

Update: Women on Boards

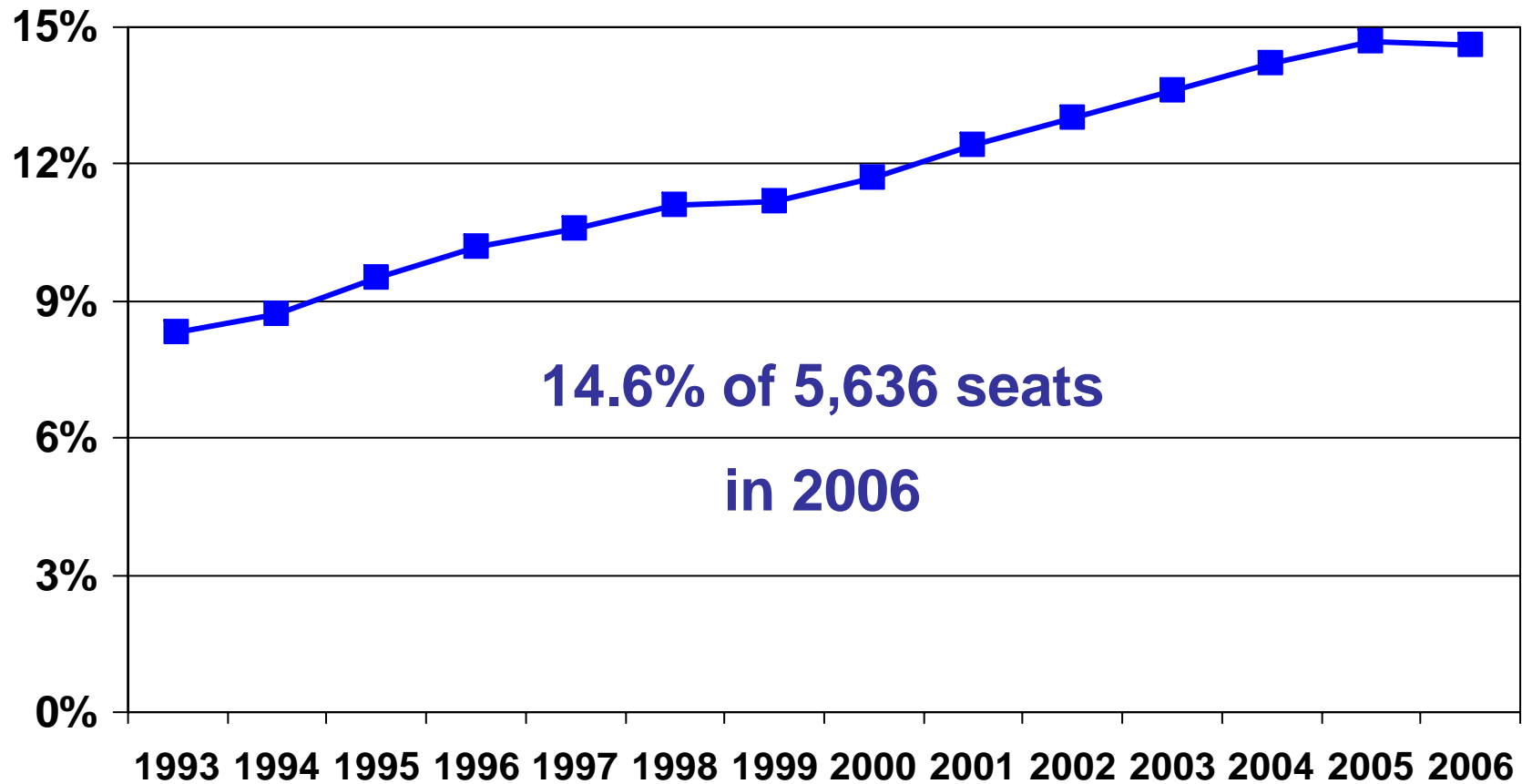
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June 21, 2007
NAWBO-Inland Empire

What IS the Problem?

- Not enough female corporate directors?
- Not enough women “in the pipeline?”
- Discrimination?
- Too little leadership aspiration?
- Too little executive experience?
- Too many women doing something else?

Historic Trends

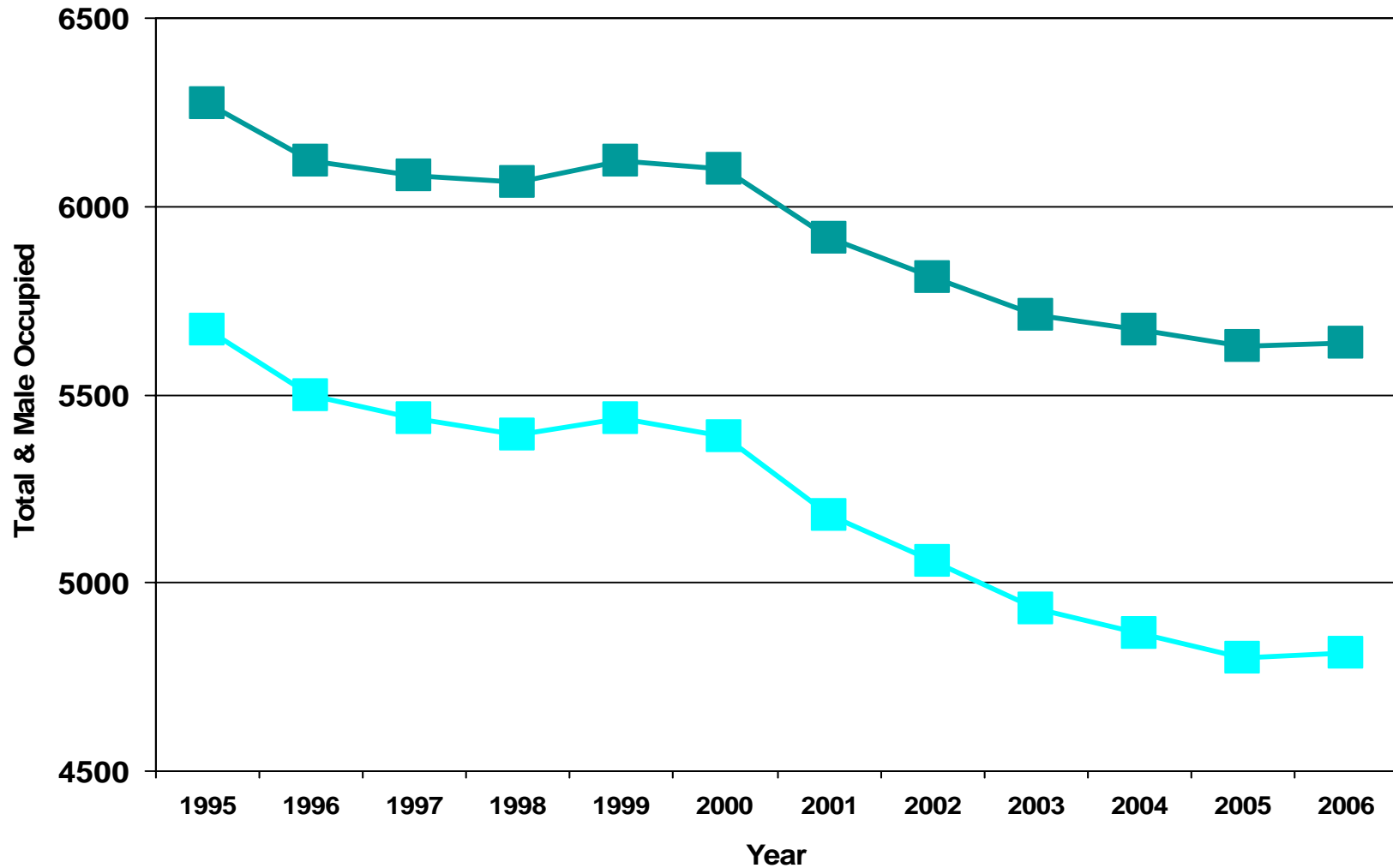
Share of Women on Fortune 500 Corporate Boards of Directors



Fortune 500 Board Seats

Total & Male-Occupied

1995 - 2006



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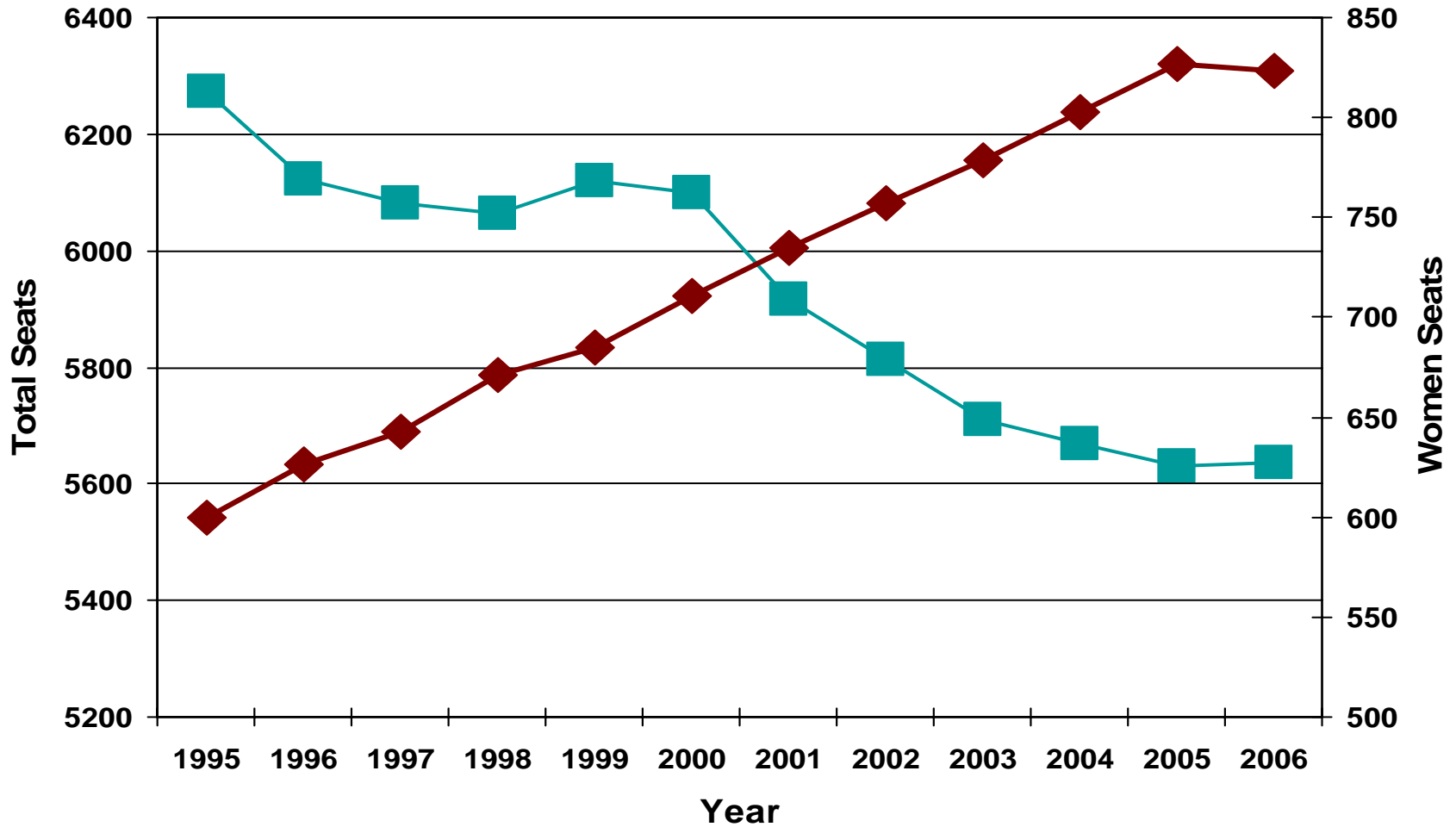


Source: Catalyst Inc.

Fortune 500

Women-Occupied Board Seats

1995 - 2006

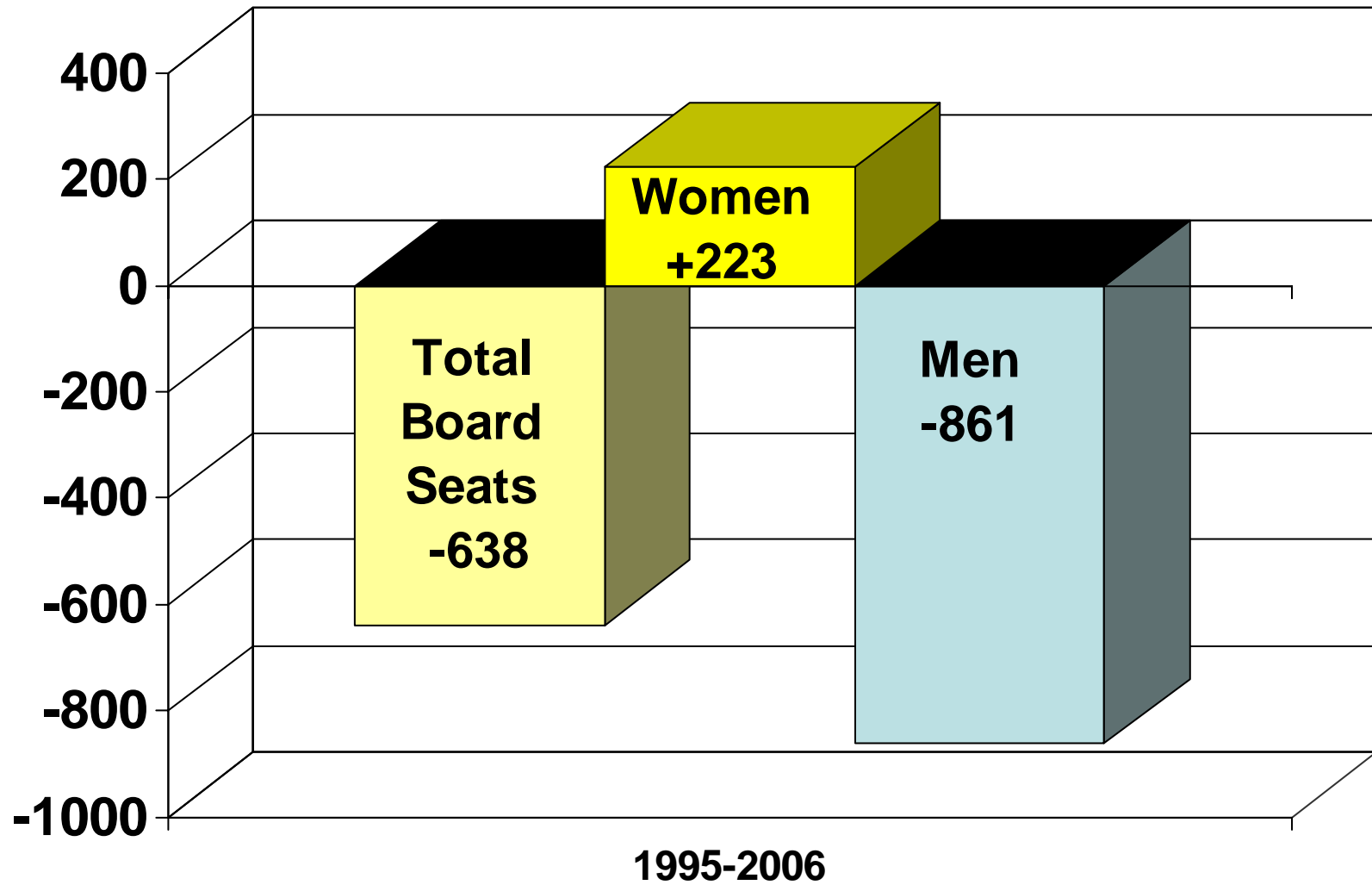


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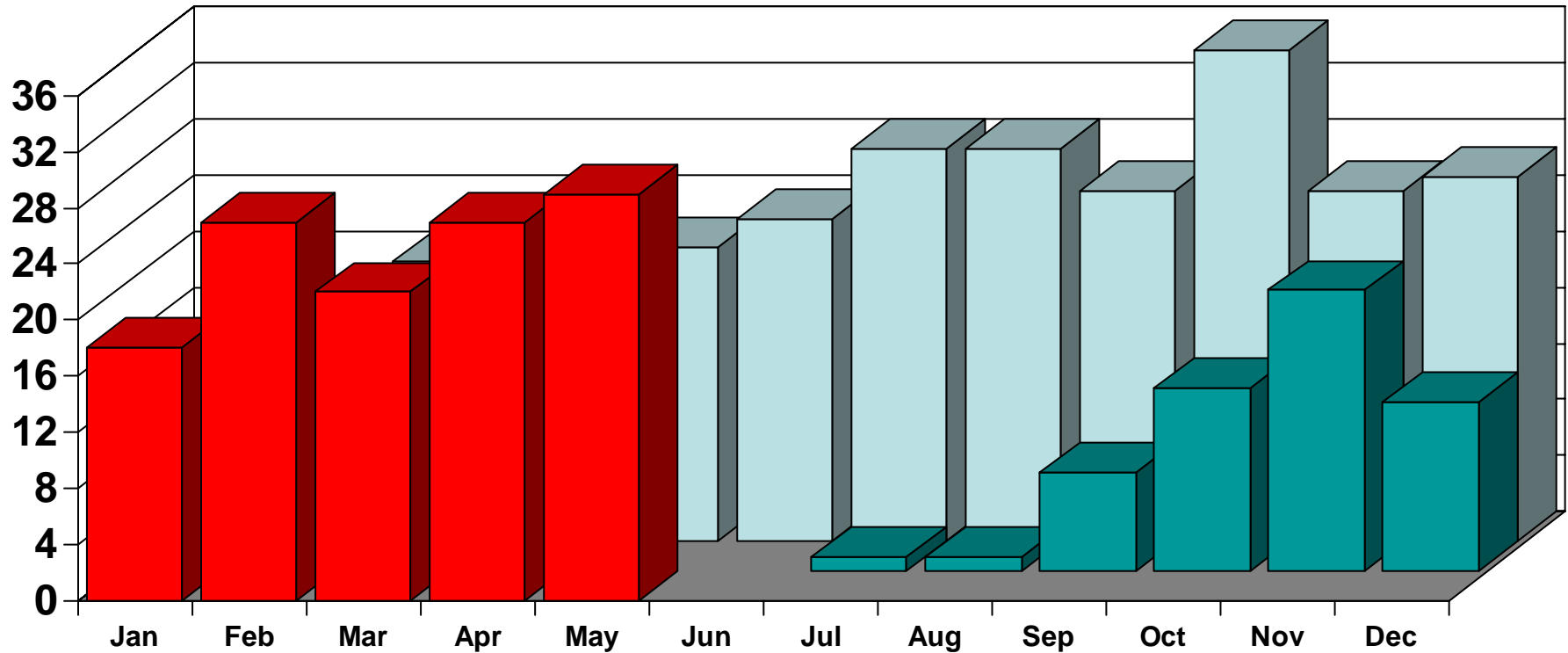
■ Total ◆ Women

Source: Catalyst Inc.

Net Change in Fortune 500 Board Seats



Women Named to Boards May 2007

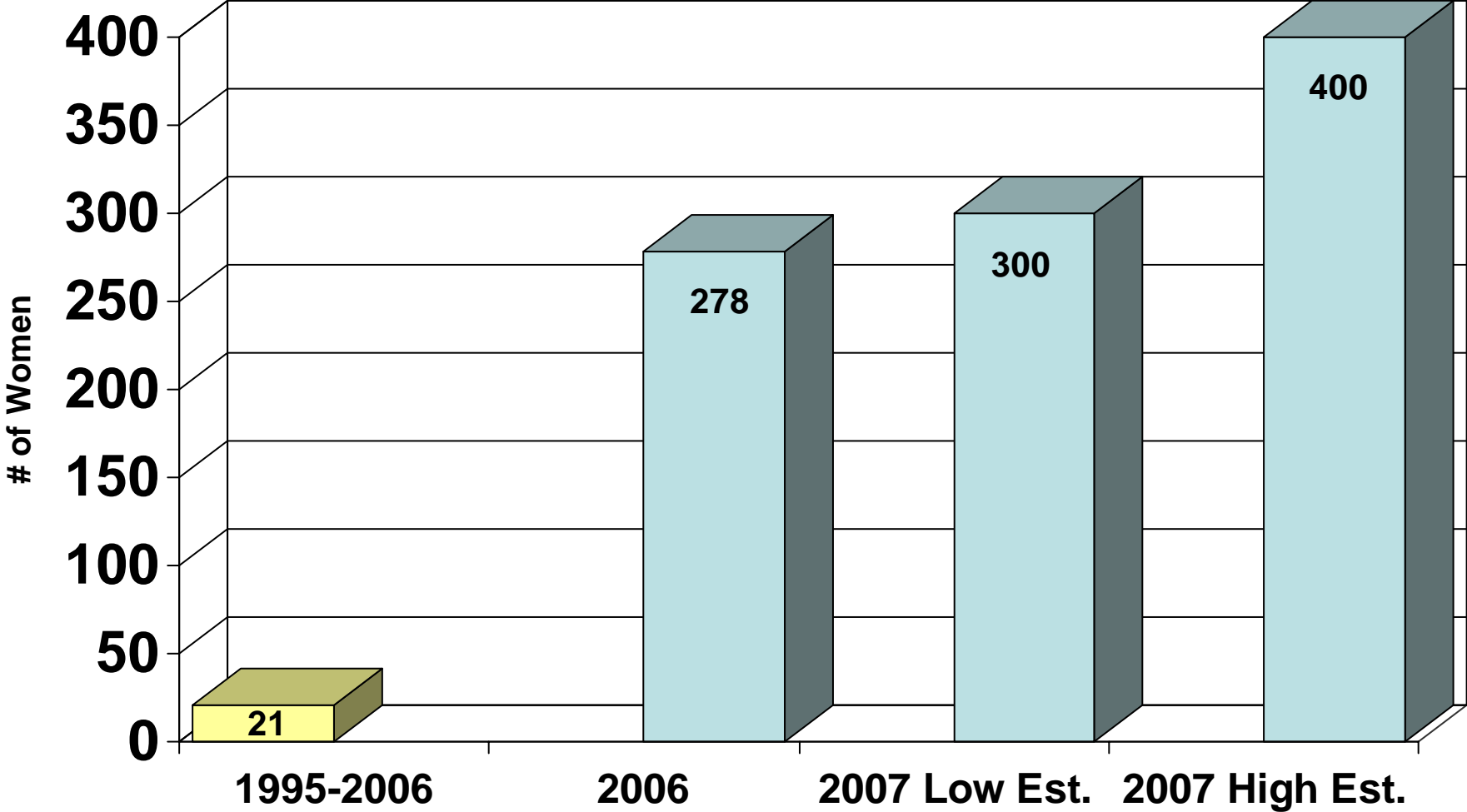


29 women – 13 states

■ 2007 ■ 2005 ■ 2006

Source: NewsonWomen.com

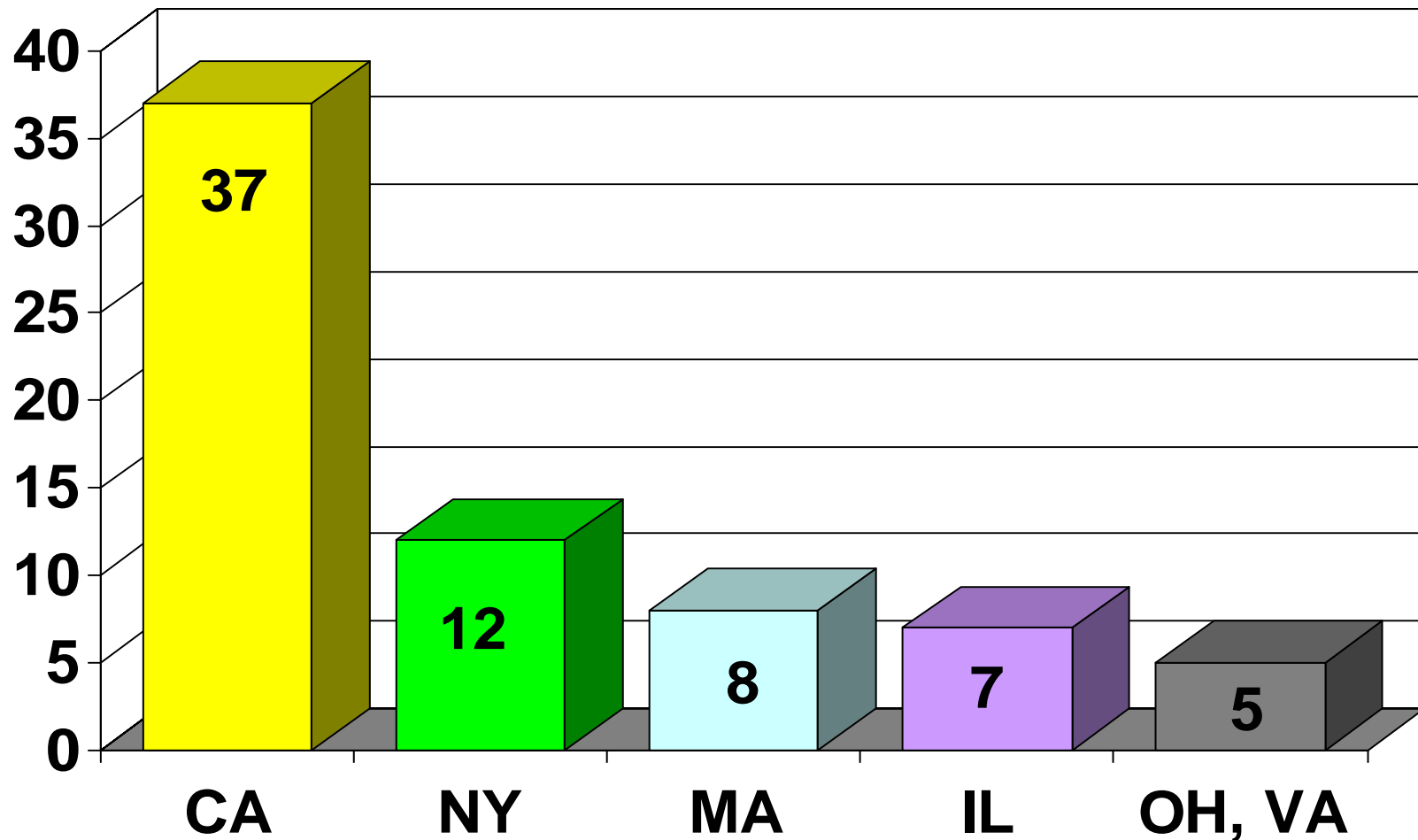
Women Directors/Year



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 Catalyst  Newsonwomen.com

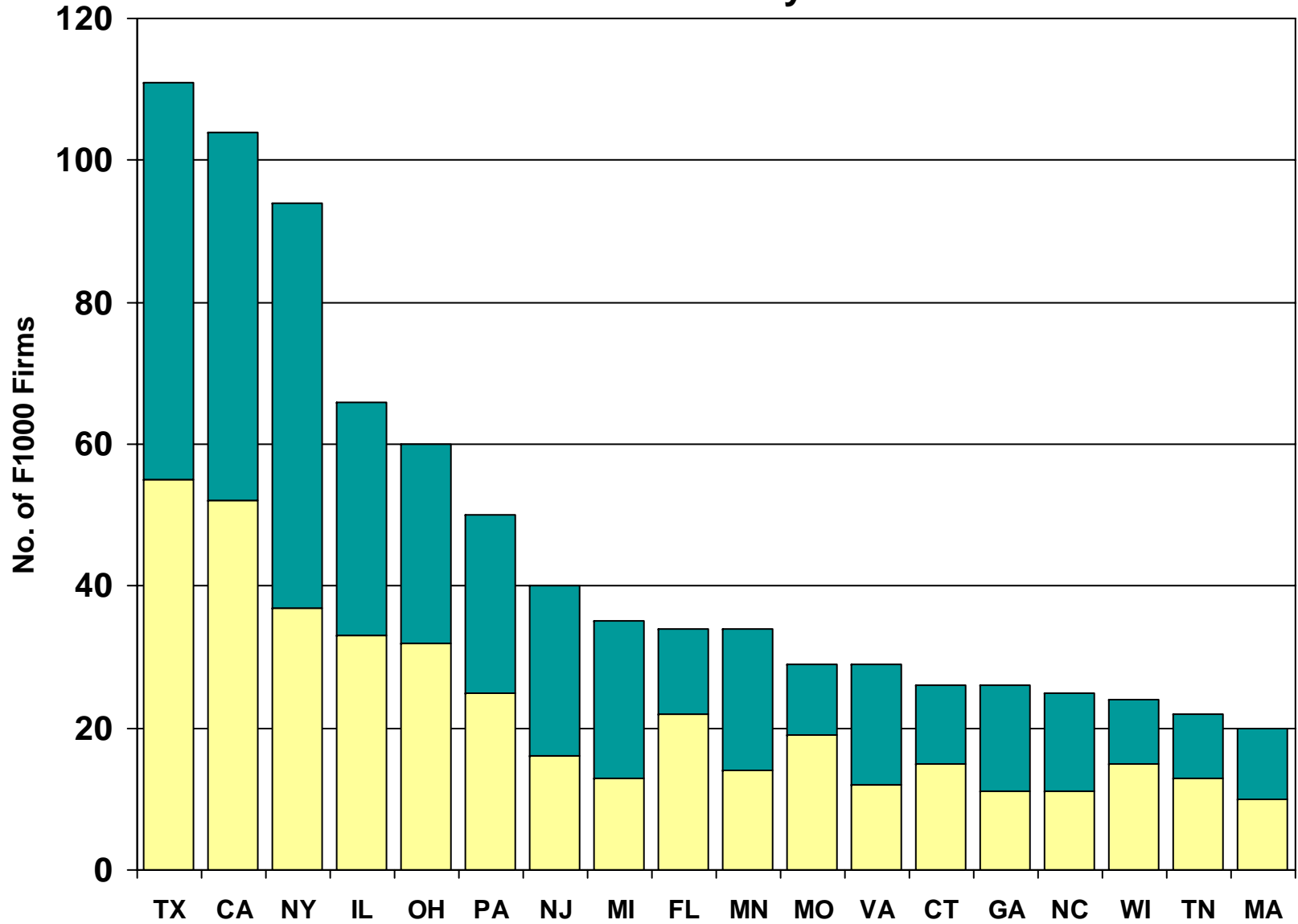
Top States: Jan - May 2007 Women Named to Boards



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Source: NewsonWomen.com

Fortune 1000 Firms by State - 2007



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F 500 firms 

F 501-1000 firms 

F500 & F1000 Firms, Women Director Announcements

State	Number of F1000 Firms (2007)			2006	5 Mos. 2007
	F500	F501-1000	Total		
TX	55	56	111	15	4
CA	52	52	104	45	37
NY	57	37	94	27	12

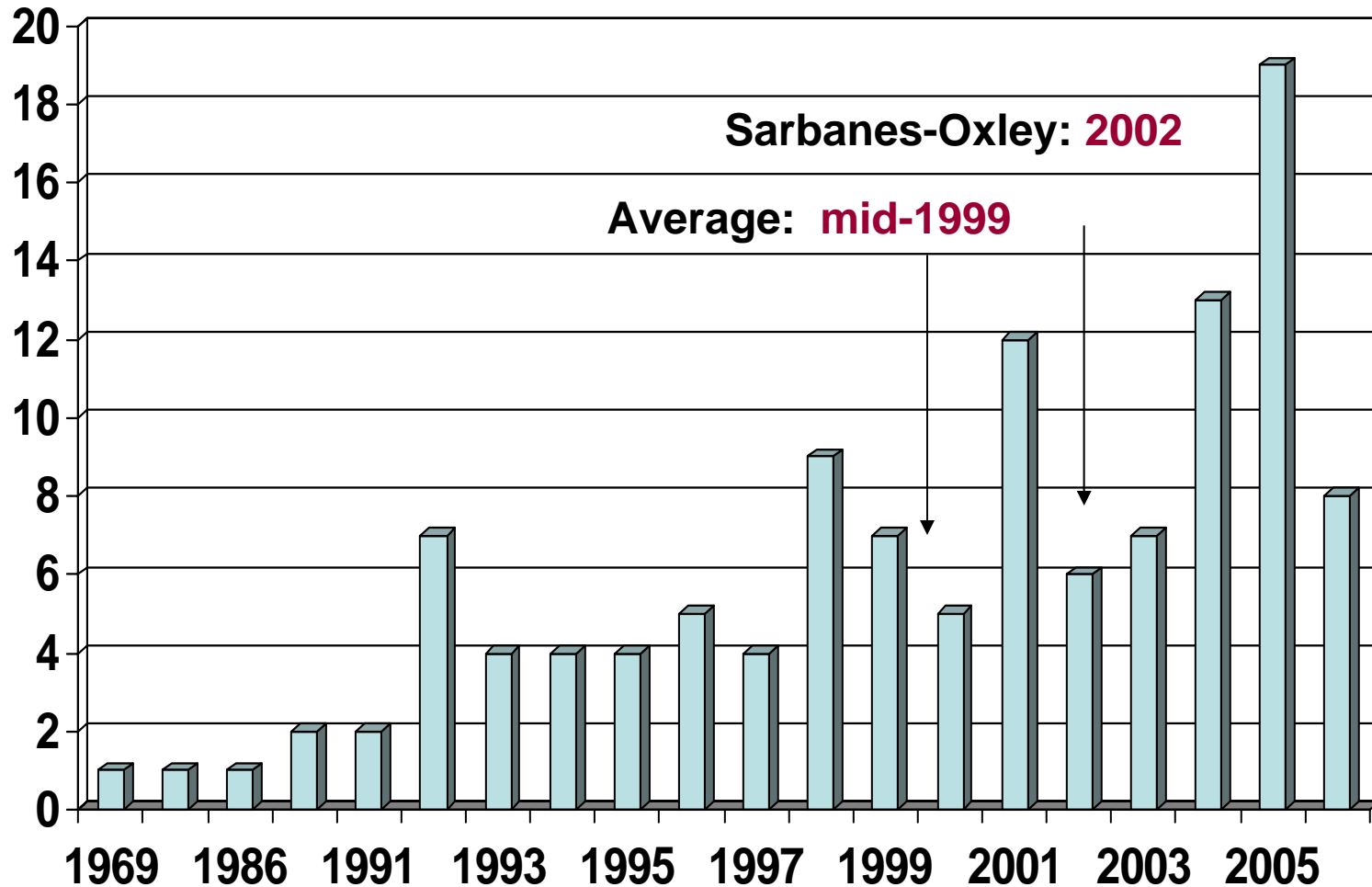
Sources: Fortune Magazine, NewsOnWomen.com

CA Women on Boards 2006

	Total # Firms	Total # Seats	# Women	# Women/ Firm	% Women
F500	49	542	81	1.65	15.3%
F501-1000	52	470	40	0.77	8.5%
Total	101	1,012	121	1.20	12.0%

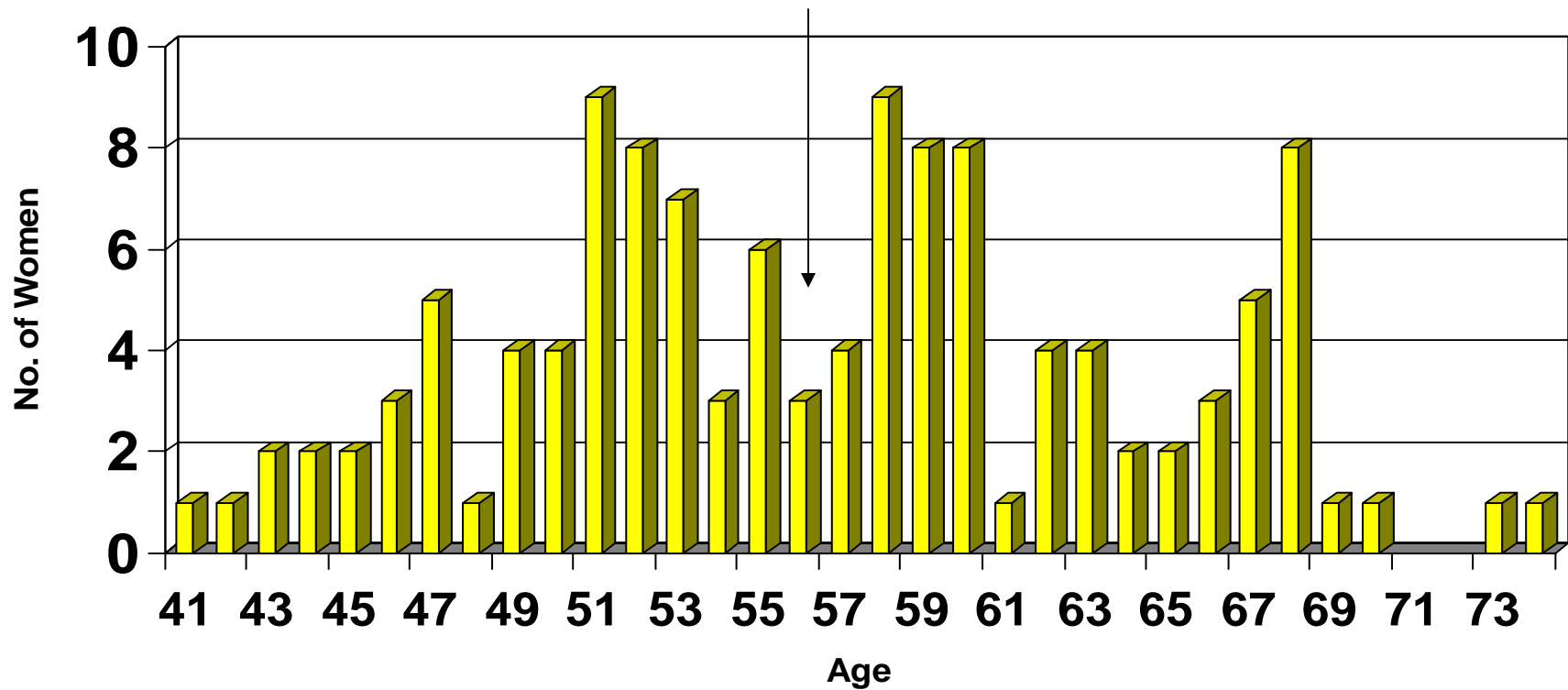
Source: Champion Boards

Year Women Added to CA F1000 Boards 2006



Age of Women on CA F1000 Boards 2006

Average: **56.5 years**



What is CA Doing Right?

- Higher percentage of F500 women directors than the nation: 15.3% vs. 14.6%
- More women nominated to corporate boards than any other state
- Average age: 56.5 years
- Average tenure: 1999
- Significant additions post-Sarbanes-Oxley

“The Big Questions”

#1: Family balance?

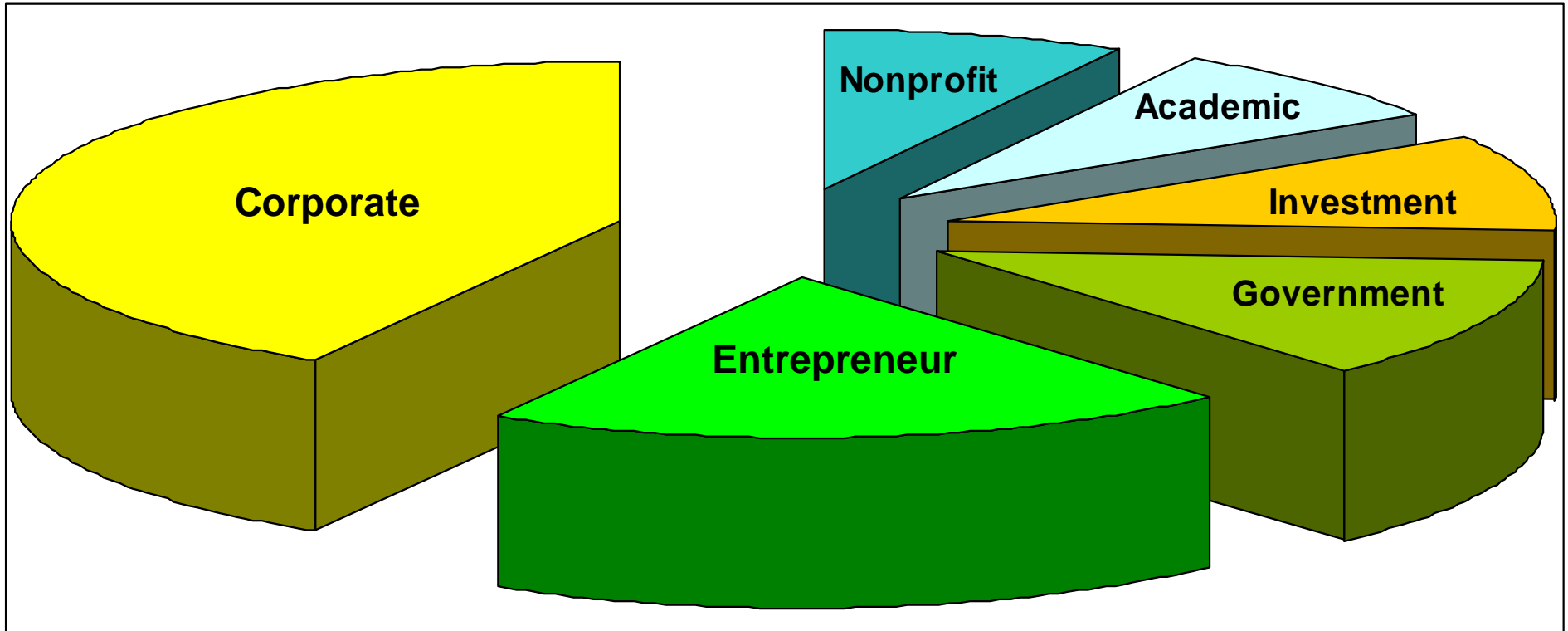
- Single, married, divorced, remarried
- Children, no children, step-children
- Widowed, caregiver
- Every variation possible
- No big thing
- “Just DID it”
- Private matter

“The Big Questions”

#2: Compared to Men?

- Core skill
 - An area of personal interest
 - Developed and enhanced
 - Valued in the marketplace
- Breadth of experience
 - Tested in different settings
 - Reached beyond themselves
 - Inter-organization, inter-national

6 Paths to the Boardroom



Corporate	41%
Entrepreneur	20%
Government	13%
Investment	10%
Academic	8%
Nonprofit	8%

Paths = Experience

One primary path, several complementary

- **“Other-oriented” paths:**
 - Nonprofit
 - Academic
 - Government

- **“Performance- oriented” paths:**
 - Investment
 - Entrepreneur
 - Corporate

The Jagged Path

Leaps of faith

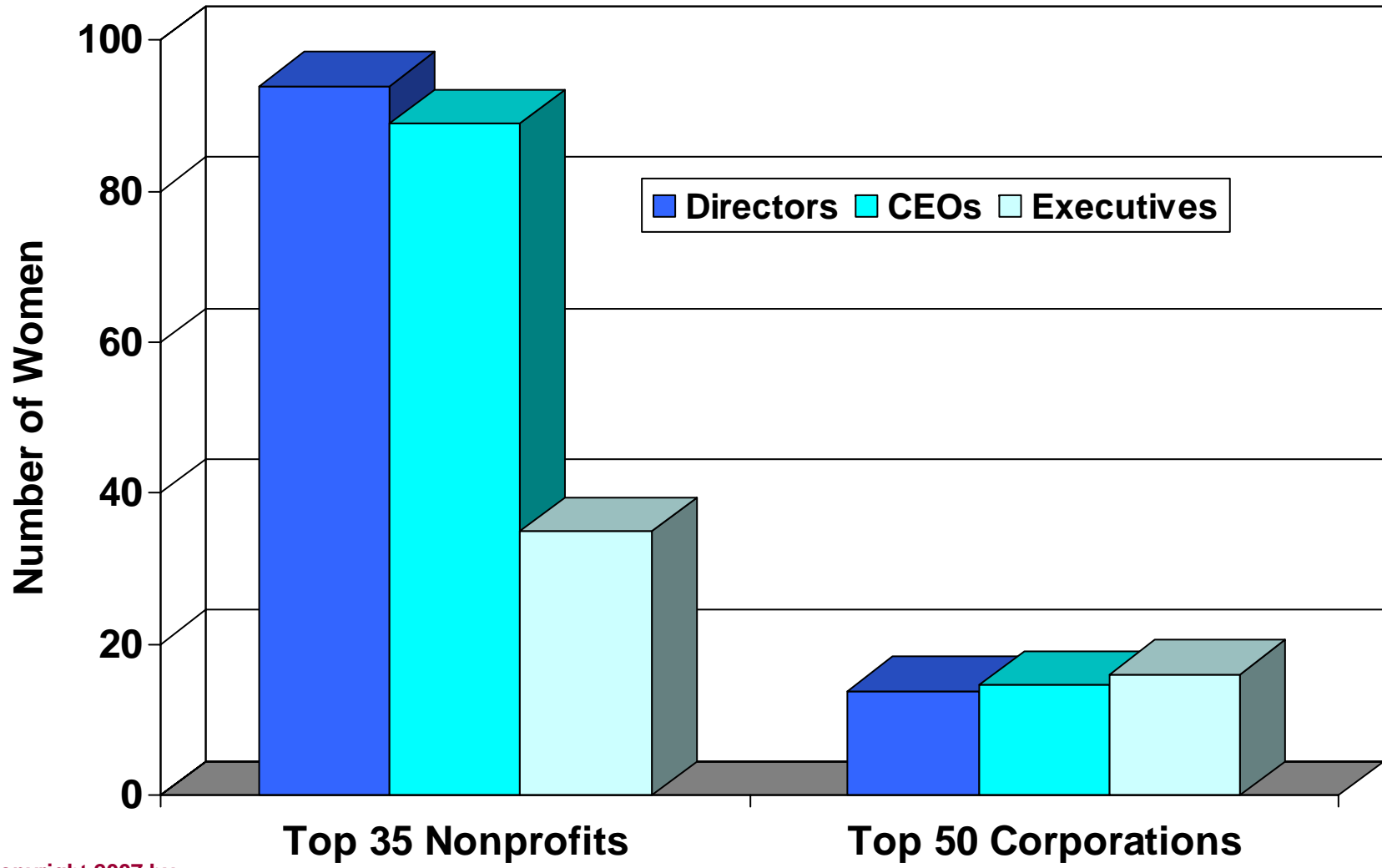
- Not stopped by bias/discrimination
 - Accepted it as part of the challenge
 - Sometimes had to leave to progress
 - “Opportunity too good to resist or refuse”
- Not a straight career path
 - Tested themselves in different media
 - Experience in different environments
 - Constantly learning and growing

Nonprofit Experience

- A path parallel to a leadership role
- Bring a skill INTO the nonprofit arena FROM another path
- Nonprofits seek board members with corporate experience
- Nonprofits need board members with real governance experience
- Council on Foreign Affairs

Number of Female Leaders

Top 35 Nonprofits & Top 50 Corporations in Chicago



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Source: The Chicago Network, 2006

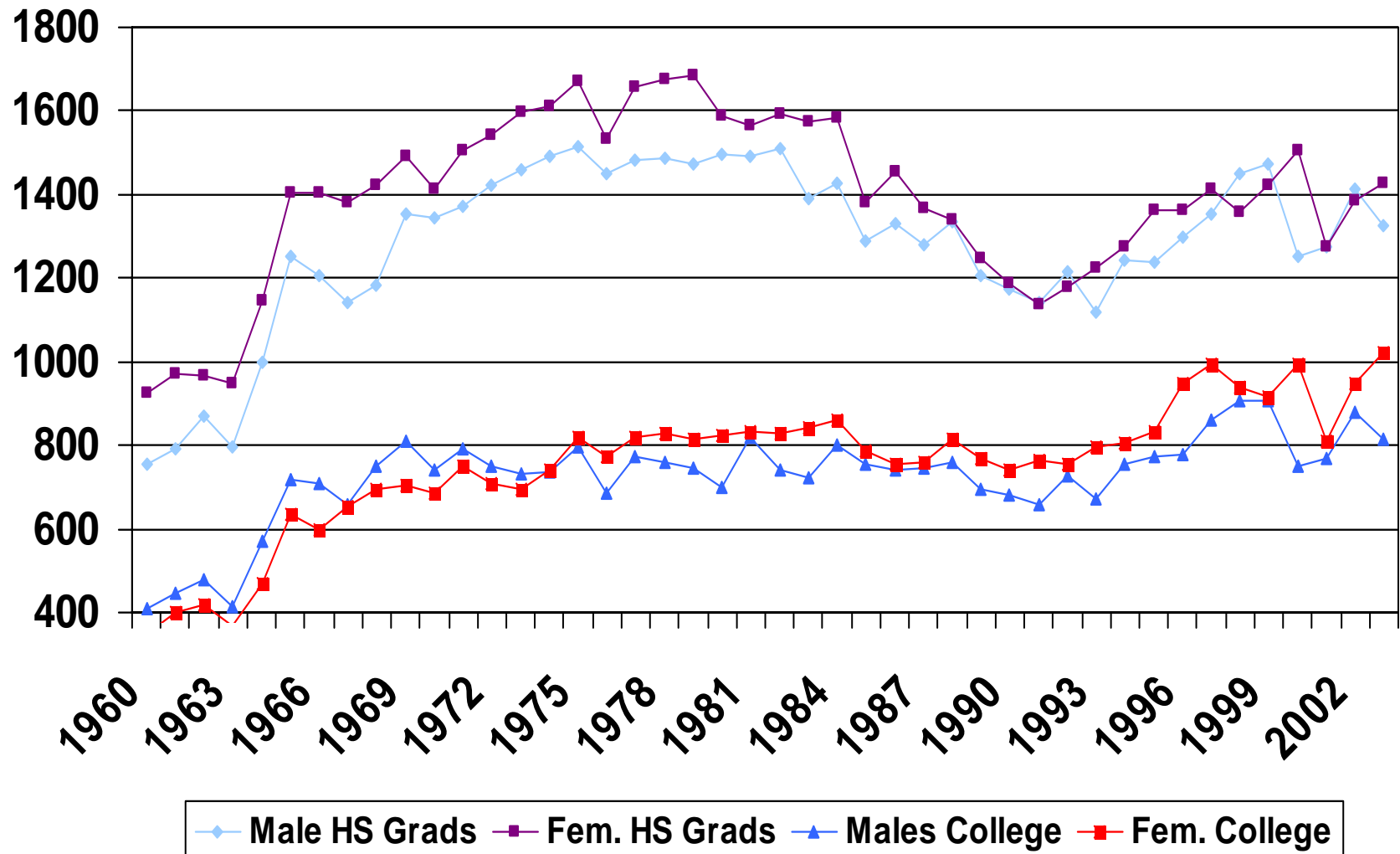
Academic Experience

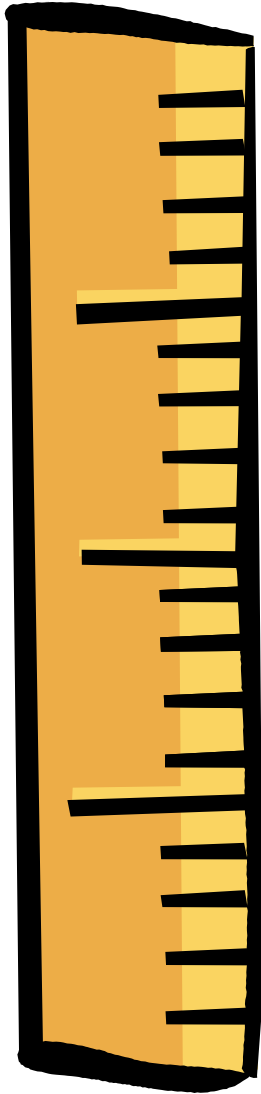
- Administrative experience a primary path
- Academic field a secondary path
- Financial expertise: manage the money
- Collaborative: faculty, alumni, administration
- Did NOT stay in one college/university
- Trustee board an important pathway

Highly Educated Directors

- Very likely to have an advanced degree:
 - Business, economics, law, doctorate
 - Executive education, professional training
- **Likely to have taken Director's Training**
 - Multiple sources: accountants, consultants, lawyers
 - Major business school governance programs
- **NOT:** financial statements for dummies
- **NOT:** women's studies programs

More Educated Women





Women in Law Schools

67-70% of law school current assistant deans

48.2% of enrollment at top 183 U.S. law schools 2006

40% of top law school enrollment since 1985

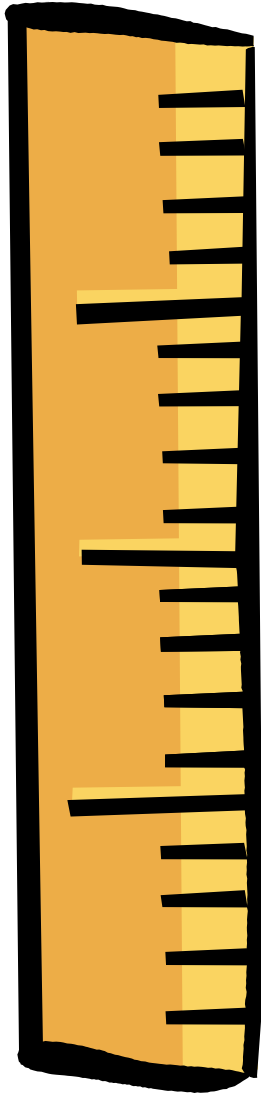
25.9% of law school current professors

18.8% of law school current deans

15.6% of law partners nationwide

13.7% of F500 General Counsel

8.2% of law school emeriti deans, professors



Women in Medical Schools

50.8% of medical school applicants

48% of medical school enrollment

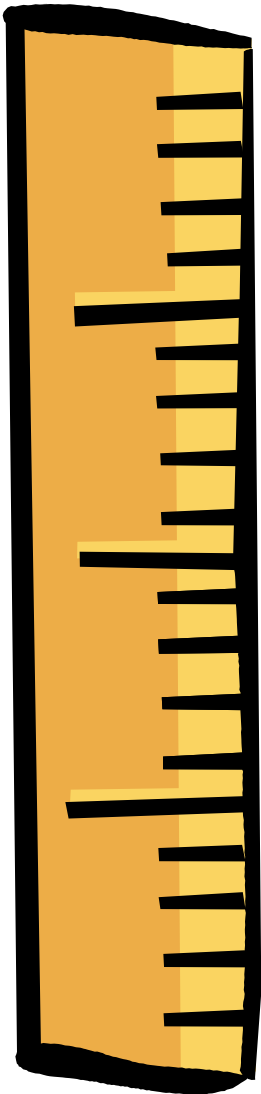
32% of medical faculty overall

26% of all U.S. physicians

25% of medical school full, assoc. & asst. professors

10% of medical school deans, dept. chairs

Women in Business Schools



30% of business school enrollment

21.8% of business school faculty

15.1% of business school trustees

Political Experience

- Appointed because of a primary skill
 - Banking, economic development or finance
 - International law, trade, negotiations
 - Technology, telecommunications, information
 - Medical, health, social welfare
- Crossed partisan boundaries
- **NOT:** successful elected candidates
- **NOT:** coattailers

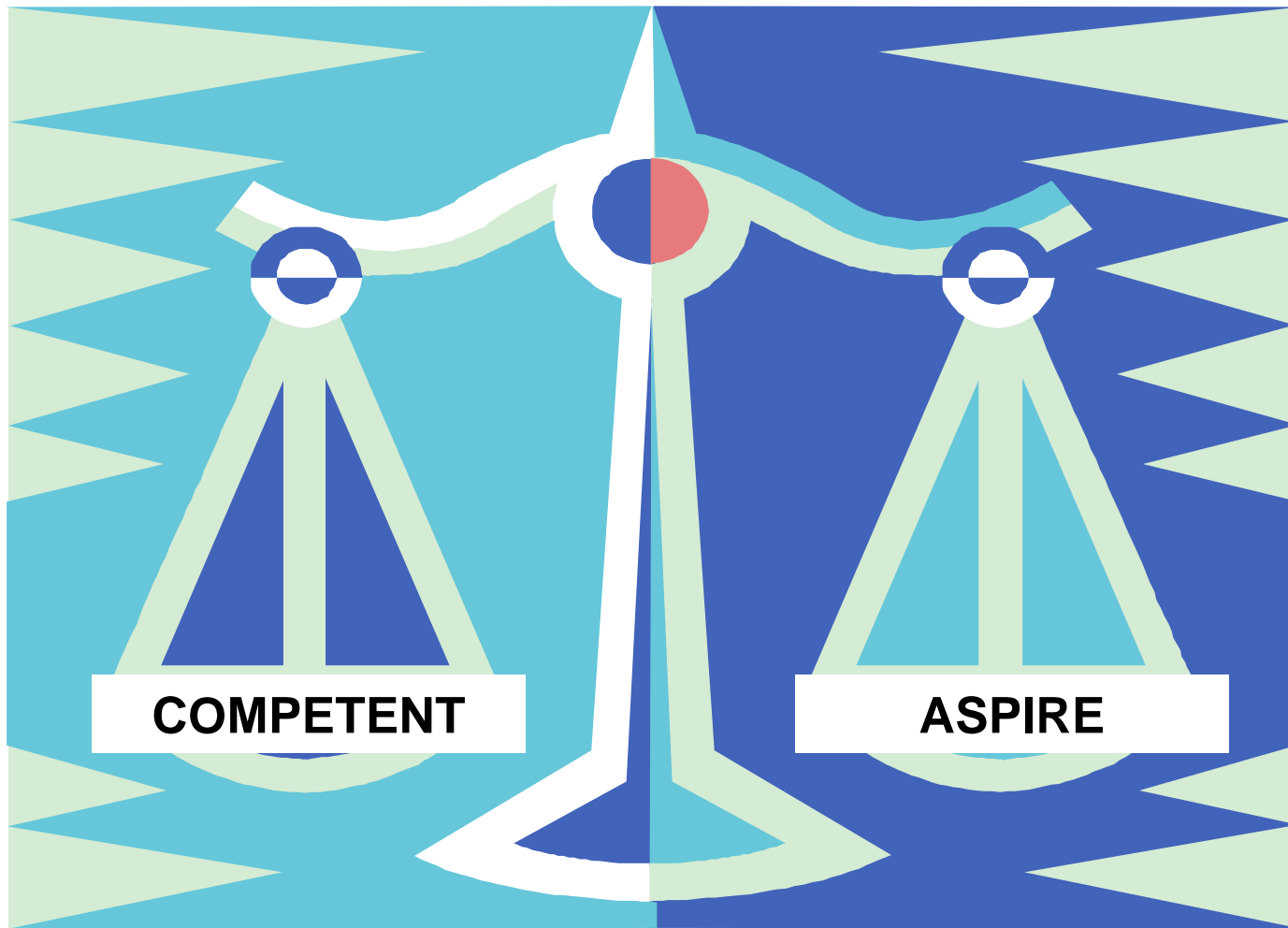
Business Experience

- Corporate finance: banking, accounting, investment/securities
- Technology: communications, information
- Legal: domestic and international
- Entrepreneurial experience
- NOT just F500 or F1000 firms
- Smaller, newer firms

Economics Matters

- F500 firms mature, merge and consolidate
- Old company boards add fewer women
- F501-1000 firms have the fewest women
- **New companies create diverse boards**
- **California creates new companies**
- **California has 3 times as many female directors added in 1 year as the next top state (NY)**

Exactly The Right Number of Women Directors



Striking a Balance

- **COMPETENCE**

- Successful
- Experience in a field valued by corporations
- Business economics
- Governance knowledge
- Collaborative skills
- A “known entity”
- International exposure

- **ASPIRATION**

- Desire leadership
- Influence to make change happen
- Work with others in leadership
- Willing to accept challenges
- No “hidden agenda”
- Independently minded

Leadership is Selective



SOME women will
become directors



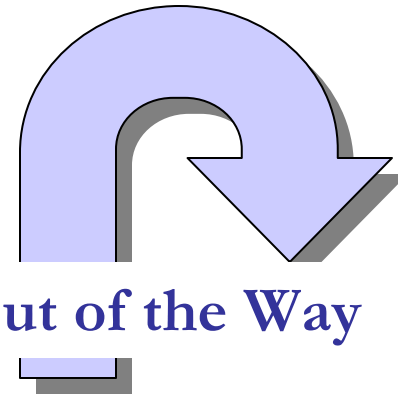
NOT ALL women will
become directors

Self-Talk: A Major Barrier

- I could never do that
- I need a mentor to help me
- There are “no role models” to inspire me
- All business is greedy
- There must be an easier way
- There must be some secret to this
- Those men were
- Those women were
- If “we all” work together

LEAD

Follow
Follow
Follow



Get Out of the Way

Leaders

- **Ask, negotiate, collaborate, persevere, endure and prevail**
- **Competitive: survival of the smartest**
 - When one door closed, looked for another window
 - Did not wait to be invited or for permission
 - Did not require incentives or entitlements
 - Did not complain, blame or whine

Lessons from the Leaders

1. chose a worthy skill or endeavor valued by the marketplace
2. refined, enhanced and developing it themselves
3. connected with other like-minded people
4. delegated and found synergies
5. built enduring entities or organizations
6. incited others to lead

Question?

- If there were a book about how the top CA corporate women directors achieved their positions of leadership on boards,

would you buy it?

- Why or Why NOT?