

# CBDC NEWSLETTER / BULLETIN CCDA

DECEMBER 2010/JANUARY 2011

## UPDATE: EXPANSION OF 'GET ON BOARD' EDUCATION PROGRAM

We have expanded the 'Get on Board' Education Program for 2011 to include Mississauga as a new location. The CBDC 'Get on Board' Education Program prepares diverse individuals for Board service on public, not-for-profit and private organizations. Founding Members are eligible for our discounted fees. Please visit our website at [www.boarddiversity.ca](http://www.boarddiversity.ca) for a complete listing of Founding Members and to register for the 'Get on Board' Program.

## NEW SPONSORS FOR 'GET ON BOARD'

CBDC is pleased to welcome Xstrata Nickel as the sponsor of the Introductory Series of the 'Get on Board' Program. We also thank Deloitte for their sponsorship of the Advanced Series. If you are interested in sponsorship of the Intermediate Series, please contact Pamela Jeffery at [pjeffery@boarddiversity.ca](mailto:pjeffery@boarddiversity.ca).

## Get On Board' Winter 2011 Dates

### Calgary Intermediate

February 17, 8-12  
February 28, 1-5  
March 9, 8-12  
March 29, 12-5

### Vancouver Intermediate

January 26, 1-5  
February 8, 8-12  
February 17, 1-5  
March 2, 12-5

### Vancouver Advanced

January 26, 8-12  
February 8, 1-5  
February 23, 8-12  
March 10, 1-5  
March 23, 12-5

### Toronto Introductory

January 25, 8-12  
February 10, 1-5  
February 22 8-1

### Toronto Intermediate

February 9, 1-5  
February 23, 8-12  
March 3, 12-5  
March 31, 12-5

### Toronto Advanced

February 16, 8-12  
March 1, 1-5  
March 29, 1-5  
April 13, 8-12  
April 28, 12-5

### Mississauga Introductory

February 1, 8-12  
February 16, 1-5  
March 15, 8-1

### Mississauga Intermediate

January 27, 1-5  
February 9, 8-12  
February 22, 1-5  
March 14, 8-1

Apply at [www.boarddiversity.ca](http://www.boarddiversity.ca)

## CBDC Reads

[Female Board Appointments and Firm Valuation](#)  
Journal of Management and Governance

[Woman Gain Board Seats](#)  
Wall Street Journal

[A Guide to Board Diversity](#)  
CFO.com

[Gender Diversity of Board Membership](#)  
Freshbusinessstinking.com

[Board Diversity: A US Perspective](#)  
Financial Times

[Board Diversity Progress Measured by Calendar](#)  
Governance Center Blog

## FIRST CBDC ANNUAL REPORT CARD RELEASED

In October, the CBDC successfully launched our first ever Annual Report Card. This was the culmination of an extensive research initiative in which surveys were sent to 2,912 *FP500* Directors. The results provide a baseline measure of the representation of women, visible minority groups, persons with disabilities and Aboriginal peoples on *FP 500* Boards.

This Report Card was widely distributed to the business community as well as the general public. All *FP500* Directors in Canada received a Report Card. As well, a 4-page colour insert was distributed with 300,000 subscriber copies of *The Globe and Mail* and 50,000 subscriber copies of *La Presse*.

The media coverage following the launch was tremendous, with profile in national and regional newspapers, on CBC radio news and other radio channels, and on television, including CTV news and OMNI. The report reached a strong business audience and delivered the message about the need to evolve Board policies and recruitment processes to attract the best and most diverse talent in Canada.

## KEY INSIGHTS FROM THE CBDC 2010 ANNUAL REPORT CARD

- 15% of respondents identify themselves as females
- 17% of respondents identified themselves as Chair of the Board and only 10% of them were females
- Board representation of visible minorities, persons with disabilities, and Aboriginal peoples, including First Nations, Inuit and Métis, is even lower. Only 5.3% self reported as visible minorities while 2.9% self identified as persons with disabilities and 0.8% indicated they were Aboriginal.
- Despite these figures, 62% of respondents felt that their Board was diverse.
- There appears to be a dichotomy between Board Directors' personal opinions regarding the importance of diversity on a Board compared to the Board's actual commitment to instituting a diversity policy. The survey found that 85% of respondents consider diversity to be important. In contrast, when asked whether the board they serve on has a written diversity policy, 68% reported that they do not, and 66% felt that their board should not develop or adopt a formal diversity policy.

Download the full report at  
[www.boarddiversity.ca](http://www.boarddiversity.ca)

## **CBDC INTERVIEW WITH... MARLENE NYILASSY**



**Marlene Nyilassy (MN)**, Senior Vice President, People and Engagement, at Nelson Education, is one of the first participants in the Toronto 'Get

on Board' Intermediate Series. We asked her to share her experience in the Program and her board career goals.

### **CBDC: What prompted you to seek board training?**

**MN:** I saw the 'Get on Board' Program as a learning and development opportunity that was aligned with my career aspirations. I currently have 8 to 10 years of non-for-profit board experience, and I was curious to see what my future career options could be with boards. At the time that I move away from my full time professional career to retirement or re-grouping as I call it, I want to be able to set myself to be involved effectively with not-for-profit and for-profit boards leveraging my many years of business experience.

### **CBDC: Personally, what have you found to be rewarding about board membership?**

**MN:** I would definitely have to say the contribution back to the organizations and their membership. There were different rewards in each of the boards I have sat on. On my first Board, I was involved with a new initiative and opportunity within Big Brothers for Canada. With my second board, I was able to bring services to people who did not have access to them. More recently, I sat on the board for the Canadian Children's Opera Company. I saw the opportunity to bring music to the community which would otherwise be unavailable. My daughter

motivated this decision to participate on this board, and I can say without hesitation that it was an experience that taught me a great deal while allowing me to make a difference.

### **CBDC: How did you hear about the 'Get on Board' Program?**

**MN:** Beth Oakes, a facilitator of the Women's Executive Network (WXN) introduced me to the Program. I had been participating in the WXN's mentoring program with Beth, and when she learned that I was interested and curious about becoming a board member as part of my future, she encouraged me to register in the program.

### **CBDC: What considerations did you have in choosing our program?**

**MN:** The first one was time. I found the timing of the 'Get on Board' Program fit well with my already hectic schedule. The length of the sessions worked into my schedule such that it was not a disruption. The half days, either in the morning or afternoon, were convenient. I also wanted to be clear that the 'Get on Board' Program would have up-to-date and relevant information to support my board career choice, which it did.

### **CBDC: How would you describe your overall experience in our program?**

**MN:** Overall, I had a good quality experience. I would have liked more time to network with the other participants. Despite this, doors have already been opened and relationships have been created.

Another aspect of the overall experience which was worth the entire tuition was creating my board résumé. We sometimes

forget, or least I did, about my past experience and contributions that would be of interest to a board. Creating and preparing the board résumé showed me where there were gaps in my knowledge and experience.

Lastly, participation in the program allowed me to understand today's reality about being a board member.

**CBDC: Did the program meet your expectations?**

**MN:** Yes - it gave me the resources and guidance to create my board résumé and the knowledge to say confidently that this is something I want to do. I now better understand the risk, duties and priorities of board membership in small/medium sized private corporations and *FP500* companies.

**CBDC: What aspect of our program did you enjoy the most and why? (e.g., speakers, networking, case studies etc...)**

**MN:** I thoroughly enjoyed the compensation conversation as this is in my area of expertise. As for speakers, they all provided something of value, and it was great to have a mixture of academic and practical material. One highlight was the Directors' Panel discussions - hearing it like it is from current, experienced directors.

**CBDC: Do you have any advice for someone wishing to advance or embark on his or her Board career?**

**MN:** The first thing I would say is that -'you don't know what you don't know' - so take every opportunity to find out what you are signing up for. The 'Get on Board' Program is an excellent place to get that information.

**CBDC: Our high calibre roster of speakers includes legal and executive search experts as well as Directors from the public and not-for-profit sector, and Directors of small/medium sized and *FP500* organizations. How would you rate our speakers? Was there a particular speaker or speakers who stood out, and why?**

**MN:** There were many high calibre speakers. In particular, Beth Oakes, Professor Richard Leblanc and Don Hathaway were great.

**CBDC: Would you recommend our program to a peer or college?**

**MN:** I certainly would, and I have. I think this is a great experience for those looking to get on a board or not. This type of program can help people understand the "other side" of the table.

If you would like to suggest someone we should interview for the next CBDC Newsletter, please email us at [rsvp@boarddiversity.ca](mailto:rsvp@boarddiversity.ca) .

## REVIEW: WOMEN MATTER 2010 REPORT

McKinsey & Company recently released their *Women Matter 2010 Report*. Their focus is on the correlation between women leaders' contribution and companies' performance. In their previous 2007 study, their report examined whether there is a link between a company's performance and the proportion of women within their governing body. Their second series, *Women Matter 2* in 2008, identified the leadership styles women tend to have. In 2009, McKinsey & Company took a sample of 800 business leaders worldwide. The report focused on which women leadership behaviours are suited to perform well in companies.

This year's study primarily focuses on how to achieve gender diversity by supporting diversity through specific measures, such as CEO support. The study examines companies who suggest diversity is in their organization's priority and which measures of gender diversity they support. Not surprisingly, many companies who identified gender diversity as a top priority had very measures in place for increasing the diversity of their workplace.

Companies which had gender diversity in their top three priorities implemented five measures on average<sup>1</sup>. Moreover, their survey results showed that the most effective measures are **CEO commitment and women's development programs**. Therefore, CEO endorsement and visible monitoring has a significance effect on women representation.

[Click Here for the Full Report](#)

## TAKING THE MESSAGE OF BOARD DIVERSITY TO FP500 NOMINATING CHAIRS

The CBDC plans a series of face to face Roundtable Discussions with Nominating Chairs of *FP500* companies beginning in early 2011.

During these Roundtables, co-sponsored by Ernst & Young, Nominating Chairs who have successfully improved diversity on their boards will share their board diversity best practices including the specific steps their boards undertook to improve diversity.

We will also share the detailed findings from the ARC and offer tools to help these board decision makers strategically select diverse board members. Our over-riding objective is to work with board decision makers to develop *concrete and implementable* diversity policies at the board level.

## CBDC FOUNDER GOES TO WASHINGTON

On November 10, 2010, CBDC Founder, Pamela Jeffery attended a by invitation only roundtable on Board Diversity hosted by Corporate Women Directors International and the International Finance Corporation in Washington, D.C. This event brought together corporate executives, stock exchange officers, governance experts, government officials, human rights commissioners, institutional shareholders, board directors and researchers from around the world. Pamela presented an overview of the CBDC and our Annual Report Card, and the response was resoundingly positive.

Here is a snapshot of what other jurisdictions are doing in the area of Board Diversity:

**Australian Stock Exchange (ASX).** Figures from 2009 show that 66% of the Top 100 and 84% of listed companies have no female Directors. Women held 8.3% of seats on Top 200 and 3.5% of seats overall. The Australian Stock Exchange set up a Corporate Governance Council comprise of 21 member organizations including the Directors Institute, the Diversity Council of Australia. The ASX created guidelines, to take effect January 1 2011, requiring companies to report the number of women at three levels: Board of Directors, senior management, and workforce. Companies will be required to disclose, in their Annual Reports, the progress made in achieving their gender diversity objectives. This Diversity Council recommended that listed companies who choose not to disclose their progress be required to state *why they are not doing so*. Companies will also have to include consideration of “diversity criteria” when reviewing the skills of the Board and recruiting new Board members. (Presented by **Giri Tenneti, Education Executive, Australian Stock Exchange**)

**Finland.** In 2003, Finland was the first country to have a Corporate Governance Code suggesting that the age and gender mix be taken into account in the composition of the board. The Code was updated in 2008 and more explicitly states that both genders should be represented on the board. In 2010, all Finnish companies must have at least one woman on its board of directors. If a company does not comply with the recommendation, it must explain why. The expectation in Finland is that companies are reluctant to depart from the Code due to the negative publicity they may receive for noncompliance. By March 2010, the percentage of boards with at least one women rose to 59% from 51% in 2008. (Presented by **Leena Linnainmaa, Member of the Finnish Corporate Governance Commission**. For more information, visit [www.eva.fi](http://www.eva.fi).)