Increasing research attention has been devoted to understanding the roles and responsibilities of boards of directors of North American corporations (Gillies, 1992; Lorsch & MacIver, 1989; Fleischer, Hazard & Klipper, 1988). Initially, boards had honorary or at best advisory roles to CEOs appearing as "ornaments on a corporate Christmas tree" (Mace, 1971). They also have functioned as "old boy's clubs" (Leighton & Thain, 1993). Board Members were appointed exclusively at the request of the CEO. But events of the 1970s and 1980s have brought about changes in both the composition and functioning of boards. A majority of board members now come from outside the corporation (outside directors), board membership has grown, corporate boards have created more committees, corporate directors take their jobs more seriously, and directors bring a greater variety of abilities and skills to the boards on which they serve. Despite these changes, corporate boards of directors continue to be criticized.

Patton and Baker (1987) suggest that board members do not live up to their responsibilities because of a "let's not rock the boat" mentality. They cite several reasons for this. These include: the dual authority often claimed by CEOs as chiefs of management and as Board Chairmen, the large size of corporate boards makes good discussion difficult, many board members are themselves CEOs who value each others friendship and want to keep their seats on the board, board members are too busy to

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devote enough time to their board responsibilities, and the fact that few directors have large amounts of stock in the companies on whose boards they sit.

One way to deal with some of the concerns raised about the effectiveness and relevance of corporate boards of directors is to appoint more qualified women to them. Why qualified women? First, there are not enough qualified male CEOs to go around. Second, male CEOs do not have enough time to serve on all the boards they are invited to join. Third, many male CEOs do not have enough time to do justice to the boards on which they currently serve.

Finally, women are developing the necessary experience, track records and abilities to qualify for board membership, though they are often “invisible” to male CEOs (Schwartz, 1980).

1. Characteristics of Women Directors

Directors were almost exclusively white males until the 1970s. A few token women were then appointed. Women have continued to be appointed to corporate boards, but given the short period of time that has elapsed, the absolute number of women directors is still very small.

It is not surprising that male CEOs dominate corporate board memberships, given that the recruitment and selection process has relied so heavily on CEOs’ suggestions (Patton & Baker, 1987). Male CEOs get to know and feel comfortable with other male CEOs. Lorsch and MacIver (1989) indicate several pluses and minuses in having corporate boards dominated by CEOs. CEOs understand the difficulties of leading complex organizations. CEOs also provide excellent resources, knowledge and information. The negatives associated with CEO dominance of boards is that board members may be too supportive (i.e., not critical enough) of the CEO who appointed them (Patton & Baker, 1987). Most directors still feel they serve at the pleasure of the CEO (Lorsch & MacIver, 1989). CEOs are in limited supply; there are not enough CEOs to fill all board openings so many are overworked and unable to devote enough time to their responsibilities as board members (Patton & Baker, 1987).

A recently completed survey (Burke, 1997) using data available from 951 companies from the Report on Business Top 1000 Canadian companies for 1996 has found that, of 5252 external corporate directors, 310 (6%) were women and 4942 were men (94%). In addition, for those 480 corporate boards with complete information, 360 had no external women directors (75%), 86 had one external women director (18%), 30 had two external women directors (6%) and 4 had three external directors (1%). Two boards with incomplete information had four external women directors while one board had five external women directors. These figures indicate fewer external women directors serving on corporate boards of directors in Canada than found in similar studies conducted in the United States, where a recent finding indicated about 11%.