

**WOMEN ON CORPORATE BOARDS IN BOSNIA AND HERZEGOVINA,
FYR MACEDONIA AND SERBIA**

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INTRODUCTION

In January 2013, International Finance Corporation (IFC) launched a research project entitled **Women on Corporate Boards in Bosnia and Herzegovina, FYR Macedonia and Serbia**. The purpose of the project was to gather information on the representation of women on corporate boards and to learn about the determinants of female board membership in these countries. Which skills and knowledge do women need to possess to become a member of a board? Do women's decision-making and leadership styles differ from those of their male counterparts? Are there any impediments for women aspiring to board membership? And what useful lessons can be learned to inform policy?

Why this project and why now? There are several reasons for interest in this topic:

- **Gender inequalities are still observed in many areas of public and private life throughout the world.** Although globalization has closed some important gender gaps, statistics show that women are still at a disadvantage and that significant gender disparities still remain, in particular in the labor market. Gender equality in all areas of life is important because it means full equality of opportunity for every member of society. Today, equality would mean demonstrating that women, who represent on average 51% of each society on the planet, on entering the labor market, are not being institutionally disadvantaged in their careers, and that they are not 'dropping out' at more senior levels in disproportionate numbers due to obstacles they face simply because they are women.¹
- **Changes in demographic trends emphasize the need for higher female labor participation.** Many countries around the world will soon face a demographic implosion. The number of elderly will increase dramatically while the number of employable people ("active workforce") will shrink. With such worrying demographic developments, society simply cannot afford to ignore or underutilize the human potential that represents one half of society. Further, the World Bank has indicated that gender equality would enhance productivity, improve development outcomes for the next generation and make societal institutions more representative.²
- **Board is a synonym for the top of the corporate ladder since it is the body in a company that sets corporate vision, defines strategy, monitors executives and determines "the tone at the top".**³ Empirical studies indicate that boards should be composed of competent, high caliber individuals who, together, offer a mix of skills, experiences and backgrounds. Given the long record of women achieving the highest qualifications, it is legitimate to ask why there are not more women on corporate boards around the world. Poor representation of women on boards has raised

¹European Union Committee (2012) Fifth Report-Women on Boards, for more details please see: <http://www.publications.parliament.uk/pa/ld201213/ldselect/ldcom/58/5802.htm>

²World Bank (2011) *World Development Report 2012: Gender Equality and Development*. Washington, DC: World Bank.

³Tanja Kuzman i Katarina Djulic (2011) The Improved (New) EU Corporate Governance Framework. *Proceeding from the XV International Scientific Conference on Industrial Systems (IS'11)*, str. 400-407, Univerzitet u Novom Sadu – Fakultet Tehničkih nauka, Novi Sad.

questions as to whether board recruitment is based on skills, experience and performance, or on some other criteria.

- **The topic of board diversity has moved well beyond a moral imperative to a new global discussion.** Board diversity is among most important aspects in any corporation. It helps corporations deal with ever more complex markets, it shows the organization's commitment, and it sets an example.⁴ Diverse boards are more likely to be effective boards, which are better able to understand their customers' and stakeholders' needs. Djulic and Kuzman (2013) state that the diversity of boards with regard to gender, background, professional experience and competencies leads to a broader debate which prevents boards from narrow group thinking.⁵
- **A growing body of research has shown that gender diversity is positively associated with financial performance and shareholder value, with increased customer and employee satisfaction, a rise in investor confidence, and greater market knowledge and reputation.** For example, studies conducted by the global consulting company McKinsey & Co. found that companies with the highest levels of gender diversity in top management positions scored higher on measures of organizational excellence, showed more distinct returns on equity, and achieved more attractive operating results and stronger stock price appreciation than the average of their respective sectors. The Credit Suisse Institute published a study that found that a sample of companies with women on their boards outperformed peers that lacked female directors by 26 percent over a period of six years.⁶
- **Only 15.8% of board members and 16.8% of non-executive board members of the largest companies listed on stock exchanges in the 27 Member States of the European Union are women, while more than 96 out of 100 company presidents are men.** Consequently, on 14 November 2012, the EU Commission adopted a directive which sets a minimum objective of 40% of the under-represented sex in non-executive board member positions in listed companies in Europe by 2020, and by 2018 for listed public undertakings.⁷
- **Studies have indicated that, although women and men enter the labor force in relatively proportionate numbers, somehow women "disappear" as they move up the corporate ladder towards more senior positions.** Therefore, in the project, researchers focused on women who chose a specific career path – women who have sought to succeed in the corporate world, historically (and commonly) perceived as reserved for men. The goal was to explore why there were not more women at the

⁴Tanja Kuzman i Katarina Đulić (2011) The Improved (New) EU Corporate Governance Framework. *Proceeding from the XV International Scientific Conference on Industrial Systems (IS'11)*, p. 400-407, Univerzitet u Novom Sadu – Fakultet Tehničkih nauka, Novi Sad.

⁵Katarina Djulic and Tanja Kuzman (2013) Structure of Company Boards. *Book of Proceedings from the 2nd International Scientific Conference Economic and Social Development*, p. 978-986, Varazdin Development and Entrepreneurship Agency and Faculty of Commercial and Business Sciences Celje.

⁶ICGN, Position Paper on Gender Diversity.

⁷European Commission (2012) Press Release-Women on Boards: Commission proposes 40% objective, IP/12/1205 and Press Release- Questions and Answers: Proposal on increasing Gender Equality in the Boardrooms of Listed Companies, MEMO/12/860.

top in this particular career segment. Shedding some light on opportunities for women in corporations could provide some answers as to why there is still a large gender gap at the top despite proportionate entry.

All the above-mentioned reasons create the necessity for the project whose primary aim is to create an overview of current trends regarding women on corporate boards in the countries where the studies were carried out. The presented results can help these three countries take action and prepare for eventually meeting EU requirements in this regard.

The research was carried out over a period of four months. It started with desktop research conducted over a two-week period between January 21 and February 3, 2013 and which aimed at identifying around 30 female and male board members in each country covered by the project who were willing to participate. Interviews with board members were conducted between February 5 and March 23, 2013.

In the following sections, research results are presented. The next three sections are devoted to the specific situation in each of the selected countries. The fifth section aggregates the data and attempts to identify common trends. Based on the results presented in the following sections, recommendations aimed at increasing the number of women on boards are presented in the final section of the report.

WOMEN ON CORPORATE BOARDS IN BOSNIA AND HERZEGOVINA

BACKGROUND INFORMATION

Bosnia and Herzegovina (BiH) is a country situated in the south-west of the Balkan Peninsula with a population of approximately 3.5 million. BiH has a specific constitutional set-up, with two entities (Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS)) and one autonomous Brcko District. FBiH is further divided into 10 cantons and 79 municipalities, while RS is divided into 62 municipalities.

BiH had stable GDP growth until the global economic crisis in late 2008 when the growth rate fell dramatically. Real GDP growth in 2011 was 1.7% which is far below the optimal growth rate for BiH. In terms of GDP structure, the largest part is generated by the service and public sectors (more than two-thirds of GDP), while industry and agriculture account for 23%.

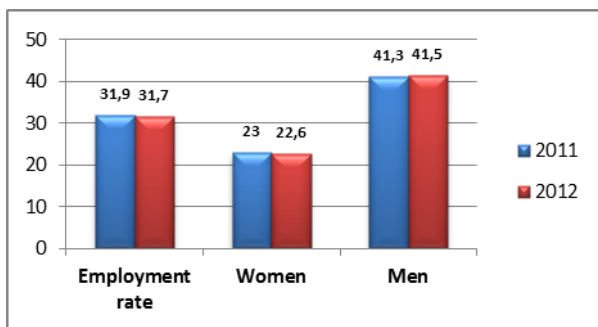
Following the elections in October 2010, there was a long delay in the formation of a Government at the state level. This led to disruptions in national policy coordination, interruption in the servicing of public debt to certain IFIs in early 2012, and budget

agreement difficulties. The delay also stalled economic reforms and progress towards EU accession.⁸

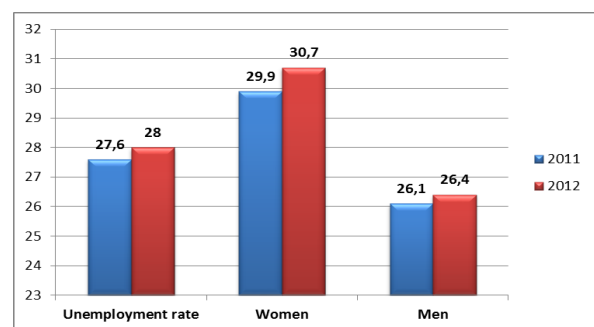
According to an IMF report of 2012, BiH will need to start fiscal consolidation as well as reforms with regard to public expenditure composition.⁹ The currency board predicts that inflation in the next five years will be around 2%, which could significantly contribute to better economic results for businesses. Additionally, in September 2012, IMF approved a two-year standby arrangement worth \$500 million which, it is hoped, will regain the trust of foreign investors in the stability of BiH.

The business environment in BiH is underdeveloped, but the state is making efforts to create more favorable business conditions which would lead to improved economic performance. The authorities are focused on attracting foreign direct investments (FDI) although the business environment remains underdeveloped and the investment climate is still at a very low level. This conclusion can be supported by the fact that BiH is ranked 126th in the World Bank Doing Business 2013 Report. The weakest areas for BiH, and where BiH is ranked the lowest are: dealing with construction permits (163rd), starting a business (162nd), paying taxes (128th) and enforcing contracts (120th).¹⁰

Within the working age population, the unemployment rate reached 28% in 2012, while the employment rate was 31.7%. Women represent 51.1% of the total population and 51.8% of the working age population. The employment rate of women is 22.6%, while the employment rate of men is 41.5%. Furthermore, the unemployment rate amongst women is 30.7%, while this percentage for men is 4% lower. Within the working age population, 8% of women and 9.7% of men have college, university, masters or doctoral degrees.



Graph 1: Employment rate and level of employment amongst women and men (%).¹¹



Graph 2: Unemployment rate and rate of unemployment amongst women and men (%).¹²

⁸International Monetary Fund, Country Report No. 12/282. For more details see: <http://www.imf.org/external/pubs/ft/scr/2012/cr12282.pdf>

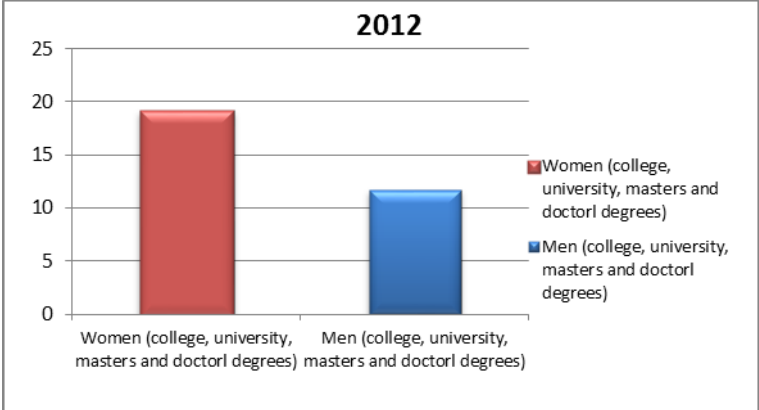
⁹International Monetary Fund, Country Report No. 12/282. For more details see: <http://www.imf.org/external/pubs/ft/scr/2012/cr12282.pdf>

¹⁰ World Bank (2013) Doing Business Report 2013, for more details please see: <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-full-report.pdf>

¹¹Agency for Statistics of Bosnia and Herzegovina (2012) Thematic Bulletin 10. For more details see: http://www.bhas.ba/tematskibilteni/lfs_bh.pdf

¹²Agency for Statistics of Bosnia and Herzegovina (2012) Thematic Bulletin 10. For more details see: http://www.bhas.ba/tematskibilteni/lfs_bh.pdf

However, if one considers the educational structure of the labor force, 19.1% of women and 11.7% of men have college, university, masters or doctoral degrees. Thus, despite the fact that women are better educated on average, the unemployment rate of women is substantially higher than that of men.



Graph 3: Level of education of labor force by sex (%).¹³

In BiH, gender equality is one of a prominent area of concern since women have an unfavorable economic and social status in society. Moreover, women in political and public life are almost non-present. Not only are women often denied participation in political decision-making, they also face discrimination in the labor market and receive lower wages even though they frequently have key responsibility for the survival of their families. Ongoing gender stereotypes and prejudice also have widespread consequences in ensuring gender equality.

Since 2003, BiH has undertaken some key legal reforms in order to ensure gender equality in public and private life. The Law on Gender Equality was adopted in 2003, and then amended in 2009. The unified text of the law was adopted by the Constitutional Committees of both houses of the Parliamentary Assembly of Bosnia and Herzegovina in 2010. This law represents the legal framework for gender equality, introducing gender perspectives into public policies and legislation. Furthermore, this law is an important instrument for increasing public awareness with regards to gender equality. The law follows the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), promoting gender equality in the private and public spheres and prohibits discrimination based on gender or sexual orientation. The law has 18 chapters, including on discrimination, education, employment, social and health care, sports, culture, public life, media, prohibition of gender-based violence, harassment and sexual harassment, statistical evidence, court protection, obligations and measures of the state, and sanctions. The Gender Equality Agency of Bosnia and Herzegovina was established within the Ministry for Human Rights and Refugees to follow the implementation of the law. The National Action Plan on Gender Equality was adopted in 2007 to enable implementation of the law, while Financing for the Implementation of the Gender Equality Action Programme (the FIGAP Programme) was also adopted to provide for its sustainable implementation.

¹³Agency for Statistics of Bosnia and Herzegovina (2012) Thematic Bulletin 10. For more details see: http://www.bhas.ba/tematskibilteni/lfs_bh.pdf

The program intends to contribute to an increased level of gender equality and suggests that the concept of gender equality should be accepted as an approach in formulating and implementing programs and policies in all sectors of society, as described in the action plan. Success of the action plan and the program will be measured against a set of overall indicators at society level, such as an increase in the number of women politicians and women in 'powerful' positions (political positions at all levels of BiH state and entities), improved economic position and situation of women and other marginalized groups (focusing on the public and private labor markets and access to economic rights) and improved social position of women and other marginalized groups (focusing on reduced violence, cultural perceptions of men and women's roles and status, education and health). Another law tackling gender issues in Bosnia and Herzegovina is the Law on Prohibition of Discrimination, enacted in 2007, while a Law on Equal Opportunities exists in a draft form.

When it comes to the corporate world, each of the entities has its own legal system (Company Law and Law on Capital Markets), a separate Securities Commission and its own Stock Exchange – Sarajevo Stock Exchange (SASE) and Banja Luka Stock Exchange (BLSE). BLSE has a market capitalization of around 2 billion EUR and 494 listed companies, while SASE has a market capitalization of around 2.3 billion EUR and 179 listed companies in 2012.¹⁴

RESEARCH SAMPLE

The sample of 30 companies includes 13 privately owned companies, 16 public joint stock companies and one company with a controlling foreign owner. Public joint stock companies were selected from companies listed on SASE and BLSE. The main criteria for selection were liquidity of the company's shares and availability of data on board members. All results, findings and conclusions of the researchers have been made on the basis of results gathered through the project.

The companies included in the sample are from a diverse range of industries – tobacco, textile, telecommunications, electricity, cement and food processing, as well as the banking sector. When it comes to the size of the companies in the sample, 50% of them have less than 200 employees and 50% have more than 200 employees. Most of the data during the sampling process was collected from the websites of SASE and BLSE, the websites of the companies, and from their annual reports, LinkedIn profiles and other available public sources of information.

The average size of boards in the sample is 3.9 members. The total number of executive members is 8; the total number of independent members is 11. In total, in boards within the sample, there are 38 women directors, which is approximately 32% of the sampled boards.

The sample included 24 women and 6 men. All 6 men are members of boards in which there were no women members. Among interviewees, 9 are executive board members, 4 are non-

¹⁴For further details please see: <http://www.blberza.com/Pages/marketcapitalization.aspx> and www.sase.ba.

executives and 17 directors are independent directors according to provisions prescribed by law.

RESULTS OF THE RESEARCH

- Within the sample of interviewees, most women are college graduates, while 7 out of 30 interviewees have completed postgraduate studies (i.e. they hold a masters degree or a PhD). One respondent finished secondary school. This indicates that a **high level of education can be an important precondition for a person to become a board member.**
- 17% of the interviewed women are between 30 and 40 years of age, 25% between 40 and 50, while the majority (58%) is over 50 years of age.¹⁵ **The average age of men in the sample is approximately 40, while the average age of women is around 51, which points to the fact that women in supervisory boards are on average significantly older than men.**
- **Women in the sample have higher levels of education than men but still obtain board positions later in life than men.**
- Further results confirm this conclusion since there were no women in the sample that had less than 10 years of experience, while 38% of them had more than 20 years of experience. On the other hand, none of the interviewed men had more than 20 years of experience. Therefore, one might conclude that **men with less working experience than women have greater opportunity to become board members.**
- Most women in the sample (88%) are married and almost all (96%) have at least one child. Their children are on average 20 years of age and this data combined with the data regarding the age of the interviewees implies that most of them had children in their thirties. This can also be viewed as one of the reasons why women attain a placement on boards at a later stage in their lives. The Bosnian female interviewees implied that companies consider women with small children as family-oriented and not sufficiently dedicated to their jobs.
- Interviewees have been members of 2.5 boards on average.¹⁶
- The average tenure of interviewees is 5 years for women and 3.5 for men. This may indicate that women were repeatedly re-elected for a position on boards (mandate for membership in Supervisory boards is restricted to four years and in Managing boards to five years), and based on that one can assume that with their work and dedication they deserved to be re-elected, or perhaps the fact is that men are more prone to change while women prefer stability and to stay with one company (this conclusion is also based on conversations with women and men interviewees).

¹⁵Given the rather small sample of interviewed men, the conclusion may not be representative of the whole population.

¹⁶During the calculation, one participant is excluded from the sample since data related to that participant provided extreme result. The participant was member of 15 boards.

- **The average number of women on boards is 1.5 and men 2.6.**
- All of the interviewed board members, **both male and female, believe that board diversity is important and that it improves company efficiency and results.** Gender diversity was not marked as the most important component of diversity, but many respondents noted that **women enhanced the work of the board.** For all interviewees, diversity was important in the context of different qualifications, skills and technical knowledge that board members possess. The interviewees also noted that **boards work more systematically when a woman is present,** because women tend to be efficient with a “let’s go straight to the point” approach. Furthermore, they stressed that **women are more prone to pay attention to important details, that they are less dependent on opinions of others, that behind their views stands strong and solid argumentation, and that they are more meticulous, organized and sometimes even more responsible.**
- **When asked “What do you think were the key prerequisites for your board membership?”, all interviewees ranked experience and expertise and a high-level of responsibility and dedication as the most important ones.** Moreover, women and men consider that “willingness to compromise between private and working life” was irrelevant for their placement on the board. Women also considered that development of relevant technical skills and obtaining relevant recommendations was crucial for increasing the likelihood of their placement on boards, while men (66%) considered self-promotion as the key skill that women need to develop in order to increase their chances for board placement. None of the interviewees considered connections with a headhunting agency as important (which can be due to the fact that these agencies are at a nascent stage in BiH).
- Men and women agree that their colleagues in boards do not look at them through their gender but mostly through their competences and contribution within the board.
- **All interviewed women think that the dynamics in the board changes when one woman is a board member and 80% of men share this view.** Women think that their greatest added value to the dynamics of the board is related to their systematic approach, commitment, and good communication and analytical skills. They also think that women have better organizational and time management skills, that they have the ability to perceive problems from different angles and that they are ready to search for solutions and compromises. Men, on the other hand, think that women often have a different perspective, that they pay attention to details, that they are well-prepared, more rational and less dependent on group influence, and that they have strong intuition and a different decision-making process. All interviewees think that they contribute to the board with their knowledge of risk management, strategy and communication skills.
- The research also showed that women think that **the most prominent barrier for women board membership is related to a lack of women in executive positions, followed by the argument that women have lower ambitions than men and the “double burden” syndrome (the burden of professional and private life); men consider that the “double burden” syndrome is the biggest barrier, followed by the “anytime, anywhere” corporate performance model.** This implies that women and men have almost the same

opinion in this regard, and all of them think that there is no lack of qualified women which could attain board membership.

- **Half of the women interviewed are in favor of introducing quotas, since they consider quotas as the only solution on the grounds that voluntary mechanisms do not work.** The other half of the women and 83% of men are against quotas. These respondents are of the view that introduction of quotas can lead to reverse “positive” discrimination. They also think that the best people should be in the highest positions and are confident that establishing quotas would not solve the problem of a low number of women on boards.
- **79% of women and 50% of men also think that common HR policies are not supporting women in their career aspirations,** while 21% of women think they are favorable for them. Generally speaking, the organizational support for ambitious women is very poor and career development plans are not modified in accordance with specificities of women’s role in society.
- **77% of interviewees think that transparency and disclosure could contribute significantly to the overcoming of diversity problems,** but they also think that this would not be the most effective mechanism for overcoming the gender diversity issue.
- Based on the feedback received, one can see that **women have critical thinking and are aware that it is incumbent on them to change the environment and make it more receptive for women aspiring to board membership.** Men think that companies need to raise awareness on the importance of Supervisory boards in general, since they consider that when this happens, companies will understand the importance of diversity. On the other hand, they also think that women should be more aggressive and promote themselves better.

WOMEN ON CORPORATE BOARDS IN FYR MACEDONIA

BACKGROUND INFORMATION

Former Yugoslav Republic of Macedonia (FYRM) is a young country of more than 2 million people. It became independent after separation from Yugoslavia in 1991. According to the last census data from 2002, the largest ethnic group in the country are Macedonians. The second largest group are Albanians. In FYRM, ethnic issues are high on the political agenda since there is a political divergence between the largely ethnically-based political parties representing these two largest ethnic groups.

FYRM is committed to becoming a modern, democratic country, focused on economic development. Its major strategic goals are to become a Member State of the European Union (EU) and to obtain membership in the North Atlantic Treaty Organization (NATO).

FYRM has had status of EU candidate country since 2005. However, the country is still awaiting the start of accession negotiations, primarily due to its name dispute with Greece. The macroeconomic environment is stable as the country has managed to maintain a low inflation rate of around 2% (in 2012). Fiscal policy has been prudent and has secured a low budget deficit as well as an acceptable level of indebtedness. Macedonian GDP has had stable growth over the last decade except for two dips which were primarily due to external shocks. After 2009, the country gradually started to recover from the global financial crisis with the real GDP growth rate in 2012 at 2%.

The Government has remained focused on attracting FDI. To that end, for example, FYRM introduced a flat tax rate of 10% which is the lowest corporate and personal income tax rate in Europe. In the latest World Bank Doing Business Report, FYRM ranked 23rd out of 185 countries in the world¹⁷. This, and other efforts, brought significant foreign investments primarily from Greece but also from Germany, Italy, the United States, Slovenia, Austria and Turkey. The most attractive sectors were manufacturing of car parts and finance¹⁸.

Similar to other post-socialist countries, FYRM has important legacy with regards to gender equality. The country ratified the Convention on the Elimination of All Forms of Discrimination Against Women in 1994 as well as the optional protocol on violence against women in 2000. The Macedonian Constitution supports non-discrimination in Article 9. Further, to support equal opportunities in the political sphere, the Law on Election of Members of Parliament and the Law on Local Elections were adopted in 2002 and 2004 respectively. These laws aimed at ensuring that both sexes were represented with a quota of at least 30% in the list of nominated candidates for elections to the Parliament, municipal councils and the Council of the City of Skopje.

In 2006, the Law on Equal Opportunities for Women and Men was adopted. The Law promoted equal opportunities in the political, economic, social, educational and other fields of public life. It forbade any form of gender discrimination in both the public and private sectors. To facilitate the enforcement of this Law, in 2007, a Department for Equal Opportunities was established within the Ministry of Labor and Social Policy. Its main tasks were to promote the improvement of the status of women and to create equal opportunities for women and men at the national and local levels. In addition, a Committee on Equal Opportunities for Women and Men was founded in the Macedonian Parliament. Despite these evident institutional efforts, Amnesty International noted in 2009 that the 2006 Law could have been better enforced¹⁹.

A National Action Plan on Gender Equality for the period 2007 – 2012 was adopted in 2007. According to the Plan, the labor market in FYRM is characterized by a very low rate of employment. The overall employment rate in FYRM in 2005 was 37.9% (as compared to 63.8% in the EU), while the female employment rate at the same time was 30.1%. In the

¹⁷World Bank (2013) Doing Business Report 2013. For more details please see:
<http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-full-report.pdf>

¹⁸World Bank (2012) South East Europe Regular Economic Report No.3. For more details see:
http://www.worldbank.org/content/dam/Worldbank/document/SEERER_3_Report_FINAL_eng.pdf.

¹⁹Amnesty International Report (2009) State of the World's Human Rights, London: Amnesty International.

area “Women and Employment”, the Plan identified four strategic objectives. The first was to increase the female employment rate. According to the Plan, this goal should be achieved through the following four sets of activities: (1) supporting female entrepreneurship by making access to financing easier and by developing solidarity schemes; (2) implementing programs for training managers and managerial counseling; (3) implementing activities for additional education and vocational training for unemployed women; and (4) developing campaigns for raising awareness about female entrepreneurship. The second strategic objective of the Plan was to improve, promote and empower the economic status of women. The third objective was related to providing support to the process of transition of certain services provided primarily by women (care for children, elderly etc.) from the informal to the formal economy. Finally, the fourth strategic objective of the Plan was focused on ways to increase the level of female employment in rural areas.

However, despite a strong legal framework that protected women, in reality, many women hold lower positions than men in various fields of life, particularly in rural areas²⁰. A turbulent transition period after independence had a disproportional impact on women leading to high rates of female unemployment. A study conducted by USAID in 2011 confirmed that female unemployment is one of the main problems in FYRM. The study explored eight countries in the region of Europe and Central Asia to determine challenges and opportunities that women face with regard to employment and entrepreneurship²¹. The countries covered were Armenia, Bosnia and Herzegovina, Georgia, Kosovo, FYRM, Russia, Serbia and Ukraine. The study could not provide conclusive results. Nonetheless it indicated that women in Russia and Ukraine appeared to have a slight advantage over women in the other focus countries. On the other hand, women in FYRM (and Georgia) seemed to be experiencing the greatest challenges in terms of sustainable livelihoods²². Furthermore, the report noted that FYRM had the lowest female labor force participation rate of all focus countries, and a significant female unemployment rate – particularly when it comes to young women.

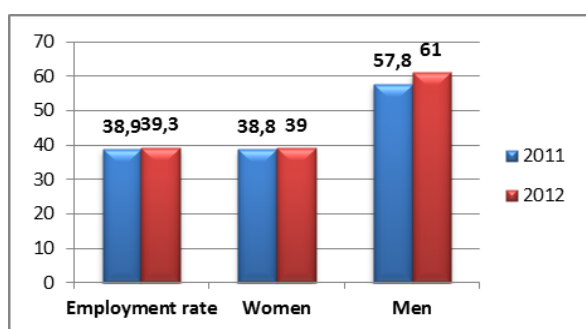
Below are the most recent data from the Macedonian State Statistical Office that relate to employment rates and other relevant statistics for men and women in FYRM.

²⁰CEDAW data from 2004 – Committee on the Elimination of Discrimination against Women (2004), Consideration of Reports Submitted by States Parties Under Article 18 of the Convention on the Elimination of All Forms of Discrimination Against Women: Macedonia, Combined Initial, Second and Third Reports of States Parties, CEDAW/C/MKD/1-3, CEDAW, New York, NY.

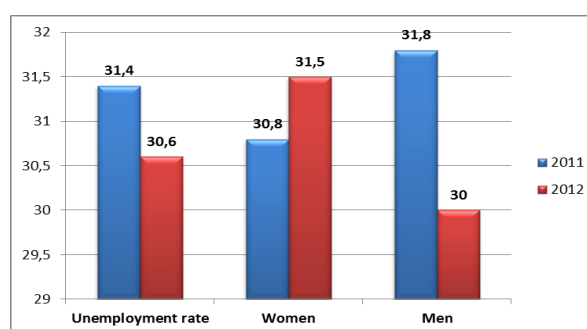
²¹USAID Knowledge Services Center (2011) Promoting Female Sustainable Livelihoods (Employment and Entrepreneurship) in the Europe and Eurasia (E&E) Region. For more details please see: http://pdf.usaid.gov/pdf_docs/PNADW786.pdf

²²USAID Knowledge Services Center (2011) Promoting Female Sustainable Livelihoods (Employment and Entrepreneurship) in the Europe and Eurasia (E&E) Region. For more details please see: http://pdf.usaid.gov/pdf_docs/PNADW786.pdf

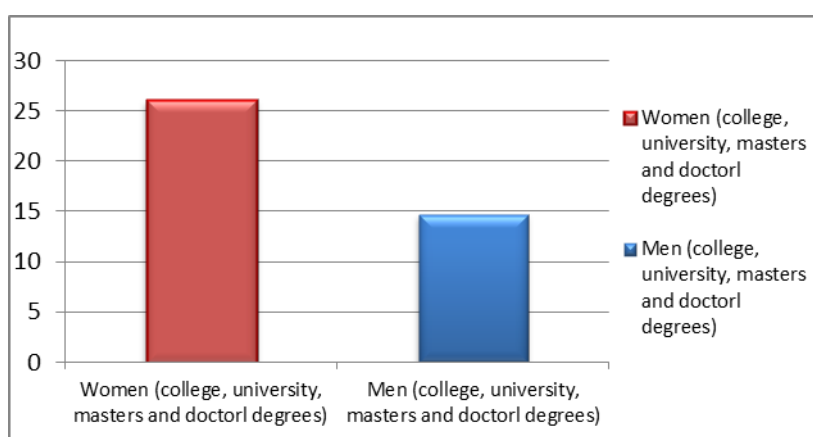
At the end of 2012, women represented 50% of the total population. The unemployment rate has been and remained high - at 30.6% in 2012²³. The employment rate was 39.3%. Thus, there is a large portion of inactive population. Employment rates for men and women differed dramatically. As the graphs below show, in the last quarter of 2012, the employment rate for women was 39% while the employment rate for men was 61%. The unemployment rates for both sexes were similar but the difference between employment and unemployment rates is explained by the inactivity rates. Inactive female population amounted to 63.7% at the end of 2012 while inactive male population in the same period was “only” 36.3%²⁴.



Graph 4: Employment rate and level of employment amongst women and men (%).²⁵



Graph 5: Employment rate and level of employment amongst women and men (%).²⁶



Graph 6: Level of education of labor force by sex (%).²⁷

The most recent development related to gender equality in FYRM is the adoption of the Strategy for Gender Equality for the period 2013 – 2020. The strategy was adopted by the

²³ Republic of Macedonia State Statistical Office, News Release No. 2.1.13.04. For more details please see: <http://www.stat.gov.mk/pdf/2013/2.1.13.04.pdf>

²⁴ Republic of Macedonia State Statistical Office, News Release No. 2.1.13.04. For more details please see: <http://www.stat.gov.mk/pdf/2013/2.1.13.04.pdf>

²⁵ Republic of Macedonia State Statistical Office, News Release No. 2.1.13.04. For more details please see: <http://www.stat.gov.mk/pdf/2013/2.1.13.04.pdf>

²⁶ Republic of Macedonia State Statistical Office, News Release No. 2.1.13.04. For more details please see: <http://www.stat.gov.mk/pdf/2013/2.1.13.04.pdf>

²⁷ Republic of Macedonia State Statistical Office, News Release No. 2.1.13.04. For more details please see: <http://www.stat.gov.mk/pdf/2013/2.1.13.04.pdf>

Macedonian Parliament on February 20, 2013. This Strategy makes gender equality a social and political priority for the country. It remains to be seen if it will yield more impressive results relative to previous initiatives.

Women on boards, as a special segment of the female labor force, have been of interest to researchers and the public in FYRM for some time. The Corporate Governance Program of International Finance Corporation, supported by the Swiss State Secretariat for Economic Affairs (SECO) and the Macedonian Institute of Directors of Macedonia (MIOD), organized an event in Skopje in June 2010 entitled "The new role of women executives". Along the same lines, a study "Women in corporate boards in the Republic of Macedonia" was conducted by Ms. Verica Hadzi Vasileva Markovska, a board member of MIOD²⁸. The main findings of this study are presented in Table 1 below.

	2011				2009			
	Number of Boards	Number of members	Number of women	% in total	Number of Boards	Number of members	Number of women	% in total
Board of Directors	17	116	20	17,2%	17	117	22	18,8%
Managing Boards	19	98	27	27,6%	19	97	29	29,9%
Supervisory Boards	19	94	23	24,5%	19	94	22	23,4%
Total number of members in Boards	36	308	70	22,7%	36	308	73	23,7%

Table 1: Women in corporate boards in the Republic of Macedonia.²⁹

The Table indicates that in 2011, in a sample of 36 companies, women represented 22.7% of all board members, a decrease relative to 2009 when they constituted 23.7% of board members in the same observed sample.

According to the Macedonian Law on Companies, Macedonian companies can opt between one-tier and two-tier systems. FYRM also has a Code of Corporate Governance which was adopted in 2006 by the Macedonian Stock Exchange (MSE) and is currently being reviewed and revised.

The securities market in FYRM has two market segments: (1) Official Market and (2) Regular Market. The Official Market is a market of listed securities and consists of: (1a) the Super Listing and (1b) the Exchange Listing. Today, there are 433 companies whose securities are traded on the MSE.

RESEARCH SAMPLE

A sample of 29 companies was generated primarily by selecting companies listed on the MSE Super Listing and the Exchange Listing. The main criteria for selection were liquidity of the company's shares and availability of data on board members. In addition, companies

²⁸Verica Hadzi Vasilevska Markovska (2010) Women in corporate boards in the Republic of Macedonia.

²⁹Verica Hadzi Vasilevska Markovska (2010) Women in corporate boards in the Republic of Macedonia.

represented in the sample are among the largest companies in FYRM by generated revenues. Most of the companies in the sample (72.4%) are publicly traded on the MSE. Seven (24%) have a controlling foreign owner.

The companies included in the sample are from diverse industries, including pharmaceuticals, agriculture, trade, international and local freight forwarding, building and construction, tourism and catering, import and export, supply and production of oil and oil products, food processing, production and sale of construction chemicals, chemicals, textiles, and the insurance and banking sector. The sample includes five banks with controlling foreign ownership. With regard to company size, the sample has an almost equal distribution of smaller, medium and large companies.

Most of the data during the sampling process was collected from the website of the MSE, the website of the Securities and Exchange Commission, annual reports issued by the companies, LinkedIn and other available public sources of information.

The average number of board members in the sample is approximately 5. The total number of directors in the sample is 142; there are 31 women directors (approximately 22%)³⁰. The observed percentage supports the findings from the above-mentioned survey conducted by Ms. Verica Hadzi Vasileva Markovska of the MIOD. On average, there is one woman in each board in the sample.

The sample includes 23 women and 6 men. All 6 men are members of boards in which there were no women members. Among the interviewed directors, 3 persons are executive board members, 10 are non-executives and 16 directors are independent directors in the eye of the law.

RESULTS OF THE RESEARCH

- Most of the interviewed women board members are college graduates, and economists or lawyers. 12 out of 29 interviewees (41%) have completed postgraduate studies (i.e. they hold a masters degree or a PhD). This indicates that **a high level of education may be an important precondition for a person to become a board member.**
- Nearly 38% of the participants in the study are in the 50 to 60 year age bracket. This leads to a conclusion that **experience is highly valued.** This conclusion was further confirmed with another study result indicating that 12 out of 29 interviewees (41%) had more than 30 years of experience.
- Out of 23 women who participated in the study, 19 are married (83%) and 14 (61%) have two children. Almost all interviewees are employed, except 1 who is retired.

³⁰In this number are included 6 companies in which women are not members in their Supervisory board or Board of Directors. This was required during the sampling process.

- Based on the study results, on average, the interviewees have been members of 2 boards³¹. **The average tenure of the interviewees is 6 years.**
- Nearly **72% of the interviewed board members believe that board diversity is important** and that it improves the company's bottom line. **However, gender diversity was not marked as the most important by the interviewees.** Instead, most interviewed directors stated that it was crucial that each board had a good combination of different qualifications, skills and technical knowledge. Interviewees stated that, in addition, a diversity of cultures and values could enrich the board work. When asked to elaborate, a majority of interviewees stated that personal traits of board members were very important and that they ultimately determined whether group dynamics would be constructive. In particular, professional behavior was noted as an important quality for each board member.
- Interviewees were also asked to opine on whether women were different from men and whether their contributions to the board were distinctive in any way. **Most of the interviewees said that women, on average, were more rational than men and that they were better prepared for board meetings.** They were also regarded as more precise, efficient, professional and practical. Many directors stated that women worked better under stress, and that they did not rush to make decisions since they were more responsible. Women were also categorized as **better team players**, since according to the interviewees, they strive to find mutually acceptable solutions and have a more agreeable means of communication. Female intuition and an ability to identify and consider more options relative to men were recognized by male colleagues as important contributions that women could provide to their boards.
- In the study we sought to determine **the skills, traits and actions that would increase likelihood for a woman to become a board member.** According to our respondents "a **high level of responsibility and dedication**" (chosen by 72% of the respondents) and "a **strong track record in a certain area of expertise**" (by 59% of all respondents) would be the best skills to develop for women who aspire to board positions. In addition, interviewed women stressed that "**willingness to compromise between work and private life**" was important (56.5% of women marked this response). "Previous board memberships" and "high positions previously held" were among the least important factors. According to the respondents, if a woman wants to become a board member, she should first strive to develop relevant technical skills (marked by 59% of the respondents) and then build a strong network (45% of interviewees). Only one respondent indicated that contacts with headhunters were relevant. This is not surprising since these services are almost non-existent in FYRM.
- **All interviewed women except one (22) stated that their voice was heard on the board mainly because of their experience, skills and knowledge of the business.** 18 out of 29 (62%) respondents stated that the board dynamics change when there was one or several women among board members. Professional women can change the dynamics on the

³¹During the calculation, one participant is excluded from the sample since that interviewee provided extreme result. The participant was member of 15 boards in more than 20 years.

board because they may be seen as more responsible and because they appear better aware of different risks.

- **The most common area of expertise held was finance and risk management.** In terms of skills, the respondents singled out the ability to think strategically about business issues.
- We asked the respondents what, in their opinion, were the greatest barriers to increasing the number of female board members. **The so-called “double burden” syndrome, traditional kinds of networks which are male-oriented and a tendency of many women to be less ambitious than men are, according to the respondents, the biggest barriers to increasing gender diversity in boards in FYRM.** Many respondents blamed poor infrastructure and a lack of good quality family support services. Almost no-one among the respondents believed that there was a lack of qualified women who could take a board position in FYRM. Similarly, our respondents believed that there were plenty of impressive women who are good role-models for young and aspiring female board candidates.
- According to our respondents, **women are in the best position to help themselves** and to boost opportunities for women who aspire to top positions in the corporate world. This is the opinion of 68% of our respondents. In particular, women should have more self-confidence and they should improve their self-promotion.
- **The second most powerful agent of change would be companies which facilitate career development possibilities for women (48% respondents marked this answer).** Specifically, companies should support women in their attempts to meet ever increasing work and family responsibilities.
- **25 out of 29 interviewees (86%) in the study stated that they were against introducing quotas.** The key argument supporting this position is a somewhat common-place and politically correct statement that companies need professionals and that the best candidates should always be elected.
- **When responding to questions regarding HR policies and disclosure requirements regarding board diversity, respondents provided polarized answers.** One half of the respondents answered that greater disclosure would raise awareness on the issue of gender equality in the boardroom. Conversely, the other half of the respondents indicated that already too much has been done at the normative, i.e. the legal, level and that it was high time for women to start proving that they should be elected over men primarily due to their knowledge and skills.
- 87% of respondents think that their company is not different from an average Macedonian company in terms of working conditions that it provides for women. **Participants who believed that HR policies in their companies supported women in their attempt to balance their work and private life were from the financial sector** (from a bank, a leasing company and an insurance company).

WOMEN ON CORPORATE BOARDS IN SERBIA

BACKGROUND INFORMATION

Serbia is a country with approximately 7.2 million people at the crossroads of central and southeast Europe. According to the latest population data (2011), the largest ethnic groups are Serbs (83%), followed by Hungarians (4%) and Bosniaks (2%).

The political situation in Serbia is stable, but still vulnerable primarily due to tensions over Kosovo although several steps towards mutually acceptable solutions have been taken. Serbia is a candidate country for EU membership and is currently awaiting a date for the start of negotiations. However, Serbia's path towards the EU has been characterized by political setbacks and it is a common perception among its citizens that Serbia has waited too long for EU candidate status.

Serbia's GDP had stable growth until the global economic crisis. Its real GDP growth rate before the crisis was 4.45%³². The largest drop in the real GDP growth rate was in 2009 when it fell to 3.5%³³. In 2012, Serbia's public deficit rose above 60%³⁴ of GDP. According to the Statement by the IMF Mission to Serbia, Serbia's fiscal deficit has grown sharply, with a significant increase in public debt and a high external debt burden.³⁵ Furthermore, year-on-year inflation is 12.2% which is considered high for a country with the economic structure that Serbia possesses.³⁶

The business environment in Serbia is underdeveloped and rather unstable despite the efforts that the state is making in improving its business climate. Serbia ranks 86th (out of 185 countries) in the World Bank Doing Business 2013 Report. The areas in which Serbia has the most prominent problems, and which have not been resolved over the years, are: dealing with construction permits (179th), paying taxes (149th), enforcing contracts (103rd) and resolving insolvencies (103rd).³⁷

³²International Monetary Fund (2012) World Economic Outlook. For more details see: <http://www.imf.org/external/pubs/ft/weo/2012/01/pdf/text.pdf>

³³International Monetary Fund (2012) World Economic Outlook. For more details see: <http://www.imf.org/external/pubs/ft/weo/2012/01/pdf/text.pdf>

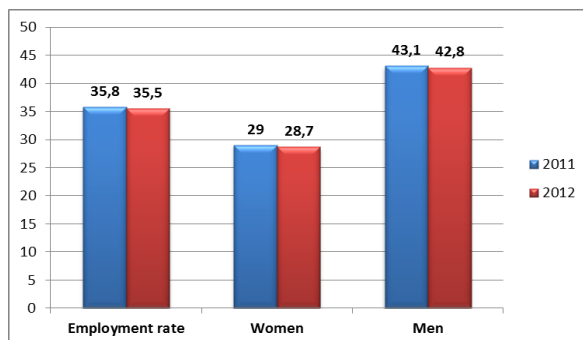
³⁴International Monetary Fund, Press Release No. 12/313. For more details see: <http://www.imf.org/external/np/sec/pr/2012/pr12313.htm>

³⁵International Monetary Fund, Press Release No. 12/451. For more details see: <http://www.imf.org/external/np/sec/pr/2012/pr12451.htm>

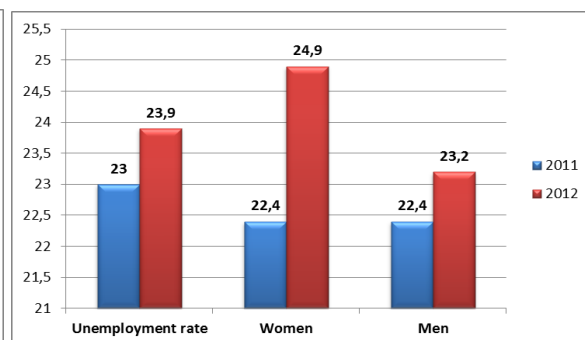
³⁶National Bank of Serbia. For more details see: <http://www.nbs.rs/internet/cirilica/90/loi.html#statistika>

³⁷World Bank (2013) Doing Business Report 2013. For more details please see: <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-full-report.pdf>

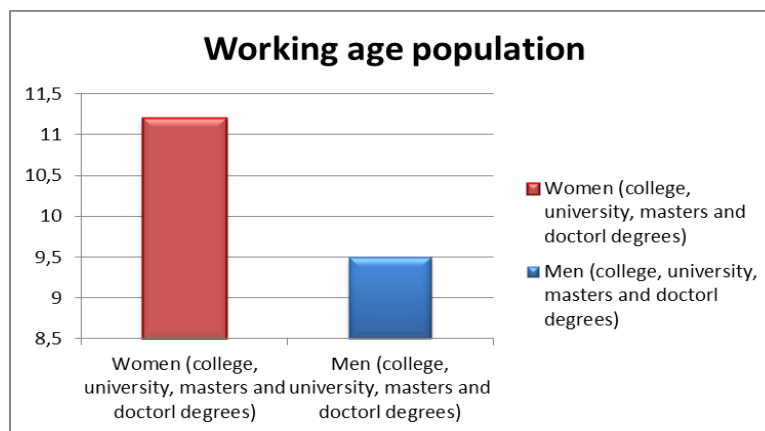
The unemployment rate in Serbia rose significantly over the last three years, reaching 25.4% in April 2012. Within the active population, in 2012, the level of unemployment stood at 23.9%, while the employment rate was at 35.5%.³⁸ The employment rate of women was 28.7%, while the employment rate of men was 42.8%. The unemployment rate amongst women was 24.9% while this percentage for men stood at 23.2%. Within the working age population, 11.2% of women and 9.5% of men have university, masters or doctoral degrees. Combined data regarding unemployment rates and the level of education of women and men suggest that even though women have a higher level of education on average, their employment rate is lower. 19.2% of employed women have university, masters or doctoral degrees, while this is the case with only 13.2% of men. Moreover, within Serbian society as a whole, the activity rate for men accounts for 55.7% of the population.



Graph 7 : Employment rate and level of employment amongst women and men (%)³⁹



Graph 8: Unemployment rate and rate of unemployment amongst women and men (%)⁴⁰



Graph 9: Level of education of labor force by sex (%)⁴¹

In Serbia, gender equality became an important topic within the last decade and in the process of alignment of Serbia's legislation with the EU *acquis communautaire*. Women that have risen to the top of the ladder in political or public life have much less media attention in

³⁸Statistical Office of the Republic of Serbia. For more details see:

http://webrzs.stat.gov.rs/WebSite/repository/documents/00/00/96/00/SB_564_ARS_2012+sajt.pdf

³⁹Statistical Office of the Republic of Serbia. For more details see:

http://webrzs.stat.gov.rs/WebSite/repository/documents/00/00/96/00/SB_564_ARS_2012+sajt.pdf

⁴⁰Statistical Office of the Republic of Serbia. For more details see:

http://webrzs.stat.gov.rs/WebSite/repository/documents/00/00/96/00/SB_564_ARS_2012+sajt.pdf

⁴¹Statistical Office of the Republic of Serbia. For more details see:

http://webrzs.stat.gov.rs/WebSite/repository/documents/00/00/96/00/SB_564_ARS_2012+sajt.pdf

comparison to men. Many successful and high profile women are unknown to the wider public. Generally speaking, women face some level of discrimination within the labor market despite the positions they obtain. This situation is supported by the fact that gender stereotypes and prejudices are still present at all levels of society and especially in smaller and less developed areas of the country.

The legal framework for gender diversity, in line with the EU *acquis communautaire*, was adopted by the Parliament in 2009 based on two laws – the Gender Equality Law and the Anti-Discrimination Law. The Gender Equality Law regulates the creation of equal opportunities and provides the basis for creation of special measures to prevent and/or remove obstacles based on gender. The law confirms gender rights rooted in international legal frameworks and international agreements and which form part of the Constitution. The law also enables equality of genders in all areas of the public and private sectors. The Anti-Discrimination Law prohibits general discrimination as well as individual cases and prescribes procedures for protection against discrimination. Special attention is devoted to the issue of gender discrimination, ways in which it can be diminished and measures which can be undertaken in order to prevent it, as well as corrective measures if discrimination occurs. Additionally, family law protects women's rights at the broader societal level. Serbia also follows the recommendations of the Convention on the Elimination of All Forms of Discrimination Against Women, the European Charter for Equality between Women and Men at the Local Level and other relevant international practices.

SRB also established a Gender Equality Directorate in 2007 as the Sector for Gender Equality within the Ministry of Labor and Social Policy, developing into the Gender Equality Directorate in 2008. The Directorate is responsible for the preparation of relevant laws as well as for the adoption of the National Strategy for Improved Status of Women and Gender Equality Promotion. The National Strategy for Improved Status of Women and Gender Equality Promotion has the following strategic priorities: increasing women's participation in decision-making processes so as to achieve equal representation of women at all levels and in all areas; improving women's economic situation within society; improving women's health and their representation in health policy; achieving gender equality in education; preventing and combating violence against women; and eliminating gender prejudice in the media and promoting gender equality.

Government of the Republic of Serbia established the Council for Gender Equality in 2004 as the Council for Equality Between the Sexes, later reorganized into the Council for Gender Equality in 2009. This Council is a Governmental body comprised of representatives of relevant ministries and independent experts who are prominent in the area of gender equality. The Council considers the overall situation regarding gender equality, improvements in this area, and the degree of harmonization between domestic laws and the *acquis communautaire*. Additionally, Serbia has a Commissioner for Gender Equality who acts as an independent body in the area of gender equality. Furthermore, several civil society organizations are active in the area of gender equality.

Public companies in Serbia are regulated by the Company Law and the Law on Capital Markets. The Company Law was adopted in May 2011 and amended in December 2011. The Law on Capital Markets was adopted in May 2011. Adoption of these two laws put Serbian

legislation into alignment with the EU *acquis communautaire* in these two areas. According to the Company Law, joint stock companies can choose between one-tier and two-tier systems. With regard to the capital market, Belgrade Stock Exchange (BELEX) manages the regulated market and Multilateral trading platform - MTP BELEX. BELEX has a capitalization of around 7.3 billion EUR - capitalization of the regulated market is 4.44 billion EUR, while MTP capitalization is 2.9 billion EUR (as of April 22, 2013).

RESEARCH SAMPLE

A sample of 30 companies included 6 privately owned companies and 24 public joint stock companies. Public joint stock companies were selected from companies listed on BELEX. The main criteria for selection were liquidity of the company's shares and availability of data on board members. All results, findings and conclusions of the researchers were made on the basis of results gathered through interviews with board members of selected companies.

The companies included in the sample are from diverse industries – agriculture, food processing, banking, insurance, construction, pharmaceuticals, metals and rubber. Most of the interviewees are members of the boards of companies with more than 500 employees (70%). 13% of the companies had between 200 and 500 employees, while 17% of the companies had less than 200 employees. Data were collected from the BELEX website, the websites of the companies, their annual reports and other available public sources of information.

The sample included 25 women and 5 men. The interviewed men are members of boards with no women representation. Within the sample, 5 respondents were executive directors, 13 were non-executive directors, and 12 were independent directors according to provisions prescribed by law.

RESULTS OF THE RESEARCH

- 72% of women within the sample were over 40 years old, and most of them (36%) were between 50 and 60. 80% of men were older than 40, but most of them (40%) were between 40 and 50. **These data may indicate that men become members of boards at an earlier stage of their career than women.**
- **60% of women are married and 76% of them have children.** According to respondents, it is challenging in Serbia to handle the “double burden” while getting to the top.
- The results also show that **56% of women hold either masters or doctoral degrees, while this percentage for men was only 20%**, which suggests that women continued to receive education throughout their lives. Many interviewees stated that they considered lifelong learning important.

- 44% of women and 40% of men have more than 30 years of experience. Additionally, 16% of women and 40% of men have between 20 and 30 years of experience, which suggests that **work experience is an important attribute for board membership**.
- Women were members of, on average, 2.6 boards and had average tenure of 2.5 years.⁴² Men on the other hand were members of 4.4 boards with the average tenure of 4.6 years.⁴³
- 40% of women and 80% of men receive compensation for their work on the boards that is higher than 500 EUR – however 40% of men have compensation between 1.000 and 2.000 EUR while this percentage for women is 8%. Additionally, 60% of women and none of the men receive compensation that is lower than 500EUR. Based on the presented data, it appears that **men are compensated more than women despite the fact that their responsibilities and level of work performed on the board is the same**.
- **When asked whether they think that diversity on boards is important, 100% of men and 92% of women stated that diversity had a significant impact on board performance.** Respondents explained that boards needed people with different backgrounds, expertise, professional experiences, skills and knowledge to be able to look at problems and/or current situations from various angles. Several also stated that women are needed on boards since they have different skills which are complementary to those of men.
- **60% of women and 60% of men think that the most important reason for their appointment to the board is related to experience and expertise in a certain area.** At the same time 40% of men place business contacts as the second most important factor while for women, a high level of dedication and responsibility was the second most important reason for their board membership.
- **Women and men (60% each) also agree that the most important step for women in attaining board placement is development of different skills.** Further **women consider that communication skills (64%) are important** as well as self-promotion. As in other countries, contacts with headhunting agencies were deemed irrelevant.
- **All women think that their voice is heard on boards due to the fact that they come to board meetings well prepared with clear attitudes based on solid argumentation.**
- **72% of women and 80% of men think that the dynamics of the board changes when there is one woman on the board,** while 56% of women and 40% of men respectively, are of the view that the dynamics change when there is more than one woman on the board.
- Through conversations with respondents (both women and men), it was highlighted that **women contribute mostly to the boards through paying greater attention to details,**

⁴²Within calculation the outlier with participation in 10 boards was excluded, as well as the outlier that has spent 10 years in one board.

⁴³Within calculation the outlier with participation in 9 boards was excluded, as well as the outlier that has spent 10 years in one board.

through their persistence, time spent on preparation for board meetings, clear attitudes supported by strong arguments, and a higher level of patience and preciseness.

- **Women and men think that they contribute to boards with expertise that is related to company strategy, with their risk management and industry knowledge, and communication skills.**
- **32% of women and 40% of men think that the most prominent barrier for women is related to the double burden.** Additionally, 40% of men stated that male-oriented networks are of the same importance as the double burden, while women do not see this as a barrier. Furthermore, 40% of men see the corporate model of “anytime, anywhere” as the second biggest barrier. Women consider this as a barrier only in 16% of cases, and also, in the same proportion, cite a lack of ambition among women and a lack of women in executive positions. The last two barriers are seen by men as not relevant.
- **68% of women and 60% of men think that women are the ones who can contribute the most to the increase in the number of women on boards.**
- When asked whether they agree with the introduction of quotas **44% of women and 60% of men gave a positive answer which suggests that men have more positive attitudes towards this kind of measure.** The reasons given in favor of quotas include the experiences of other countries showing their indispensability; quotas would not have negative consequences if the level of expertise is taken into account in parallel with quotas; balance will not be achieved voluntarily; and boards can benefit from gender diversity.
- **80% of women and men think that current HR policies are not supportive of women with regards to their ambitions in their career.** Most of the respondents highlighted that HR policies do not acknowledge the double burden of women and do not allow for flexible working hours or working from home.
- **92% of women and 60% of men think that transparency disclosure requirements can help to increase the number of women on boards since this would create a positive public pressure on companies.**

GENERAL TRENDS

In this section, we aggregate all data across the three countries to observe general regional trends. The purpose of the regional analysis is to identify patterns of behavior that are common and shared among the countries. This comparative analysis helps to identify deeply rooted mental models and emerging trends, and devise better tailored recommendations.

The regional sample included 89 board members – 73 women and 16 men. All interviewed men sit on boards without female members. In all three countries, researchers followed identical selection criteria and focused on companies that (i) are listed on the top market segments of the respective local stock exchange, (ii) have liquid shares, and (iii) have relevant data on board membership on their websites. Banks were included in the sample as well as several companies with foreign ownership. Researchers wanted to see if these companies were specific in any respect. Thus, approximately 60% of companies in the regional sample are listed joint stock companies (i.e. public companies), while 16% of companies have a large foreign owner. Most of our interviewees (42% of women and 47% of men) sit on boards of companies that employ more than 500 employees. 35% of women and 29% of men are board members in smaller companies (less than 200 employees). Finally, the smallest number of both men and women in our regional sample were board members in medium size enterprises (24% for both sexes).

In terms of age, the female sample was more diverse. Among interviewed women, 1 is younger than 30, 22% are between 30 and 40, 21% are between 40 and 50, while the largest percentage (56%) are over 50. On the other hand, a majority of the interviewed men are younger - 64% of male interviewees are below 50 and 35% of men are between 30 and 40. Thus, we can conclude that, **on average, men become board members at a younger age relative to women.**

When it comes to marital status, 78% of our female interviewees are married and 87.5% have children. Almost all of our interviewees are employed. Only two interviewed women are retired.

ANSWERS FROM WOMEN		Serbia	BiH	FYRM	Region
		%	%	%	%
Company size	a. less than 200 employees	12	58	35	35
	b. more than 200 and less than 500 employees	16	25	30	23
	c. more than 500 employees	72	17	35	42
Age	a. less than 30	4	0	0	1
	b. between 30 and 40	24	17	26	22
	c. between 40 and 50	21	25	22	21
	d. between 50 and 60	42	54	35	42
	e. more than 60	14	4	17	14
Marital status	a. married	60	88	87	78
	b. not married	20	4	13	11
	c. other (widowed, etc.)	20	8	0	11
Children	a. yes	76	96	91	87,5
	b. no	24	4	9	12,5
Education	a. bachelor	40	71	65	60
	b. master	32	17	26	25
	c. PhD	24	8	9	14
	d. other	4	4	0	1
Professional experience	a. less than 10 years	12	0	0	3
	b. between 10 and 20 years	28	29	30	27
	c. between 20 and 30 years	16	38	13	21
	d. more than 30 years	44	33	57	43

Table 2: Results of research for women in each of the countries and as a regional trend.

With respect to educational attainment, our sample reflects statistical data of the observed countries. Women in our sample are, on average, more educated - 39% of them have a postgraduate degree, while 30% of men do. The majority of both men and women graduated from college (65% of men and 60% of women) and only a small number (1-5% of both sexes) did not go to college. Our interviewees have impressive work experience and this stands particularly for women. A majority of women (45%) in the region have more than 30 years of experience while 48% have more than 10 years of experience. Male interviewees were also experienced albeit less than women – most of the interviewed men (47%) have between 10 and 20 years of experience while 47% of them have more than 20 of experience. **Based on the regional sample we can conclude that, on average, women need a higher level of education and more work experience to become board members relative to their male colleagues.**

The three observed countries have somewhat different corporate governance systems. Nonetheless, in all three countries, companies can choose between one- and two-tier

systems. To standardize results (and to secure comparability), researchers focused on boards of directors where there are one-tier systems and on supervisory boards in two-tier system companies since these two bodies have similar corporate competencies. Both bodies are responsible for strategy and monitoring/oversight.

A great majority of our interviewees – 78% of women and 94% of men - are non-executive directors (49% of women and 59% of men are independent directors in their boards). More interviewed women than men (22% vs. 6%) are executive directors. **Board work in the region is still inadequately valued** since a majority of interviewees receive a modest compensation of less than 500 EUR per month for board service (54% of women and 41% of men). Only 14% of women and 6% of men receive compensation of more than 2000 EUR per month. The highest board compensation is in banks. **This is consistent with the lack of a corporate governance culture in the region and a perception that the board serves primarily to voice indirectly the controlling owner, and that it is often a rubber-stamp body with no real decision-making power.**

ANSWERS FROM WOMEN		Serbia	BiH	FYRM	Region
		%	%	%	%
Serving in a board as:	a. executive director	20	38	9	22
	b. non-executive director	36	8	43	29
	c. independent director	44	54	48	49
Level of earnings for the Board membership(EUR)	a. less than 500 EUR	60	83	35	54
	b. between 500 and 1000 EUR	28	9	17	20
	c. between 1000 and 2000 EUR	8	8	9	12
	d. more than 2000 EUR	4	0	39	14
Do you think that board diversity is important and does it improve the company's bottom line?	a. yes	92	100	74	89
	b. no	8	0	26	11

Table 3: Is diversity of the board important in observed countries.

When it comes to board diversity, **a large majority of our interviewees (89% of women and 82% of men) believe that board diversity is important and that it adds value to board work.** 97% of interviewed women claim that their voice is heard on the board. Three quarters of interviewed women and men believe that board dynamics begin to change if one board member is a woman. However, approximately 70% of both sexes also believe that to change board dynamics effectively, there should be more than one female board member. A critical mass of women on the board would, according to our interviewees, help them voice their views more openly and avoid 'groupthink'.

Researchers asked the interviewees to reflect on factors that contributed the most to their board membership. The interviewees were presented with an open list of factors that according to corporate governance literature are prerequisites for board membership. **A majority of men and women (47% of both sexes) ranked technical expertise and related experience as the most relevant precondition. The second most relevant factor was a good network and numerous and relevant business contacts.** Good knowledge of company business and a high level of commitment and responsibility were ranked third. **It is notable that the ranking provided by men and women were similar.**

Interviewees were also asked to advise aspiring women on knowledge and skills that they should develop if they wished to become board members. Although this question was similar to the previous one, the interviewed women and men had different views on the knowledge and skills that would help women reach the corporate top. **According to men, the most important investment for women would be development of relevant expertise and communication skills.** Once when these are present, a woman should obtain relevant recommendations. On the other hand, women believe that poor self-promotion is the main reason for the small number of female board members despite a large pool of capable candidates. According to one interviewed woman, while excellent technical knowledge and expertise are very relevant, they alone can help women reach only the ranks of middle management. For senior positions, other factors, such as wise self-promotion and a well-developed network, become far more relevant while technical expertise becomes something that is assumed. According to one interviewee, poor self-promotion skills are a logical consequence of cultural stereotypes in the region where a woman who is trying to promote herself can be perceived as arrogant and aggressive. It does not come as a surprise that **women believe that the most important skill that aspiring female corporate leaders should develop is smart self-promotion (47%).** Women also highly value development of important and diverse skills (30%) and good networking (16%).

The respondents were asked to opine as to whether women differed in any specific way from men in their contribution to board work. Generally speaking, 85% of women and 76% of men think that women and men are different, and that they can complement each other in diverse teams. Women believe that their key contribution is technical expertise in risk management (51% of women chose this answer) and an ability to think strategically (50% of female respondents marked this answer). 44% of women also marked accounting and/or auditing expertise and good communication skills. On the other hand, men believe that key contributions of their female colleagues are communication skills and technical expertise (29% of men marked each of these answers). Generally speaking, both men and women believe that women are more precise, better prepared for board meetings, more focused on the agenda, better balanced in a risk management analysis, more ready to search for compromises and better attuned to the interests of different stakeholders. Similarly, many respondents pointed out that **the most common expertise of female board members was in finance and risk management.**

Female respondents were asked to list the greatest obstacles for women who are interested in board membership. **Most women believe that the double-burden syndrome is the single biggest obstacle and the main reason why women still cannot 'have it all'.** This reason was pointed out not only by married women with children but also by single women and/or

women without children. Some of the women whom we interviewed provide care to their parents and also complain about the double burden that they have to carry. Many indicated that poor social care services in their respective countries essentially forced women to make difficult choices. Others explained the fact that women board members were on average older than their male colleagues by indicating that women could not fully focus on their careers while they had small or adolescent children and/or sick or old parents. The second most important obstacle pointed out by 12.5% of female interviewees is poor self-promotion (discussed above). Some women (11%) ranked the prevalent corporate model which puts women (as the primary caregivers in society) at a disadvantage. Today, companies usually require their employees to travel constantly to succeed; inflexible office hours by default lead to conflicts between school and work schedules; there is also the insistence that work be done in the office. All these could explain to a great extent the lack of women at the top. Some women discussed a situation when, in the prime of their careers, they decided to step down since they wanted to spend more time with their children or aging parents. Many of them at that time worried about how long they could stay out before they would lose their competitive edge. The research indicates that economic transition brought new corporate models that generate a relentless competition to work harder, stay later, travel more and put in more hours. The message that all employees seem to be receiving is that more time in the office means more value to the company which is an unsustainable career model for a vast majority of women. **75% of women and 59% of men in the region agree that current HR policies do not support women in their career aspirations.**

Finally, we wanted to hear what should be done to increase the number of women on corporate boards in the region. Both women and men believe that women should rely primarily on themselves (Table 4 and 5). **60% of female respondents and 47% of male respondents believe that women are in the best position to realize the change.** Almost one third of interviewed women and one fourth of interviewed men believe that companies are able to assist women in this process. 25% of the interviewed women and 24% of the interviewed men believe that the state, through adopting adequate and targeted measures, could help increase the number of female board members.

ANSWERS FROM WOMEN		Serbia	BIH	FYRM	Region
		%	%	%	%
Who is in the best position to increase opportunities for women aspiring to board membership? ⁴⁴	a. government	32	29	13	25
	b. companies	32	17	39	29
	c. women themselves	68	54	70	60
	d. male colleagues	24	0	17	11
Are you in favor of quotas?	a. yes	44	50	17	37,5
	b. no	56	50	83	62,5
Do you think that common HR policies support women in their career aspirations?	a. yes	20	21	43	25
	b. no	80	79	57	75
Would disclosure requirements regarding board diversity help?	a. yes	92	79	57	76
	b. no	8	21	43	24

Table 4: How number of women on boards can be increased – women’s perspective

⁴⁴ More than one answer was possible.

ANSWERS FROM MEN		Serbia	BIH	FYRM	Region
		%	%	%	%
Who is in the best position to increase opportunities for women aspiring to board membership? ⁴⁵	a. government	40	17	17	24
	b. companies	40	66	33	41
	c. women themselves	60	17	67	47
Are you in favor of quotas?	a. yes	60	17	0	24
	b. no	40	83	100	76
Do you think that common HR policies support women in their career aspirations?	a. yes	20	50	50	41
	b. no	80	50	50	59
Would disclosure requirements regarding board diversity help?	a. yes	60	67	33	53
	b. no	40	33	67	47

Table 5: How number of women on boards can be increased – men’s perspective.

A large majority of men (76%) are against quotas primarily because they believe that quotas would be implemented poorly and ultimately would backfire. They think that a quota would allow less competent women who have family or political connections with decision-makers to be elected to company boards simply for sake of meeting a legal requirement. This would have negative consequences not only for companies but ultimately for women since the poor introduction of the quota could create an impression that women are less competent than men. **On the other hand, 37.5% of women believe that without the quota introduction nothing would change.** One woman stated that she would like to be able to say that we lived today in a more prosperous society that could bring about change without external or a legal pressure. However, her experience taught her that even with a supporting legal framework, old habits and prejudices die hard. Thus, without a quota, one could not expect the situation in the region to change.

When it comes to disclosure requirements, female respondents (76%) believe that imposing an obligation on companies to disclose their board composition, their nomination policies, and their selection criteria and policies relating to diversity would **compel companies to explore a much broader pool of candidates, thus increasing chances for women.** Male respondents were polarized and less convinced. Nearly half of male respondents believe that diversity disclosure requirements would help while almost the same percentage believes that they would not be of much use.

To conclude, on average, men become board members at younger age relative to women. They are more numerous in boards (all researchers had difficulties in identifying sufficient female board members for interviews). On average, women need a higher level of education and more work experience to become board members relative to their male colleagues. A vast majority of interviewees believe that board diversity is important (although not necessarily gender diversity). Women believe that the most important skill that aspiring female corporate leaders should develop is smart self-promotion (in addition to relevant knowledge or technical expertise). The most common expertise of female

⁴⁵ More than one answer was possible.

board members in the region seems to be in finance and risk management. Most interviewed women believe that the double-burden syndrome is the single biggest obstacle to having more women at the corporate top. Finally, a large majority of men are against quotas, while 37.5% of women believe that without the quota introduction, nothing would change.

RECOMMENDATIONS

Below are certain recommendations that could help increase the number of women on corporate boards in the region, focusing on the three countries covered by this research. The proposed measures are grouped into three categories: (1) measures for introduction at state level, (2) measures for development at the company level, and (3) grass-root measures at the societal level. The proposed measures are common for the region. Reasoning behind this approach is based on the following: all three countries share the same geographical space and have had a similar history; similar societal attitudes towards women exist in all three countries; the countries are at a similar level of economic development; legal frameworks in the countries are similar due to a shared legal tradition and identical struggles to align with the EU *acquis communautaire*; finally, all three countries share the strategic and political goal of joining the EU. The recommended measures are specific but broad enough to allow for tailor-made implementation in each country.

This approach is further supported by the results of the research. A majority of the results across the three countries are very similar. Observed trends and behavioral patterns are almost identical: in BiH, FYRM and Serbia, gender-balanced boards are rare; although in all three countries women have generally achieved a higher level of education than men, the labor force participation rates of women are lower than those of men; in each country the gender pay gap exists; the interviewed women across all three countries spoke of the double burden syndrome and a lack of adequate child- and elderly-care services and facilities; all interviewed women in the region emphasized that society at large has always seen women as sole caregivers; inadequate self-promotion and poor networking were listed as main the obstacles to a greater number of women in corporate boards in all three countries. Since the identified challenges are common, similar recommendations are advised.

MEASURES AT THE STATE LEVEL

INTRODUCTION OF QUOTAS

Since all three countries aim to join the EU, the researchers looked at quota experiences of the EU countries and countries that are economically close to the EU and/or share similar political, legal and historical backgrounds with EU members (e.g. the U.S. and Canada). **The comparative research on quotas indicates that the quota was the only instrument that managed to yield noteworthy results. However, a large majority of interviewed men (76%) and a majority of interviewed women (62.5%) were against quotas.** Recent events in the EU might create an important window of opportunity to introduce top-down measures which are necessary to shift such an entrenched societal paradigm. As noted above, on 14 November 2012, the EU Commission proposed a directive which sets a minimum objective

of 40% of the under-represented sex in non-executive board-member positions in listed companies in Europe by 2020, and by 2018 for listed public undertakings. If the proposed directive is adopted by the European Parliament and by the EU Member States, it will have to be implemented into the legislation of the Member States. A similar legislative action will have to be undertaken by aspiring (candidate) countries albeit within a different time-frame. The EU-wide quota (if introduced), in addition, will create room for political leadership that is necessary to transform ingrained, traditional, societal models.

SOCIAL INFRASTRUCTURE AND SERVICES

Each country in the region should heed its demographic trends and strategically and systematically develop its social care infrastructure and social policies that would contribute meaningfully to an increase in the female labor participation rate. Different demographic studies have repeatedly proved that social policies related to maternity leave, paternity leave, provision of child-care services, care for elderly etc. have a much greater impact on female labor market participation than on male labor market participation. According to the World Bank study on demographic trends in the region of Europe and Central Asia, women spend three-quarters of their time cooking and taking care of children and elderly in the household, while men, for example, do not spend any time on taking care of the elderly in the household. A similar situation, according to the interviewees, exists in each of the observed countries. Thus, by building kindergartens and homes for the elderly, by matching school and work schedules, by investing necessary resources in development of good-quality programs for kindergartens and schools, the state will genuinely contribute to creating real equal employment opportunities for both men and women.

Special consideration should be given to legal regulation of paid paternity leave. This institution would not only support female labor participation but would also question the embedded conviction that child-rearing is primarily a female duty. In particular, the experience of Nordic countries shows that mandatory paternal leave (which cannot be transformed into a maternal leave) has proved to be beneficial not only for women but for emotional bonds within families and in particular for the relationship between fathers and children. In Sweden for example working parents are entitled to 16 months paid leave per child at 80 per cent pay (the cost being shared between employer and the state). However, to encourage greater paternal involvement, 2 months out of 16 are reserved for the “minority” parent, usually the father. In Norway, 12 weeks of the 56/46 weeks paid leave is reserved for the father.⁴⁶ If he does not take these 12 weeks, they will be lost as they cannot be transferred to the mother. These kinds of policies would also encourage men to broaden their stereotyped societal roles and would make these choices less unusual.

DISCLOSURE REQUIREMENTS

Laws that regulate companies and the capital markets should require listed and state-owned companies to create diverse and gender-balanced boards. Further, listed and state-owned companies should be obliged to disclose, in their annual reports, their board structure and reasons behind an eventual lack of gender balance in their boards and among senior executives. Empirical studies on transparency and disclosure in some countries in the region have shown that companies disclose only legally required

⁴⁶Women in Norway can take 56 weeks (13 months) 80% paid or 46 weeks 100% paid. In either case 12 weeks is reserved for father and they can not be transferred to the mother.

information.⁴⁷ In Serbia for example, the laws on companies and capital markets adopted recommended disclosure requirements from relevant EU directives. Thus, certain best practices have been introduced into legislation. Companies listed at top segments of the local stock exchange (A and B listing of Belgrade Stock Exchange) are required to disclose regularly certain financial and non-financial information. Still, the empirical studies have repeatedly confirmed that listed companies in the region do not recognize the value of transparency and that in their disclosure practices they do not go beyond what is legally required. For example, most of the laws in the region do not require companies to disclose information on their board structure, nor do they oblige companies to make their board nomination policies public. This explains why the researchers experienced difficulties during the desk research phase in their attempts to identify female board members even in companies that were listed in the upper tiers of the local stock exchanges. Introduction of legal requirements regarding corporate gender policies can compel companies to put this issue on the corporate agenda. Regulators or exchange providers (as the case may be), should require boards to report annually to shareholders (and external investors) on whether the company manages to achieve gender balance in boards and among senior executives and, if not, to explain why the company has not achieved the legally or self-imposed benchmark or is not seeking to meet that benchmark.

MEASURES AT THE COMPANY AND MARKET LEVEL

BOARD POLICIES

The board in each company should oversee talent management and succession policies and ensure that these processes support the promotion of women at the highest level. According to the McKinsey study (2010), the introduction of a gender-diversity policy is a revolutionary shift in corporate culture and thus it requires visible commitment at the top of the company.⁴⁸ The board should ensure that succession planning for most senior positions in the company is gender-sensitive and that it genuinely mobilizes full internal human capital potential. To that end, the board should develop and include indicators that measure the company's performance in hiring, retaining, promoting and developing women. To secure commitment of executives, the board should introduce gender-diversity indicators in executives' performance reviews. Finally, to have legitimacy in this effort, the board should ensure that it has female members and that it heeds gender diversity in its nomination policies and processes.

HR POLICIES

Companies should revise their HR policies to ensure that they provide talented people with an equal opportunity to reach top company ranks. A gender diverse board established at the top of a non-gender diverse company is likely to send a wrong message. Investors and other stakeholders will certainly be skeptical about gender diversity imposed only at the highest level since this may appear cosmetic and insincere. Instead, companies need to have in place approaches to gender diversity throughout the entire organization.

⁴⁷Katarina Djulic and Tanja Kuzman (2013) Structure of Company Boards. *Book of Proceedings from the 2nd International Scientific Conference Economic and Social Development*, p. 978-986, Varazdin Development and Entrepreneurship Agency and Faculty of Commercial and Business Sciences Celje.

⁴⁸McKinsey (2010) Women Matter-Women at the top of corporations: Making it happen.

Providing same terms and conditions to men and women who, as a rule, have different personal and family circumstances, does not mean providing them with equal opportunities for advancement. The corporate model that requires ever more billable hours, inflexible office hours, constant travelling and presence in the office at all times automatically puts at a disadvantage women who have to take care of small or adolescent children or aging parents. The message that the only way to show your commitment to company and career is to be available around the clock promotes an unsustainable business model. Similarly, if management conveys the message that the sheer volume of work is the only value that counts, it risks losing gradually its most talented people who will not feel motivated in such a corporate setting. Some good HR policies that can support female employees and in the long-run secure that the entire talent pool is provided with an opportunity to advance include: options for flexible working conditions and work locations; programs and facilities that help employees reconcile work and family life; gender-specific hiring goals and programs; a systematic requirement that at least one female candidate be in each promotion pool; gender quotas in hiring, retaining, promoting and developing women; performance evaluation systems that neutralize the impact of maternity leave and /or flexible work arrangements etc.⁴⁹ However, it is important to emphasize that these HR policies at the same time mean promotion of certain values that differ from standard and expected behavior and morals and thus need strong support and commitment from CEO.

POLICIES FOR HIGH-PERFORMING WOMEN AND WOMEN EXECUTIVES

Companies should in particular focus on policies that target high performing women and gear them towards executive positions. These policies broaden the pipeline and deepen the talent pool from which female board members can be recruited.

Companies should pay special attention to women that deliver extraordinary results. These women should receive a clear message from the top communicating that the company recognizes their contribution and that it is ready to invest systematically all necessary resources to coach them and help them develop skills and knowledge necessary for leadership positions in the company. Examples of programs and activities that support high-performing women include: programs that encourage female networking and role models; encouragement and mandates for senior executives to mentor junior women; shadowing programs i.e. allowing promising female candidates to spend time with top executives on job observing actual tasks to explore and test their career interest and capabilities; programs aimed at developing leadership skills that are tailored for women; clearly communicating to women to which positions in the company they can aspire; developing succession planning policies that provide preferential treatment to internally geared candidates; etc.

BUILDING A DATABASE OF FEMALE CANDIDATES FOR BOARD POSITIONS

To facilitate female board membership, a database on potential female board candidates should be created.

Such a database would allow easy access to good board candidates to all companies interested in creating more balanced boards. Many interviewees stated that they believed that the companies in which they served on the board were not deliberately discriminated against women. Rather it was difficult for decision-makers to identify eligible female candidates since they were rarely part of their established networks and women do not

⁴⁹McKinsey (2010) Women Matter-Women at the top of corporations: Making it happen.

work enough on their self-promotion. The database would to a large extent remedy this problem.

MEASURES AT THE SOCIETAL LEVEL

CHANGING SOCIETAL MENTAL MODELS

In all three countries numerous, coordinated grassroots activities aimed at changing some ingrained traditional ideas about the role and place of a woman in the society should be launched.

In the words of a famous American scientist and director of the Center for Organizational Learning at MIT Sloan School of Management Peter Senge: “Mental models are deeply held internal images of how the world works, images that limit us to familiar way of thinking and acting. Very often, we are not consciously aware of our mental models or the effects they have on our behavior.”⁵⁰ Societal models are models that a vast majority of individuals in one society shares and believes in. As mentioned above, many of the practices that put women at a disadvantage are consequences of specific societal mental models. Examples of these limiting mental models would be – conviction that women bear sole responsibility for taking care of elderly parents; assigning a disproportionate share of child-bearing responsibility to a woman; traditional networking models that are male-oriented (old boys’ club); common belief that women are less ambitious than men; widely-spread perceptions that corporate career requires masculine attributes and as such is not appropriate for women; the idea that “there are simply not enough suitable female candidates to increase the number of women on boards”; common belief that women need to adopt male models of behavior to succeed in the corporate world. These and similar prejudices are serious obstacles which cannot be ignored since each woman needs support of her partner, family, and formal and informal social networks to succeed. It takes a long, persistent and systematic effort at many different levels of society to probe these models. These efforts can take the form of conferences, comprehensive PR campaigns and similar awareness-raising events which would actively involve media and attract the attention of numerous and relevant social groups. However, the change of the paradigm requires coordination of these efforts and political leadership.

PROMOTING GOOD FEMALE ROLE-MODELS

Good female role-models should be promoted systematically at all levels of the society. Increased visibility of women at senior levels in corporations, in the world of politics, among professors, medical doctors, etc. plays a catalytic function since these women might be viewed as good role-models for girls and young women in general. These examples, if presented systematically and adequately (through education programs, media, in social life), can greatly contribute to the change of typical mental models of young generations and their ideas on what is deemed to be success for women.

⁵⁰ Peter M. Senge (1990) *The Fifth Discipline: The Art and Practice of the Learning Organization*. Doubleday Currency.

MEASURES AT THE PERSONAL LEVEL

Each woman should ultimately take responsibility for her own career. According to the study, the best way for a woman to advance in her professional life is to invest in education and development of different skills, to network effectively and to promote herself cleverly. A majority of men and women (47% of both sexes regionally) ranked technical expertise and related experience as the most relevant precondition for their respective board membership. Along the same lines, men believe that the factors that most increase chances for women to be elected onto corporate boards are relevant expertise and communication skills. Thus each ambitious woman who wishes to reach the top of the corporate ladder should commit to life-long learning and development of relevant skills (in particular communication skills). However, our female interviewees across the region believe that good knowledge is insufficient. Among senior managers, well-established business networks add value to any corporate leader, women included. Connections with top business leaders in the country, membership in professional associations, and attending national and regional professional conferences seem to be as important as technical expertise. Women tend to undervalue networking since it often takes a great toll on their free time which they would rather spend with their children and families.

Nonetheless the research confirms that effective networking makes women more visible and provides good room for smart self-promotion. Self-promotion, according to the interviewed women, is the main culprit for a small number of women in regional corporate boards. Good ways to create one's public image include: attracting media attention, speaking in public at relevant events, participating in professional public debates, becoming a skilled communicator, developing contacts with journalists, participating in business and professional events and developing lobbying and negotiation skills etc.

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