Women on Corporate Boards

Strategies to Address Representation of Women Include Federal Disclosure Requirements

OVERVIEW FROM GAO-16-30

Women are underrepresented on corporate boards.

Women account for 16% of corporate board members...¹

...compared to 47% of the workforce.²

Representation has been increasing, but greater gender balance could be decades away.

Women’s representation has nearly doubled from about 8% in 1997 to about 16% in 2014.

Actual percentage of female directors

Projected percentage of female directors

New board directors by year

All board directors

New board directors by year

All board directors

This projection assumes that women join boards in equal proportion to men. Further, this projection assumes that 600 board seats (about 4% of the total) turn over each year, and that male board members are slightly more likely to leave the board each year because they are older, on average, than female board members.

However, if women joined boards as often as men beginning in 2015, we estimated parity may be more than four decades away.

Various factors affect women’s increased representation.

Women are less represented in the traditional pipeline to board membership, for example, with either CEO or board experience.

Turnover of board seats is low.

Boards may not prioritize gender diversity in recruitment efforts.

What can be done in the U.S. to address women’s representation?

Most CEOs, board directors, and investors we interviewed said business, not government, should play the primary role in increasing gender diversity. They also said SEC disclosure requirements on board diversity do not always yield useful information.

SEC officials said they plan to review current disclosure requirements on board diversity as part of an ongoing effort to review all disclosure requirements.

¹GAO analysis of directors at companies in the S&P1500, an index of public companies, 1997-2014.

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