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## Commitment to Board diversity - Watermark Search International adopts Code of Conduct

Nick Waterworth, Managing Partner, Watermark Search International today announced that his firm had unilaterally adopted a new Board of Directors Code of Conduct.

The Code is focused on board appointments aimed increasing emphasis on board diversity and at delivering real and effective change.

“One of the key elements of the Watermark Code is that on long lists of possible directors in Search engagements, at least 30% of the names presented will be women, and if they are not we will explicitly justify why there is a lower percentage,” said Mr Waterworth.

Watermark is committed to the idea that organisations are more successful if they field a highly effective board.

“The research indicates that diversity is an important contributor to effectiveness,” said Mr Waterworth. “Involvement by search firms in board appointments has risen significantly over the last five years as organisations strive to improve the governance in the process of appointments.”

He noted that this is widely regarded as a positive development and that he believed that the Watermark Board Search Code takes this to the next level.

“The issue of women on boards is top of mind for most boards around Australia – we support this and are committed to adding to the momentum already achieved in increasing the representation of women.”

*About Watermark Search: Watermark is the pre-eminent Australian-owned executive search firm.*

*First established in 1979, the firm conducts searches nationally and internationally from our headquarters in Sydney. Operating across the private and public sectors we specialise in executive search, board appointments and interim management.*

[www.watermarksearch.com.au](http://www.watermarksearch.com.au)

# The Watermark Board Search Code of Conduct

## Introduction

Watermark Search has unilaterally adopted recommendation 8 of the UK-based Davies Report which proposed that the executive search community should draw up a voluntary code of conduct to address gender diversity on corporate boards and best practice for the related search processes.

The Report proposes challenging targets for improving the representation of women on the boards. Watermark Search is committed to help our clients increase the effectiveness of their boards and we acknowledge the value that diversity can bring.

We strongly endorse the important role that executive search needs to play in supporting chairs and nominations committees as they take steps to increase the proportion of women on their boards, in both the private and public sector.

The Watermark Board Search Code, outlined below, lays out steps that we follow throughout the search process, from accepting a brief through to final induction.

## The Watermark Board Search Code of Conduct: Provisions:

- **Succession Planning:** We support chairs and their nomination committees in developing medium-term succession plans that identify the balance of experience and skills that they will need to recruit for over the next two to three years to maximise board effectiveness. This time frame will allow a broader view to be established by looking at the whole board, not individual hires; this should facilitate increased flexibility in candidate specifications.
- **Diversity Goals:** When taking a specific brief, we look at overall board composition and, in the context of the board's agreed goals on gender balance and diversity more broadly, explore with the chair if recruiting women directors is a priority on this occasion.
- **Defining Briefs:** In defining briefs, we work to ensure that significant weight is given to relevant skills and intrinsic personal qualities and not just proven career experience, in order to extend the pool of candidates beyond those with existing board roles or conventional corporate careers.
- **Long lists:** When presenting long lists, we strive to ensure that at least 30% of the candidates are women – and, if not, we explicitly justify to the client why there are no other qualified female options by demonstrating the scope and rigour of our research.
- **Supporting Candidates:** During the selection process, we provide appropriate support to candidates, in particular to first-time candidates, to prepare them for interviews and guide them through the process.
- **Emphasising Intrinsic:** As clients evaluate candidates, we ensure that we continue to provide appropriate weight to intrinsic, supported by thorough referencing, rather than over-valuing certain kinds of experience.
- **Induction:** We provide advice to clients on best practice in induction and 'onboarding' processes to help new board directors settle quickly into their roles.