



THE VALUE OF WOMEN

Steve Macdonald



“The education and empowerment of women throughout the world cannot fail to result in a more caring, tolerant, just and peaceful life for all.”

Aung San Suu Kyi

INTRODUCTION

The term "Glass Ceiling" is one with wide currency. A Google search of the term delivers over 50 million results. Yet oddly, amongst these, the Oxford Dictionary defines the Glass Ceiling as "an unacknowledged barrier to advancement in a profession, especially affecting women and members of minorities".

Over 50 million search responses is a lot for something which is defined as being unacknowledged. Of course, the quantity of search results doesn't in itself prove that something is real, exists or is factual. A search of the term "tooth fairy" delivers almost 10 million results and there are almost 100 million results for the "health benefits of smoking".

A scan of the companies listed on the Australian Securities Exchange (ASX) using Bloomberg data, however, reveals the startling statistic that of the more than 2,000 companies, less than 10% have a woman on the Board of Directors. The organisation Women on Boards reports that only 15.8% of the Directors of companies in the ASX200 index – the country's largest publicly traded companies – are women.

Of course a glass ceiling does exist. It serves to limit the opportunities for women to become the top decision makers in our corporations. It serves to maintain a monoculture of executive and independent governance of our corporations and to limit and thwart diversity.

Rather than a lack of acknowledgement of glass ceilings, there is a systemic failure by our corporations to address their monoculture and dismantle glass ceilings.

This matters on several levels – the personal, the corporate, and the societal.

It is either bad for investors or an opportunity for those investors tuned into the greater performance diversity delivers, depending on your perspective.

The rise of women through glass ceilings represents a significant opportunity for modern society in both developed and developing countries to shape a future that is different.

Diverse collections of women and men sharing power over economic, financial and business decision-making and supplied with the capital and other resources necessary provides an opportunity for an evolution to a commercial world in which successful corporations are more cognisant of their own footprint, of their interaction with others - whether that be employees, shareholders, competitors or the people denied access to resources and opportunity; and aware of and intent on a more moral way of doing business – in greater harmony with the natural environment and social standards – ie greater corporate social responsibility.

It is an opportunity for what Berry Liberman, publisher of Dumbo Feather magazine, refers to as a changed corporate DNA in which entrepreneurs, executives and board members must ask, "is it good for people?; is it good for the planet?"; and then and only then "is it good for profits?"

This paper – The Value of Women – looks at Gender Lens investing: a means of investing by which business enterprises run by women or with women in senior decision-making positions are favoured.

The report looks at the performance of women-led companies to check if there is researched evidence to support the proposition that Gender Lens investing produces beneficial outcomes for investors and that the allocation of resources to women-led businesses produces more rewarding and productive outcomes.

And finally, The Value of Women looks at the investment in women who do not run corporations or even work within them: the women who are the beneficiaries of gender-lens philanthropy and it charts the ripple effects of giving a hand up to women who can impact their entire communities.

Isabella, a student from Kincoppal Rose Bay School of the Sacred Heart, a member of a youth panel at the **Gender Economics Global Conference 2014**, held at University of New South Wales, told the conference audience that addressing inequality is not the responsibility of those who suffer from inequality. It is a responsibility shared by all of us.

Isabella is right. It is not the responsibility solely of those around the world displaced by war to create the conditions for peace; nor is it the job solely of those living in poverty to shift the economic dial; and it is not up to women alone to bring about culturally relevant gender equity.

The increasing financial empowerment of women as investors and consumers must be matched by an empowerment of women as managers, as executives, as entrepreneurs, as allocators of resources and as the deployers of resources.

Power structures that reward only the behaviours and patterns of masculinity and that marginalise and devalue the behaviours and patterns of femininity are not only wasteful of the talents of more than half of the population. They are neglectful of the richness that diversity brings.

They are also less relevant in a globalised, information age in which we are more aware of the limitations of finite resources and in which power and resources must be shared across an ever increasing number across the globe.

PART I – INVESTING IN WOMEN

DIVERSITY

Gender inequality in the senior ranks of corporations – the so called C-suite - is an issue in most developed and developing countries. Some European countries are amongst the leaders, whereas amongst developed countries, Japan and Australia are notable laggards.

In both countries this comes at a cost. Multiple costs.

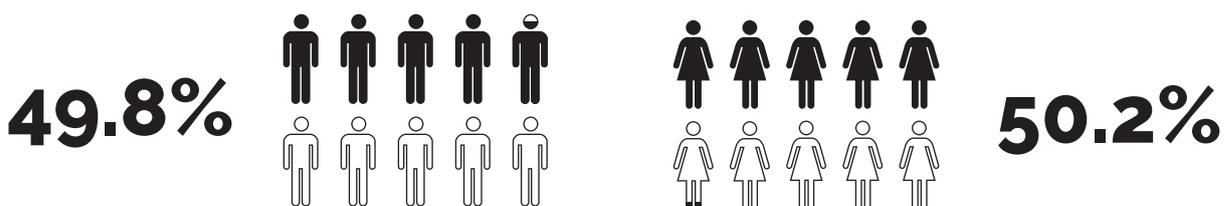
In Australia women are less likely to rise to the top echelons of our corporations than their male peers. The glass ceilings limit the career prospects of women and act as a disincentive for women to pursue corporate careers or to return to corporate careers after "career breaks". As a result young women and girls lose important role models of feminine corporate leaders and our corporations lose not just skilled individuals but complete skill sets more commonly found in women.

Our corporations' boardrooms are highly mono-cultural and our corporations are at a disadvantage as a result. Our society suffers because our corporations are not as effective as they should be and the talents of a significant proportion of our population are not utilised to their full potential.

Women on Boards reports that at their latest count just over 15% of the board directors of companies in the ASX200 index – the country's largest publicly traded companies – are women.

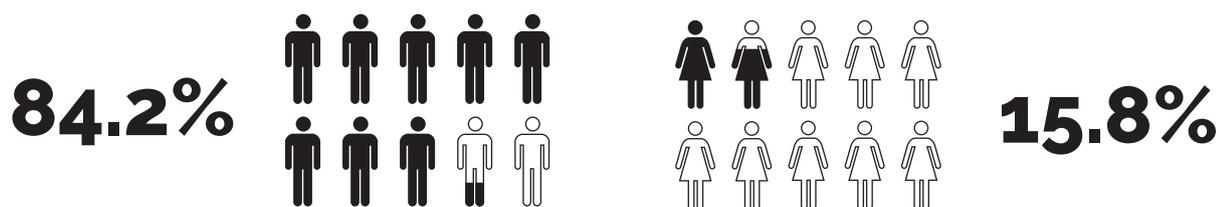
Similarly, the Australian Financial Review's **Boss magazine** reports on findings from analysis performed by it in conjunction with the University of Sydney Business School which found that amongst 72 component companies of the ASX100 index making public disclosure, although the proportion of women working for these large companies was consistent with the Australian workforce average – 53 men for every 47 women, women make up just 25% of senior management roles and just 14% of key management (the C-suite)¹

AUSTRALIAN POPULATION BY GENDER



Source: Australian Bureau of Statistics, 2013 Data

ASX200 COMPANY DIRECTORS BY GENDER



Source: Women On Boards

Deloitte's excellent report **Only Skin Deep? Re-examining the business case for Diversity**² quotes Chubb Insurance Group's approach to diversity which states:

“Diversity is about recognising, respecting and valuing differences based on ethnicity, gender, colour of skin, age, race, religion, disability, national origin and sexual orientation. It also includes an infinite range of individual unique characteristics and experiences ... These life experiences and personal perspectives make us react and think differently; approach challenges and solve problems differently, make suggestions and decisions differently and see different opportunities ... and superior business performance requires tapping into these unique perspectives”.

Considerations of diversity in corporations have become synonymous with issues of gender inequality. Indeed gender is the most stark of the inadequate diversity factors in our corporations. Undoubtedly, investors, the economy, our society and corporations themselves would benefit if boardrooms were less mono-cultural and were more inclusive of women and of minorities that Chubb Insurance Group point to as important elements of corporate diversity.

THE EVIDENCE

The consulting firm, Catalyst, has been researching the economic results of companies with female board directors and comparing these results with other corporations. Their 2011 report **Why Diversity Matters**³ found that companies with the most female board directors outperformed those with the least on return on sales by 16% and return on invested capital by 26%.

Earlier research by Catalyst found even stronger outperformance by companies with women on their boards and that this outperformance included 35% higher return on equity for companies with the highest percentage of women board directors when measured against companies with the lowest percentage of women board directors.

The total return to shareholders (incorporating dividends and gains in stock price) was 34% higher for the companies with the most women on the board.

Catalyst's studies look at US Fortune 500 companies. They indicate that the positive results associated with women board directors hold across a range of

industries from consumer discretionary to IT.

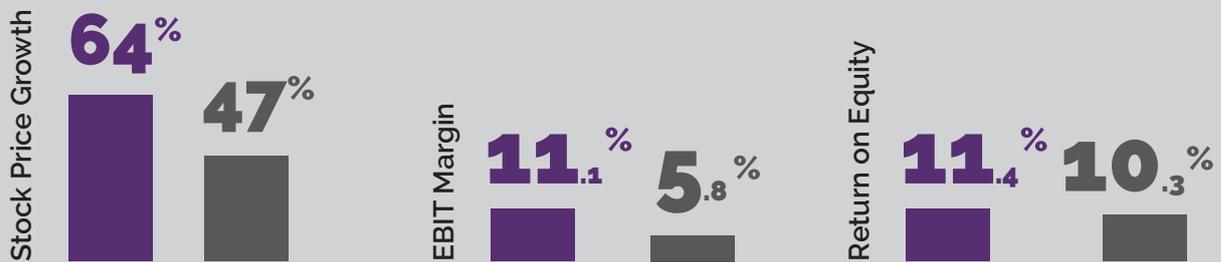
Why Diversity Matters also cites the findings of other researchers whose findings include:

- » that US companies exhibit a positive share price reaction to announcements of appointments of women to senior management positions whereas the same significant share price reaction did not follow announcements of the appointment of men to senior management positions; and
- » a 2008 study of French CAC 40 stocks found that the more women a company had in management positions, the less its share price fell in the GFC period.

McKinsey & Company is another consulting firm to have looked at the impact of gender diversity on corporate performance. **"Women Matter: Gender Diversity, a corporate performance driver"** ⁴ reports on McKinsey's study which found that amongst large companies and not for profit organisations across Europe, America and Asia, companies and organisations with three or more women on their governing body scored more highly across all nine of McKinsey's measures of organisational excellence: leadership, direction, accountability, coordination and control, innovation, external orientation, capability, motivation, and work environment and values.

McKinsey & Company have found that companies most highly ranked on these criteria have higher operating margins and enterprise value to book value than the more lowly ranked companies.

A second study reported by McKinsey found that amongst a sample of companies listed on European stock exchanges, companies with more women in senior positions outperformed their peers during the 2005 – 2007 study period in terms of:



Credit Suisse in their 2012 report **Gender Diversity and Corporate Performance** ⁵ noted the results of Catalyst and McKinsey and set out through a study across a six year timeframe to find if there is evidence of superior stockmarket performance of companies with a greater number of women on

the board, and if there is such evidence, is there any evidence of differences in the financial characteristics of the companies with a greater number of women on the board.

The Credit Suisse study encompassed 2,360 companies spread around the world including developed and emerging economies.

Credit Suisse found that *“companies with at least one woman on the board would have outperformed in terms of share price performance, those with no women on the board. Almost all of the outperformance ... was delivered post-2008 since the macro environment deteriorated and volatility increased”*.

Credit Suisse went on to conclude that *“stocks with greater gender diversity on their boards generally look defensive: they tend to perform best when markets are falling, deliver higher average Returns on Equity through the cycle, exhibit less volatility in earnings and typically have lower gearing (debt) ratios”*.⁶

None of this is to say that women are such superior board directors that the mere presence of one or two at a board table changes laggard companies into dynamos. Rather, as Chubb Insurance’s diversity statement highlights, diversity in decision making ranks brings a greater wealth of perspective and experience.

As Deloitte’s **Only Skin Deep?** report concludes:

*“we see gender and racial diversity as lead indicators of a healthy organisation rather than an end in themselves. ... The story is not about a particular demographic group bringing extra ‘sparkle’ to the workplace because of their special skills and talents. ... At heart, the story is one of diversity and inclusion of all employees, so that a richer knowledge bank is fully leveraged and better business outcomes are achieved.”*⁷

It may be the case that high achieving companies seek to achieve best practice across a range of criteria including corporate governance and workplace inclusion and meritocracy.

It may be the case – as some studies have found – that the inclusion of women in decision making processes changes the way men reach decisions – becoming more deliberative and consultative and placing greater importance on the functioning of the decision making process.⁸

Whatever the cause, or even in the absence of causality, as an investor you do not need to be a feminist, or even to value gender equality or gender equity to see the value of women from a corporate investment perspective. You just need to want to know an indicator of higher return on capital, reduced volatility and enhanced shareholder returns. That indicator is the presence of women – of diversity – on the boards of companies.

There have been fewer high profile studies of the performance of women-led early stage companies but the studies that have been conducted generally show that such companies compare favourably.

Krista Hoffmeister and Emily Nowacki's **Untapped Potential: How Every Organisation can benefit from Gender Diversity**⁹ reports on studies showing that across Europe and the US, early stage women-led companies generally launch with significantly less committed capital than male-led peers and achieved comparable or higher revenue and were less likely to fail.

Again, very attractive characteristics for investors.

GENDER LENS INVESTING

Gender Lens investing is best thought of as

- » Investments that increase access to capital for women entrepreneurs and businesses that have women in leadership roles; and
- » Investments that promote gender equity in the workplace by investing in private sector enterprises with leading diversity or gender policies.

Gender Lens investing has generally been considered as being a form of socially responsible investment – motivated by a desire to either avoid profiting from certain business activities or corporate ethos, or a positive desire to encourage and put capital in the hands of entrepreneurs and corporations that exhibit desirable characteristics.

The growing bank of evidence of the performance of companies with women in senior executive and board positions suggests, though, that the more resounding – and for some, more salient – selling point for a gender analysis investment approach is that such an approach taps into a source of what investors call alpha – ie an exogenous source of higher risk-adjusted returns.

Amongst investors and incubators in early stage investors, groups such as the US-based Golden Seeds, and the Australian group SCALE Investors focus on early stage investment in women led enterprises.

SCALE INVESTORS & GOLDEN SEEDS

Scale is a female focused angel investor network. Scale provides education of angel investors, screening of investment prospects, co-ordinates due diligence and access to a reporting platform.

Scale was modelled on the US-based enterprise, Golden Seeds.

Amongst investment firms providing access to professionally managed gender lens portfolios are the US based Pax World Investments, Barclays and this writer's firm, Infinitas Asset Management.

PAX WORLD INVESTMENTS

Pax is a fund manager incorporating analysis of environmental, social and governance (ESG) factors into investment decision-making. The company provides mutual (managed) funds and Separately Managed Accounts (SMA's) incorporating their ESG analysis.

Pax now also offers a global women's index fund. The index for this fund, constructed by Pax and a firm called Ellevest, is based on scoring companies on criteria of: representation of women on the board of directors, representation of women in executive management, having a female CFO, having a female CEO, and being a signatory to Women's Empowerment Principles.

Pax is active in promoting gender equality, the re-shaping of corporate boardrooms and awareness of gender lens investing.

BARCLAYS

British-based bank Barclays in July 2014, launched an investment product – Women In Leadership Exchange Traded Notes. These securities will track exposure to the basket of US stocks comprising the Women In Leadership index developed by Barclays and are unsecured debt securities of Barclays.

Consistent with the data referred to above pointing to better performance from companies exhibiting gender diversity, the Women In Leadership Index has outperformed the S&P 500 Total Return Index by 1.2% pa over the 5 years to mid-2014.

INFINITAS ASSET MANAGEMENT

Infinitas is a boutique, Values-based investment manager and advisor with offices in Sydney and Melbourne.

The company provides Individually Managed Portfolios and Separately Managed Accounts for private investors, self-managed superannuation funds and not for profit groups.

Whilst Infinitas applies an over-arching set of principles in deciding upon investments in general, alongside other investment products and services, particular investment products apply a gender analysis of companies' boards and senior management in assessing business quality – a key factor in determining investment decision-making. The gender lens products and services sponsor - through a sharing of management fees arrangement - the Victorian Women's Trust.

Infinitas is working with the Centre for Gender Economics and Innovation in developing a performance index – similar to the Barclays Women In Leadership Index and the Pax Ellevest Index – which it plans to launch for the Australian market in 2015.

There are, of course, countless women seemingly a world away from the C-suite. Some are in our own backyard while others are refugees from persecution, living in poverty in less-developed countries or in war-ravaged parts of our world.

These are the women for whom empowerment is not about a seat on the Board and cracking the glass ceiling but about a roof over their head, food on the plate for them to eat (and not just for their family's males), life without violence, without war, disease, genital mutilation, people trafficking. These are women who dream of a life without being without education, without income, security, access to clean water, and belief that the lives of their daughters will be any different.

It is a very different sense of empowerment when it is the power to control your own personal physical security and well-being – or that of your daughters and sons – that is the issue.

These women are of no less value and investment in these women is no less valuable.

Investment in these women who are so far removed and disconnected from corporate, social or political power – whether through philanthropy or through impact investment – carries with it the potential to change their lives. In turn this enables them to change the lives of their families, their communities, their societies.

Such investment carries with it an understanding or, at least, recognition that, while we might be participants in an economy, we are also members of a society: the boundaries and geography of which lie in our minds – our perceptions and imaginings.

Investment in these women carries with it the potential to change us as well. Australia's foreign aid program acknowledges and actively promotes not just the positive aspects for developing countries that is derived from women-focused aid programs but recognises that raising the living standards and economic capacity of developing economies, is of benefit to the Australian economy also.

Australia's Foreign Minister, Julie Bishop in an address to the National Press Club in June 2014, flagged that Australia's aid budget would increase its emphasis on "aid for trade" and that the Government would look to engage the private sector in aid-related public-private partnerships, designing and delivering investments and addressing constraints to economic growth.¹⁰

Foreign Minister Bishop also outlined a requirement that 80% of investments must effectively address gender issues including addressing violence against women amongst other impediments to women's participation in developing economies.¹¹

But beyond this pecuniary benefit, the empowerment of women denied basic rights helps us to see the inter-connectedness of us all – that the woman

in a field in Sri Lanka seeking micro-finance could easily be, in different circumstances, a woman in a boat with her children seeking asylum, a woman in Dandenong needing help to get corporate clothes for a job interview, a woman in a corporation in Sydney in need of affordable childcare, or a woman at the highest level of government denied the respect of office naturally delivered to men.

Mary Crooks AO, Executive Director of the Victorian Women's Trust writing in her booklet produced by the VWT, **Gender Lens for inclusive philanthropy**¹², states that while the experience of inequality is felt by males on the basis of race, sexuality, class, age, disability, and geography, it is women and girls – within and across cultures – who more commonly experience disadvantage in economic security, health, well-being and political participation.

Mary Crooks goes on to quote James Wolfensohn, President of the World Bank from 1995-2005, stating:

*“Where gender inequality persists, efforts to reduce poverty are undermined ... numerous studies and on-the-ground experiences have shown that promoting equality between men and women helps economies grow faster, accelerates poverty reduction and enhances the dignity and well-being of men, women and children”.*¹³

The World Bank's 2012 World Development Report, **Gender Equality And Development**¹⁴, highlights that despite progress in gender equality over the past 25 years significant gender inequality persists in areas of health – what the World Bank describes as “excess deaths of girls and women” – most notably in countries hardest hit by the HIV/AIDS epidemic; schooling; access to economic opportunities; and differences in voice in households and in society.

The report concludes that aside from gender equality being a matter of importance in its own right, there are economic reasons for seeking gender equality as an objective.

These economic considerations are:

- » as a tool in accelerating economic development – as an example increasing girls' access to education can lead to significant gains in productivity; increasing property rights and associated access to credit can increase the community's collective capacity to fund items of capital or productive inputs such as fertilizer;
- » there are strong links between the prosperity and status of women and the potential for good health and educational and future economic prospects for their children; and
- » increased participation by and involvement of women in social and political structures can make institutions more representative and accountable and lead to better policy choices.

Other organisations including the Clinton Global Initiative, The Bill & Melinda Gates Foundation, the International Monetary Fund and the United Nations

Foundation have all highlighted the importance of addressing gender inequality – not just because of the rights of women and girls to have equitable rights of opportunity but because it produces benefits across societies and economies.

The United Nations Foundation short paper **Why Invest in Adolescent Girls**¹⁵ concludes that “the choices and opportunities available to adolescent girls will determine ... whether the world population stabilises closer to 8 billion or 10 billion; whether the Earth’s environment is sustained; and whether the cycle of poverty is broken in service of prosperity and security. It is imperative that the international community summon the wisdom and resources needed to prepare, respect, empower and protect adolescent girls.”

The International Union for the Conservation of Nature (IUCN) incorporates the consideration of gender issues in its work as it considers that “gender equality and equity are... a pre-condition for sustainable development and the achievement of IUCN’s mission”.¹⁶

Julie Reilly’s 2013 publication *Gender-Wise Philanthropy: Strengthening Society by Investing in Women & Girls*¹⁷ published by Women Donors Network cites figures showing:

- » when women earn income, they reinvest 90% into their families, compared with 30 – 40% for men;
- » 1 million children worldwide die each year because their mothers have died; and
- » women in Australia are 2.5 times more likely than men to live in poverty in their old age.

The Gender-Wise Philanthropy report presents the argument that in the face of entrenched inequality globally, the status quo of women’s disadvantage will continue unless philanthropic investment specifically addresses gender considerations. A gender lens approach is an additional step to improving the effectiveness of giving – not just for women but for their communities as well.

The Gender-Wise Philanthropy publication is an excellent resource for philanthropists looking to inform their grant-making with a gender perspective.

Philanthropists interested in gender-focused channels for their philanthropy have a rich array of choice. They are spread around the world. In this paper, three Australian organisations are highlighted.

They are highlighted not because they are necessarily “better” than peer organisations here or elsewhere but all are effective, potent and serious modern organisations, well governed, committed to gender lens philanthropy or modern, culturally sensitive aid and which support their work with a body of written work enabling assessment, understanding and analysis of their social investment credentials.

ACTION AID AUSTRALIA

Action Aid Australia is a member of the international federation of Action Aid organisations whose mission is to work with poor and excluded people to eradicate poverty and injustice. Action Aid Australia states that they put women's rights at the centre of all of their work "because women are both the most vulnerable social group and the most effective change makers".

Their 2012 – 2017 strategy document **Changing the Rules**¹⁸ makes excellent reading for anyone interested in learning about gender inequality, means of addressing it and positive messages of action, engagement and purpose.

Action Aid, through partnerships with local organisations, is active in 45 countries where there is acute need to address women's rights issues and where populations are at risk through poverty, social dislocation and emergencies such as war, drought or natural disaster.

It is women who are at greatest risk in emergencies.

Action Aid seeks to build preparedness for emergencies amongst vulnerable communities and its focus is on building capacity and preparedness particularly amongst women. During emergencies it is the poorest, most excluded and most vulnerable members of a community whose vulnerabilities are exacerbated. Predominantly around the world these are women.

The investment made by groups such as Action Aid – and the philanthropists who support its work – appears to be providing a significant return in terms of lives saved, communities strengthened and women improving their status.

In Bangladesh – one of the countries in which Action Aid Australia is engaged – the 1991 cyclone killed 138,000 people while 2007 cyclone Sidr killed 3,447 people. The devastating 2013 cyclone Mahasen killed 17 people. The greatest difference which contributed to the lowering of these terrible numbers of deaths was evacuation warnings.

Local women trained in preparedness disseminated the government's warnings throughout their villages and supported vulnerable people including pregnant women, the aged and infants to evacuation shelters.

The women are also trained in response measures. Damage assessment committees made up entirely of women went into affected areas and reported findings, led the budgeting process for relief and reconstruction, selection of labour, distribution of materials and monitoring.

The third element of the emergency training programs is resilience. Local women are trained in water and sanitation management, vegetable gardening and land rehabilitation.

In keeping with a conduit for impactful and rewarding investment, Action Aid has established a thorough monitoring and evaluation framework that is incorporated into each project design and budget.

THE VICTORIAN WOMEN'S TRUST

Australian women and girls – and in particular – Victorian women and girls are the focus of the Victorian Women's Trust which was established in 1985 (at the time of Victoria's sesquicentennial celebrations) with a grant from the Victorian government as an acknowledgement of the contribution of women and girls to Victorian society and with a mandate to advance the interests of women and girls in that State.

The Victorian Women's Trust is active in funding community projects, undertakes research, runs projects and provides advocacy across a range of areas of importance to women and girls including their health and physical security and well being, social justice and equity and economic security and engagement.

Examples of the Trust's work include:

- » Rosie Respect – an online space (rosierespect.org.au) and resource for young women centred around a theme of respect incorporating aspects of respect for one's body and mind, relationships, at work and in society;
- » Be The Hero – a violence prevention education program focused on boys and young men that encourages the building of respectful relationships with women and girls; and
- » The Waratah Project – a project looking at the ways menstruation and menopause are viewed and which looks to move our society from a position of shame and embarrassment towards more positive and affirming ways of viewing these experiences.

Its advocacy is unique in the Australian context. It is vocal, spirited and unflinching in its calling out of inequity and disadvantage for women.

Today the Trust is funded through philanthropic support. The investment by these donors in the Trust's work provides a social dividend in the form of a progression to a society in which young men increasingly understand that their sisters' desire for a life without fear of violence is their birthright and a society in which young women feel empowered to articulate that.

INTERNATIONAL WOMEN'S DEVELOPMENT AGENCY

The IWDA is a not for profit development agency focused on gender equality and women's rights in the Asia Pacific region.

IWDA works with local women's organisations as program partners across the region and is active across 3 key thematic areas – Women's Safety and Security; Women's Civil & Political Participation; and Women's Economic Empowerment & Sustainable Livelihoods – in countries including Cambodia, PNG, Timor Leste, Fiji, the Thai/Burma border and Solomon Islands.

IWDA is very aware of the importance of accountability – articulating the issue or need that it is to address through its programs in partnership with local organisations; measuring the impact of those programs; and reporting these via newsletters, its exemplary annual report and its website. This helps to build confidence amongst donors that their philanthropy is indeed an investment in the women of the Asia Pacific region with social outcomes of improved well-being of women and their communities as their dividend.

An example of this is in the thematic area of Women's Economic Empowerment & Sustainable Livelihoods. In the Solomon Islands, the IWDA 2013 Annual Report notes that the livelihoods of communities are intimately connected to natural resources. Sustainable natural resource management is vital to the medium and longer term economic, health and social well-being of these communities as too are issues of improving productivity and representative decision-making.

IWDA has partnered with Live & Learn Environmental Education, Solomon Islands and West Are'Are Rokotanikeneni Association on programs supporting sustainable natural resource management and alternative livelihoods within formerly logging dependent communities and savings clubs managed solely by women.

IWDA reports impressive numbers from these two investments:

- » 18 Savings Clubs with over 800 women participating;
- » 52 income generating projects funded through the Savings Clubs;
- » 250 women pooled their savings to purchase solar panels bringing electricity to 1,250 homes for the first time; and
- » 12 rural zones and 1 urban zone hosting financial literacy training.

The donors who financially support IWDA's work can feel proud of such returns that their investment is delivering.

CONCLUSION

Globally, women's incomes are less than those of men. Women are more likely than men to live in poverty in old age, to be the victims of domestic violence, to be without education, property rights, political engagement and social power.

What then is the Value of Women?

Of course, the title of this paper is deliberately facetious and provocative.

In a world in which human trafficking is all too common, and slavery and exploitation are horrors that are all too real, and with women and girls representing a significant proportion of the victims of these cruelties, it is important to remind ourselves that despite these things putting a price on women, the value of a woman, of a man, of girls and of boys cannot be quantified.

All people are of equal value of course. This is the only measurement that can be applied.

But there is differing value in what people do, in how we think, how we act, how we combine, and in what we create. And we are all diminished when we act to exclude the value that exists in our diversity.

All people are of equal value. The key starting point to raising the prosperity of all people, though, is for investors and philanthropists to incorporate gender analysis into their capital allocation – to address female inequality in a culturally sensitive manner and to embrace diversity.

As Isabella of Kincoppal Rose Bay school reminded us, this is an opportunity for male investors and philanthropists and female investors and philanthropists alike.

For investors in corporations there is strong evidence to suggest that women in high level decision making positions will enrich you with higher returns whilst lowering your risk or investment volatility. Not bad. Investors scour the world looking for some sort of edge like that and expend large sums in trying to find a similar headstart on the market or source of alpha.

For philanthropists making investment in social change and addressing poverty and social inequality, there are multiple channels for highly impactful and strongly effective gender focused social investment.

The opportunity is there for investors to profit from the value of women and in the words used recently by Emma Watson at the United Nations, “if not me, who? If not now, when?”¹⁹

NOTES

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ABOUT THE WRITER

Steve Macdonald is Co-Founder and the Investment Director of Infinitas Asset Management Limited – a Values-based investment management and advisory firm. He has previously produced the report "**Investing Like A Woman**" which looks at the successful investment behaviour common amongst many female investors and was a speaker on Gender Lens Investing at the Gender Economics Global Conference at University of New South Wales in June 2014 and at the Private Wealth Network Family Office Congress VII in October 2014.

He has worked in investment and financial markets for over twenty years. Steve holds a Bachelor of Economics and a Master of Applied Finance degrees.

Infinitas Asset Management Limited actively and proudly invests in women. It has investment and superannuation products and services which consider gender diversity in Board and senior management positions in assessing business quality in the investment selection process. Infinitas is a sponsor of the Victorian Women's Trust and a donor to the International Women's Development Agency and Action Aid and is a signatory to the United Nations Principles of Responsible Investment and a member of the Responsible Investment Association of Australasia.

Infinitas seeks through its own philanthropy to empower women and men who are subject to disempowerment, who suffer systemic disadvantage and inequality of opportunity or chronic disease. It seeks also to respect and protect the natural environment and to promote sustainability.

The company is a conservative, Values-based investment manager for private individuals, self-managed superannuation funds, charitable foundations, family offices, and not for profit groups. It welcomes new clients with a minimum of \$20,000 of superannuation or investment funds.

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