

# Women are GREAT Leaders, Investors & Entrepreneurs...

So why aren't there more of all  
three....

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# Women Make the Difference

- The numbers make a compelling case. Studies show that ***women can make the difference between economic success and failure in the developing world, between good and bad decision-making in the industrialized world, and between profit and loss in the corporate world.***
- Conclusion: ***American companies would do well with more senior women. And the world would do better with more women entrepreneurs!***

Fixing the Economy? It's Women's Work.

By Katty Kay and Claire Shipman

Boston Globe

Sunday, July 12, 2009

# The Numbers....

- Pepperdine University found that the **Fortune 500 firms** with the best records of **putting women at the top** were **18 to 69 percent more profitable** than the median companies in their industries.
- McKinsey looked at the **top-listed European companies** and found that **greater gender diversity in management led to higher-than-average stock performance**.
- Catalyst, a research firm focused on women and business, found that **Fortune 500 companies with three or more women in senior management positions score higher on top measures of organizational excellence**. In addition, companies with **three or more women on their boards outperformed the competition on all measures by at least 40 percent**.

# The Speculation....

- Can the New Great Recession help women...
  - Economists at Davos this year speculated ***that the presence of more women on Wall Street might have averted the downturn.***
  - Norway now ***mandates that corporate boards be 40 percent female.***
  - Iceland, after its embarrassing financial mess, put major banks and its government in female hands.

# \$, Sense and Entrepreneurs

- While half of U.S. investment capital comes from women, women are severely under-represented on the other side of the desk. ***Women represent a scant 10 percent of traditional mutual fund managers*** and an even lower percentage in alternative investments fields. ***Only 3 percent of approximately 9,000 hedge funds have a woman in charge.***
- At the National Venture Capital Association's annual conference in May 2008, legendary VC financier John Doerr confirmed the stereotype, [acknowledging](#) that VCs still primarily invest in “white male nerds who’ve dropped out of Harvard or Stanford.”



# \$, Sense and Entrepreneurs

- In **2006, only 4% of VC-backed companies had female chief executives, and those companies with women as leaders received just 3% of the total dollars raised from VC.**
- In 2004 Women-led companies in the **healthcare sector dominated all women-led firms receiving funding (44%) and they received nearly 55% of funds.** The biggest gaps between male-led and women-led firms are in Connectivity and Healthcare sectors.
- In 2004 women-led firms **only raised more than** 10% of the total dollars invested in the following subsectors: Agricultural Biotechnology (17.5%), HR software (14.2%), imaging technologies (14.1%), and e-mail/messaging software (11.5%)

The 2004 Venture  
Funding for Women  
Entrepreneurs  
Report

# Women, Industry & Intrapreneurs

- **Confidence is the single best predictor of career success.**
- There are strong links between women's actual success (e.g., salary, position) and their attitudes and beliefs related to advancement.
- There are differences in perceptions of male and female managers regarding the advancement of women. (Male managers perceive a more level playing field for women to advance than do female managers. Female managers have more positive perceptions of women's attitudes toward advancement.)
- Women with greater opportunities for professional networking are more successful and satisfied with their jobs than women with fewer networking opportunities.
- Managers' estimations of the amount of home-work stress experienced by women are considerably higher than the amount of conflict reported by women themselves, *suggesting that managers may be making erroneous assumptions that stress faced by women is always predominantly of a family nature.*

It's Elemental: Enhancing Career Success for Women in the Chemical Industry  
[http://www.education.umd.edu/EDCP/enhance\\_site/It%27s%20Elemental.pdf](http://www.education.umd.edu/EDCP/enhance_site/It%27s%20Elemental.pdf).  
Fassinger/Giordan

# Economic Imperative and the value of the Wisdom of Crowds...



- The case for diversity is the case for better business, better decisions and better actions: NO expert is better than an informed and diverse group. (It's in the math!)
- Research broadly finds that men are more prone to competition and risk-taking. Women, on the other hand, seem to be wired for collaboration, caution and long-term results. (NEITHER is “better” or “worse”, BUT a balance seems to pay off more!)
- There are ENOUGH data to “demonstrate” the value of women.. Let's ACT – and with confidence.



# Main Message....

If you *want* something you've never had or to *be* something you've never been...then you must *do* something you've never done.

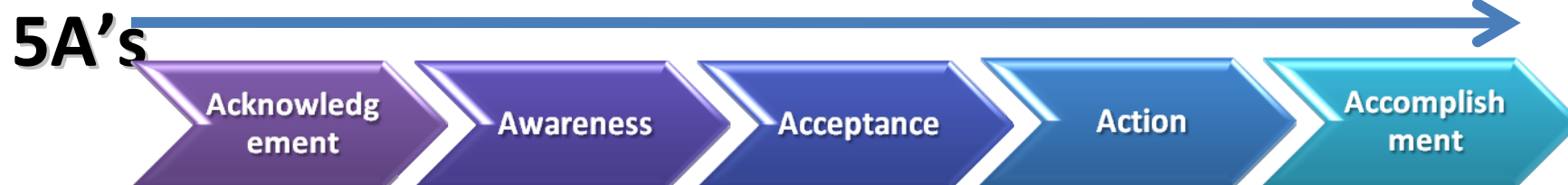
# **Hypothesis:**

## **What's A Woman Entrepreneur to Do.....**

- **Build Value**
  - Personal
  - Business
- **We've Met the Enemy - and She is Us**
  - 95% of life is showing up
  - Don't contribute to the leaky pipeline
  - Have SISU!

# Build Value – A Personal Change process

## Venture *Change* Value Adding Chain –

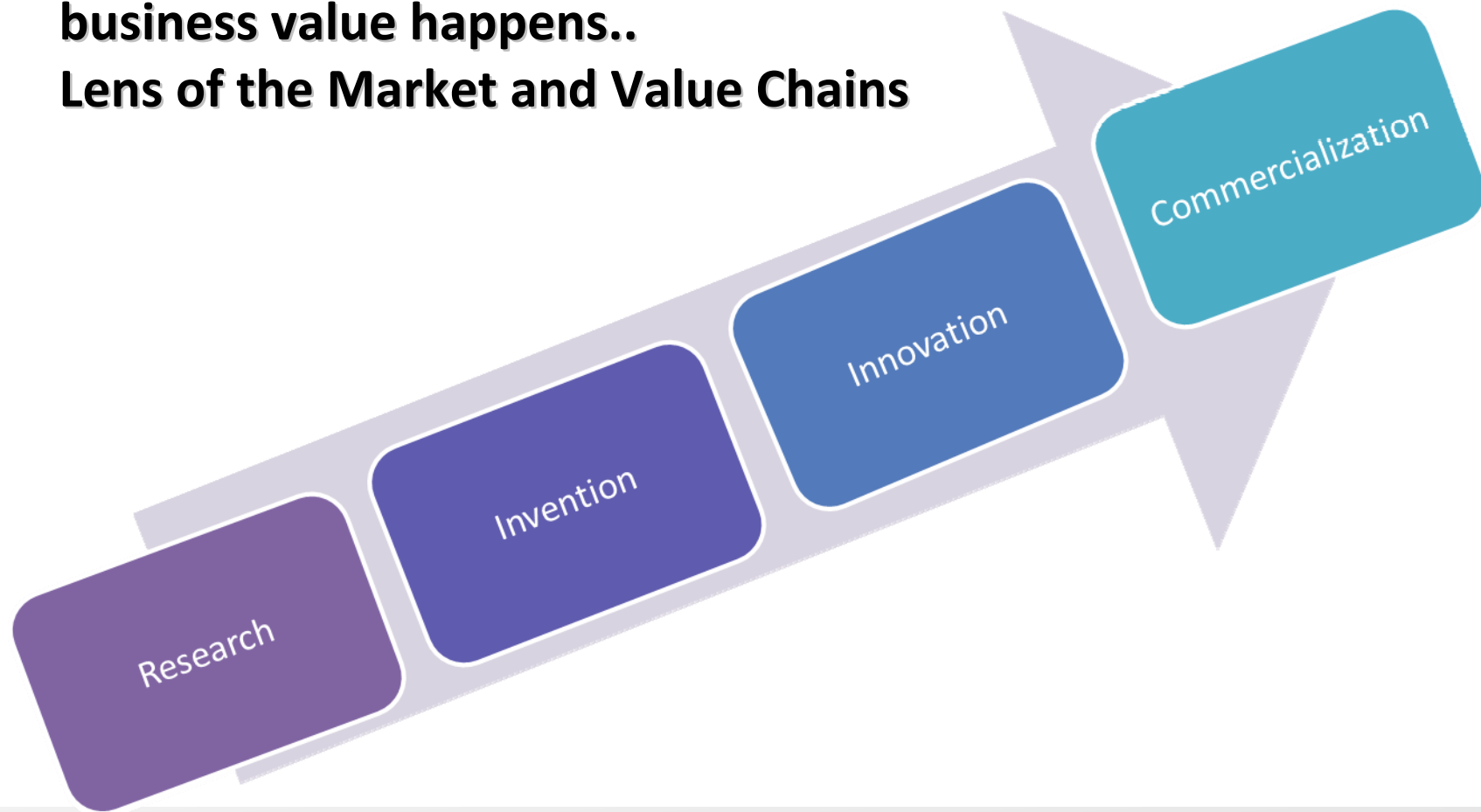


<b>Evidence for desired change</b>	<i>Spark of interest</i>	<i>Gain insights, skills, vocabulary</i>	<i>Want to be part of an entrepreneurial venture</i>	<i>Will plan and start a STEM-intensive company</i>	<i>Build the company – make it real!</i>
<b>Typical Actions for each step in the chain</b>	<ul style="list-style-type: none"> <li>•Dabble in classes and info</li> <li>•Manifest desire to “Do Good”</li> <li>•Find Role Models</li> <li>• Read up on it</li> </ul>	<ul style="list-style-type: none"> <li>• Seek out and take courses and workshops</li> <li>• Actively seek and network with friends, entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>•Look for opportunities to create companies or join a team</li> <li>•Build &amp; actively use networks</li> </ul>	<ul style="list-style-type: none"> <li>•Build a team</li> <li>• Finalize the idea</li> <li>• Develop a pitch and a plan</li> <li>•Proof-of-principal</li> </ul>	<ul style="list-style-type: none"> <li>•Get funding</li> <li>•Build a Board</li> <li>•Build the company</li> </ul>

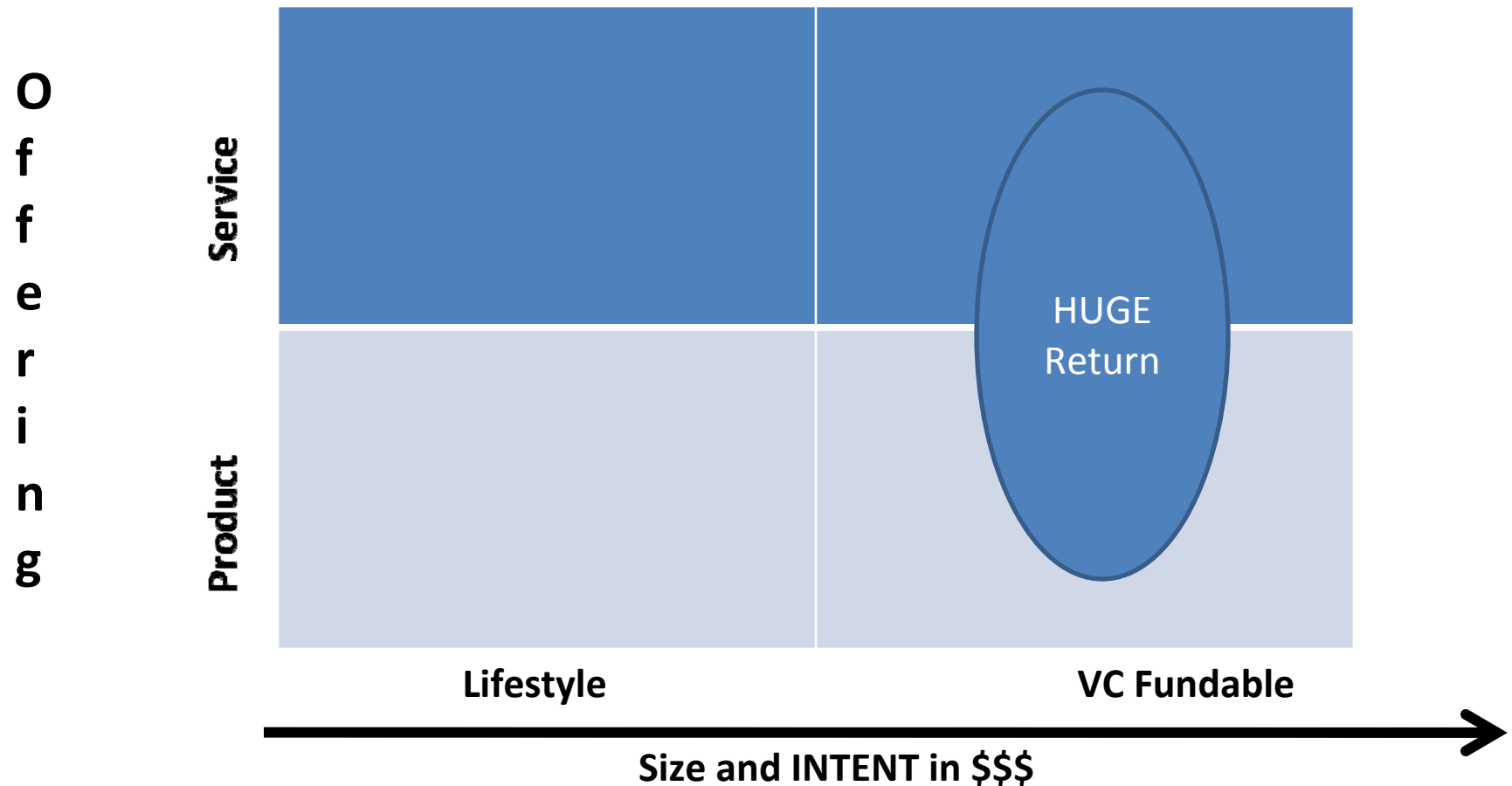
# Build Value – A Business Process

**KNOW** how business and building  
business value happens..

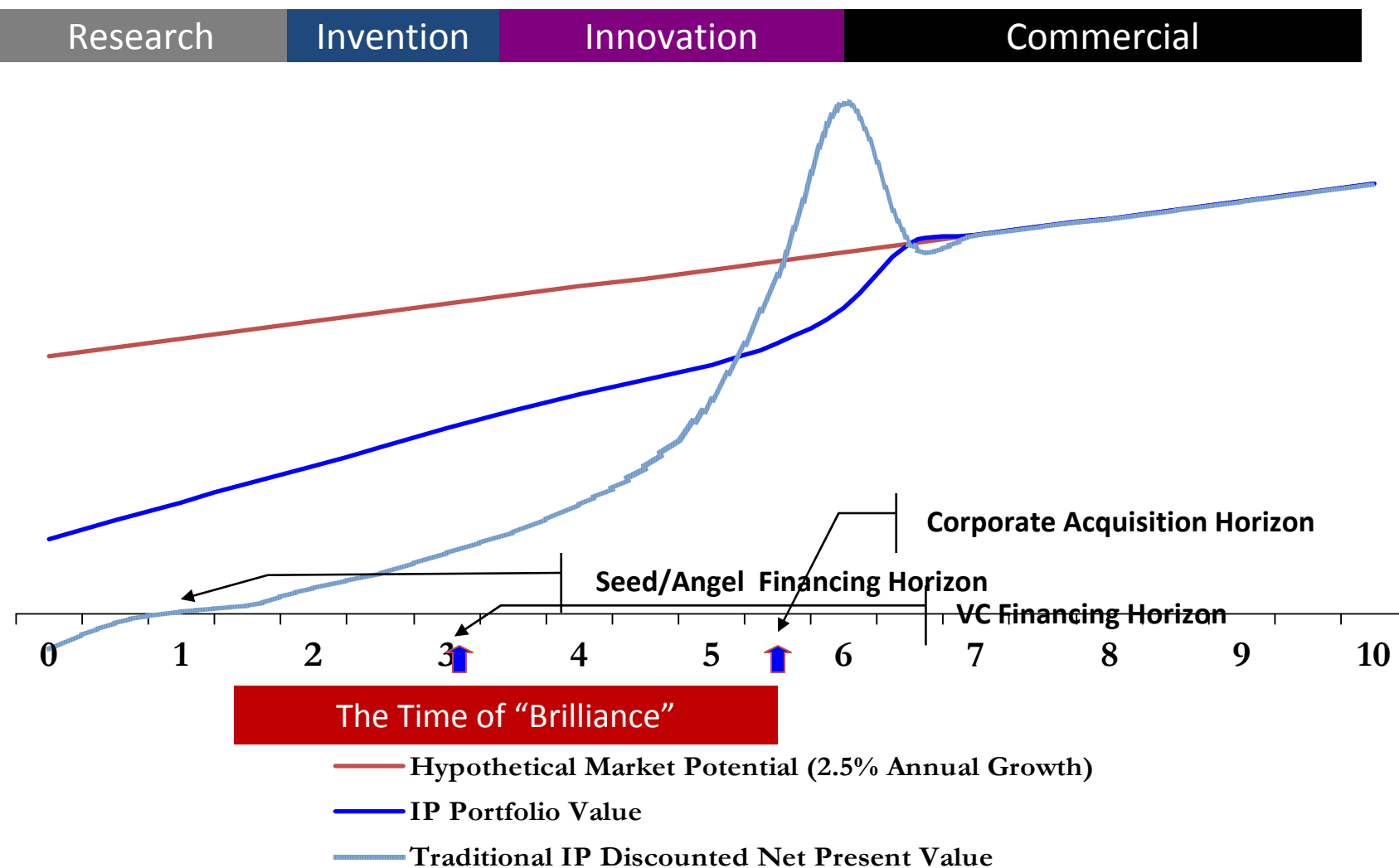
**Lens of the Market and Value Chains**



# What Kind of Business



# Time Value of Pre-market IP



# What About Social Ventures?

- What *is* a social venture
  - **Non profit** – NGO, purely social benefit, *no profit but better have revenue!*
  - **For profit with an *intentional* social slant**
    - GoodCompany Ventures enables angel investors, investment groups, venture capital firms and mission-related investors to meet and learn more about companies that offer an attractive mix of financial return and social benefit.  
<http://www.goodcompanyventures.org/about-good-company-ventures/investors-2>
    - Investors Circle Investors' Circle is a network of over 200 angel investors, professional venture capitalists, foundations, family offices and others who are using private capital to promote the transition to a sustainable economy.  
<http://www.investorscircle.net/>
  - **For profit with a social intent as a byproduct:** Today's high-powered women executives make it a point to weave social entrepreneurship into their businesses.  
<http://smallbiztrends.com/2007/08/women-business-owners-part-of-social-entrepreneurship-trend.html>

# Met The Enemy –

## 95% of Life is SHOWING UP...

- **CASE IN POINT: *A big reason women don't scare up more early-stage capital is that they don't go looking for it in the first place.*** In 2007, women submitted just 8.9% of all proposals to U.S. angel funds. **RESPONSE:** get information, learn about how this works and HAVE COURAGE... (BTW...Last year, 14.8% of male-owned companies that submitted proposals to angel investors managed to bag funding, estimates the Center for Venture Research at the University of New Hampshire, compared with 13.3% for women-owned companies.)
- **CASE IN POINT: 2004 Venture Funding for Women Entrepreneurs Report : *Growthink Research in partnership with re:invention, inc. posits that the entrepreneur funding gap exists because of a lack of women decision makers and limited network connections.*** **RESPONSE:** Be a bee – Not a *queen bee* and not an ant. Do a wiggle dance; guide others and look for the dancing bees. DO NOT follow blindly behind.



# Met The Enemy –

## Don't Contribute to a Leaky Pipeline

- **There was significant attrition of managerial women in venture firms.** About 64 percent of the women who were in the industry in 1995 were no longer in the industry in 2000. Only 33 percent of the male control group exited the industry in the same time frame. (How Women Can Get More Venture Capital; Q&A with: Myra M. Hart; <http://hbswk.hbs.edu/item/3865.html>) **RESPONSE:** Ask yourself why?
- **Bank executives say fewer female M.B.A.'s are choosing careers on the Street,** and the banks also say they have had limited success stanching the flow of women who leave midcareer. (Wall Street's Women Face a Fork in the Road; Jenny Anderson, <http://www.nytimes.com/2006/08/06/business/yourmoney/06women.html>) **RESPONSE:** Ask yourself why?
- **An estimated 3,000 PhD-trained women opt out of the scientific workforce every year.** At that rate, attrition isn't just a feminist issue: it costs the United States more than a billion dollars a year and threatens our economic competitiveness. (Why Women Leave Science - Fixing the leaky pipeline has become a matter of national competitiveness; By Sue V. Rosser and Mark Zachary Taylor, PhD '06; <http://www.technologyreview.com/article/21859/>) **RESPONSE:** Ask yourself why?

# Met The Enemy – Have SISU!



- **Women exhibit a lack of self-confidence in their own abilities as entrepreneurs compared to men.** *Once in an established business, women relate to entrepreneurship less than men and do not feel comfortable calling themselves entrepreneurs.* For some women, entrepreneurial self-confidence grew over their time in business. For other women, it appears to continue to act as a constraint – affecting their ability to access finance and curtailing their growth aspirations. (Is a lack of self-confidence hindering women entrepreneurs? ( Jodyanne Kirkwood; [International Journal of Gender and Entrepreneurship](#); 2009 ; Volume: [1](#) Issue: [2](#) ) **RESPONSE:** Whose challenge is this?
- **Quantitative data indicates that, over the course of the four years of their engineering education, men have higher confidence than women in their math and science abilities and in their ability to solve open-ended problems.** No difference was observed in confidence in professional and interpersonal skills. (Exploring Gender and Self-confidence in Engineering Students: A Multi-method Approach; Authors: Debbie Chachra and Deborah Kilgore; Source: Proceedings of the 2009 American Society for Engineering Education Conference; [http://www.engr.washington.edu/caee/CAEE\\_Briefs\\_PDFs/ExploringGender\\_Chachra\\_ASEE09.pdf](http://www.engr.washington.edu/caee/CAEE_Briefs_PDFs/ExploringGender_Chachra_ASEE09.pdf) ) **RESPONSE:** Whose challenge is this?

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- With COURAGE
- With CONFIDENCE
- With DRIVE
- With “stickie”

