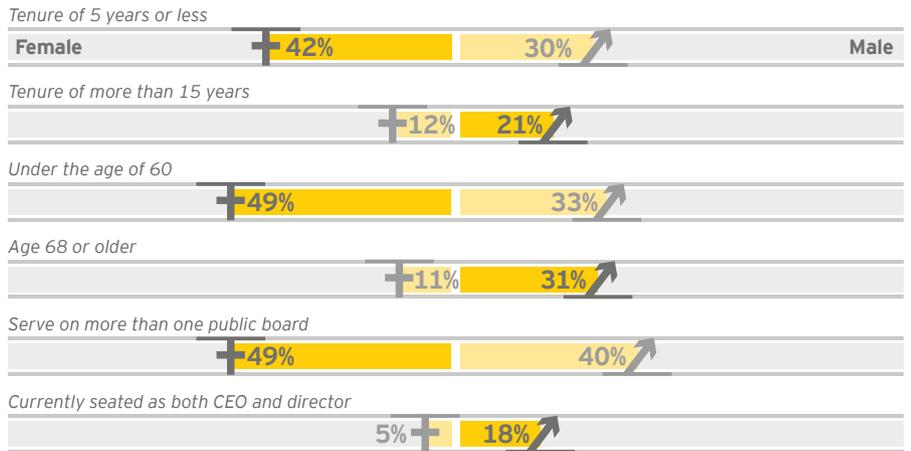


2 Observation: Female directors bring different experience to the board



A review of male and female directors reveals that female directors tend to be younger, less tenured, and more likely to serve on multiple company boards than their male counterparts. They are also less likely to be current CEO's.

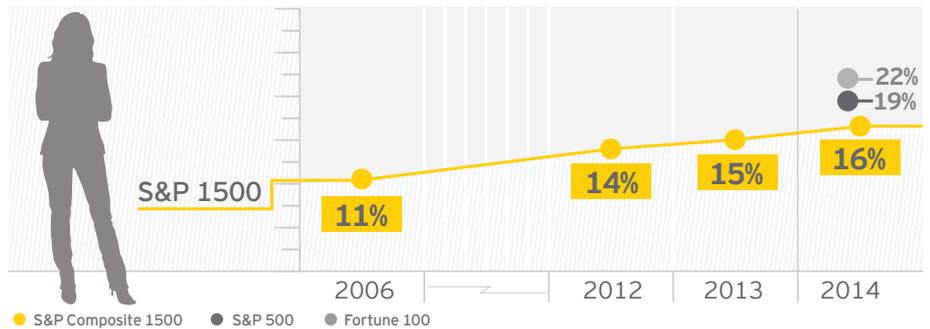
Differences between female and male directors at S&P 1500 companies in 2014



3 Observation: Gender diversity is rising, but slowly

Despite efforts to advance board diversity by institutional investors and other groups, progress toward gender parity on US boards is minimal. Indeed, the proportion of women on boards has increased only 5 percentage points over the last 10 years. Only 16% of S&P 1500 board seats are held by women—less than the proportion of seats held by directors named John, Robert, James and William. Fifteen percent of S&P Midcap 400 and 12% of S&P SmallCap 600 directorships are held by women.

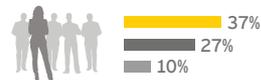
Percentage of board seats held by women since 2006



Boards of larger companies are significantly more gender diverse. While 98% of Fortune 100 companies have at least one woman on their boards, only two-thirds of SmallCap companies do.



% of boards with one female director



% of boards with two or more female directors



■ S&P Composite 1500 ■ S&P 500 ■ Fortune 100

In general, more women are being appointed to board and executive leadership positions though change continues to be gradual.

S&P 1500 board and executive positions held by women in 2014

