

# INTRODUCTION

Our second annual *UC Davis Study of California Women Business Leaders: A Census of Women Directors and Executive Officers* reports on the status of women in the top decision making positions of California's largest public companies. It is clear from our findings that women continue to be an untapped resource to serve in the boardrooms and executive suites of these companies.

This year we made several changes to the study to reflect a more comprehensive analysis of California's leading women business leaders.

First, we have doubled the size of the study to include the 400 largest public companies that are headquartered in California. Compared to our first study, we included 200 more companies with annual revenues in the \$100 million to \$500 million range. Widening the scope presents what we believe is a clearer picture of how women are represented in executive leadership and on governing boards of smaller companies.

Second, we have broadened our definition of executive officers. In 2005 we focused on how many women were included among the five highest-paid executives reported by each company in their Securities and Exchange Commission (SEC) filings. This approach led to some unfortunate omissions: Vivian Stephenson, the chief operating officer of Williams Sonoma, who retired in June 2006, was not on our list last year; neither was Shona Brown, the senior vice president for business operations at Google. These women are clearly part of the key decision making teams at these companies, even though they were not identified among the five highest-paid executives.

In this study, we have included all executive officers each company named in its annual report. This provides a more accurate view of female representation on the senior management teams at these companies. We will continue to use this methodology and sample size in our future census reports.

## The Findings

**Women hold only 10.2% of the board seats and executive officer positions at the 400 largest public companies headquartered in California. This statistic remains unchanged from our results last year, despite expanding the scope of the study.**

In terms of representation on boards, women occupy 287, or 8.8%, of the 3,245 combined board seats in these companies, much lower than the 11.4% of board seats women held in our 2005 study. Eight women hold the title of executive chairman of the board and three have the title non-executive chairman.

In our sample of 400 companies, more than half, or 50.5%, have no women directors. Expanding our sample to include smaller companies has revealed that smaller companies typically have fewer women board members than larger companies. In addition, of the two companies with five women directors, one, Golden West Financial Corp., merged with North Carolina-based Wachovia Corp. in October 2006, so it will not be included in our next census.

Our analysis of executive teams reveals that only 11.7% of executive officers are women. This includes 11 chief executive officers, 14 presidents or chief executive officers, 32 chief financial officers, and six chief information officers. Two prominent chief executive officers included in our 2005 report stepped down this year: Carol Bartz of Autodesk and Lisa Harper of Gymboree. Meanwhile, two women were promoted from chief operating officer to chief executive officer during the year: Susan Nowakowski of AMN Healthcare Services Inc. and Linda Lang of Jack in the Box Inc.

We have also identified a list of the top 25 companies that have demonstrated a commitment to gender diversity in corporate leadership. We applaud these top 25 companies that have the highest percentage of women as directors and executive officers. Each has more than 25% women directors and executive officers.

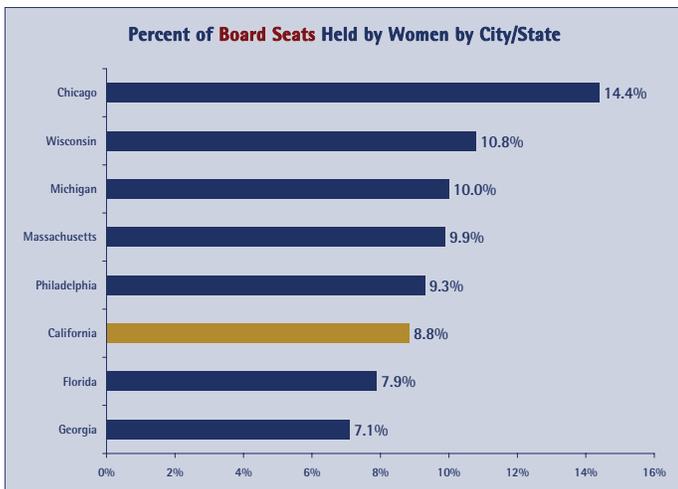
## California compared to other states and cities

Around the country, seven organizations publish similar annual census reports on the status of women directors and executive officers in public companies in their respective geographic areas. They have formed a consortium called the InterOrganization Network (ION).

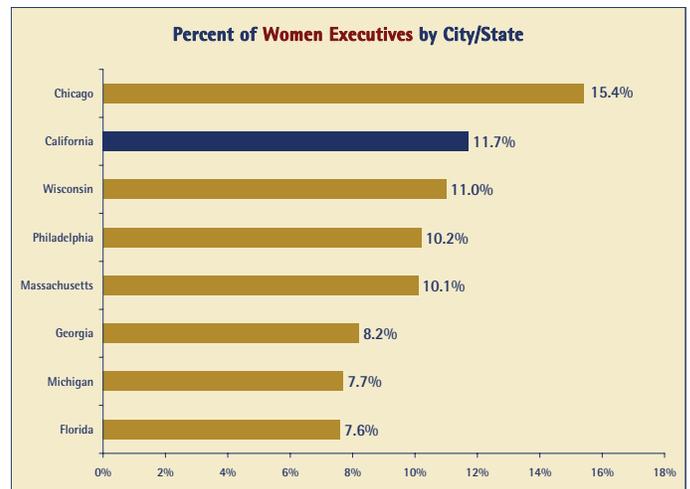
The UC Davis Graduate School of Management in partnership with the Forum for Women Executives and Entrepreneurs recently joined this consortium. We will work with ION to leverage our combined strengths and influence to increase women's representation in corporate boardrooms and executive suites nationwide.

### KEY STATISTICS

- California outpaces only Florida and Georgia with 8.8% of board seats held by women.
- California ranks second (11.7%) behind Chicago in the percentage of executive officer positions held by women.



Source: ION member studies 2004, 2005.



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Together these studies, and others done at the national level, paint a dismal picture of the gender diversity in the upper echelons of corporate leadership in America. At a time when public companies are suffering from lapses in corporate governance and failures in leadership and are under increased scrutiny because of high profile scandals, these companies cannot afford to ignore the talent and perspective available in half the population and close to half the work force.