

CORE

NORWEGIAN GENDER BALANCE SCORECARD

CORE – Norwegian Gender Balance Scorecard

CORE – Norwegian Gender Balance Scorecard maps the gender balance of the executive committees of the largest companies in Norway. It also looks at the distribution of men and women in staff and line positions – and traces development over time. The list of companies consists of the 100 largest companies by total revenue (drawn from the DN500 list in July 2015), and comprises companies listed on the stock market as well as other types of enterprises. In order to be included in the sample the companies must have:

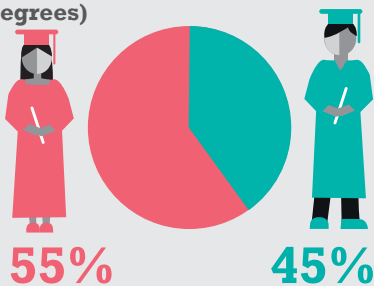
- A board registered in The Register of Business Enterprises (Brønnøysundregisteret) and headquarters located in Norway
- An executive committee consisting of more than three people. The executive committee is defined as the CEO (level 1) and the group of executives who report directly to the CEO (level 2)
- For-profit goals. Health trusts and other state-owned public enterprises with non-profit objectives are excluded.

For more information, see: www.likestillingsforskning.no or contact likestilling@samfunnsforskning.no

May 2016

Women Men

Gender division in higher education in Norway (Bachelor's and Master's degrees)



Although Norwegian women invest more in their education than their male counterparts, their competence is underutilized in the business sector.

<https://ssb.no/en/utdanning/statistikker/utniv>

#1

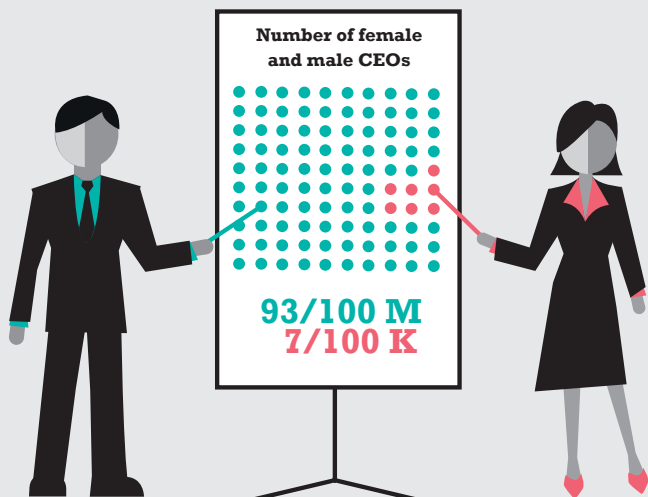
GENDER BALANCE IN THE TOP 100 NORWEGIAN COMPANIES?

1.1 Gender composition of executive committees

The average size of the executive committee is nine members, including the CEO. 80 percent of these members are men.

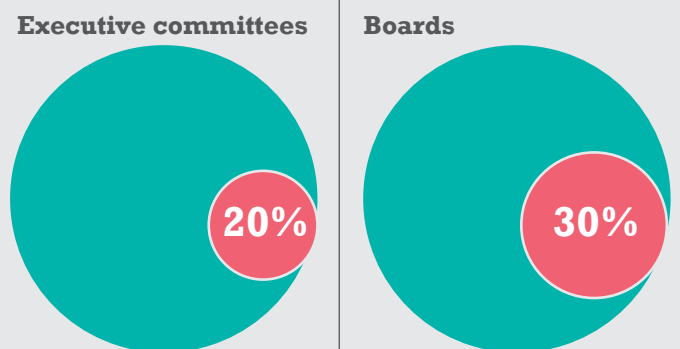


1.2 Number of female and male CEOs

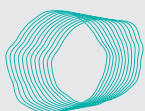


93% of the CEOs of the top 100 companies are men

1.3 Percentage of women on executive committees vs. percentage of women on corporate boards



Norwegian corporate boards are markedly more balanced than the executive committees. Boards covered by the Corporate Board Quota Law contribute to the higher female percentage (see figure 1.4).

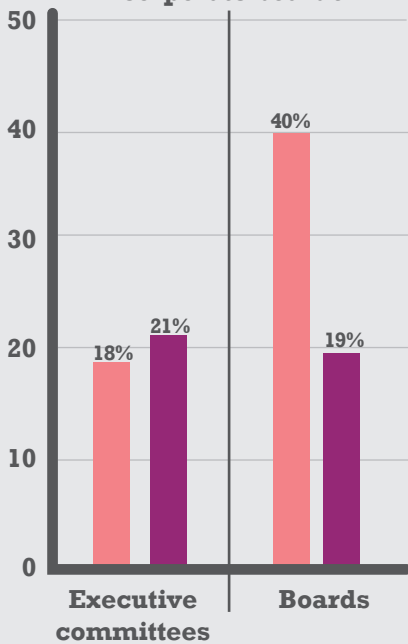


CORE
KJERNEMILJØ
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About Core

CORE – Centre for Research on Gender Equality at the Institute for Social Research is funded by the Ministry of Children and Equality. CORE has been given the task of establishing the CORE Norwegian Gender Balance Scorecard in order to map and monitor the gender balance in the largest Norwegian companies over time.

1.4 Percentage of women in companies with and without statutory gender quotas on corporate boards



Public Limited Companies, Cooperative Companies, and Private Limited Companies with statutory gender quotas (48)

Private Limited Companies without statutory gender quotas (52)

Corporate boards subject to gender quota legislation are considerably more gender-balanced than the boards of the enterprises not obliged by law. The percentage of women on the executive committees is nevertheless low – regardless of form of business organization.

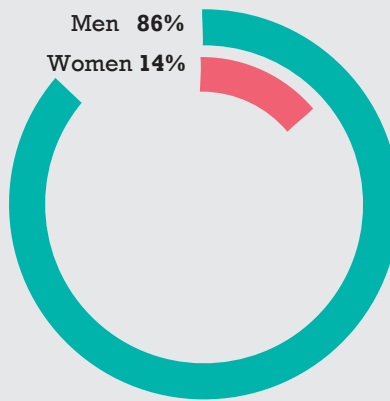
#2 LINE VERSUS STAFF

Why look at line versus staff?

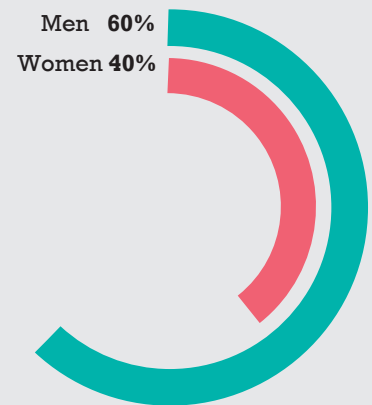
The majority of women in senior executive positions hold staff roles rather than line positions with profit and loss responsibility. Operational experience is often considered necessary in order to advance to the highest level: the CEO position.

By looking at the distribution of men and women in staff and line roles we can gain a better understanding of some of the barriers to gender balance in the business sector.

2.1 Gender composition, line roles



2.2 Gender composition, staff roles



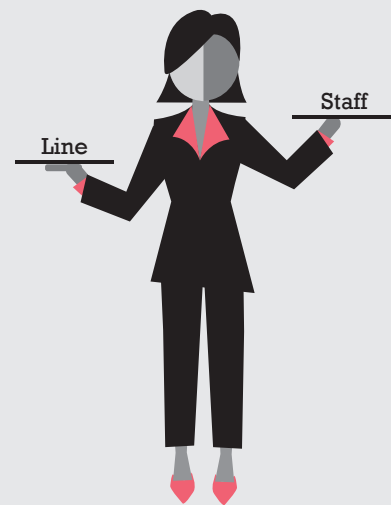
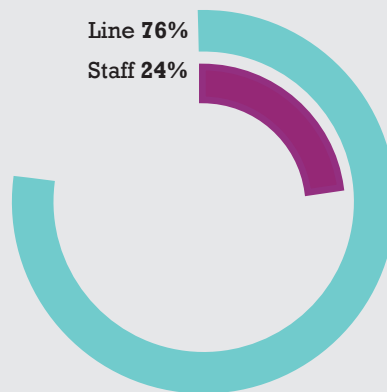
Categorizing line and staff roles

Line roles are positions with profit and loss responsibility, such as CEO, Country Head, Business Unit Head etc. 76 percent of all senior management positions in our sample are line roles.

Although strictly speaking a staff role, the CFO (Chief Financial Officer) position is considered a line role in our sample. This is due to the fact that the CFO position is increasingly considered a strategic core function, closely connected to profit and loss responsibility. In addition, the CFO position is increasingly found to be a position preceding the CEO position on the corporate ladder.

Staff roles are positions providing a support function to the Group Executive Management. Typical staff roles include HR, Communications, Legal, SHE etc.

2.3 Share of line and staff roles



Although women are under-represented in senior management as a whole, the gender imbalance is even more striking when you look at line roles. Whereas women occupy 40 percent of all staff positions, only 14 percent of all line roles are held by women.

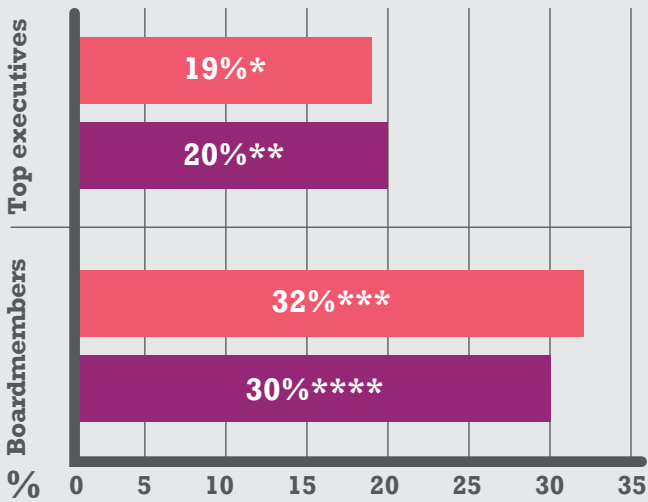
#3

NO PROGRESS SINCE 2014

3.1 Percentage of women on executive committees and boards



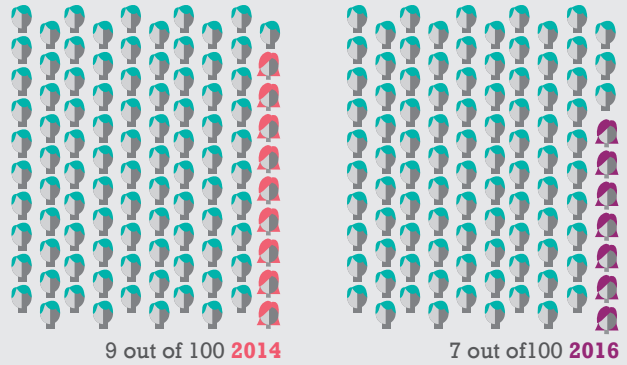
- 2014 There has been no significant change in the percentage of women on executive committees and boards since 2014.
- 2016



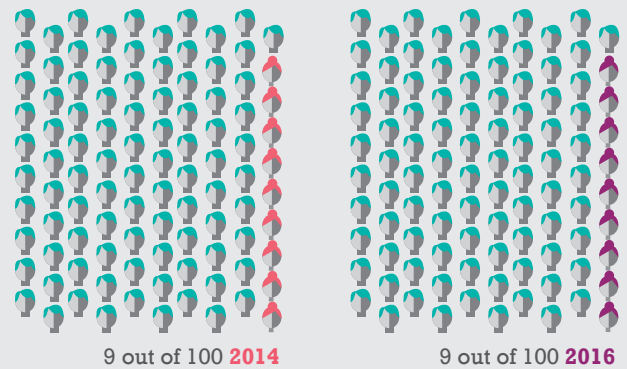
* N=834 top executives **N=895 top executives
 N=775 board members *N=755 board members

3.2 Change in the number of female CEOs 2014-2016

Number of CEOs



Number of chairpersons



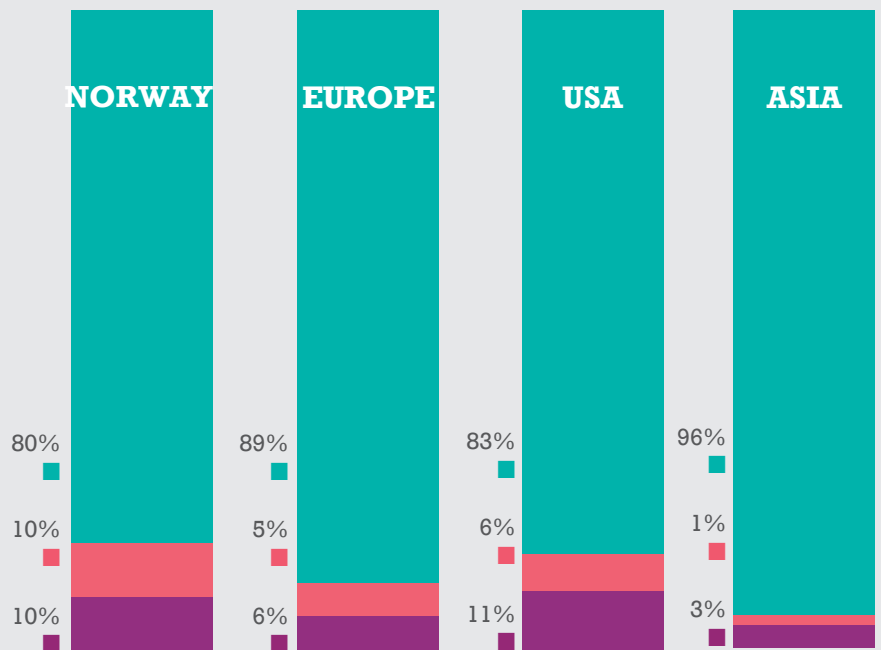
#4

NORWAY VS. EUROPE, USA, AND ASIA

4.1 Executive committees in Norway, Europe, USA, and Asia

Norwegian companies and their executive committees are smaller than in Europe, the USA, and Asia, and the Global Gender Balance Scorecard, from which the global numbers were drawn, was last published in 2014. Thus, the numbers presented are not fully comparable. The results could be different if we were comparing individual countries, the same size as Norway. The main picture is nevertheless one of male overrepresentation in positions of power and responsibility – both globally and in Norway.

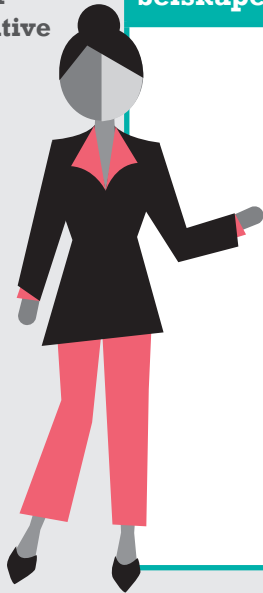
- Men
- Women in line roles
- Women in staff roles



Of all managers in the executive committees in the 100 largest companies in Norway, 10 percent are women in line roles. This is somewhat better than in the 100 leading companies in the larger regions; Europe, USA and Asia, where only respectively 5, 6 and 1 percent of all managers are women in line roles. However, the results are consistent: men are overrepresented in executive positions, as well as in line roles with profit and loss responsibility, in all regions.

#5 HEADING FOR GENDER BALANCE?

5.1 Percentage of women in senior executive roles



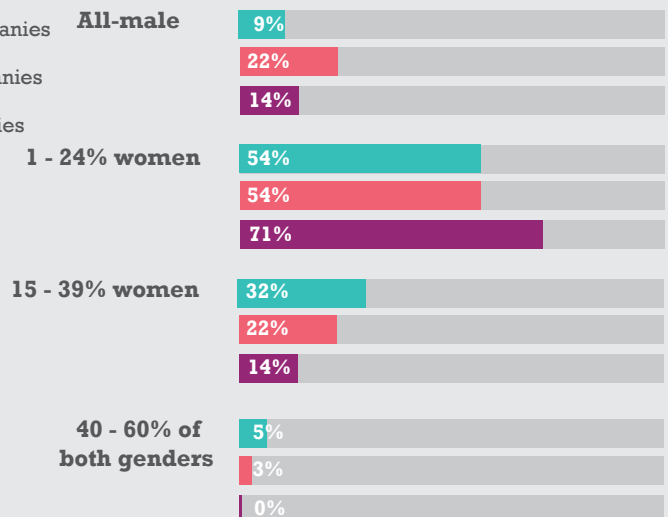
| | 0% | 1-24% | 25-39% | 40-60% |
|------------------|-----------|-----------|-----------|----------|
| Selskaper | 14 | 55 | 27 | 4 |
| | | | | |

*As of 01.06.2016 women will hold 42 percent of the seats on NSB's Executive Committee.

5.2 Percentage of women on executive committees by form of business organization

- Private Limited Companies
- Public Limited Companies
- Cooperative Companies

Our mapping shows that women are heavily underrepresented within the executive ranks of the top 100 Norwegian companies – regardless of form of business organization. The Public Limited Companies have the highest share of all-male executive committees, with 22 percent of the companies being run by an exclusively male team.



The next steps: Step 2 of the CORE – Norwegian Gender Balance Scorecard is to be published in Fall 2016. We will double our sample size, making it possible to analyze gender balance variation according to line of business, company size, degree of internationalization etc.

In the years to come we also seek to map the gender balance in mid-level manager positions in the largest business enterprises in Norway. Previous research suggests that important career building steps are taken quite early in the career track, often in a manager's 30s. By examining the career trajectories of aspiring top executives, we intend to provide updated knowledge on the point in their careers at which men climb the corporate ladder and women start to lag behind.

Taking a closer look at the decisive 30s, important questions to be asked include: Who is offered (profit and loss) responsibility, both at an early stage and later on? Who feels that they are able to accept major challenges and time consuming responsibilities during different stages of life? How does having small children in one's 30s affect the prospects of career advancement? How do executive search firms and senior executives assess and value the potential, as well as the actual qualifications and career trajectories, of male and female candidates?