

114TH CONGRESS  
1ST SESSION

# H. RES. 445

Expressing the sense of the House of Representatives that corporations should commit to utilizing the benefits of gender diversity in boards of directors and other senior management positions.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2015

Mr. BEYER (for himself, Mr. EMMER of Minnesota, Mr. DESAULNIER, Mrs. DAVIS of California, and Miss RICE of New York) submitted the following resolution; which was referred to the Committee on Education and the Workforce

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## RESOLUTION

Expressing the sense of the House of Representatives that corporations should commit to utilizing the benefits of gender diversity in boards of directors and other senior management positions.

Whereas a McKinsey and Company study entitled “Women Matter”, published in October of 2007, showed that corporations in which women are most greatly represented on boards of directors, or in other senior management positions, are also the corporations that perform the best;

Whereas such study showed that corporations that have 3 or more women serving in senior management positions score more highly, on average, on the organizational per-

formance profile than corporations with no women serving in senior management positions;

Whereas such study showed that performance increases significantly once a certain critical number of women serving in senior management positions is attained—specifically, when there are at least 3 women on management committees with an average membership of 10 individuals;

Whereas an Oklahoma State University study entitled “Corporate Governance, Board Diversity, and Firm Performance”, published in March of 2002, found that gender diversity on boards of directors is associated with improved financial value;

Whereas Catalyst, a non-profit and non-partisan organization, found in the 2014 Catalyst Census that women represent 46.8 percent of the labor force yet only account for 19.2 percent of corporate board seats for S&P 500 companies, and a Catalyst report entitled “Corporate Performance and Women’s Representation on Boards”, published in 2007, found that gender diversity on corporate boards contributes to more effective corporate governance and to positive governance outcomes through a variety of board processes, as well as through individual interactions;

Whereas such report found that women directors contribute to important corporate-level outcomes because they play direct roles as leaders and mentors, as well as indirect roles as symbols of opportunity for other women, and inspire those women to achieve and stay with their corporations;

Whereas such report found that more recognition of the valuable contribution of women directors to corporation value is needed;

Whereas ending in 2012 Credit Suisse conducted a 6-year global research study entitled “Gender Diversity and Corporate Performance”, published in 2012, of more than 2,000 corporations worldwide that showed that women serving on corporation boards improved corporation performance with respect to key metrics, including stock performance, as demonstrated by the fact that corporations with a market capitalization of more than \$10,000,000,000 on whose boards women served outperformed by 26 percent stock performance of comparable corporations with boards on which no women served;

Whereas such report found a greater correlation between corporations’ stock performance and the presence of women directors since the financial crisis in 2008, in addition to finding that corporations with women serving as directors significantly outperformed other corporations when the financial crisis occurred;

Whereas such report found that corporations with women serving as directors tend to be somewhat risk-averse and carry less debt, on average, compared to corporations with no women directors, and that net income growth for such corporations averaged 14 percent over a 6-year period, compared with 10 percent for those corporations with no women directors; and

Whereas the United States 30% Club formed by a group of business leaders and now including 49 United States chairpeople and chief executive officers is committed to

better gender balance at all levels of corporate organizations through voluntary actions: Now, therefore, be it

1       *Resolved*, That it is the sense of the House of Rep-  
2 representatives that—

3           (1) the citizens of the United States have a sig-  
4 nificant stake in promoting robust, sustainable eco-  
5 nomic growth;

6           (2) such growth will be strengthened and accel-  
7 erated by the ever-fuller inclusion of women in the  
8 United States workforce, at all levels of corporate  
9 management; and

10          (3) corporations in the United States should  
11 undertake a commitment to ever-fuller utilization of  
12 the talents, skills, and work ethic of women on  
13 boards of directors and in other senior management  
14 positions.

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