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Article

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Women Still the Exception on Executive Boards of Germany's Large Firms—Gradually Increasing Representation on Supervisory Boards

by Elke Holst and Anja Kirsch

The trend toward more women on the corporate boards of German companies continued in 2013, albeit on a small scale. The share of women on the supervisory boards of the 200 largest companies increased by more than two percentage points, and thus at a somewhat higher rate than in recent years, to just over 15 percent. The corresponding share of women on executive boards virtually stagnated at a low level of just over four percent. These findings are revealed in DIW Berlin's latest Female Executive Barometer. In the DAX 30 companies there was even a decrease in the share of women on executive boards. The shares of female executives in MDAX, SDAX, and TecDAX companies also remained low. The development in companies with government-owned shares was limited as well. Moreover, women chairing corporate boards are still very much the exception in all the groups of companies studied. This applies to both supervisory and executive boards. The findings clearly indicate that increasing the share of women on corporate boards is not a self-sustaining process, that progress is slow, and that substantial efforts are still required. In order to achieve equal representation of both genders in these posts in the foreseeable future, more drastic changes are needed. In Germany, public companies could play a pioneering role, which is not the case at present. Companies in Germany and their interest associations can look to the Nordic countries for examples of firms that achieve substantial increases in the number of women on corporate boards without mandatory state regulation. Comparing European countries, however, we see that the share of women on corporate boards increased fastest in countries with a mandatory women's quota.

DIW Berlin conducts an annual analysis of the representation of women on the executive and management boards (henceforth executive boards) and also the supervisory boards and administrative boards (henceforth supervisory boards) of Germany's largest commercial enterprises.¹ The survey covers the 200 largest companies outside the financial sector.² DAX 30, MDAX, SDAX, and TecDAX companies³ and a further 60 companies with government-owned shares were also included.

A separate article in this issue of DIW Economic Bulletin discusses the representation of women on corporate boards in the financial sector based on an analysis of Germany's 100 largest banks and 60 largest insurance companies and draws comparisons between public, private, and cooperative financial institutions.⁴ Taken together, the two reports provide an overview of women's representation on the highest decision-making bodies of over 500 companies and financial institutions.

Top 200 Companies

The number of top 200 companies in Germany with at least one female corporate board member has increased, but there is a substantial difference between executive

¹ Most recently in 2013, see E. Holst and J. Schimeta, Slightly More Women in Germany's Corporate Boardrooms—More Dynamism in DAX 30 Companies, DIW Economic Bulletin, no. 3 (2013).

² The selection was based on Wolters Kluwer Deutschland GmbH, Die großen 500. Deutschlands Top-Unternehmen (November 2013). Research on the composition of the highest decision-making bodies of companies was conducted from November through the end of December 2013. The information is based on the companies' own statements published on the Internet, annual reports and accounts from 2012, articles in the German Federal Gazette (Bundesanzeiger), and enquiries to companies made by DIW Berlin.

³ With regard to market capitalization and trading volume, the MDAX companies (mid caps) are ranked just below the DAX 30. The SDAX companies (small caps) are ranked just below the MDAX companies. The TecDAX companies are the largest technology stocks.

⁴ The findings are presented in the second article in this issue of DIW Economic Bulletin.

Table 1

Women on Executive and Supervisory Boards in Germany's Largest 200 Companies (Excluding Financial Sector)

	Top 200								Top 100							
	2006	2007	2008	2009	2010	2011	2012	2013	2006	2007	2008	2009	2010	2011	2012	2013
Executive boards/management boards																
Total number of companies	200	200	200	200	200	200	200	200	100	100	100	100	100	100	100	100
With data on composition	195	184	191	187	195	197	200	195	97	95	96	92	95	100	100	97
With women on executive board	9	15	17	16	22	22	33	35	1	7	3	4	8	11	19	19
Percentage	4.6	8.2	8.9	8.6	11.3	11.2	16.5	17.9	1.0	7.4	3.1	4.3	8.4	11.0	19.0	19.6
Total number of members ¹	953	893	934	833	906	942	970	906	531	536	526	441	490	533	520	484
Men	942	877	911	812	877	914	931	866	530	529	519	437	479	520	497	461
Women	11	16	23	21	29	28	39	40	1	7	7	4	11	13	23	23
Percentage of women	1.2	1.8	2.5	2.5	3.2	3.0	4.0	4.4	0.2	1.3	1.3	0.9	2.2	2.4	4.4	4.8
Total number of CEOs	195	184	191	187	195	198	198	194	97	95	96	92	97	100	99	97
Men	195	184	190	186	193	197	196	190	97	95	96	92	97	100	99	96
Women	0	0	1	1	2	1	2	4	0	0	0	0	0	0	0	1
Percentage of women	0.0	0.0	0.5	0.5	1.0	0.5	1.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Supervisory boards/administrative boards																
Total number of companies	200	200	200	200	200	200	200	200	100	100	100	100	100	100	100	100
With data on composition	170	145	168	153	166	163	170	157	87	86	88	78	86	90	92	86
With women on supervisory board	110	101	124	110	117	118	128	123	65	65	68	60	61	68	76	71
Percentage	64.7	69.7	73.8	71.9	70.5	72.4	75.3	78.3	74.7	75.6	77.3	76.9	70.9	75.6	82.6	82.6
Total number of members	2500	2268	2466	2175	2293	2268	2369	2159	1389	1373	1385	1166	1263	1326	1359	1231
Men	2304	2074	2236	1961	2050	1999	2064	1834	1270	1255	1249	1048	1142	1178	1186	1044
Women	196	194	230	214	243	269	305	325	119	118	136	118	121	148	173	187
Percentage of women	7.8	8.6	9.3	9.8	10.6	11.9	12.9	15.1	8.6	8.6	9.8	10.1	9.6	11.2	12.7	15.2
Total number of chairpersons	170	145	168	153	167	167	171	160	87	86	88	78	87	91	92	87
Men	167	143	166	151	165	164	168	156	85	84	86	76	85	88	90	83
Women	3	2	2	2	2	3	3	4	2	2	2	2	2	3	2	3
Percentage of women	1.8	1.4	1.2	1.3	1.2	1.8	1.8	2.5	2.3	2.3	2.3	2.6	2.3	3.3	2.2	3.4
Companies with data on employee representation	123	108	129	103	110	105	118	83	81	71	66	58	58	62	58	46
Total number of members	2206	1773	1910	1732	1506	1567	1638	1291	602	1180	1035	968	835	912	860	748
Men	2023	1616	1742	1563	1360	1391	1438	1088	487	1087	940	868	759	824	753	640
Women	183	157	168	169	146	176	200	203	115	93	95	100	76	88	107	108
Female employee representatives	139	117	125	121	105	119	117	110	84	67	69	76	56	65	64	61
As a percentage of women member	76.0	74.5	74.4	71.6	71.9	67.6	58.5	54.2	73.0	72.0	72.6	76.0	73.7	73.9	59.8	56.5

¹ At year end. Only companies providing data on the composition of their corporate boards. Of the 43 not providing data on their supervisory board, 21 had no supervisory board, while no information was provided for the remaining 22 companies.
Source: calculations by DIW Berlin.

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Very few executive or supervisory boards were chaired by women.

and supervisory boards: while just under 18 percent of Germany's largest companies had at least one female executive board member at the end of 2013, the corresponding figure for supervisory boards was well over 78 percent (see Table 1). In 2006, these shares were just under five percent and 65 percent, respectively. In the majority of cases, if there is a female executive board member, she is the only one; on supervisory boards, this situation occurs far less frequently. It is important to remember that in many German companies employee representa-

tives are appointed to supervisory boards on the basis of codetermination legislation. On the basis of directory provisions regarding gender equality, employees traditionally delegate more women to sit on the supervisory board than the shareholders.⁵ This gap has recently been narrowing however.

⁵ In the past, employee representatives comprised up to over three-quarters of all female supervisory board members. Directory provisions regarding gender equality in proportion to the number of employees in the company are

On the whole, structures in the top 100 German companies were very similar to those in the top 200 with only slight variations.

Executive Boards: Still Firmly in Male Hands

The executive boards of the 200 largest companies in Germany remain a male monoculture. In 2013, only around four percent of the 906 executive board positions were filled by women. In total, at the end of 2013, there were 40 women on executive boards. In 2012, the corresponding figure was 39. Four of these women were either CEOs or spokespersons (2.1 percent), which was two more than in the previous year (see Overview 1).

Supervisory Boards: Women Frequently Employee Representatives

Of the top 200 German companies, 157 provided data on or indeed had a supervisory board. In 2013, well over 15 percent of supervisory board members in these top 200 companies were women. This equates to an increase of well over two percentage points on the figure for the same period of 2012. In 2010, almost 72 percent of female supervisory board members were employee representatives, but in 2013, the shareholders made up ground, resulting in an almost equal ratio of female employee to female shareholder representatives. The role of chair of the supervisory board remained firmly in male hands, however: only four of the 160 board chairs (2.5 percent) were women.⁶

In 123 of the reporting companies (well over 78 percent), there was at least one female supervisory board member. In 2013, the share of women in 35 companies was at least 20 percent (see Table 2 and Figure 1). On the boards of nine companies, a third or more seats were held by women, and in two companies, they made up at least 50 percent of the supervisory board: these were TUI Deutschland GmbH where four of eight supervisory board members were women and Douglas Holding AG which had nine female board members out of a total of 16.

incorporated in the Drittelbeteiligungsgesetz (One-Third Employee Participation Act) (Section 4, para. 4), in the SE-Beteiligungsgesetz (SE Participation Act) (Section 6, para. 2), and in the Gesetz über die Mitbestimmung der Arbeitnehmer bei einer grenzüberschreitenden Verschmelzung (Act on Employee Codetermination in Cross-Border Mergers) (Section 8, para. 2).

⁶ Lisa Davis at Shell Oil Deutschland GmbH, Dr. Simone Bagel-Trah at Henkel KGaA, Bettina Würth at the Würth Group, and Catharina Claas-Mühlhäuser at Claas KGaA mbH.

Overview 1

Women on Executive Boards in Germany at Year End 2013

Rank	Company	Name
100 largest commercial enterprises (excluding financial sector)		
3	Daimler AG	Dr.Christine Hohmann-Dennhardt
4	BASF SE	Margret Suckale
6	Bayerische Motorenwerke AG (BMW)	Milagros Caiña Carreiro-Andree
8	Deutsche Telekom AG	Claudia Nemat, Marion Schick
10	Deutsche Post World Net AG	Angela Titzrath
11	BP Europa SE	Sabine Dietrich, Claudia Joost
20	Deutsche Bahn AG	Dr. Heike Hanagarth
22	Continental AG	Elke Strathmann
24	Deutsche Lufthansa AG	Simone Menne, Dr. Bettina Volken
29	Celesio AG	Dr. Marion Helmes (Spokesperson)
43	Henkel KGaA	Kathrin Menges
45	Bertelsmann SE & Co. KGaA	Dr. Judith Hartmann, Anke Schäferkordt
51	Boehringer Ingelheim Unternehmensverband	Ursula Fuggis-Hahn
57	Evonik Industries AG	Ute Wolf
60	Adam Opel AG	Tina Müller, Susanna Webber
79	Volkswagen Leasing GmbH	Dr. Heidrun Zirfas
94	Volkswagen Nutzfahrzeuge GmbH	Elke Eller
98	DB Regio Aktiengesellschaft	Marion Rövekamp
101-200 largest commercial enterprises (excluding financial sector)		
113	dm-Drogerie Markt GmbH & Co. KG	Petra Schäfer
117	Sandoz Pharmaceuticals GmbH	Isabell Remus (Managing Director)
128	Thyssen Krupp Elevator AG	Gabriele Sons
137	Telefónica Germany GmbH & Co.OHG	Rachel Empey
138	Dirk Rossmann GmbH	Alice Schardt-Roßmann
139	B. Braun Melsungen AG	Dr. Annette Beller
140	DB Schenker Rail Deutschland AG	Dr. Ursula Biernert
141	PROCTER & GAMBLE Germany GmbH	Pirjo Väliäho (CEO)
143	Basell Polyolefine GmbH	Rita Geissel
154	Stadtwerke München GmbH	Erna-Maria Trixl
156	DB Netz Aktiengesellschaft	Ute Plambeck
158	Arvato AG	Christine Scheffler
166	Air Berlin PLC & Co. Luftverkehrs KG	Dr. Martina Niemann
170	Faurecia Automotive GmbH	Annette Stieve
171	DB Fernverkehr AG	Ulrike Haber-Schilling
173	IBM Deutschland GmbH	Martina Koederitz (CEO)
177	Hochtief Solutions AG	Essimari Kairisto

Source: survey by DIW Berlin.

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Listed Companies

On the corporate boards of the listed companies analyzed for this article, the situation is similar to that in the top 200 companies—women remain underrepresented, particularly on executive boards (see Table 3). For the purposes of this article, the term »DAX companies« refers to DAX 30, MDAX, SDAX, and TecDAX companies. The proportion of DAX 30 companies with at least one female executive board member was lower than in the previous year (a drop of ten percentage points to around 33 percent). Female executive board members at E.ON, SAP, and Siemens stepped down from their positions. However, at the end of 2013, the overall share of DAX

Table 2

Largest 200 Companies¹ (Excluding Financial Sector) With More Than 20 Percent Women on Supervisory Board at Year End 2013

Rank	Company	Total number of members	Number of women members	Percentage of women
198	DOUGLAS HOLDING AG	16	9	56
172	TUI Deutschland GmbH	8	4	50
165	NOWEDA eG Apothekergenossenschaft	9	4	44
85	T-Systems International GmbH	20	8	40
43	Henkel KGaA ²	18	7	39
141	PROCTER & GAMBLE Germany GmbH	19	7	37
8	Deutsche Telekom AG	20	7	35
125	Beiersdorf AG	12	4	33
158	Arvato AG	3	1	33
93	Vodafone GmbH	16	5	31
116	HEWLETT-PACKARD GmbH	16	5	31
175	Lufthansa Technik AG (Group)	16	5	31
24	Deutsche Lufthansa AG	20	6	30
200	Nestlé Deutschland AG	17	5	29
17	EDEKA Zentrale AG & Co. KG	18	5	28
2	E.ON SE	12	3	25
3	Daimler AG	20	5	25
5	Siemens AG	20	5	25
7	Metro AG	20	5	25
28	Thüga Aktiengesellschaft	12	3	25
29	Celesio AG	12	3	25
38	TUI AG	16	4	25
44	SAP AG	16	4	25
53	Alfred C. Toepfer International (Group)	4	1	25
71	Merck KGaA	16	4	25
118	Bosch Rexroth AG	20	5	25
140	DB Schenker Rail Deutschland AG	20	5	25
145	Hella KGaA Hueck & Co.	16	4	25
148	Rheinmetall AG	8	2	25
153	Alliance Healthcare Deutschland AG	12	3	25
173	IBM Deutschland GmbH	12	3	25
174	Stadtwerke Leipzig GmbH	20	5	25
36	EnBW Energie Baden-Württemberg AG	13	3	23
41	Wintershall AG	9	2	22
133	Stadtwerke Köln GmbH	19	4	21

1 Only companies with supervisory boards and those providing data on their composition.

2 Here the supervisory board is also chaired by a woman.

Source: calculations by DIW Berlin.

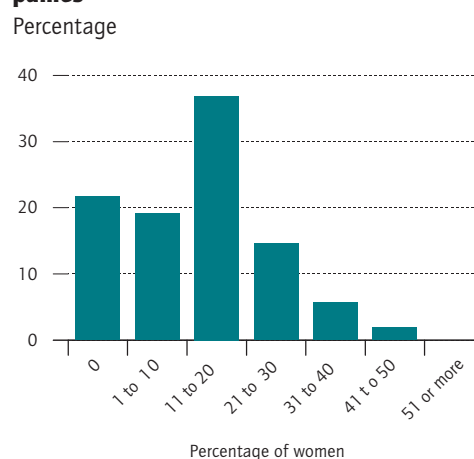
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In 35 companies, more than one-fifth of supervisory board members were women.

30 companies with female executive board members was higher than SDAX (22 percent) and TecDAX companies (just under 27 percent). More DAX 30 than top 200 companies had at least one female executive board member (well over 17 percent). Only the MDAX enterprises lagged slightly behind (16 percent). This above-average representation of women in DAX companies could be a consequence of discussions about and efforts to introduce government regulations (*women's quotas*) for list-

Figure 1

Women on Supervisory Boards of the Top 200 Companies



Source: research by DIW Berlin.

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Women generally made up less than one-fifth of the supervisory board members.

ed and codetermined companies that have been ongoing for some years.⁷

At the end of 2013, there was at least one female supervisory board member in approximately 90 percent of DAX 30 and MDAX companies. SDAX enterprises had a particularly low proportion of 54 percent, and a share of around 63 percent positioned TecDAX between the two groups of companies.

DAX 30 Companies: End of Positive Development on Executive Boards for Now

The share of women on the executive boards of DAX 30 companies is on the decline: at the end of 2013, there were 12 female executive board members, three fewer than the previous year, which equates to around six percent. In 2013, Regine Stachelhaus (E.ON AG), Luisa Deplazes Delgado (SAP AG), and Brigitte Ederer and Barbara Kux (Siemens AG) all stepped down from their board positions. The only new appointment was Dr. Bettina Volkens at Deutsche Lufthansa AG. For now, this signals an end to the recent positive trend. The share of women on executive boards had increased between 2009 and 2012 by well over seven percentage points to almost eight percent (from one to 15 women). In 2013,

7 See E. Holst and J. Schimeta, DIW Female Executive Barometer 2011, DIW Economic Bulletin, no. 4 (2012).

Table 3

Women on Executive and Supervisory Boards in Listed Companies¹

	DAX-30						MDAX			SDAX			TecDAX
	2008	2009	2010	2011	2012	2013	2011	2012	2013	2011	2012	2013	2013
Executive boards/management boards													
Total number of companies	30	30	30	30	30	30	50	50	50	50	50	50	30
With data on composition	30	30	30	30	30	30	50	50	50	50	50	50	30
With women on executive board	1	1	3	6	13	10	5	5	8	6	11	11	8
Percentage	3.3	3.3	10.0	20.0	43.3	33.3	10.0	10.0	16.0	12.0	22.0	22.0	26.7
Total number of members	183	183	182	188	193	191	213	210	213	168	164	170	107
Men	182	182	178	181	178	179	208	205	205	160	152	157	98
Women	1	1	4	7	15	12	5	5	8	8	12	13	9
Percentage of women	0.5	0.5	2.2	3.7	7.8	6.3	2.3	2.4	3.8	4.8	7.3	7.6	8.4
Total number of chairpersons	30	30	30	30	30	30	50	50	50	50	50	50	48
Men	30	30	30	30	30	30	50	50	49	49	49	50	48
Women	0	0	0	0	0	0	0	0	1	1	1	0	0
Percentage of women	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0	2.0	0.0	0.0
Supervisory boards/administrative boards													
Total number of companies	30	30	30	30	30	30	50	50	50	50	50	50	30
With data on composition	30	30	30	30	30	30	50	50	50	50	50	50	30
With women on supervisory board	27	27	26	26	28	28	35	42	45	21	21	27	19
Percentage	90.0	90.0	86.7	86.7	93.3	93.3	70.0	84.0	90.0	42.0	42.0	54.0	63.3
Total number of members	527	513	502	479	494	489	581	588	584	346	352	388	207
Men	458	448	436	404	398	384	515	506	489	309	312	337	174
Women	69	65	66	75	96	107	66	82	95	37	40	51	33
Percentage of women	13.1	12.7	13.1	15.7	19.4	21.9	11.4	13.9	16.3	10.7	11.4	13.1	15.9
Total number of chairpersons	NA	30	30	30	30	30	50	50	48	50	50	50	30
Men	NA	29	29	29	29	29	50	50	46	50	50	50	29
Women	NA	1	1	1	1	1	0	0	2	0	0	0	1
Percentage of women	NA	3.3	3.3	3.3	3.3	3.3	0.0	0.0	4.2	0.0	0.0	0.0	3.3
Companies with data on employee representation	24	NA	22	24	20	23	35	28	25	41	39	17	7
Total number of members	423	NA	369	395	322	310	397	329	331	282	260	172	78
Men	367	NA	317	334	259	250	358	283	279	260	241	146	62
Women	56	NA	52	61	63	70	39	46	52	22	19	26	16
Female employee representatives	41	NA	37	43	40	40	28	30	33	19	15	17	11
As a percentage of women members	73.2	NA	71.2	70.5	63.5	57.1	71.8	65.2	63.5	86.4	78.9	65.4	68.8

¹ At year end.

Source: calculations by DIW Berlin.

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2013 saw a drop in the share of women on the executive boards of DAX 30 companies.

as in the past, all executive boards were chaired by men (see Overview 2).

In 2013, women were represented on the supervisory boards of 28 DAX 30 companies. As in 2012, Fresenius Medical Care AG and Fresenius SE had no female supervisory board members. These companies refrained from setting themselves specific targets to fulfil the commitment made by the DAX 30 companies to increase the number of women in senior management positions.⁸

The share of women on supervisory boards increased by 2.5 percentage points on the previous year to almost 22 percent. At the end of 2013, there were 107 female supervisory board members, a figure that has been steadily rising since 2009. Data on supervisory board employee representation were available for 23 companies. Between them, these companies had a total of 70 female supervisory board members, 40 of whom were appointed as employee representatives (well over 57 percent). Although shareholders are increasingly appointing women to these boards, the majority of female supervisory board members continue to be employee representatives. The only supervisory board chairwoman is Dr. Simone Bagel-Trah at Henkel AG & Co. KGaA.

⁸ See Frauen in Führungspositionen: Status quo und Zielsetzungen der 30 DAX-Unternehmen, accessed on January 2, 2014, www.bmfsfj.de/RedaktionBMFSFJ/Abteilung2/Pdf-Anlagen/frauen-in-fuehrungspositionen-status-quo-und-zielsetzungen,property=pdf,bereich=bmfsfj,sprache=de,rwb=true.pdf.

Overview 2

Women on Executive Boards of Listed Companies in Germany at Year End 2013

Company	Name
DAX 30	
Allianz SE	Dr. Helga Jung
BASF SE	Margret Suckale
BMW AG	Milagros Caiña Carreiro-Andree
Continental AG	Elke Strathmann
Daimler AG	Dr. Christine Hohmann-Dennhardt
Deutsche Börse AG	Hauke Stars
Deutsche Lufthansa AG	Simone Menne, Dr. Bettina Volkens
Deutsche Post AG	Angela Titzrath
Deutsche Telekom AG	Claudia Nemat, Marion Schick
Henkel AG & Co. KGaA Vz	Kathrin Menges
MDAX	
Aareal Bank AG	Dagmar Knopek
Celesio AG	Dr. Marion Helmes (Spokesperson)
DMG Mori Seiki AG	Kathrin Dahnke
Evonik Industries AG	Ute Wolf
Fraport AG	Anke Giesen
ProSiebenSat.1 Media AG	Heidi Stopper
RTL Group S.A.	Anke Schäferkordt
TAG Immobilien AG	Claudia Hoyer
SDAX	
Air Berlin	Dr. Martina Niemann
C.A.T. Oil AG	Anna Brinkmann
Comdirect bank	Martina Palte
Delticom AG	Susann Dörsel-Müller
Deutscheeteiligungs AG	Susanne Zeidler
Deutz AG	Dr. Margarete Haase
DIC ASSET AG	Sonja Wärntges
GfK SE	Pamela Knapp, Debra A. Pruent
GrenkeLeasing AG	Antje Leminsky
KWS SAAT	Eva Kienle
Schaltbau Holding AG	Elisabeth Prigge
zooplus	Andrea Skersies
TecDAX	
BB Biotech AG	Felicia Flanigan, Lydia Bänziger
Kontron AG	Andrea Bauer
MorphoSys AG	Dr. Marlies Sproll
Pfeiffer Vacuum Technology AG	Nathalie Benedikt
Qiagen N.V.	Dr. Helge Lubenow
QSC AG	Barbara Stolz
SMA Solar Technology AG	Lydia Sommer
Telefónica Deutschland Holding AG	Rachel Empey

Source: survey by DIW Berlin.

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MDAX Companies: Under Four Percent of Women on Executive Boards

At the end of 2013, eight of the 50 MDAX companies had a female executive board member, which was three more than the previous year. Each of these women was also the sole female representative on their board. The proportion of women on MDAX executive boards was just under four percent of the overall total of 213 executive board members, ranking MDAX companies below DAX 30 and the top 200 in this regard. MDAX execu-

tive boards were chaired almost exclusively by men. Celesio AG was the only company with a female spokesperson, Dr. Marion Helmes.

Women were represented on 90 percent of all MDAX supervisory boards with an overall share of well over 16 percent (95 of 584 seats). However, even with an increase of more than two percentage points (13 board seats), the MDAX companies were unable to achieve the share reached by DAX 30 companies. Data on employee representation was available for half of the MDAX companies. These companies had 52 female supervisory board members, including 33 employee representatives (63.5 percent). Two supervisory boards were chaired by women.⁹

SDAX Companies: Only Half with Women on Supervisory Boards

At the end of 2013, 11 of the 50 SDAX companies (22 percent) had at least one female executive board member. Of 170 executive board members, there were 13 women (just under eight percent), which is one woman more than in 2012. In the same period, the number of men increased by five to 157. Of the SDAX companies, Ines Kolmsee was formerly the CEO at SKW Stahl-Metallurgie Holding AG. However, in 2013, this company left the SDAX, which meant that all executive boards were, once again, exclusively in the hands of men (see Table 3).¹⁰ Although the share of women among all supervisory board members increased in recent years, it still only reached approximately 13 percent. This is also due to the fact that only 54 percent of all SDAX companies have a female representative on their supervisory boards at all, which is significantly fewer companies than in the other groups. Data on employee representation was provided by 17 companies. Between them, they had 26 female supervisory board members, 17 of them (68 percent) were employee representatives. However, these figures are only comparable with the previous year's development to a limited extent due to different numbers of companies observed. SDAX supervisory boards were chaired exclusively by men.

⁹ Marija G. Korsch at Aareal Bank and Susanne Klatten at SGL Carbon.

¹⁰ Further, Ines Kolmsee will not be renewing her contract after March 31, 2014. See www.skw-steel.com/2013/09/vorstandsvorsitzende-ines-kolmsee-steht-fur-weitere-amtszeit-nicht-zur-verfugung/, accessed on December 18, 2013.

TecDAX Companies: Higher Share of Women on Executive Boards than DAX 30

For the first time, the present analysis includes the 30 TecDAX companies. The German TecDax stock index comprises the 30 largest German companies from the technology sector, which rank below those included in the standard DAX index in terms of market capitalization and stock market trading volume.¹¹

The proportion of women on the executive boards of TecDAX enterprises was well over eight percent, ranking it highest of all the groups of companies analyzed. Yet in terms of supervisory board representation, TecDAX companies fell just short of 16 percent, which is lower than the DAX 30 companies, for example. The share of women nominated to the supervisory board by shareholders (less than a third) was comparably low. Evidently, investors have yet to adequately respond to the shift in the discussion on increasing the number of women on corporate boards. Nevertheless, there was one TecDAX company with a supervisory board chairwoman.¹²

2013 Bumper Election Year Not Used Consistently

According to information from the German Women Lawyers Association (djB), in 2013, supervisory board elections were conducted by shareholders in 20 of the 30 DAX-listed companies.¹³ Slightly more than a quarter of these newly appointed positions were filled by women, which roughly corresponded to the figures for previous years. Elections for shareholder representatives also took place in a further 46 listed companies; here, just under 15 percent of the posts went to women. According to the djB, the bottom line is that »the 2013 bumper election year was not used consistently in order to appoint more women to the supervisory boards.«

Companies with Government-Owned Shares

Particularly against a backdrop of political demands for a women's quota for private companies, the situation for public companies is also of interest since the public sector could influence developments itself by acting as a pioneer for the private economy. Gender quotas have al-

Table 4

Women on Executive and Supervisory Boards in Companies with Government-Owned Shares

	2010	2011	2012	2013
Executive boards/ management boards				
Total number of companies	61	60	60	60
With data on composition	60	60	60	60
With women on executive board	9	10	12	14
Percentage	15.0	16.7	20.0	23.3
Total number of members	152	147	143	143
Men	142	135	127	125
Women	10	12	16	18
Percentage of women	6.6	8.2	11.2	12.6
Total number of chairpersons	54	55	57	55
Men	51	52	51	52
Women	3	3	6	5
Percentage of women	5.6	5.5	10.5	9.1
Supervisory boards/administrative boards¹				
Total number of companies	61	60	60	60
With data on composition	54	55	54	51
With women on supervisory board	46	42	43	41
Percentage	85.2	76.4	79.6	80.4
Total number of members	577	587	579	553
Men	472	483	464	453
Women	105	104	115	100
Percentage of women	18.2	17.7	19.9	18.1
Total number of chairpersons	53	53	53	47
Men	45	45	42	39
Women	8	8	11	8
Percentage of women	15.1	15.1	20.8	17.0

¹ Only companies with supervisory boards and those providing data on their composition.

Source: calculations by DIW Berlin.

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In 2013, the share of women on supervisory boards in public companies was at the same level as in 2010.

ready been introduced for public companies in a number of other European countries.¹⁴ The coalition agreement between the Christian Democratic Union (CDU) / Christian Social Union (CSU) and Social Democratic Party (SPD) certainly neither made mention of proposed targets for the share of women on corporate boards nor of a timeframe for implementing such targets in public companies.¹⁵ The following findings indicate that there

¹⁴ For example, in Austria, Denmark, Finland, Greece, and Slovenia; see European Commission, Women in economic decision-making in the EU: Progress report (Luxembourg: 2012).

¹⁵ Instead, the coalition agreement includes the following wording: »In the sphere of the federal government's influence, the coalition will pursue a targeted equality policy to increase the share of women in senior management and on corporate boards and reduce the gender pay gap. To this end, we will be developing an equality index and will be proactive in implementing the Bundesgleichstellungsgesetz [Federal Equality Act] and the Bundesgremienbe-

¹¹ See www.finanzen.net/index/TECDAX.

¹² Eva Castillo at Telefónica Deutschland Holding.

¹³ German Women Lawyers Association (Deutscher Juristinnenbund e.V.), Women Shareholders Demand Gender Equality—2009 until 2013. More Women in Executive Positions. Conclusions and Demands (BMFSFJ: 2013), 11

Overview 3

Female Chairs of Supervisory Boards in Companies with Government-Owned Shares at Year End 2013

Company	Chairwoman	Function in federal administration
German Development Institute (Deutsches Institut für Entwicklungspolitik (die) gGmbH)	Gudrun Kopp	Parliamentary State Secretary, Federal Ministry for Economic Cooperation and Development (BMZ)
Germany Trade and Invest - Gesellschaft für Außenwirtschaft und Standortmarketing mbH	Anne Ruth Herkes	State Secretary, Federal Ministry of Economics and Technology (BMWi)
Gesellschaft für Anlagen- und Reaktorsicherheit mbH	Ursula Heinen-Esser	Parliamentary State Secretary, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)
German Research Center for Environmental Health (Helmholtz Zentrum München, Deutsches Forschungszentrum für Gesundheit und Umwelt GmbH)	Bärbel Brumme-Bothe	Director-General, Department Director, Federal Ministry of Education and Research (BMBF)
Helmholtz-Zentrum für Infektionsforschung GmbH	Bärbel Brumme-Bothe	Director-General, Department Director, Federal Ministry of Education and Research (BMBF)
Helmholtz Centre for Heavy Ion Research (Helmholtzzentrum für Schwerionenforschung)	Dr. Beatrix Vierkorn-Rudolph	Subdepartment Director, Federal Ministry of Education and Research (BMBF)
NOW GmbH Nationale Organisation Wasserstoff- und Brennstoffzellentechnologie	Birgitta Worringen	Subdepartment Director, Federal Ministry of Transport, Building and Urban Development (BMVBS)
Transit Film Gesellschaft mbH	Ulrike Schaub	Head of Department, Federal Government Commissioner for Culture and the Media (BKM)
VIFG Verkehrsinfrastrukturfinanzierungsgesellschaft mbH	Dr. Martina Hinricher	Director-General, Federal Ministry of Transport, Building and Urban Development (BMVBS)

Source: survey by DIW Berlin.

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is substantial room for improvement among the companies with government-owned shares analyzed here.

This report presents information on public companies, collated by DIW Berlin for the fourth time. The survey covers 60 of the companies with direct government ownership listed in the government’s equity holdings report.¹⁶ These include companies from the transport, energy, telecommunication, research, and culture sectors. However, a comparison with Germany’s large private companies is only possible to a limited extent since companies with government-owned shares are predominantly much smaller.

At the end of 2013, 14 of the 60 companies had female executive board members (a good 23 percent). Overall, the share of women on executive boards was almost 13 percent (see Table 4). This equates to an increase of well over one percentage point. At the end of 2013, five

executive boards were chaired by a total of six women.¹⁷ Additionally, in one company, the CEO position was shared between a man and a woman.¹⁸ The proportion of women on the supervisory boards of companies with government-owned shares dropped by almost two percentage points to around 18 percent. In the 47 companies with a supervisory board chair and available data on board composition, eight women (17 percent) held this position (see Overview 3). However, this figure, which is relatively high compared to other company groups, is overshadowed by the drop in the number of supervisory board chairwomen from 11 to eight (or almost three percentage points) on the previous year.¹⁹ The percentage of female supervisory board members in companies with shares owned by the national government was generally very similar to the corresponding figures for companies with shares owned by the Länder for December 2012 (17.3 percent), according to data from another

setzungsgesetz [Act on Appointments to Federal Bodies] for the federal administration.« Shaping Germany's Future, coalition agreement between CDU, CSU and SPD, 18th legislative period (2013), 102.

16 Of the 87 companies that had direct government holdings on the reporting date of December 31, 2011, the small shareholdings in housing associations and also two companies without their own corporate boards and one company that was removed from the list of companies with government-owned shares in 2013 were not included in the present analysis. See Federal Ministry of Finance (Bundesministerium der Finanzen), Die Beteiligungen des Bundes. Beteiligungsbericht 2012 (Berlin: 2013).

17 They were Dr. Almut Wieland-Karimi at the Center for International Peace Operations (Berliner Zentrum für Internationale Friedenseinsätze gGmbH), Tanja Gönner at the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) gGmbH, Sabine Brünger-Weilandt at the Fachinformationszentrum Karlsruhe (FIZ), and Dr. Jutta Allmendinger at the Berlin Social Science Center (Wissenschaftszentrum Berlin für Sozialforschung, WZB). The Bayreuther Festspiele GmbH had two chairwomen, Eva Wagner-Pasquier and Katharina Wagner.

18 This is at Helmholtz-Zentrum Berlin für Materialien und Energie GmbH.

19 However, there were also slightly fewer companies compiling data on board composition or with no supervisory board. The supervisory board at TLG Immobilien and Gästehaus Petersberg, for example, was dissolved.

er study.²⁰ The proportion of female supervisory board members was somewhat higher in companies owned by major cities and Länder capitals (almost 27 percent).

Unlike in the private economy, supervisory board positions in public companies are frequently linked to a senior public administration post or to a political position. As a result of this coupling of public sector functions with board appointments, the proportion of women in the upper echelons of public administration and political office has an impact on the share of women on the supervisory boards of public companies.

Overall, the findings on both the current share of women on the corporate boards of companies with government-owned shares and the development of this trend are disappointing. It would be preferable for the public sector to be playing a pioneering role and leading the way forward for private companies in a credible and exemplary manner by appointing more women to top-level management positions. However, public companies currently still have a long way to go in order to achieve this.

Political Initiatives at National and International Level

In recent years, various countries have introduced gender quotas for the highest decision-making bodies in companies. The leader in this field is Norway, which, in 2003, passed a law stipulating that 40 percent of seats on the boards of directors of companies had to be filled by women. Companies were given four years to fulfill these requirements.²¹ If a company does not comply with this quota, it can be liquidated by court order. In 2011, France, Belgium, and Italy also implemented statutory quotas with sanctions for non-compliance. The Netherlands (2011), Spain (2007), and Iceland (2010) introduced quotas without sanctions. Denmark, Finland, Greece, Austria, and Slovenia have regulations for state-owned or state-controlled companies. Other countries, including Germany, have voluntary provisions which are pri-

marily integrated into corporate governance codices under the heading »Diversity Management«, for example.²²

In their coalition agreement, the SPD, CDU, and CSU have now included a statutory gender quota for new supervisory board appointments in selected companies: »Those supervisory boards of listed companies subject to codetermination laws that are due to be reappointed from 2016 must have a gender quota of at least 30 percent.«²³ If a supervisory board does not achieve this share, seats should remain vacant. The aim is also to introduce a »flexi quota« for executive boards, upper management levels, and the supervisory boards of companies to which the statutory quota does not apply.²⁴

At the EU level, in November 2013, the European Parliament approved a draft directive from the European Commission that sets a minimum objective of 40 percent of the underrepresented gender on the supervisory boards of major publicly listed companies.²⁵ The draft directive is yet to be adopted by the Council of Ministers. In the past, a number of EU countries, including Germany, were opposed to such a proposal.²⁶ It therefore remains to be seen whether the new German government will adopt a different stance on the EU quota.

More Women on Corporate Boards in Northern Europe

The European Commission regularly publishes information on the representation of women and men in leading decision-making positions in the economy, politics, public administrations, and the judiciary in European countries.²⁷ However, there are significant international differences in companies' corporate governance structures that must be taken into consideration. Therefore, when analyzing the participation of women, compari-

²⁰ U. Papenfuß, S. Behrens, and T. Sandig, *Frauen in Top-Gremien öffentlicher Unternehmen*, Zeitschrift für Corporate Governance, no. 8 (2013): 5–9.

²¹ From January 2004, this law was initially only binding for all state-owned and municipal companies; for privately owned companies, the law only came into force in 2006 after they had not voluntarily met the quota within two years: »They were granted a further two-year transition period to implement the law giving them until 2008 to achieve the quota. For all newly created limited companies, the law already applied from January 2006.« See A. Storvik and M. Teigen, *Das norwegische Experiment—eine Frauenquote für Aufsichtsräte*, Friedrich-Ebert-Stiftung, Internationale Politikanalyse 6 (Berlin: 2010), accessed on January 2, 2014, library.fes.de/pdffiles/id/ipa/07310.pdf.

²² For an overview of these provisions, see European Commission *Women in economic decision-making in the EU* (2012). Since 2011, the DAX 30 companies have also committed themselves to a specific target with regard to the number of women in senior management, see *Frauen in Führungspositionen* (2014).

²³ *Shaping Germany's Future*. Coalition agreement between the CDU, CSU, and SPD, 18th legislative period (2013).

²⁴ »From 2015, listed companies or those subject to codetermination regulations shall be legally obliged to specify and publish their targets for increasing the share of women on their supervisory boards, executive boards, and in top management and to report on this in a transparent manner,« *Shaping Germany's Future* (2013), 102.

²⁵ European Commission, *Cracking Europe's Glass Ceiling: European Parliament Backs Women on Boards Proposal*, press release, Brussels, November 20, 2013, IP/13/1118.

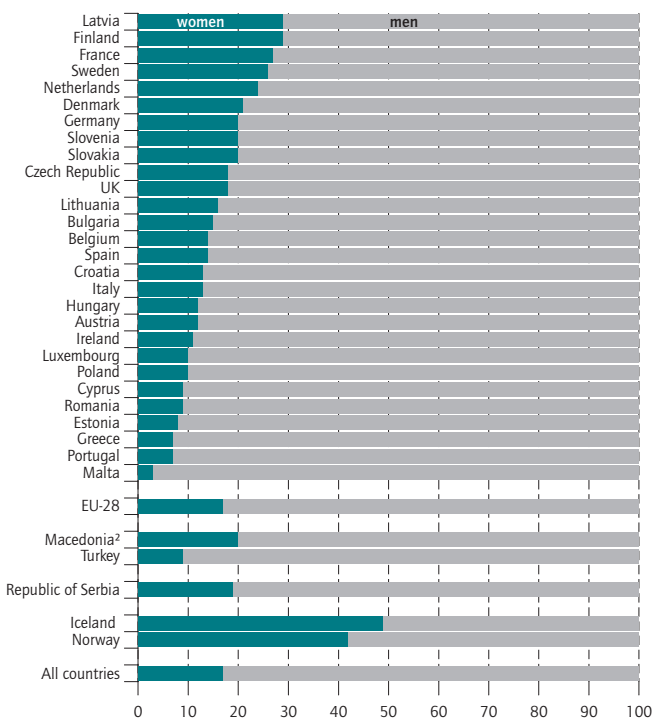
²⁶ C. Gammelin and R. Roßmann, *EU-Frauenquote in Gefahr*, Süddeutsche Zeitung, March 6, 2013.

²⁷ European Commission, *Database: women & men in decision making*, http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/index_en.htm, accessed on December 28, 2013.

Figure 2

Women in the Highest Decision-Making Bodies¹ of the Largest Listed Companies in Europe in 2013

Percentage



¹ Members of the board of directors (supervisory board if supervisory and executive functions are separated).
² Former Yugoslav Republic.
 Sources: Database: women & men in decision making. Last updated April/May 2013; graph by DIW Berlin.

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In a European comparison, Germany was slightly above the average for the 28 EU countries in 2013.

sons are drawn between boards, the function and composition of which differ from country to country: a key distinction is whether a corporate governance structure is dualistic or monistic. In countries with a dualistic system, the governing bodies of a company are the executive and the supervisory board; in countries with a monistic structure, companies have only one committee (the *board of directors*) where some board members fulfil executive functions and others do not. In certain countries, both structures exist.²⁸ A second important differ-

²⁸ The countries with a dualistic structure are Germany, Estonia, Latvia, Austria, Slovakia, and the Czech Republic. Those with a monistic structure are Belgium, Greece, Ireland, Iceland, Liechtenstein, Malta, Norway, Sweden, Spain, Cyprus, and the UK. Countries where companies can choose the structure are

ence is whether a company is codetermined or not, i.e., whether or not employees have the right to representation on the top decision-making committee. In ten EU countries, there are no corporate codetermination provisions in place. In another five countries, corporate codetermination is confined to companies owned by national or local governments. In 13 EU countries and in Norway, codetermination applies to both public and private companies. However, codetermination regulations vary considerably.²⁹ Consequently, when comparing the influence of women in economic decision-making positions internationally, it is important to take into account whether these women have executive or supervisory and monitoring functions and whether they represent the interests of the employees or the shareholders.

The European Commission data encompass 34 European countries. However, they are confined to the largest publicly listed companies by market trades that are registered in each country (DAX 30 companies in Germany and between nine and 50 companies in each of the other countries). The fact that these major companies are particularly in the public eye may contribute to them having more female representatives on their corporate boards than groups of companies that attract less attention. Another factor is that the data for those countries with dualistic corporate governance structures refer to supervisory boards, and for those with monistic systems, the data covers the entire board of directors including executive directors.

Despite these caveats, the European comparison provides a general overview of the current situation and the trend in the representation of women in the highest decision-making bodies of companies. Overall, in mid-2013, women's representation on these corporate boards was 17 percent (see Figure 2). Germany was ranked slightly above average with an approximately 20-percent share of women on its supervisory boards. The Nordic countries Finland, Sweden, Denmark, Iceland, and Norway were at the top of the rankings along with Latvia. France and the Netherlands were also at the forefront.

Bulgaria, Denmark, Finland, France, Italy, Lithuania, Luxembourg, the Netherlands, Portugal, Romania, Slovenia, and Hungary.

²⁹ For details, see L. Fulton, Worker representation in Europe, Labour Research Department and European Trade Union Institute (ETUI) (2013), de.worker-participation.eu/Nationale-Arbeitsbeziehungen/Quer-durch-Europa/Unternehmensmitbestimmung; and A. Conchon, N. Kluge, and M. Stollt, Table: Worker board-level participation in 31 European Economic Area countries, European Trade Union Institute (ETUI), July 2013 update, accessed on January 2, 2014, de.worker-participation.eu/Nationale-Arbeitsbeziehungen/Quer-durch-Europa/Unternehmensmitbestimmung/TABLE-Worker-board-level-participation-in-the-31-European-Economic-Area-countries.

Share of Women in Top Decision-Making Bodies Rising Fastest in Countries with Quotas

In recent years, the proportion of women on corporate boards has mainly increased in countries which have introduced legislation to promote equal participation of women and men in decision-making bodies.³⁰ This applies to France, the Netherlands, and Iceland in particular. In France, the share of women in top decision-making bodies increased from 12 (2010) to 27 percent (2013) following the introduction of a quota in 2011. A quota was also introduced in the Netherlands in 2011 and the proportion of women on corporate boards there increased from 15 to 24 percent during the same period. The corresponding increase in Iceland was from 16 (2009) to 49 percent (2013) since the introduction of a quota in 2010.³¹

The chairs of corporate boards are not subject to quotas—growth here was correspondingly low. The overall average proportion of chairwomen was five percent (three percent for Germany).

Studies on Economic Effects of a Women's Quota Using the Example of Norway: Mixed Picture

In the discussion on the women's quota, a frequent question is what economic effects equal participation of women in supervisory boards would have on companies. However, the empirical research indicates that this question is complex and cannot be answered conclusively. In the course of the introduction of the women's quota in Norway, some empirical studies on its effects were conducted:

One study³² shows that companies affected by the quota make fewer personnel cutbacks and consequently have higher wage costs in comparison to other companies. The explanation given for this is that female directors have a different management style to their male counterparts. However, it is not clear whether this means that female directors take account of the interests of the employees at the expense of the investors due to a strong stakeholder orientation. It is possible they make fewer staff cutbacks because they are more focused on the long-term in-

terests of the shareholders than maximizing short-term profits: retaining personnel enables them to avoid future recruitment and training costs. A second study³³ examines the correlation between female directors and innovation. The findings: it is only from a critical mass of at least three women that a positive effect on the innovative capacity of a company can be seen. The advantages women bring into the decision-making process on corporate boards (for instance, new ideas and perspectives, more productive discussions) only become apparent when several women are present. A third study³⁴ addresses the question of whether women on corporate boards are integrated or sidelined. While it has been found that even individual women are seldom sidelined as directors, the influence of female directors increases if there are several women on the board. A fourth study³⁵ indicates that the announcement of the planned quota in Norway had a negative effect on stock prices. However, a negative correlation between women on corporate boards and developments on the stock market may also be caused by prejudices against these women on the part of investors and it does not necessarily prove that women in fact have a negative impact on a company's results.³⁶ A fifth study³⁷ finds that the effect of the quota on the return on investment of the companies concerned is insignificant. It is surmised that, contrary to popular belief, the resources and perspectives that women bring to corporate boards may not be all that different from men's.

Overall, a mixed picture emerges from the literature on the effect on company performance of women on corporate boards—in Norway and also elsewhere³⁸—and fur-

³⁰ European Commission, Women in economic decision-making in the EU: Progress report (Luxembourg: 2012).

³¹ European Commission, Database: women & men in decision making, accessed on December 28, 2013, ec.europa.eu/justice/genderequality/gender-decision-making/database/index_de.htm.

³² D. A. Matsa and A. R. Miller, A Female Style in Corporate Leadership? Evidence from Quotas, *American Economic Journal: Applied Economics* 5(3) (2013): 136–69.

³³ M. Torchia, A. Calabrò, and M. Huse, Women Directors on Corporate Boards: From Tokenism to Critical Mass, *Journal of Business Ethics* 102(2) (2011): 299–317.

³⁴ B. Elstad and G. Ladegard, Women on corporate boards: key influencers or tokens?, *Journal of Management & Governance* 16(4) (2012): 595–615.

³⁵ K. R. Ahern and A. K. Dittmar, The Changing of the Boards: The Impact on Firm Valuation of Mandated Female Board Representation, *Quarterly Journal of Economics* 127(1) (2012): 137–197. The date that is relevant for the announcement of the quota system and the subsequent reaction of the stock markets is disputed. Another study uses a different date and identifies a positive effect. See K. Nygaard, Forced Board Changes: Evidence from Norway, Norwegian School of Economics and Business Administration Discussion Paper SAM 5 (2011).

³⁶ On this, see S. A. Haslam, M. K. Ryan, C. Kulich, G. Trojanowski, and C. Atkins, Investing with Prejudice: the Relationship Between Women's Presence on Company Boards and Objective and Subjective Measures of Company Performance, *British Journal of Management* 21(2) (2010): 484–497; F. Dobbin and J. Jung, Corporate Board Gender Diversity and Stock Performance: The Competence Gap or Institutional Investor Bias?, *North Carolina Law Review* 89(3) (2011): 809–838.

³⁷ H. Dale-Olsen, P. Schøne, and M. Verner, Diversity among Norwegian Boards of Directors: Does a Quota for Women Improve Firm Performance?, *Feminist Economics* 19(4) (2013): 110–135.

³⁸ See, for example, R. B. Adams and D. Ferreira, Women in the boardroom and their impact on governance and performance, *Journal of Financial Economics* 94(2), (2009): 291–309 (US); K. Campbell and A. Minguez Vera, Female board appointments and firm valuation: short and long-term effects, *Journal of*

Box

Measures to Increase the Share of Women in Companies

In the past, DIW Berlin has proposed various measures to increase the share of women in senior management positions.¹ The following five-point plan is still relevant:

1. The company management should identify the increase in the share of women in senior management positions as a corporate objective (commitment).
2. A binding target and a realistic timeframe for achieving the objective should be drawn up. Involvement of all levels of management is essential to be able to realize a sustainable increase in the number of future female executives. Target agreements with the current managers and a system of monitoring along with incentives and sanctions are further steps needed to achieve the desired objective.
3. Transparency in appointments and promotion to senior management positions is another important prerequisite. This would make it possible to evaluate performance objectively using clearly defined criteria. Moreover, increased transparency concerning salaries and bonus payments would be a step in the right direction.

4. It is important to call into question the norms and structures derived from the traditional everyday realities of men—such as excessive working hours and a permanent presence culture—and to introduce flexible career models for both genders. Irrespective of the need to reconcile family and working life, the subject of work-life balance in senior management positions continues to gain importance for both women and men.
5. Corporate culture must become more open to women in senior management positions, and gender stereotypes should be dismantled. New role models in senior management positions could serve as helpful examples. This also applies to men who reconcile their managerial responsibilities with time spent actively with their families. Moreover, it is essential to emphasize the benefits of diversity and to overcome the resistance which is virtually always associated with change.

Finally, it should be mandatory—not only for joint stock corporations but for all companies—to provide information about the composition of their management on the company website and in annual reports.

¹ Recently, for instance, E. Holst and J. Schimeta, *Slightly More Women in Germany's Corporate Boardrooms—Especially in DAX 30 Companies*, DIW Economic Bulletin, no. 3 (2013).

ther research is required. The different findings may be attributed to the research methods used, for instance, decisions about sample selection, observation period, indicators, and methods of analysis. It is becoming clear that the effect of women's representation on corporate boards depends on a variety of factors. It should generally be taken into account whether there is only one or several women on the board, what position they hold, and whether or to what extent the influence of female employee representatives differs from that of female shareholder representatives. Effects on company performance can be measured in various ways, for instance, based on profitability, share prices, innovation, or reputation. These effects can also be either long or short term. Company performance generally depends on numerous factors so it is difficult to isolate the impact of one or several women on the corporate board from other influences.

Management & Governance 14(1) (2010): 37-59 (Spain); M. Lückera-Rovers, *Women on boards and firm performance*, *Journal of Management & Governance* 17(2) (2013): 491-509 (Netherlands).

Conclusion

The share of women on corporate boards has tended to increase in 2013, but only to a limited extent. The proportion of women on the supervisory boards of the SDAX companies was 13.1 percent, of the top 200 companies 15.1 percent and of the DAX 30 companies 21.9 percent. However, a good half to over two-thirds of the female members of supervisory boards are employee representatives. For public companies, the share of women fell to just over 18 percent. There is very little difference in the structures and trends of the proportion of women in the top 200 companies and the listed companies studied in the present report. Despite the progress in individual company groups, egalitarian structures between women and men are still utopian everywhere.

There is still an overwhelming predominance of men on executive boards. It is striking that as far as the top 200 companies are concerned, virtually nothing had changed in this respect at the end of 2013 compared

to the previous year: with a share of just over four percent, women were particularly underrepresented there. In the DAX 30 companies, the positive development on executive boards observed in the past could not be sustained, but rather there has been a decline—which indicates that more women on corporate boards in the long term is not a self-sustaining process. Even in the companies with government-owned shares, which are generally considerably smaller, a proportion of only almost 13 percent was achieved. Despite some positive trends, there is currently no light at the end of the tunnel on the executive boards—and this applies to all company groups studied.

The effectiveness of non-binding measures to increase the share of women on corporate boards is therefore repeatedly called into question, recently, for instance, by the CEO of Siemens AG, Joe Kaeser. In October 2013, he openly called for mandatory quotas if companies are unable to voluntarily increase the proportion of women in senior management accordingly.³⁹ In the end, however, it is up to the companies themselves to improve the situation. This requires clear objectives and the determination to accomplish them in limited periods of time. In recent years, DIW Berlin developed a five-point plan with some basic ideas on how to increase the share of women on corporate boards (see box).

One example that shows companies can also make considerable progress through voluntary commitments is Finland. Here the Chamber of Commerce is dedicated to achieving higher proportions of women on boards by means of self-regulation and not through government quotas—and with some success (2013: 23 percent, 2003: 7 percent).⁴⁰ According to the Finnish Chamber of Commerce, in order to guarantee long-term and sustainable change, the proportion of women in senior management, i.e., below these top-level positions, must also be systematically increased. Companies in Germany and their stakeholder organisations can therefore find role models among their European neighbors.

The grand coalition's plans to introduce a women's quota of 30 percent for new appointments to supervisory boards in 2016 is a first step which still gives companies some time to take action. Therefore, no dramatic changes are expected here for the next few years. In light of the low initial number of women on boards shown in

the present report, progress is expected to be very slow. If, however, gender equality on corporate boards is to be fundamentally improved in the foreseeable future, significantly greater steps must be taken.

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³⁹ Frauen in Führungspositionen: Siemens-Chef Kaeser offen für gesetzliche Quote, Spiegel-online, October 25, 2013, www.spiegel.de/wirtschaft/soziales/top-managementsiemens-chef-kaeser-offen-fuer-gesetzliche-frauen-quote-a-929868.html.

⁴⁰ See Keskus-Kauppakamari, Boardroom Success for Women – Challenges in Business Management. The 3rd Women Executives report by Finland. Chamber of Commerce 2013 (Helsinki: November 2013).

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