

## IATA Economics' Chart of the Week

Women are still under-represented in leading positions at airlines



- Ahead of International Women's Day on 8 March 2022, we look at the situation for women in leadership positions at airlines and globally.
- 6% of airlines have a female CEO, broadly in line with 5% global average reported by Deloitte in 2022 (<u>Women in the boardroom: a Global perspective</u>).
- Among other categories of C-suite positions, Human Resources are in the lead with 40% of such directors at airlines being women. Female Chief Operating Officers are as rare as the Chief Executive Officers, while other executive positions are filled by women to the height of 12-13% among airlines (see chart above).
- In 2019, IATA launched its "<u>25by2025</u>" initiative as a voluntary industry-wide campaign that focuses on improving female representation in the industry. The campaign targets not only airlines but also aircraft manufacturers, and aviation-services providers. Currently, 100 signatories have committed to reaching 25% of leadership positions being held by women in 2025, or to deliver a 25% improvement in such numbers by that year.
- In pure economic terms, all forms of under-representation of a group of persons in the workforce are akin to reducing the available pool of labour and will lead to inferior economic outcomes for all. The World Bank found in 2020 that if women earned the same as men, global human capital wealth could increase by about one-fifth.
- On the business side, an <u>Australian study</u>, based on six years of Australian companies' gender reporting to the federal Workplace Gender Equality Agency, concluded that firms which appointed a female CEO increased their market value by 5%. Lifting the number of women in other key leadership positions by 10% or more, produced a boost to a company's market value of 6.6%.
- Investors are paying attention. In the 2021 proxy season, three shareholder resolutions were filed at US companies requesting public disclosure of demographic workforce data, of which two received over 80% support. Six proposals requesting enhanced reporting with respect to equality of opportunity, promotion and retention were voted on, and three received majority support.

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