

Video Transcript Teresa Freeborn Gov plus women on boards

September 2023

By Teresa Freeborn

Teresa Freeborn 00:14

Unfortunately, an embarrassingly small number of credit union boards are truly diverse. And based on the recent stats coming from, and this is sort of more on a corporate basis, corporate-wide basis, but if you look at what Women on boards, it's an organization that tracks the progress of women's attainment of board positions, and it's less than 25% of all board positions are held by women. People have asked me, "Is that different from credit unions?" It's not; it's very similar. Less than 25% of board positions are held by women. A truly diverse board would be comprised of 50%, female 50% male, but it would also be racially and ethnically blended so that it very broadly represents the credit union member that you serve rather than today's composition, which is a bit different. It's kind of with a token woman, maybe two token women. But in addition, you also have to keep an eye on some important other candidate attributes that give a good balance on a board. And that would include experience and skill sets and that sort of thing. You can't ignore those things as well.

Teresa Freeborn 01:33

There is a direct correlation between the number of women on boards and the number of women who are part of the most senior executive teams, which kind of starts to explain our current situation, I think. The more women moved into executive roles, the more opportunities women will have to ascend to corporate board positions. It kind of makes sense. So to do that, leaders could and should encourage female and male board members to establish relationships with future women leaders and then to serve as their role models and their mentors or their sponsors for board positions.

Teresa Freeborn 02:15

Now, they could and they should, but they don't. And that that's the reality of our current environment today. So here's a statistic that just might get your attention. There are only 32 companies with women CEOs in the S&P 500, 32 out of 500. Scary. Now, you may be shocked to learn that these women led companies, that 32 of them, have significantly and consistently outperformed the male-led firms. Fascinating. So there's plenty of opportunity to put more women on board positions but, men, we're gonna have to be prepared to step down, step aside and make room you know. The needed change is really firmly in their hands.

Teresa Freeborn 03:05

Let's start with understanding that there's a general and, very sadly, widespread lack of awareness and acceptance of this woman problem. And a lot of men seem to be oblivious and different or, worse, they're overtly obstructive in matters relating to the advancement of women. There are so many age-old

reasons like misogyny, discrimination, chauvinism, and of course, workplace workplace cultures with institutional biases and ingrained sexism.

Teresa Freeborn 03:36

Now, if you're a woman, my age, or perhaps younger, and you're listening to this, I know you're checking these off your list, because all of those barriers still exist. And it's 2023. Corporations and businesses have not yet adapted to the dual role of workers and caregivers. They're one in the same. If you're primarily women, they're one in the same. We do it all. They're simply not considering or treating men and women equally. Basic corporate hierarchy was set up for men, not women. Women were never even considered in the structural formation. So men may struggle with the idea of losing control, of losing their power. They may feel threatened because men are the gatekeepers. They're the guardians. And unfortunately, they are at times the bottlenecks, and that may not seem like a problem. But the truth is, if you're leaving women out of senior positions, you're putting your company at a significant disadvantage. But you know, it is about a change in your mindset. And it's about men sharing their power for the success and future of their credit union.

Teresa Freeborn 04:59

There's a pretty simple answer to this very challenging question. And it's because if men have the power, then men have the solutions. It kind of puts men on the spot, doesn't it?

Teresa Freeborn 05:13

So, how can men start to solve this problem? Well, how about we begin with examining the organizational and societal cultures that exist in your credit unions so you can put strategies in place to mitigate the effects of outdated gendered systems, processes and practices? And how about men becoming allies and advocates of women? You know, that happens when men recognize women's contributions, both publicly and privately. Women will welcome the public recognition, believe me. And to reinforce this example, of course, we also need to publicly appreciate the men who are making room for the women. And these are just some basic things that you can think about doing every time you're in a group of men and women in leadership discussions.

Teresa Freeborn 06:03

But then, of course, privately, you got to know this that women appreciate and want the feedback. They yearn for the feedback to grow and to learn just like men have all these years.

Teresa Freeborn 06:14

Now, overall, I guess you have to come down to gender discrimination. We have to challenge what is in existence today in all of its forms. And you know, most gender barriers are invisible to men, and of course, to some women. So a good place to actually start this kind of rework is to provide some in-depth unconscious bias training. So listen, even well-intentioned men attempting to address obvious disparity and opportunities for women, they're not able to grasp the true nature and extent of what is required to make meaningful change in corporate organizations and the male-centric mindset. So hey, if it was so easy, men would have solved this problem years ago. It's difficult and challenging. We've got we've got so much work to do here.

Teresa Freeborn 07:09

How about we start by embracing diversity, and gender balance? For starters, just embrace it, insist on it from both the boardroom and the CEO's office. And if you don't believe it, again, just do the math, start counting. And did I mention that your goal should be 50/50? I think I'm tired of other programs out there that talk about 20 by 20 and all this. We've blown through those dates, and we've not met those goals. So I just think at the end of the day, 50/50 is what we should all aspire to. And that's what we need to work toward.

Teresa Freeborn 07:42

But it's a disruptive challenge. And I will warn you that the strategies are going to feel disruptive. There's a serious problem here. And believing that there isn't is just nonsense. So start with changing your mindset. Women are your equal, and you must not just know it, you must believe it. And you have to behave like they already are your equal, you must think about it. And you have to continue to think about it every minute that you're in the boardroom, or that you're interacting with your CEO, suite or C suite, you need to insist that your organization establishes a Women's Corporate Bill of Rights. And that includes setting new corporate performance metrics on gender parity and equity practices. And this is so much more than just feeling good about the fact that you have a DEI program, you know, check. Yes, that's good to have one in place. But make sure you're measuring progress. And this includes includes all sorts of checkpoints for you here, overt advanced priority for capable women. It's got to be overt. Being passive about this just isn't working. Family-friendly policy enforcement, mentoring and sponsoring programs, transparency, and measuring and tracking gender diversity statistics, and monthly progress reports to the board, which means senior management must be looking at these at least on a weekly basis to be able to give that kind of report to the board on a monthly basis.

Teresa Freeborn 09:11

You can't let go until we're at that 50/50 goal. And don't forget leading by example is such a critical thing as the most senior decision maker in a credit union as the board. Consider the makeup of your board. Demonstrate your commitment by fixing that for starters, even if it means that you are some of your board are going to have to set aside step aside, step down, to make room for gender diversity. Expand the board numbers if you have to. That's another possible way to do this. It's a reasonable short-term measure but again, you're not really dealing with the real issue are you? But you can kick that can down the road a little bit more. Put more women on it and change the overall number of that board.

Teresa Freeborn 09:56

But no matter what, I ask you to be very intentional with your strategies to get your board to 50/50. And I'd just like to wrap up by saying thank you for taking the time to be part of this program today. There is so much work to be done, but the fact that you're listening to this and seeing that there is a way we can get through and get things changed and make for such a better world down the road here with a 50/50 way to measure where women sit at the board table on a 50/50 basis. So, again, thank you for your time.