

In Heart of Corporate America, Women Struggle to Break into Top Jobs

By Susan Heavey

Women have moved into top jobs at some of America's biggest and most recognized corporations including IBM, Pepsico and Archer Daniels Midland. But in their shadows, at the second tier of big U.S. companies, it's a different story.

A new snapshot of trends at mid-cap companies show women are far less likely than their male counterparts to reach top leadership positions at those firms.

On the bright side, however they are starting to close a pay gap with men and - in a cluster of industries - even out-earn them.

Researchers at Georgetown University's McDonough School of Business surveyed about 2,000 executives at companies with stock market capitalization of \$1 billion to \$7 billion, so-called mid-cap firms.

They found that women made up 4.5 percent of the top leadership in 2010. That is far less than at larger firms, where other data show women make up about 14 percent of executive positions.

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Catherine Tinsley
Georgetown University's
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She was echoing concerns that have been raised for decades about the so-called glass ceiling, the invisible barriers that prevent women executives from advancing. These historically have included everything from discrimination to lack of support for women who mother small children.

Among mid-cap companies, women executives are far more likely to be found in media, pharmaceutical and retail sectors, researchers found.

Tinsley and her colleagues looked at top executives from 400 companies such as AOL, JetBlue and Nordstrom that comprise the S&P MidCap 400 Index. Such companies make up about 7 percent of the U.S. equities market.

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FLYING BENEATH THE RADAR

Margaret Spellings, a former U.S. education secretary now working on policy issues for the U.S. Chamber of Commerce, said gender equality is not scrutinized at this level as much as among the Fortune 500.

"Big companies tend to be asked about it more at shareholder meetings and such. Midcaps tend to fly below the radar a little bit more. But nobody's really cracked the nut," she said.

The study, which will be unveiled at a Chamber of Commerce event on women in business on Wednesday, aims to offer a comprehensive snapshot of female executives at the second-tier of big American companies.

Across the entire workforce, government statistics show women make just 81 cents for every \$1 men make across all occupations.

At mid-cap companies, women executives' compensation closed ranks with their male counterparts from 2000 to 2010, the study showed.

In 2010, top female executives on average saw \$2.2 million in potential compensation a year compared with \$2.5 million for men, a difference that was not statistically significant, Tinsley said. Between 2000 and 2005, women executives saw an average of \$1.3 million compared to \$1.9 million for men.

"It does appear that when women are at a certain critical mass, above 10 percent in an industry, they are being valued as much as their male colleagues and we're seeing that in pay," she said.

In the mid-cap arena, the industries with the highest average number of female executives were media with 21 percent, pharmaceuticals 14 percent and retailers 13 percent.

The study combined these three industries for analysis and found in that grouping, women executives earned more than men on average. According to the research, in 2010 potential compensation for women in that multi-industry group was \$3.9 million a year compared to \$2.9 million for men.

The automotive sector, largely anchored in the Midwest, showed no women executives, with the energy, transportation and semiconductor industries showing 2 percent female leadership.

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