

# Study finds men still run corporate California

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Women may have become a force in other professions, but they remain a conspicuous minority in the board rooms and executive suites of California's 400 largest public companies, a UC Davis study has found.

Men still hold roughly nine of every 10 highest-paid management and board positions, according to the sixth annual UC Davis Study of California [Women](#) Business Leaders compiled by the university's Graduate School of Management.

“What our study shows is that for a state that considers itself a hip, progressive trendsetter, California looks like anything but that when you peek inside the executive suites and board rooms of its 400 largest companies,” said Steven Currall, dean of the Graduate School of Management.

The survey, the only one of its kind conducted on the world's eighth largest economy, relies on data collected largely from mandatory reports to the Securities and Exchange Commission.

“When we released our study each of the past five years, it was met with intense interest by the business community, state legislators and policy makers, and garnered widespread media coverage,” Currall said.

“Yet there has been little improvement in the gender diversity of the upper echelons of decision makers at the largest public companies in California.”

Among the study's findings:

- Overall, women hold just 9.5 percent of board room seats and highest-paid executive positions.
- More than a third (141) of the 400 largest public companies in the state have no women among their board directors and highest-paid executives.
- Not a single [company](#) has an all-female board and management team.
- The highest percentage of women directors and top managers was 50 percent, at bebe stores, inc., the popular women's apparel retailer based in Brisbane.
- Just 16, or 4 percent, of the 400 companies have a woman CEO.

The sample of companies analyzed in the latest study consists of the 400 largest California companies as measured by market capitalization in June of this year.

In a change from previous years, the study restricted the survey of top management to the five highest-paid executives designated in SEC filings. In prior years, UC Davis researchers reviewed top management teams as reported to the SEC by companies. Those self-defined teams averaged roughly seven executives per company.

The smaller pool of top executives examined in this year's study produced a smaller percentage of women, 8.8 percent, in those positions. But, when the same metric was applied to previous years, the latest figure represented only a slight increase from 8.4 percent in 2009.

The study also found a slight increase in the number of women directors, who now comprise 10 percent of board seats, up from 9.8 percent last

year.

Several major trends and regional differences showed little change. The larger the firm, the higher the percentage of women directors, the study found. But there was no similar relationship between size and the percentage of women among the highest-paid executives.

Among seven counties – Alameda, Los Angeles, Orange, San Diego, San Mateo, Santa Clara and San Francisco – that are home to 369, or 92 percent, of the top 400 companies, San Francisco had the highest percentage of women directors, 14.4 percent, and among the highest percentage of women top managers, 11.9 percent.

Santa Clara County, the heart of the Silicon Valley, has more of the top 400 – 116 companies – than any other county and continues to rank near the bottom in both the percentage of women directors and managers. Orange County, with 48 of the top 400, was last in both categories, with just 7 percent women directors and 4.5 percent women top executives.

“Overall, the numbers are not changing much, possibly trending upward a bit, but very, very slowly,” said Donald Palmer, a UC Davis management professor who has directed the research for the past four years.

The study does not attempt to discern why women remain so scarce at the top, but the chief [executive](#) officer of a nonprofit that partners with UC Davis on the project said the consequences are becoming clear.

“Studies show that greater diversity company-wide improves measured risk taking, makes for better decision making and leads to healthier companies overall,” said Wendy Beecham, CEO of Watermark (formerly the Forum for Women Entrepreneurs and Executives), a Bay Area organization that prepares women for top corporate positions.

Research shows that companies with more women at the top also perform stronger financially, Beecham added.

“More significantly,” she said, “women are increasing both their spending and earning power. Women make 85 percent of household purchasing decisions, make up half of the non-farm labor workforce and half of higher paying management and professional positions.”

Women earned more than 20 percent of business and management masters’ degrees nationally as early as 1980 and their share of such degrees has increased steadily since, reaching 40 percent in recent years, Palmer said.

In contrast to the corporate ranks, California women have become powerful players in politics and legal circles, among others. Both of the state’s U.S. senators are women and U.S. Rep. Nancy Pelosi, D-San Francisco, was the first woman speaker of the House of Representatives before she lost the leadership post after the fall elections.

Appellate Court Justice Tani Cantil-Sakauye – a graduate of the UC Davis School of Law – will become the second female chief justice of the California Supreme Court when she is sworn in on Jan. 3. She will also give the high court its first female majority.

**More information:** For more information and to download the full study, visit [www.gsm.ucdavis.edu/census](http://www.gsm.ucdavis.edu/census) .

Provided by UC Davis

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