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At Chin Lew, finance director of Qian Hu Ckap belongs to a “very exclusive club.” She is among six women who hold three or more directorships in Singapore-listed companies.

Fong Ai Lian, who was managing partner of Ernst & Young, sits right at the top of this club with five directorships. She is followed by two former senior bankers, Elizabeth Sam and Ba-len Koh, who hold four directorships each.

Women constituted only 7.9% of directors in Singapore-listed companies in 2012—up just 0.6 percentage points from 2011, according to the third annual study done by Governance, Institutions of Organisations (CGI), which is part of the National University of Singapore Business School.

In the first study in 2001, women made up 6.5% of the total. Last year, only 4.6% of CEOs and 3.4% of chiefs were women, according to the survey. For women, it looks like it is getting increasingly time-consuming to be a director.

“When we want to celebrate the positive achievements, progress is still quite slow,” says associate professor Mariann Deeran, co-author of the study, pointing to a picture of a wall at the presentation of the study. Covering 677 companies listed on the Singapore Exchange (SGX), the study was supported by the insurer and Swiss bank UBS, a big proponent of diversity and inclusion in the workplace.

What was also disappointing about the results of the study was that men constituted 58.2% of the boards—a barely perceptible improvement from the 60% level in 2011. Just under a third, or 31.6%, have a sole female representative, 8.5% have two and 1.9% have at least three women.

Some of the large companies—constituents of the Straits Times Index— that have all-female boards are Wilmar International, City Developments, SemCorp Marine, SIA Engineering, Keppel and Olam International. It is quite incredible that most companies don’t have women on their boards. Maybe SCS can make some friendly calls,” says Deeran.

The two most gender-diversified boards are those of OCCP (formerly Orient C&Co) and Malacca Trust. Half of the six OCCP directors, including chairman Lim Hsing, are women. Malacca Trust has two directors on its board of five, including chairman Dato Tan Hock Leong and independent director Hashim Noor Thayyib, who worked at Chase Manhattan Bank for three decades.

The low proportion of females on Singapore boards stands in stark contrast to the Nordic countries. The proportion of women directors in Norway, Sweden and Finland are 48.9%, 27% and 26.8%, respectively. The US, with 16.6%, is marginally in line with the 15.9% seen for most developed countries. Neighbours and close competitors Hong Kong, Malaysia, Indonesia are generally feeling better at 9.4%, 8.7% and 11.4%, respectively. The consensus is that South Korea and Japan—traditionally male-dominated societies—are lagging on the bottom of the table, with 2.4% and 2%, respectively.

To be sure, this drive to promote gender diversity is not new. The NUS study is different, however, because it shows that having women on boards has a positive impact on a company’s business performance.

The study tracked companies’ performance three years after women directors were appointed and, on average, companies with no new female directors turned in a growth in annual return on assets of 1.44%, whereas those with a new female director managed 1.74%. The corresponding figures for return on equity were 1.44% and 1.76%, respectively.

Qian Hu’s Lai doesn’t think, however, that having female directors will automatically improve a company’s numbers. “It depends on how the business is run and the overall industry and environment. Maybe it is coincidental, but I don’t believe that performance will improve when you have certain people on...” Lai tells Management@Work.

Tan Chuan Jin, acting minister for manpower, was asked whether the government would consider legislating, or at least “threatening” to legislate, a gender quota. “I’m not sure that it’s necessary the right way to go. Diversity isn’t just about gender; there is diversity in many, many areas,” he says. Singapore’s boards are the most gender-balanced because no single sex can constitute more than 60% on the boards. Tan acknowledges that the low representation is a result of the gender bias, but stresses that it’s not unique to Singapore. “We are not just thinking of having diversity,” he adds. Furthermore, he believes women should not take up board appointments just because they are the right sex. “They will feel involved,” says Tan. “This mindset is something you can’t easily (use as a key performance indicator) or legislate.”

For her part, the government is putting in more support structures so that women can have a level playing field in the corporate world. An example of such support will be the additional 20,000 childcare places to be set up over the next four years. “We understand that both parents play critical roles, but let us ask ourselves honestly: Are we men pulling as much weight as we should?” Tan says, speaking to an audience comprising mainly women.

Lai also does not think having quotas is a good idea, as the pool of director candidates will still comprise more men than women. “If you force a percentage, there will be no one to push the gender requirement, and women of the caliber of female candidates, such that you may have to compromise on certain criteria.”

She points out that, as part of the drive to promote better corporate governance, there are already quota-based practices in place, such as having a certain percentage of independent directors. “But, when you go into gender, it has to be balanced with the knowledge and expertise that a company needs.”

For example, men might have better business acumen, but women are better at details and can offer alternative perspectives. “Many different things have to come together to make a good board—not how many men or how many women,” says Lai. In her own case at Qian Hu, she is bringing her financial expertise to complement the business savvy that executive chairman Yip Bos and two other executive directors, Alex Yip and Andrew Leong, already have.

Interestingly, her appointment to the board of Qian Hu in 2006 four years after joining the company as group financial controller is also a human resource strategy. “What if one day I realise that there’s only so far I can go? From my perspective, this is a retention strategy so that I can see some achievement or exposure that I can get from staying at Qian Hu,” she explains.

Women who aspire to join boards should also step forward and widen their networks. For women, however, being too active in various circles might carry a negative connotation among those with a more traditional conservative mindset, notes Ye Fan Yee Shian, who retired from politics after serving six terms in parliament.

Qian Hu’s Lai did not go out of the way to seek other boards. It was mainly through introductions and referrals by the various IPO managers that she got to know about aspiring listings that were looking for independent directors.

Her accounting background also made her a popular choice for directorship. The first board outside Qian Hu that she joined was that of sportswear maker China Sports International, followed by banking company Rival Asia Holdings.

She was also on the board of CCM Group but resigned in September, citing work commitments.

Lai explains that, rather than being a distraction from her work at Qian Hu, spending time on other companies gives her the chance to pick up good ideas that can be used for improving the way the family-owned company is run.

By the end of the day, women must ensure they are up to the mark before they take on boards with representation on boards. “Women must be competent; they want to be known as being competent within the community in which they are competitive in,” says Aclat Selsam, managing director of Diane Morris & Selsen LLP, who advised Capitaland’s board at the invitation of former CEO Liew Mun Leong in 2005. Lai concides: “I’d like to see more female directors. But, the bottom line is, it is more a matter of expertise and contribution that women bring to the table.”