A RESOLUTION

Encouraging equitable and diverse gender representation on the boards and in senior management of companies in Pennsylvania.

WHEREAS, Equitable and diverse gender representation in the leadership ranks of companies in Pennsylvania is essential to enhance the competitive position of this Commonwealth in the global economy; and

WHEREAS, Women in the United States earned 36.5% of master of business administration degrees in 2012-2013 and 57.1% of bachelor's degrees, 59.9% of masters degrees and 51.8% of doctorate degrees in 2013-2014; and

WHEREAS, Women made up 47% of the United States labor force and 52% of all professional-level jobs in 2012; and

WHEREAS, According to the Bureau of Labor Statistics, women made up 43.9% of the labor force in Pennsylvania in 2015; and

WHEREAS, In Pennsylvania in 2016, women held 17.2% of board seats at Fortune 1000 companies and 12.7% of executive positions.
WHEREAS, Of these 100 companies, 41 have no women in executive positions, 18 have no women on their boards of directors, 41 have only 1 woman on their boards and 9 have no women on their boards of directors or in their executive suites; and

WHEREAS, In the Philadelphia region, where nonprofit colleges, universities and health systems account for a significant part of the regional economy, providing 37% of the jobs in the City of Philadelphia alone, university and hospital board seats held by women were 29% and 24%, respectively, in 2014, the last year for which public records are available; and

WHEREAS, The Catalyst Research Center for Equity in Business Leadership issued an overview, Women on Corporate Boards Globally, which emphasizes the benefits of gender-balanced boards; and

WHEREAS, Catalyst's research series, The Bottom Line, found that companies with more women on boards had better financial results than those with fewer women and that companies with sustained high representation of women board directors, defined as having 3 or more women board directors in at least 4 of 5 years, significantly outperformed those with sustained low representation by 84% on return on sales, 60% on return on invested capital and 46% on return on equity; and

WHEREAS, Catalyst's overview, Women on Corporate Boards Globally, cites findings that companies with fewer women on boards had more governance-related controversies than average; and

WHEREAS, The Forum of Executive Women, a membership
organization of more than 450 women executive leaders actively
working to leverage the collective power of women's leadership
in the Greater Philadelphia region, has been issuing an annual
"Women on Boards Report" for many years on the status of women
leaders in top area public companies, with PwC serving as the
report's sponsor and research partner; and

WHEREAS, The Forum of Executive Women chose the theme "Forces
pushing for progress in the boardroom and C-suite" for the 2016
"Women on Boards Report" because experience shows that it takes
multiple strategies and multiple forces to get more women into
the ranks of leadership: female and male business leaders,
advocacy organizations, shareholders, investors, employees,
customers and elected officials all can be powerful forces for
challenging the status quo; and

WHEREAS, Women in the Workplace 2016, a comprehensive study
of the state of women in corporate America conducted by
LeanIn.Org and McKinsey & Company, emphasized that:
[w]omen are less likely to receive the first critical
promotion to manager--so far fewer end up on the path
to leadership--and they are less likely to be hired
into more senior positions. Women also get less access
to the people, input, and opportunities that
accelerate careers. As a result, the higher you look
in companies, the fewer women you see;

and

WHEREAS, Catalyst's overview, Women on Corporate Boards
Globally, indicated that research from many scholars and
organizations, including Catalyst, had found that three or more
women serving on a board "changes boardroom dynamics
substantially," "enhances the likelihood that women's voices and
ideas are heard" and creates a "critical mass" of women which can lead to better financial performance"; therefore be it
RESOLVED, That the House of Representatives find that the Commonwealth of Pennsylvania has a significant stake in promoting equitable and diverse gender representation in the public, private and nonprofit leadership ranks of Pennsylvania companies, institutions and State and local government; and be it further
RESOLVED, That all nonprofit, privately held and publicly traded institutions and companies doing business in this Commonwealth should undertake a commitment to increase the gender diversity on their boards of directors and in senior management positions and set goals by which to measure their progress; and be it further
RESOLVED, That the House of Representatives urge that by December 31, 2020, all nonprofit, privately held and publicly traded institutions and companies doing business in this Commonwealth have a minimum of 30% of women directors and measure their progress toward a goal of equal representation of men and women in leadership positions on an annual basis.