

TUESDAY 1ST FEBRUARY 2022

**SINGLE-GENDER LED BUSINESSES 37% MORE LIKELY TO FAIL THAN  
BUSINESSES LED BY BOTH MEN AND WOMEN**

New Research has found that Australian businesses with boards made up of one gender are far more likely to fail compared to businesses with a mix of both male and female directors.

The research, released today, suggests that businesses led by both men and women were most likely to survive the turbulent business environment created by COVID-19.

The research examined the failure rate of close to 1 million Australian businesses over the last 12 months, and found that:

- Single gender led businesses were 37% more likely to fail over the past year when compared to businesses with a mix of both male and female directors.
- In Education and training businesses, that discrepancy ballooned to a 78% increase in the failure rate of single gender led businesses.

Purpose Bureau tracked the performance of close to 1 million Australian businesses over the 2021 calendar year and determined 'failure' to be defined as the deregistration of a business that operated *actively* in the previous 12 months, from the date of deregistration.

Business with at least one female and one male director were less likely to fail than businesses with a single director of either sex, or business with several directors of the same gender.

Purpose Bureau CEO Nick Kamper today commented on the findings: *"This preliminary research, conducted over a very large cohort of Australian businesses, clearly suggests that gender diversity in leadership leads to better business outcomes."*

*"The research requires further analysis to fully understand the dynamics at play, but it's further evidence that Australian businesses benefit greatly from a diversity of views and experience at the leadership level."*

*"Management experts often argue that contest in thought creates better management outcomes, but this new research uses hard data to back up those claims. Gender diversity is not just 'a nice to have', it is actually linked to superior business performance."*

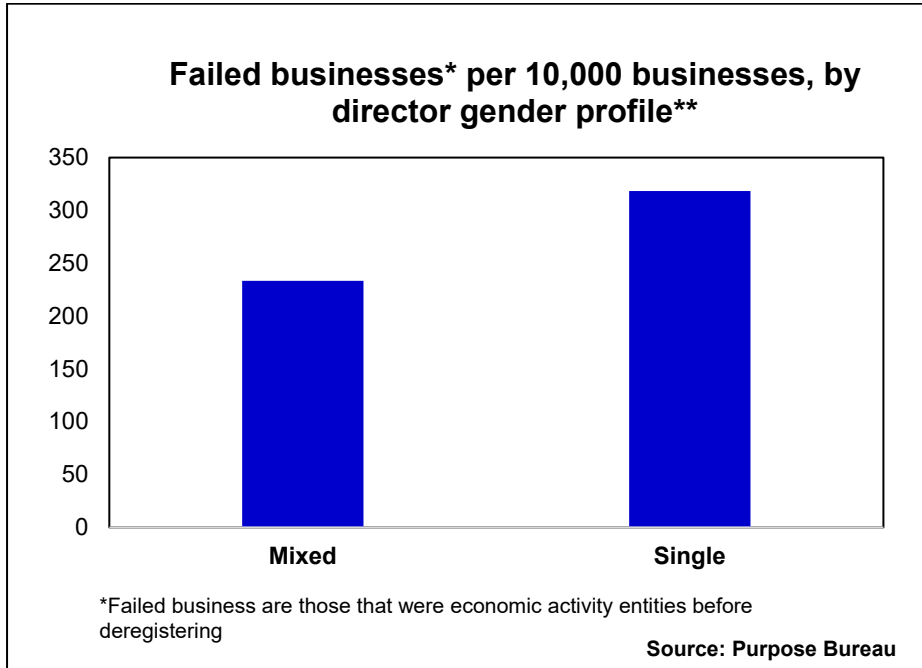
Purpose Bureau tracks real-time ESG and business intelligence on over 2.4 million Australian businesses. The business has developed proprietary technology to collect real time insights from over 500 data sources. Purpose Bureau use these insights to create ESG profiles of every business in Australia. [www.purposebureau.com](http://www.purposebureau.com).

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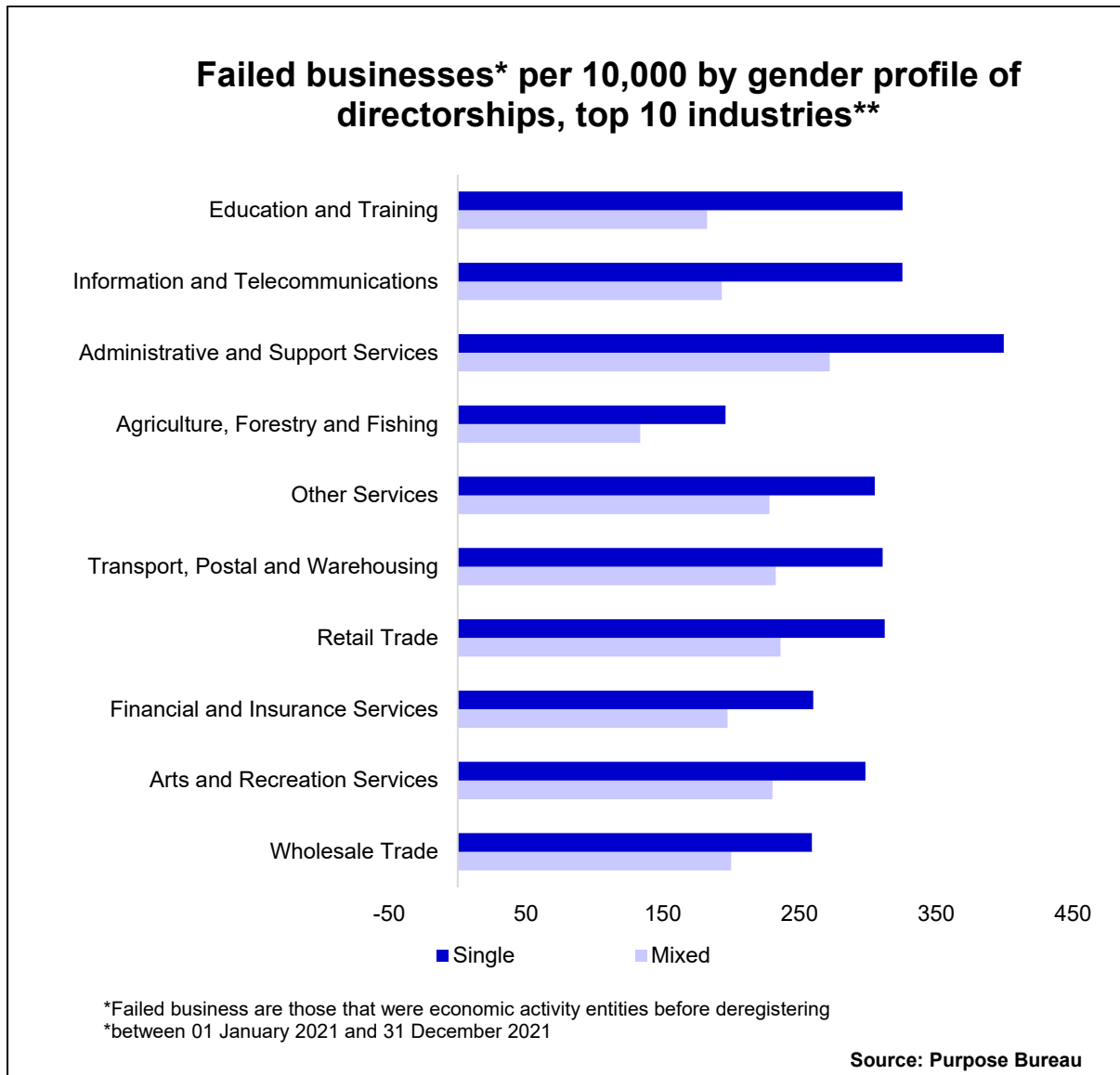
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### Graphs

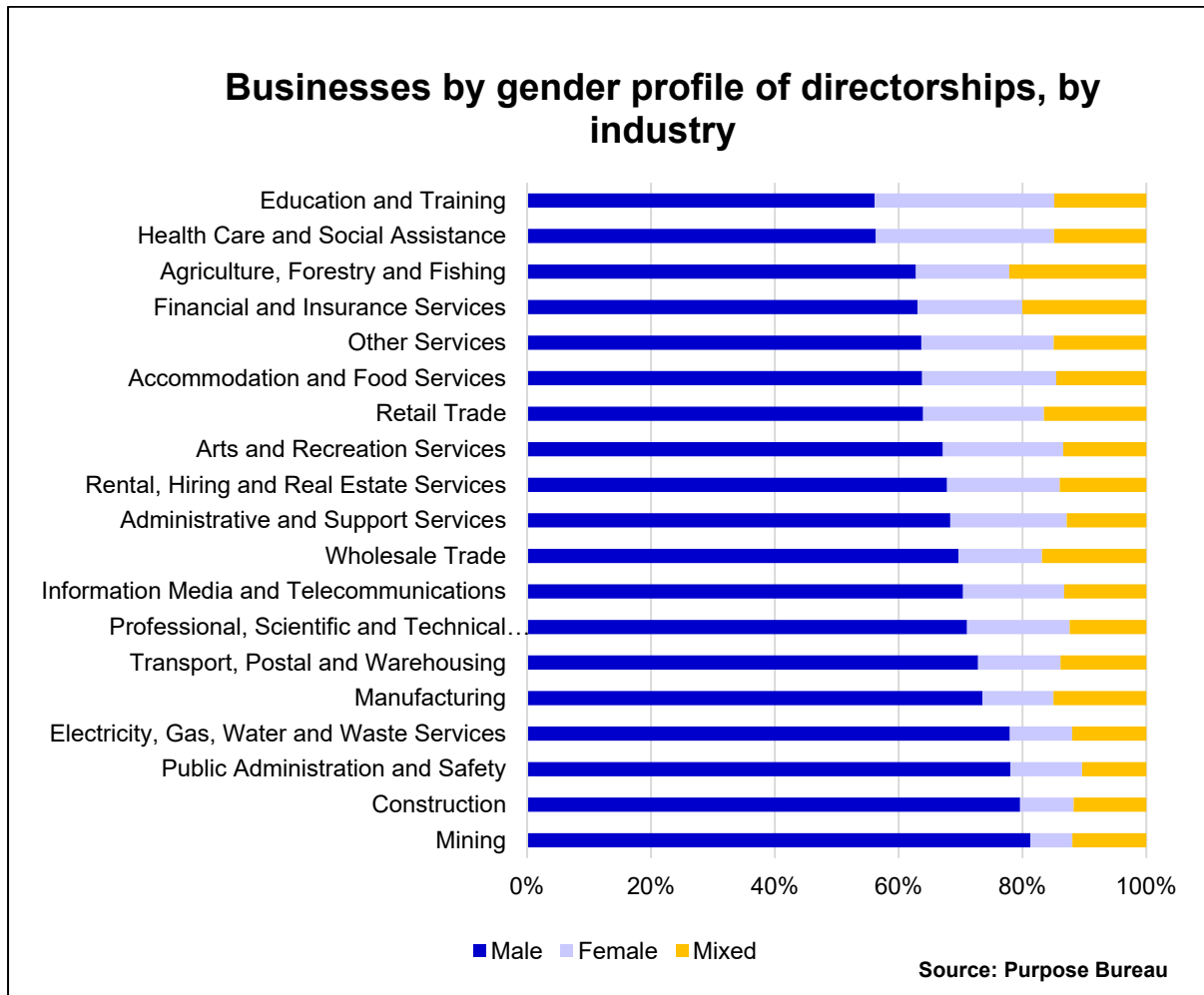
Graph 1: Number of failed businesses per 10,000 businesses, by director gender profile



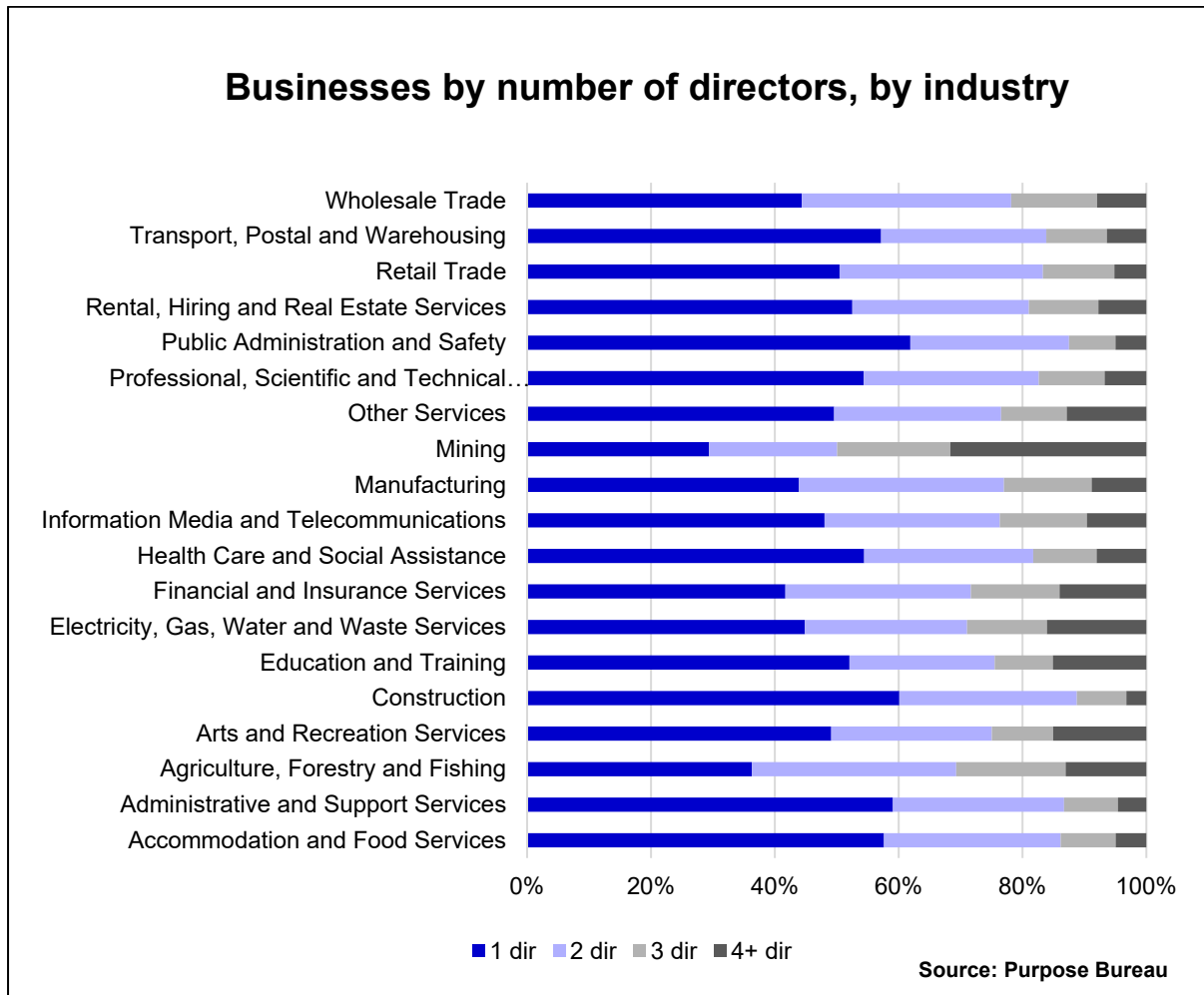
Graph 2: Business failure rate by gender profile of directors – top 10 industries



Graph 3: Businesses by gender profile of directorships in Australia, by industry



Graph 4: Businesses by number of directors, by industry



**Data tables**

Table 1: Number of failed businesses per 10,000 businesses, by director gender profile

Directorship gender profile	Failed businesses
Mixed	233
Single	318

Table 2: Business failure rate by gender profile of directors – top 10 industries

	Failure rate - Mixed	Failure rate - Single	% difference between mixed and single rate
Education and Training	182	325	78%
Information Media and Telecommunications	193	325	68%
Administrative and Support Services	272	399	47%
Agriculture, Forestry and Fishing	133	196	47%
Other Services	228	305	34%
Transport, Postal and Warehousing	233	311	34%
Retail Trade	236	312	32%
Financial and Insurance Services	197	260	32%
Arts and Recreation Services	230	298	29%
Wholesale Trade	200	259	29%

Table 3: Businesses by gender profile of directorships in Australia, by industry

Industry	Male	Female	Mixed
Mining	81%	7%	12%
Construction	80%	9%	12%
Public Administration and Safety	78%	12%	10%
Electricity, Gas, Water and Waste Services	78%	10%	12%
Manufacturing	74%	11%	15%
Transport, Postal and Warehousing	73%	13%	14%
Professional, Scientific and Technical Services	71%	17%	12%
Information Media and Telecommunications	70%	16%	13%
Wholesale Trade	70%	13%	17%
Administrative and Support Services	68%	19%	13%
Rental, Hiring and Real Estate Services	68%	18%	14%
Arts and Recreation Services	67%	19%	13%
Retail Trade	64%	20%	17%
Accommodation and Food Services	64%	22%	15%
Other Services	64%	21%	15%
Financial and Insurance Services	63%	17%	20%
Agriculture, Forestry and Fishing	63%	15%	22%
Health Care and Social Assistance	56%	29%	15%
Education and Training	56%	29%	15%

Table 4: Businesses by number of directors, by industry

Industry	1 dir	2 dir	3 dir	4+ dir
Accommodation and Food Services	58%	29%	9%	5%
Administrative and Support Services	59%	28%	9%	5%
Agriculture, Forestry and Fishing	36%	33%	18%	13%
Arts and Recreation Services	49%	26%	10%	15%
Construction	60%	29%	8%	3%
Education and Training	52%	23%	9%	15%
Electricity, Gas, Water and Waste Services	45%	26%	13%	16%
Financial and Insurance Services	42%	30%	14%	14%
Health Care and Social Assistance	54%	27%	10%	8%
Information Media and Telecommunications	48%	28%	14%	10%
Manufacturing	44%	33%	14%	9%
Mining	29%	21%	18%	32%
Other Services	50%	27%	11%	13%
Professional, Scientific and Technical Services	54%	28%	11%	7%
Public Administration and Safety	62%	26%	8%	5%
Rental, Hiring and Real Estate Services	53%	29%	11%	8%
Retail Trade	50%	33%	12%	5%
Transport, Postal and Warehousing	57%	27%	10%	6%
Wholesale Trade	44%	34%	14%	8%