

CAMPAIGN FOR MERIT IN BUSINESS

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Tony Danker
Director General
Confederation of British Industry
Cannon Place
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14 December, 2022

Dear Tony,

The ‘women on boards’ scandal – our public challenges of four leading proponents

I launched Campaign for Merit in Business in 2012. To the best of my knowledge it was then (and remains to this day) the only campaign in the world challenging the claim that increasing gender diversity on boards leads to enhanced financial performance, and that companies should therefore appoint more women to their boards. On our website we have many blog pieces which illustrate the prominent role of the CBI in driving the ‘women on boards’ agenda in the UK.¹

I am sending public challenges to yourself (more on this shortly) as well as Baroness Helena Morrissey (founder of the 30% Club), Ann Cairns (Global Chair, the 30% Club) and Professor Susan Vinnicombe. Details have been posted on our website, and on the website of the political party Justice for Men & Boys, which I lead. A related press release has been sent to a considerable number of journalists around the world, who write on business and financial matters.

The Cranfield School of Management *Female FTSE Board Reports* have been produced by Professor Vinnicombe and her colleagues since 1999.² The proportion of FTSE100 board directors who are women for selected years:

2000 – 5.8%
2005 – 10.5%
2010 – 12.5%
2015 – 23.5%
2020 – 34.5%
2022 – 39.6%

Female representation on FTSE100 boards has increased almost seven-fold in the past 22 years. Plenty of time for researchers to have reported on the causal link – if one exists – between appointing more women

¹ <https://c4mb.wordpress.com/?s=CBI>

² <https://www.cranfield.ac.uk/femaleftseboardreport>

to boards, and enhanced financial performance. Enhanced financial performance was, after all, the stated justification for the initiative from the outset.

In 2012 I presented oral evidence to a House of Commons inquiry, 'Women in the Workplace'. A link to the video (56:49) is here.³ I cited five longitudinal studies indicating a causal link between increasing the proportion of women on boards and corporate financial DECLINE.⁴

My challenges to you could not be simpler. I'm looking for answers to these questions:

- Do you have evidence of a causal link between increasing gender diversity on boards and enhanced corporate financial performance? If so, please provide links to it. Evidence from the FTSE100 would be particularly welcome, given the almost seven-fold increase in female representation on FTSE100 boards since 2000.
- Do you accept the findings of longitudinal studies reporting a causal link between increasing gender diversity on boards and *declines* in corporate financial performance? If so, do you believe declines in financial performance are a price worth paying for having more women on boards?

Please reply to me via email (mike@j4mb.org.uk) rather than by mail, to save time. Thank you.

Yours sincerely,

Mike Buchanan

³ <https://www.youtube.com/watch?v=zwqTi6HN0pM>

⁴ <https://c4mb.wordpress.com/improving-gender-diversity-on-boards-leads-to-a-decline-in-corporate-performance-the-evidence/>