

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

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Grooming more women for the board

Research reveals they bring diversity to decision-making and enrich companies

Selangor Dredging Bhd managing director Teh Lip Kim does not agree and feels that quality and ability must be the over-riding consideration when selecting potential candidates for appointment to top management or into a boardroom in any corporation.

“Quality and ability can only be achieved through hard work and experience. A corporation thrives on the ability of its top managers and directors to build the business, and imposing a quota of any sort could just stifle the company’s growth,” says Teh.

Malaysian Alliance of Corporate Directors Deputy President Paul W. Chan feels that setting a quota is more quantifiable and, therefore, a “visual” target. Unfortunately it has its unintended consequences.

“Anecdotal feedback from the market place was quite diverse, to say the least. Some women groups felt they now have a legitimate platform to fill the quota while others

who are already serving on board felt ‘insulted’ as they are already there on their own merit – with or without the quota,” says Chan.

He adds that there has yet to be a comprehensive study on why the ratio of women representation on boards have no apparent resemblance to the ratio of women graduating from institutions of higher learning.

“One pet theory is that women generally respond to the higher calling of their role in raising a good family - which to her is of much greater value than even her personal ambition. I personally have very qualified friends and relatives who have taken that route,” says Chan.

Corston-Smith Asset Management Sdn Bhd managing director and principal fund manager Shireen Muhiudeen’s view is that companies should start to focus on implementing clear policies to promote from within.

“By this, we mean that there should be avenues for women to rise from the ranks to management within their companies, and then up towards getting a role on the board,” she said.

For example, she cites that some large public listed companies train their senior women management by putting them on the boards of their unlisted companies within their stable of companies.

This is done with a view that the experience the women garnered by serving on those boards would train them for a place on the board of a Main Board-listed company later.

She thinks this is a proactive method of starting to grow the pool of women directors.

“We would recommend that it should be done throughout the organisation. We would like to see more women in management roles as well as more women CEOs for Bursa-listed companies,” says Shireen.

Rafiah believes that the boardroom is not the best place to start quotas because that would only result in women being appointed for the sake of meeting the quota.

“We want qualified women who have all the competencies needed to sit on company boards because they will bring diversity to the board,” she says, adding that women can enrich the way decisions are made at the boardroom level because they think and behave differently from men.

Salina & Associates Sdn Bhd chief executive officer Selina Yeop Junior does not think women face many barriers from the top any more, but looking at the low proportion of women representation on company boards, she suspects that gender discrimination remains.

“Well, women are more logical and intuitive in their thinking because of their maternal formations, so they would bring a sense of calm-