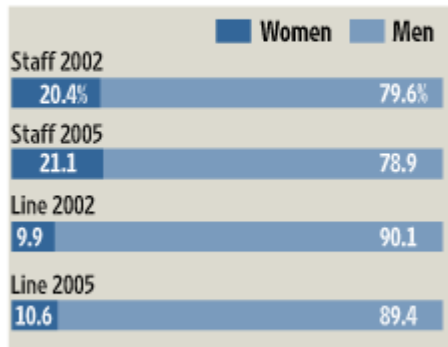


Women in Power

Percentage of Line and Staff Corporate Officer Positions Held by Women



Source: Catalyst

Women Swell Ranks
As Middle Managers,
But Are Scarce at Top
By Carol Hymowitz
July 24, 2006; Page B1

Irene Rosenfeld last month became CEO of [Kraft Foods](#), the nation's top food company, and in April Patricia Woertz became chief executive officer of [Archer-Daniels-Midland](#), the giant grain processor. They are examples of how women in business are asserting power in all sorts of ways. Women in the U.S. are launching small businesses at more than twice the rate of men each

year. In preparing for the work force, female students outnumber and outperform male students in colleges and in many professional schools.

Still, the numerous individual achievements belie the fact that at big, established companies, women in recent years have made little progress breaking into senior ranks.

The vast majority of women, who hold more than half of all management and professional jobs and have been in the pipeline for decades now, still are concentrated in entry-level and middle ranks. Last year, they held 16.4% of Fortune 500 corporate officer jobs -- the titles of at least vice president and positions that require board approval -- an increase of just 0.7% from 2002, according to the latest study of executive women by Catalyst, the New York research group. The survey also found women comprised just 6.4% of the top five earners among corporate officers, a 1.2% rise in the same period. These are lower growth rates than Catalyst reported in prior surveys, done every three years over the past decade.

Women of color -- African-Americans, Hispanics and Asians -- made far less progress. They held just 1.7% of corporate-officer positions in 2005, and were 1% of Fortune 500 top earners.

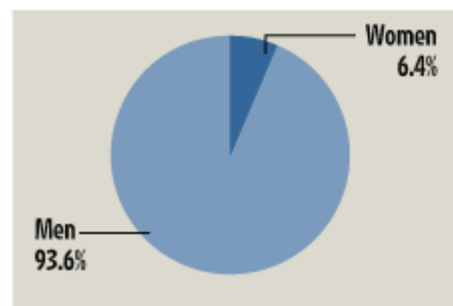
"Until the numbers at the top reflect the numbers in middle and bottom, companies don't have gender diversity, or a meritocracy," says Catalyst President Ilene Lang.

Part of the problem for women managers is that the total number of corporate officer positions has declined 21% since 2002, Catalyst found, as companies cut management positions, heating up the competition for available posts.

Catalyst's data and other research are triggering a vehement debate about how to improve diversity in upper ranks. On the one hand, the women-need-special-help crowd says companies must offer mentoring and give assignments that let women prove themselves. They also must give women a chance to slow down during their prime childbearing years.

Follow the Money

Percentage of Fortune 500 Top-Earner Positions Held by Women, 2005



Source: Catalyst

Without both efforts, companies tend to suffer a major talent drain of disgruntled women in their midcareers.

Nearly 40% of highly educated women with business or professional experience take some time off from their careers -- to care for families or because they dislike their jobs or feel sidelined, says Sylvia Ann Hewlett, head of the Center for Work-Life Policy in New York. "We've been trying to fix women so they fit into the lockstep male career model, instead of changing the model," she adds.

On the other hand, some feel the role that needs the most remodeling is the one at home, where "the glass ceiling is thickest," counters former attorney and philosopher Linda Hirshman. In her book, "Get To Work," which has been filling blogs with love and hate mail, she urges women to insist their spouses do at least half the housework and childrearing -- and even go on a reproductive strike -- so they can vigorously pursue careers.

So what is it going to take for all women to get an equal shot at executive offices? It starts with convincing bosses that to compete in the global marketplace, they need a diverse leadership team and a rich mix of employees with varied perspectives and experiences. A select group of CEOs understand this. They tell their managers down the ranks to develop talent that reflects the diverse mix of their customers and to tap into their staff's differences to capture new business and boost the bottom line.

They also are telling them not to pigeonhole women in dead-end staff jobs, which don't give them the crucial profit-and-loss responsibility they need to vie for senior positions. And they are linking diversity goals to compensation.

Last week, Chad Holliday, CEO of [DuPont](#) and chairman of Catalyst's board of directors, promoted Ellen Kullman to executive vice president in charge of two businesses (DuPont Safety and Protection, and Coatings and Color Technologies) as well as two corporate functions.

Executives at DuPont now are rated in annual performance reviews on retaining a diverse staff. "We are aiming to be the company that ranks at the very top of the list of where women want to be for their advancement," Mr. Holliday says. "It's all about winning versus our competition wherever they are...and it's just the right thing to do."

Not every woman in business, of course, aspires to the corner officer. Those who do must stay only at companies that support their goals and offer real opportunities. ADM's Ms. Woertz did that at [Chevron](#), where 13 years ago her boss asked her to take charge of Chevron Canada, leaving California headquarters for offices in Vancouver in a matter of days. It was her first big operations job. She has noticed something about her climb: She has never held a job that was previously held by a woman.

