

INTRODUCTION

Our sixth annual *UC Davis Study of California Women Business Leaders: A Census of Women Directors and Highest-Paid Executives* reports on the status of women in the top decision-making positions of California's largest public companies.

Progress is gradual since our last census. Women comprise just 9.5% of the directors and highest-paid executives of the 400 largest companies in the state.

There has been slight progress with women directors, who now comprise 10.0% board seats, up from 9.8% in 2009, and continuing a modest upward trend from 8.8% in 2006. Of the 342 companies that were also in last year's census, 11 companies have fewer women directors this year, and 19 have more women directors.

For executive officers, we find 8.8% of highest-paid executive positions held by women. However, this percentage is not directly comparable to the figure we reported last year because of a methodological change in the study. This year we limited our examination to highest-paid executives. As a measure of women in management, the highest-paid executive team facilitates comparisons across firms, since the rules for inclusion of these five highest-paid executives are codified by the Securities and Exchange Commission (SEC) filing requirements.

Highest-paid executive positions include the chief executive officer (CEO), the chief financial officer (CFO) and the three other most highly compensated executives. In unreported analyses conducted on last year's 400 firms, women represented 8.4% of highest-paid executives. This year, women hold 8.8% of highest-paid executive positions at the 400 largest public companies, showing a slight improvement in representation at this highest level of management. In our 2010 census, 35 firms have two or more women highest-paid executives, and 16 firms have a woman serving as CEO, while almost two-thirds of the largest 400 companies in California have all-male highest-paid executive teams.

As in previous years, there is substantial variation in the representation of women across different company sizes, industry sectors and counties across in the state. The largest companies based on market capitalization continue to have about three times as many women directors as the smallest companies, but there is not a clear relationship between company size and percentage of highest-paid women executives. The very largest and very smallest firms in our sample have almost the same percentage of highest-paid women executives, 10.1% and 10.2%, respectively.

Companies in the real estate industry have the highest percentage of women directors, followed closely by the finance and health industries. The consumer products and services industry has the highest percentage of highest-paid women executives (almost one in five is a woman), followed by the media and entertainment industry.

Once again, the high-tech industries trail behind, with a notable 78% of the telecommunications industry having all-male boards. Similarly, 83% of electronic hardware companies, 78% of business services companies and 76% of firms in the software industry have all-male highest-paid executive teams.

Our study continues to paint a modest picture of the representation of women in corporate leadership, but the census does reveal slight progress and opportunities to celebrate the successes of women. Our Top 25 companies all have at least 25% women on their boards and highest-paid executive teams, and 11 of them are run by a woman CEO.