
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 255 Session of
2018

INTRODUCED BY SCHWANK, COSTA, DINNIMAN, FONTANA, LEACH,
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REFERRED TO RULES AND EXECUTIVE NOMINATIONS, FEBRUARY 9, 2018

A RESOLUTION

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

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

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

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

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

15 WHEREAS, In Pennsylvania in 2016, women held 17.2% of board
16 seats at Fortune 1000 companies and 12.7% of executive positions
17 in the largest 100 public companies headquartered in

1 Pennsylvania; and

2 WHEREAS, Of these 100 companies, 41 have no women in
3 executive positions, 18 have no women on their boards of
4 directors, 41 have only 1 woman on their boards and 9 have no
5 women on their boards of directors or in their executive suites;
6 and

7 WHEREAS, In the Philadelphia region, where nonprofit
8 colleges, universities and health systems account for a
9 significant part of the regional economy, providing 37% of the
10 jobs in the City of Philadelphia alone, university and hospital
11 board seats held by women were 29% and 24%, respectively, in
12 2014, the last year for which public records are available; and

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

17 WHEREAS, Catalyst's research series, the Bottom Line, found
18 that companies with more women on boards had better financial
19 results than those with fewer women and that companies with
20 sustained high representation of women board directors, defined
21 as having three or more women board directors in at least four
22 of five years, significantly outperformed those with sustained
23 low representation by 84% on return on sales, 60% on return on
24 invested capital and 46% on return on equity; and

25 WHEREAS, *Women on Corporate Boards Globally* cites findings
26 that companies with fewer women on boards had more governance-
27 related controversies than average; and

28 WHEREAS, The Forum of Executive Women, a membership
29 organization of more than 450 women executive leaders actively
30 working to leverage the collective power of women's leadership

1 in the Greater Philadelphia region, has been issuing an annual
2 *Women on Boards Report* for many years on the status of women
3 leaders in top area public companies, with PwC serving as the
4 report's sponsor and research partner; and

5 WHEREAS, The Forum of Executive Women chose the theme "Forces
6 pushing for progress in the boardroom and C-suite" for the 2016
7 *Women on Boards Report* because experience shows that it takes
8 multiple strategies and multiple forces to get more women into
9 the ranks of leadership; and

10 WHEREAS, Female and male business leaders, advocacy
11 organizations, shareholders, investors, employees, customers and
12 elected officials all can be powerful forces for challenging the
13 status quo; and

14 WHEREAS, *Women in the Workplace 2016*, a comprehensive study
15 of the state of women in corporate America conducted by
16 LeanIn.Org and McKinsey & Company, emphasized that:

17 [w]omen are less likely to receive the first critical
18 promotion to manager--so far fewer end up on the path to
19 leadership--and they are less likely to be hired into
20 more senior positions. Women also get less access to the
21 people, input, and opportunities that accelerate careers.
22 As a result, the higher you look in companies, the fewer
23 women you see;

24 and

25 WHEREAS, Catalyst's overview, *Women on Corporate Boards*
26 *Globally*, indicated that research from many scholars and
27 organizations, including Catalyst, found that three or more
28 women serving on a board "changes boardroom dynamics
29 substantially," "enhances the likelihood that women's voices and
30 ideas are heard" and creates a "critical mass" of women which

1 can lead to better financial performance"; therefore be it

2 RESOLVED, That the Senate find that the Commonwealth of
3 Pennsylvania has a significant stake in promoting equitable and
4 diverse gender representation in the public, private and
5 nonprofit leadership ranks of Pennsylvania companies,
6 institutions and State and local government; and be it further

7 RESOLVED, That all nonprofit, privately held and publicly
8 traded institutions and companies doing business in this
9 Commonwealth undertake a commitment to increase the gender
10 diversity on their boards of directors and in senior management
11 positions and set goals by which to measure their progress; and
12 be it further

13 RESOLVED, That the Senate urge that by December 31, 2020, all
14 nonprofit, privately held and publicly traded institutions and
15 companies doing business in this Commonwealth have a minimum of
16 30% of women directors and measure their progress toward a goal
17 of equal representation of men and women in leadership positions
18 on an annual basis.