

In Luxury, a Growing Female Factor at the Top

An Industry Propelled by Women but Dominated by Men

By ELIZABETH PATON

For a multibillion-dollar industry propelled by female purchasing power, global fashion is a notably male-dominated industry, not only creatively but also commercially.

While the gender imbalance in designer hires often grabs the headlines, because their talents play out in the limelight, female chief executives historically have also been few and far between, despite a recent spate of high-profile appointments.

But there are signs that this is one industry-defining trend that may no longer be in vogue.

In the last 12 months, the French luxury group Kering, which owns such brands as Gucci, Bottega Veneta and Saint Laurent, recruited as chief executives Sarah Crook for the Christopher Kane brand; Hélène Poulit-Duquesne for Boucheron; and Grita Loeb sack for its couture and leather goods emerging brands division. Those appointments doubled Kering's female chief executives to six, out of a total of 22 brands.

In combination with the work of the Kering Foundation, which combats violence against women and promotes women's rights, gender equality appears to have rapidly become a priority, with boardroom recognition that it needs more universal resonance.

"Kering has been among the first to pay attention to gender equality at all levels of our organization. It doesn't only walk the talk in putting into practice gender equality and women's rights," said Patricia Barbizet, vice chairwoman of the Kering board of directors and chief executive of the luxury auction house Christie's, both of which are controlled by the Pinault family.

"Talent has no gender, and there are many qualified female candidates everywhere," she said. "Why would we deprive ourselves from this talent pool?"

Now that female university graduates outnumber male graduates roughly two to one worldwide, simple math dictates there will be more female candidates for executive jobs.

But there is another, subtler element that may be a catalyst for the current change in attitude: acknowledgment of a major cultural shift toward the empowerment of women and both its impact on consumer value systems and the resulting new way of thinking about customer engagement in an era when

average fashion shoppers are more educated and digitally savvy than ever before.

With women responsible for 85 percent of luxury sales in 2015, luxury brands need to speak to female hearts, minds and wallets at every level of the business.

"Today, things are moving more than people think," said Floriane de Saint-Pierre, a luxury headhunter in France and a well-known adviser to the Kering Group. "The situation is improving, with some groups now being very proactive in either promoting or hiring women as chief executives."

She believes that the current trend will continue as the attitudes of board members — those in charge of chief executive nominations — evolve and become more diverse.

But statistically, men — in every field of business — are still more likely to know, to identify with and to promote other men. And many companies primarily stock their boards with former chief executives, creating a continuing cycle that limits opportunities for female candidates. So in 2010, Ms. de Saint-Pierre founded a digital platform, Ethics & Boards, to assess the board composition of 33 publicly traded companies on multiple criteria.

As of September, it found that fashion and luxury boards had an average female membership of 25 percent. Some companies had a perfectly balanced board; nine had less than 20 percent female representation; some had no women at all. Notably, four companies had 40 percent or more female directors: Hermès, based in Paris, and three in the United States: Michael Kors, Estée Lauder and Kate Spade, all with headquarters in New York.

"The question for brands now," Ms. de Saint-Pierre said, "is how they can optimize growth strategies and minimize risks when the diversity of the board itself neither reflects its audience or consumers."

LVMH, the world's largest luxury conglomerate, with a portfolio of more than 70 brands, appears to be focused on taking a bottom-up approach. Fourteen percent of its chief executives are women, as are four of its 17 board members, although women make up 74 percent of its work force worldwide and 73 percent of its annual graduate intake.

"We need to fuel the future of our brands and, in order to do that, we need to fuel the success of our women," said Chantal Gaemperle, executive vice

president of human resources and synergies at LVMH. "We can do better in terms of getting them into top jobs, but we've made a lot of progress already, much of which is to do with our goal of nurturing females, encouraging their ambitions and facilitating their career paths across both product sectors and brands in order to train them, retain them and eventually get them into C.E.O. roles further down the line."

Conscious that women were entering the industry at its lowest levels but not proportionally rising to the top, LVMH created a major internal effort in 2009 by the name of "EllesVMH" — using the French word to indicate a feminine group. The initiative, now operating worldwide, was designed to encourage skills development and network-building among female employees.

"One of my great passions is seeing these young women come up through our company pipeline and helping them to navigate and manage their professional paths within a strong community," said Pamela Baxter, chief executive in North America for LVMH perfumes and cosmetics, as well as president of Christian Dior Couture. She also spearheads many of the program's events in the region.

"I was lucky enough never to encounter a glass ceiling in my career, but that doesn't mean that they don't exist," Ms. Baxter said. "A sense of transparency is essential if we are to build up female self-confidence and greater understanding of the balancing acts necessary to be a corporate executive who is No.1 in their game."

A continuing question, of course, is whether there is anything wrong with women's consciously choosing to be No. 2. Simon Nyeck, a professor at Essec Business School in France and the academic director of its M.B.A. program in international luxury brands management, noted that while about 80 percent of his incoming students are women, and many have gone onto senior management roles, "proportionally this is still a business run by men."

"Historically, most women we've taken on the course have wanted to focus on branding and marketing," he said. "They are brilliant at what they do but haven't fully comprehended the unglamorous sides of luxury, like supply chains, balance sheets and operational management. I've had to work hard to attract women from more conventional M.B.A. tracks who felt that was the only way to get to the top. Now,

I think, in the next few years, we will see more and more of them emerge for C.E.O.s — if that's what they want."

Amid lingering sexism and the struggles of many women with families to find a work-life balance, another considerable challenge is how to offer a springboard to the women in middle and senior management roles who decide life as No.1 is simply not for them.

Isabelle Guichot, the Balenciaga chief executive, believes that taking that last leap remains a personal choice, often dependent on external personal circumstances that go beyond flexible work arrangements or maternity leave. "I would never have got to where I was today without the support of my partner, if I'd had to make choices that were too painful," she said. "I was lucky."

"It is tough, but you can have the per-

sonality, managing skills, intelligence and drive, but sometimes it is not quite enough if the timing is not quite right," she continued. "Sometimes you simply cannot take a new job, move to a new country, change a company and mother two children. You have to be realistic."

The road to an equal ratio of male to female chief executives among luxury brands is still long and littered with institutional barriers. Ms. Barbizet of Kering acknowledged: "There is still progress to be made to ensure that women are given access to the positions they deserve."

Still, some of those who have made it to the 21st-century C-suite appear sure that a colleague's gender will not matter to those who will, in time, follow them through the door.

"I think in luxury fashion there was a

time when women were perhaps more associated with creative and marketing roles, but I think that is very much historic now," said Ms. Crook, who was appointed chief executive to the star British brand Christopher Kane after working as a vice president at Stella McCartney.

"It is no secret that women are typically strong multitaskers, and, as the industry today demands higher standards and greater pressures across multiple areas, we have the propensity to make good leaders and stronger emotional connection with our teams," she continued.

"It's easy to make gender stereotypes, but at the end of the day it is about having the right skill set to fulfill multiple functions, regardless of gender. That should always be the deciding factor appointing senior management."



TOP ROW: DOMINIQUE MAITRE/WWD; DIDIER GOUPY; PATRICK MCMULLAN, VIA ASSOCIATED PRESS; JACQUES BRINON/ASSOCIATED PRESS. BOTTOM ROW: STEFANIE KEENAN/GETTY IMAGES FOR CHRISTOPHER KANE; FLORIAN DAVID/AGENCE FRANCE-PRESSE — GETTY IMAGES; KIMBERLY WHITE/GETTY IMAGES FOR DIOR; MICHAEL BOWLES/HARVEY NICHOLS.

Top row, from left: Isabelle Guichot of Balenciaga; Patricia Barbizet of Kering and Christie's; Maureen Chiquet of Chanel; and Delphine Arnault of Louis Vuitton. Bottom row: Sarah Crook of Christopher Kane; Francesca Bellettini of Saint Laurent; Pamela Baxter of LVMH and Christian Dior; and Stacey Cartwright of Harvey Nichols.