

A director's perspective

A one-on-one with Eileen Murray

What is your view on how perspectives and trends have been evolving with respect to gender equity in the boardroom?

I've been working in senior roles in the financial services industry since the 1980s. I would say progress has certainly been made, both at the board level and in how boards are looking at gender equity in the companies they govern. Many boards have started to embrace the idea that active measurement and management of DE&I must be a strategic priority to create sustainable change. The progress we've seen in Europe, which has been a leader in this area, speaks for itself. We must measure results and hold organizations accountable to transparent, consistent metrics that are clear indicators of effective leadership. Otherwise, I think the challenge for equity will likely continue.

How can we increase the share and power of women's voices in the boardroom?

Thankfully, just relying on current directors' Rolodexes to source new directors is a thing of the past. There are more practices, people, and tools available to conduct searches for qualified women than ever before. That said, we still tend to look only at the C-suite for new directors. Until we have more women represented in the C-suite, we're going to continue to have a smaller population to choose from if that's the only place we look. As technology and the follow-on needs for new skills and experience evolve old business models, rapid learners emerge who have grown up inside these changes—many of whom haven't hit the C-suite yet. These people can make exceptional directors, and many of them in this area are women who have a lot to contribute. These people may not have the

years of experience we think of, but they are experienced in the rapid change that has defined these last 20 years. A board needs a diversity of experience and expertise on it, so its value can impact the entire enterprise. Being more open-minded in where we look for directors—what the board's overall skillset, capabilities, and experiences are given the new realities of how companies operate—that is the key that will help companies remain competitive in the long term.

The nature of competition that you just mentioned—are you seeing that play out in the United States?

Yes, I see it at the state level, states like California and Washington that have put in place quotas requiring a certain percentage of women on for-profit boards, which will have an impact. Nasdaq, one of the largest stock exchanges in the world, has also stepped up, and I applaud them for their leadership and courage. I would have never said 15 years ago that we should have quotas. But we have had decades to address this, and I think we can all agree that progress has been, by and large, insufficient. I am encouraged and not surprised by the progress where mandates do exist. If it's measured and people are held accountable, it will be managed.

Personally, I have also seen my level of confidence, participation, and personal fulfillment enhanced on the boards where I serve with other women. The presence of other women with a seat at the table is empowering and has helped me realize another level of potential, which has benefited the organizations I serve. Being a new director is a learning process, and having more touchpoints to help you in that process matters.

So be open-minded and learn to evolve your thinking, which enables us all to embrace new ways of doing things. My thinking has certainly evolved; I was wrong early in my career to think meaningful progress would be made just because it was the right thing to do, without measurement and accountability in place.

What advice would you give to women asked to serve, or looking to serve, on a board?

I would say the number one consideration is the board's commitment to equality, diversity, and inclusion as a major organizational goal. Right next to that is trusting that your fellow board members, your executive team, and other key stakeholders are committed to achieving that goal. As a board member, you not only have fiduciary responsibilities, but also ethical responsibilities to your organization's management, employees, customers—and your own part in helping the board achieve those organizational goals. That means bringing your authentic self to the board table, being heard, contributing, and having impact. Looking at the board's current composition and track record is a good indication of commitment fulfillment. The reality is, if you can't be heard and have impact, you are in for a challenging, uncomfortable ride, which I think we can agree is unfulfilling and dilutive to value creation for the organization you serve.

Which organizations really get this right?

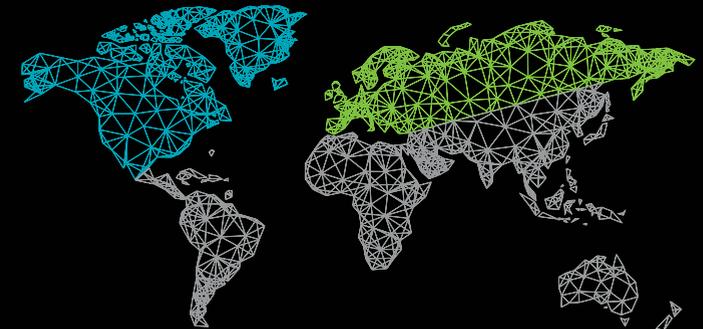
I don't want to name specific organizations, but I will go back to the idea that you can only manage what you can measure. I think it will be a critical success factor to report on and discuss diversity and inclusion at the same level of importance and detail as we do for financials and, more recently, climate commitments. We did it with credit risk when people thought that was too difficult and esoteric. Many companies have already started doing that in their annual reports, and that's a huge step forward. Investors are actively looking for this type of information not just because it's the right thing to do, but also because it's good for performance. Shining a light on these issues and seeing how they create positive business outcomes is the only way to make progress, and I appreciate Deloitte's leadership and commitment to doing just that.

Eileen Murray is an accomplished executive with extensive knowledge in financial technology and corporate strategy from a career spanning more than 40 years. Ms. Murray most recently served as co-chief executive officer of Bridgewater Associates, LP.

Prior to joining Bridgewater, she was CEO for Investment Risk Management LLC and president and co-CEO of Duff Capital Advisors.

Ms. Murray launched her professional career in 1984 at Morgan Stanley, where she held several senior positions including Controller, Treasurer, and Global Head of Technology and Operations, as well as chief operating officer for the firm's Institutional Securities Group. From 2002 to 2005, she was head of Global Technology, Operations and Product Control at Credit Suisse and served on the firm's management and executive board.

Ms. Murray is the chair of the Financial Industry Regulatory Authority (FINRA), a self-regulating organization for US financial securities firms. She is a non-executive director of HSBC Holdings Plc, Compass, Guardian Life Insurance Company of America and Atlas Crest Investment Corporation. She is also an advisor of Lukka, Inc., ConsenSys, Aquarian Holdings.



Eileen K. Murray

Chair, Financial Industry Regulatory Authority (FINRA); non-executive director, HSBC Holdings Plc; Atlas Crest Investment Corp; Guardian Life Insurance Company of America; and Compass