

## **Industry Trends**

### **Synopsis:**

The proportion of women that work has greatly increased in the last twenty years and their situation has dramatically improved, however, there are still difficulties for women achieving the highest level of management. Improvements are evident in low and middle management. In addition, since technology and raising capital have proven to be a challenge for women, they have been meeting with very tough obstacles in the new economy. Nonetheless, signs of an improving situation do exist, and women seem to be starting businesses at an increasing pace, in fact some statistics show great improvement in the United States and specific parts of the world.

**Over the last twenty years, education and the state of the economy have been the main reasons for a dramatic improvement for professional women.**

In the United States, 'from March 1975 to March 1996, the labor force participation rate of women rose from 46% to nearly 59%.'

*Developments in women's labor force participation', Monthly Labor Review, Howard V. Hayghe, 9/1997*

'The number of women between the ages of 25 and 34, in managerial and professional jobs, has increased 14.6% to 5 million in the last five years according to the Bureau of Labor Statistics.'

*The Detroit News, 3/12/2000*

'Degreed women will shatter the [technology] glass ceiling. As companies have a more difficult time finding qualified individuals to fill the rising number of highly skilled positions, college-educated women will be the biggest benefactors, ultimately leading to the disappearance of the glass ceiling...The number of women earning four-year college degrees was up 44% over the past two decades, according to the Department of Education. Men earning four-year degrees fell 6% between 1993 to 1999....'Single sex jobs will be ending. Jobs will no longer be separated into men's work and women's work.'

*USA Today, 9/01/2000*

'A look at women's earnings over the past 20 years shows a mixed picture of progress. Women's inflation-adjusted earnings have increased nearly 14% since 1979, whereas men's have declined by about 7%. But while women's earnings have improved relative to men's, full-time working women as a group found themselves making only about 76% of what men earned in 1998. Earnings for women with college degrees shot up almost 22% over the past two decades.'... 'For women, the shift to post-secondary education was fairly significant. In 1979, about 1 in 5 women working full time had a college degree; in 1998, nearly 1 in 3 did.'

*Monthly Labor Review, Bureau of Labor Statistics, 12/1999*

'As of the spring of 2000, women represented 44% of the working-age labor force.'

*Labor Market Trends, 2/2001 – UK*

'The number of women between 25 and 34 in managerial and professional jobs has increased 14.6% to 5 million in the last five years according to the Bureau of Labor Statistics.'

*The Detroit News, 3/12/2000*

## **Women have difficulty achieving the highest level of management.**

'Overall, women fill just 11% of senior executive positions in the Fortune 500, according to the research firm catalyst. In a new study of 200 Internet companies, executive search consultants at Spencer Stuart found women in only 2% of board seats.'

*Fortune Magazine, Oct 1999*

'Only 8 new CEOs - out of 129 - were women, according to announcements reported in Internet World News, from September 1999 to February 2000.'

### Executive Announcements for information technology industry

Title	Male	Female
CEO	121	8
President	25	2
COO	71	9
CFO	126	12
CTO	49	0
CIO	10	2
CMO	9	8
Senior VP	71	18
VP	254	76

*Internet World, 3/15/2000*

According to a recent survey of top IS executives, by Heidrick and Struggles Inc. of New York, only 2.3% of CIO's are women. According to a recent Fortune study of 799 public companies, women make up less than half of 1% of the highest-paid officers and directors of their companies, and only 5% of the companies' upper management. Although women will comprise more than 47% of the labor force in the year 2000, the National Association of Working Women has found that the median salary of female managers is still only 65% of that of comparable male managers.

*Information Week, 8/27/1990*

## **Technology has proven to be an especially difficult area for women to penetrate professionally.**

'Women working in IT in the UK is at 24% -- down from 29% in 1994.'

*The Times of London, 11/16/2000*

'In most industries, the upper echelons of management have been long dominated by men, but high-tech has always been a particularly tough area for women. Only 28% of US computer science graduates are women. Yet there is evidence that the dot-com world is proving to be even less female-friendly than traditional technology companies.'

*Business Day (South Africa), 8/31/2000*

'In the US 'The proportion of IT women is actually decreasing, going from 40.2 percent in 1996 to 28.9% in 1999. Women who do work in IT earn about 17% less than men. High school students who take advanced placement tests in computer science, only about 17% are female and women receive less than 28% of the computer science bachelor's degrees according to the American Association of University Women.'

*Boston Herald, 6/26/2000*

'In Singapore, half the graduates of technical schools are female, whereas in the U.S. the percentage of female engineering graduates is in single digits and those in IT-related fields only 20%.'

*Kyodo News, 2/02/2001*

'Women hold 27% of professional jobs in India's software industry.'

*Chicago Tribune, 1/28/2001*

Within the IT sector as a whole, women only account for 24% of the workforce, down 29% in 1994.

*Labour Force Survey, 3/2000*

### **Women have difficulty raising capital in the United States.**

'Although women own 9 million companies - 38% of all US enterprises - they collect only a tiny fraction of venture-capital investments. Last year, women-led companies received less than 5% of the roughly \$36 billion invested by venture capitalists. Yet according to the Small Business Administration, women's start-ups outpace those headed by men in revenue growth by a margin of two to one. And the National Foundation for Women Business Owners pegs that growth rate at 436% over the past 12 years. The growing number of female managers in VC-backed firms means that women are seen as less risky.'

*Inc., 9/1/2000*

'Dotcom purse strings are often controlled by men. Most venture capitalists are men -- just 5% of their money goes to businesses founded by women.'

*Business Day (South Africa), 8/31/2000*

'When talking about the dearth of women at the top, women leaders and industry analysts often cite the difficulty women have in securing capital. VentureOne, a firm that provides data about venture-backed companies and investors, reported that for the third quarter of 1999 just 57 of 961 Internet companies, or 6%, funded by VC firms had women CEOs. 41% of those funded had women in management positions.'

*Internet World, 3/15/2000*

### **In spite of the obstacles, women are starting businesses at an increasing pace.**

'Internet firms receiving venture capital funding last year, women held 45% of top-tier management positions, according to Internet research firm VentureOne. That represented a doubling of their presence in those jobs from 1998. In contrast, only about 4% of traditional Fortune 500 companies have women sitting at upper executive seats, according to Catalyst, a New York Research group.'

*Women Rising Fast in World of Net Firms, Pittsburgh Post-Gazette, 4/9/2000*

'In the U.S., the proportion of women starting up a business is about three-fourths that of men, or 7% and 9.6% respectively, according to the GEM UK Executive report. Half as many women as men are starting businesses in the UK, 2% compared with 5.1%. The report concludes that if the female entrepreneurial rate were to match that of males, UK start-ups would increase 50%.'

*WSJ Europe, 11/20/2000*

'Asian women run 35% of small and medium-size technology firms and constitute 22% of e-users.'

*Los Angeles Times, 10/30/2000*

'By 1999, women-owned firms employed more than 27 million people, nearly 9 million more than in 1996, and their annual sales had risen from \$2.3 trillion to \$3.6 trillion.'

*Portland Oregonian, 5/17/2000*

'Soloella.com, the first Internet site devoted exclusively to Hispanic women living in the US, Latin America and Spain, has raised \$4.8 million from a group of investors with wide experience in financing Hispanic media and the Internet businesses.'

*PR Newswire, 2/3/2000*

'Women launch businesses at nearly twice the national average. Since 1982, the sales generated by women-owned businesses have increased nearly 638%.'

*Entrepreneur Magazine, 1/1/1999*

'During the past decade, women have been starting their own companies at nearly twice the national average and now own 38% of all US firms. Since 1987, the number of female-owned ventures has doubled from 4.5 million to 9.1 million, according to the National Foundation of Women Business Owners. In a survey of 100 Internet related-companies released last month, Spencer Stuart, an executive search firm, found only 3% of them had female directors. By contrast, 84% of Fortune 500 companies boasted at least one woman on their boards.'

*'A start-up of her own meet the new generation of American CEOs: They're young, wired, fearless - and female', Marci McDonald, US News & World Report, 5/15/2000*

***This synopsis was aggregated and analyzed by Factiva Global Public Relations and Factiva Strategic Intelligence.***

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