

## News Release

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### **NEW DELOITTE REPORT: GOVERNMENTS CRACK GLASS CEILING MORE EFFECTIVELY THAN PRIVATE SECTOR**

*Public sector advancing more women into leadership positions than private sector*

**Brussels, 8 March, 2010** - Governments have been more successful at advancing women than the private sector, according to the new Deloitte report, “Paths to power: Advancing women in government,” launched in advance of International Women’s Day on March 8. Globally, women are increasingly being elected and appointed to positions of power within the public sector -- such as heads of state, ministers and cabinet members, and legislators--more so than in the private sector.

Research shows that almost 10 percent of the members of the United Nations have female heads of state, compared to the 3 percent of the top 1000 multinational companies that have a woman president or CEO.<sup>[1]</sup> Furthermore, women comprise nearly 20 percent of parliamentary seats worldwide, compared with 13.5 percent of women executive officers of the top 500 U.S. companies.<sup>[2]</sup>

*“Talent and knowledge are our region’s most important raw materials,” says Hans Debruyne, public sector leader at Deloitte. “The efforts of the female workforce, at all levels, are therefore crucial. In addition, it will be necessary to further optimise and valorise the contribution of both male and female workers. Many studies show that the competencies to achieve this are female rather than male ones. Companies and governments should therefore make it their business to support female talent. Governments are clearly pioneers and role models in this respect.”*

Additional key findings of the report:

- **Progress with respect to women’s participation in the public sector serves as a model for the private sector**

Countries that have women in government leadership positions have an increased number of issues affecting women on the legislative agenda, often resulting in positive societal and economic developments. For example, after ten women won parliamentary seats in Kenya, legislation relating to women’s issues, such as combating domestic violence, was passed into law.<sup>[3]</sup>

Likewise, research has shown companies with women in leadership positions perform better and achieve more economic rewards than those without women representation. The top 500 multinational firms, which

<sup>[1]</sup> Meet the Planet’s 16 Women World Leaders, Pink 2009.

<sup>[2]</sup> 2009 Catalyst Census: Fortune 500 Women Executive Officers and Top Earners (Catalyst, 2009)

<sup>[3]</sup> Interview, Ambassador Amina Chawahir Mohamed, the permanent secretary and chief executive officer, Ministry of Justice, National Cohesion and Constitutional Affairs of the Republic of Kenya.

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had at least three women on their boards, saw a 16.7 percent return on equity, while average companies just saw an 11.5 percent return.<sup>[4]</sup>

- **Women in leadership begets more women in leadership**

Evidence suggests that as female representation in government increases, their shared interests emerge, bringing about increased attention of issues affecting women.<sup>[5]</sup> It also paves the way for more women to move up the ranks, as their predecessors break down many of the cultural and institutional biases still in existence.

- **Cultural and organizational change accelerates the retention and advancement of women**

As the world grows ever more interconnected, talent is becoming increasingly mobile. With the exception of North America, regions throughout the world are experiencing a “brain drain,” in which educated women are emigrating at alarming rates in search of advancement opportunities. For example, in Africa alone, 27.7 percent of females with tertiary education emigrate—10 percent more than men.<sup>[6]</sup> An organization-wide culture shift is required to nurture an environment that is friendly to women and encourages their advancement.

- **Women are a critical national resource for economic growth**

Women’s progress has vital implications for the health and growth of governments, companies, and nations. Both the private and public sectors must continue to nurture and advance diverse talent—including high-potential women-- in order to stay competitive and grow.

In Belgium too, the government is attempting to set a good example in the field of diversity and equal opportunities. According to Ingrid Pelssers, equal opportunities ambassador for the Flemish government: *“A positive trend is already apparent, but we’re not there yet. At present only 7% of the boards of the top 20 Belgian companies are women. In the higher echelons of the Flemish government, only 21% are women. That shouldn’t just be accepted as natural. The government should set a good example. Unlike businesses, we work with target figures: for example, we are aiming to have 33% of all top posts in the Flemish government occupied by women by 2015. We are following that up via the management agreements of all of the entities. A critical mass of 33% women is important in order for them to have a greater impact as role models and to change the often too ‘masculine’ culture in organisations.”*

*“Not only businesses but also the public sector have no other choice. The increasing participation of women is an economic necessity. We are bound to be confronted with a labour shortage again in a few years’ time. When that happens, you need to be able to tap as much talent as possible”,* says Ingrid Pelssers.

To learn more about this evolution in government, and personal insights from women who have achieved success in the public sector, read the full report at [www.deloitte.com/pathstopower](http://www.deloitte.com/pathstopower)

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<sup>[4]</sup> Marquez, Jessica, “Firms with more women on boards perform better than those who don’t,” Workforce Management, September 30, 2007.

<sup>[5]</sup> Oxfam GB, “Women’s Leadership and Participation: Overview,” 2008.

<sup>[6]</sup> Migration rates of people with Tertiary Education, UNIFEM.

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