

Ann Sherry says boards that fail on gender have no hope for diversity targets

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Ann Sherry says gender is the easiest of the diversity targets to achieve. *Photo: Anthony Johnson*

Trailblazing business leader Ann Sherry has highlighted the lack of racial diversity on boards and said if chairmen don't get the gender balance right they will never meet more ambitious diversity targets regardless of their intentions.

Ms Sherry, who is the chief executive of Carnival Australia and the woman who fought for paid maternity leave in the private sector, told a Blenheim-MGSM event in Sydney: "If you can't get gender right, then you can't get anything right."

She agreed the diversity problem went beyond gender, but despite protestations that the diversity "lens" is too narrowly focused on appointing women directors, gender is the easiest target to achieve.

Ms Sherry was addressing the findings of a survey of prominent company directors that suggested simplistic ideas of diversity are stifling the ability to recruit the right talent to boards.

The findings, published on Wednesday by Blenheim Partners and MGSM, were the result of [a candid survey](#) of more than 75 directors, chairmen and chief executives on their views about everything from impediments to growth to the fear-of-failure culture.

"The current diversity lens may not in fact be achieving diversity in thought and contribution due to common backgrounds, education and experiences of directors, irrespective of gender," the report says, advocating for "diversity for growth's sake" not "diversity for diversity's sake".

"I think there are lots of companies still struggling with the idea of any sort of diversity on boards and that, at the moment, largely means women. There are very few Asian directors on boards, yet we're talking a lot about the Asian century," she said.

"I think there's a lot more we need to do, but I do believe if you can't get gender right, the rest of it is just more window dressing on the same issue," Ms Sherry said.

Board composition should reflect business aims

"The real issue is having board composition that reflects what you want to do with your business."

Ms Sherry is also the winner of the 2015 *The Australian Financial Review* and Westpac 100 Women of Influence award.

Kevin McCann, the chairman of Macquarie Group, quipped in response to a question about his board's role in Macquarie's history of successful corporate reinvention.

"The board of course comprises some young professional women directors but despite that it hasn't held us back." (Macquarie has three female directors on its 10-person board).

The *Financial Review* revealed on Wednesday that the highest paid female executive in Australia was Macquarie's [Shemara Wikramanayake](#), who runs its funds management business and earned \$16.29 million in 2015.

The survey also supported academic studies that say boards need a "critical mass" of women on boards for female directors to have a genuine impact, meaning two or three for practical purposes.

Holly Kramer, a director of AMP, Australia Post and Nine Entertainment, said boards needed the right balance of people with operational experience too.

"To me the diversity of people who have 20 years experience on boards versus people who have just come out of the operating world, or are still in the operating world and doing both, that's probably one of the most important elements of diversity."

Read more: <http://www.smh.com.au/business/sherry-says-boards-that-fail-on-gender-have-no-hope-for-diversity-targets-20151208-gliy0h#ixzz3tro6Y02S>