



ISBN: 1934-4244

# **Women are Taking Over: Welcome to Twenty First Century Business**

**By: Amanda Irving**

**Business Administration-Southern New Hampshire  
University**

**Amanda.Irving@snhu.edu**

**01/31/12**

## **The Rise of Female CEOs**

Today, more and more organizations are starting to realize the power women have in business and how women can bring many different talents to the table compared to men. Welcome to twenty first century business, where women are significantly making a difference in organizations and moving to the top. Starting January 1, 2012, there will be 18 female CEOs working for companies on the *Fortune* 500 (Petrecca, 2011). More women coming into power gives other women more determination to strive for success and overcome the barriers faced in the workplace, which is needed right now more than ever. The success of women in the West is also starting to help with female success internationally. Given the CEO position, women are starting to evolve in other areas of business, such as corporate boards, in entrepreneurship, and internationally, which most people never thought possible.

Today, numerous studies show how valuable women are to the business world. Isobel Coleman (2010) stated that when there are educated women in the workforce, economies expand, cycles of poverty are broken, and agricultural productivity rises (pg. 3). International development is significantly improved and advanced when the status of women is promulgated. Women help generate a great deal of productivity, human capital, and profits for corporations, especially in an international sense (Coleman, 2010). If women are so pertinent and beneficial for business, then why has there been so much hesitation to let females run companies until recently?

There are some significant female role models taking over the reins of Fortune 500 companies right now. Irene Rosenfeld, CEO of Kraft, and Indra Nooyi, CEO of Pepsi, are two females who are paving the way for women to have the opportunity to climb the corporate ladder. These women have made this milestone achievement by being well-educated, reinforcing their education with varied experience, having a solid understanding of business and finance, and by getting on the path to succeed and continuing to do so with nothing getting in their way (Silver, 2009). To see a continuous improvement with female professionals moving up in the business world, we need to see women take advantage of the opportunities available and act upon them for further success. One of the first areas that women should start to take advantage of is through joining corporate boards.

## **Women on Corporate Boards**

A female presence on corporate boards changes the corporate governance. The presence of women on corporate boards changes discussion by opening up a wider range of topics and keeping the discussion on a professional level, with no tolerance for jokes or rude language. Overall, women have the skills and knowledge to contribute much more to these boards than men due to the fact that women ask more questions, tend to listen better to issues, and create more accurate solutions for the issues that occur (Rosener, 2009). These skills contribute to the companies' bottom lines. Companies that give women the chance to excel generate more

profitability than companies who do not (Rosener, 2009). Isobel Coleman (2010) also reported that empowering women can affect bottom lines for not just companies, but developing economies as well. One would think that with the amount of research showing how beneficial women are on corporate boards that there would be more women on them, but that is far from the reality.

Corporate boards are known for being dominated by males. Only 20 percent of Fortune 1000 companies have yet to have a female join their corporate board (Rosener, 2009). However, it is only a matter of time before women start to make their mark by holding corporate seats. Women have been excelling in all other areas of business, which leaves numerous business professionals on their toes waiting for more and more women to dominate the corporate boards as well. Well, female domination is here. Companies have been experiencing demand for more and more women to join their corporate boards in order to mirror the United States' society and improve areas of business (Rosener, 2009). Now, these companies need to stop making excuses and hire the women who are ready and waiting.

Male CEOs have been claiming that women are not looking for corporate board seats, but the truth does not echo their claim. Another interesting fact is how these male CEOs are looking for women with the requirement and skill sets that they do not possess themselves (Rosener, 2009). The fact that men are stalling the presence of women, who have skills they do not, on corporate boards is absurd. Men are supporting one another while alienating women, intentionally or otherwise. When women sense men are uncomfortable working with them, they suffer and strive to work harder because they always want to prove they are competent. Women are still at a disadvantage when it comes to earning a seat on a corporate board. However, it will not be long before they make significant progress in this area like they have as entrepreneurs.

### **Female Entrepreneurs**

Female entrepreneurship is exploding and affecting the global economy today. Women all over the world are creating and running their own organizations with no end in sight. Did you know that 64 percent of firms in Russia that have ten or more employees are run by women? Did you know that one third of the new businesses in Germany have been created by women, totaling over one million new jobs? On top of that, women in Poland own 38 percent of all businesses while the women in Hungary have created 40 percent of the businesses since 1990. Women around the world are dominating the business field, just like the women here in the United States, who own eight million firms and generate about \$3.6 trillion in sales annually (Jahanshahi, Nawaser, Pitamber, 2010). These facts clearly reveal the impact women have on business and what they can bring to the table. Females are no longer stay-at-home moms, but a force to be reckoned with.

Female entrepreneurship is highly acknowledged in developing countries. Many of these developing countries depend on female entrepreneurship to help stimulate the local economies

(Jahanshahi, Nawaser, Pitamber, 2010). Isobel Coleman (2010) reports that a program called The 10,000 Women funds new teachers to educate future generations of female entrepreneurs in Africa, Asia, Latin America, and the Middle East (pg.4). More and more foreign countries, as well as corporations, are starting to realize how empowering women can be extremely beneficial for business (Coleman, 2010).

Whereas female entrepreneurs create their own businesses to feel a sense of accomplishment and to meet their personal goals, men tend to create their own businesses just to make a profit. Females having more of a personal attachment to the businesses they create relates to how prosperous their business tends to become (Jahanshahi, Nawaser, Pitamber, 2010). Some companies should be focusing more on female entrepreneurs and business leaders by giving them the resources they need to excel (Coleman, 2010). There are numerous female entrepreneurs who have left the corporate world due to the inability in some areas to further their career. Women are sick of having to deal with assumptions in the corporate world that women do not fit with organizational culture, as well as the fact that their contributions and knowledge are not taken seriously among their male co-workers (Russell & Burgess, 1998). As women leave the corporate world behind them to start their own businesses, they leave with the knowledge and skills to run their own business, as well as to work internationally.

### **Women in International Business**

Due to the recent overwhelming amount of support for females in the corporate world, females are having an astounding impact in business all around the world. Women in the United States are starting to take over the top spots in corporations; in France, one in four firms is run by a female. More women are overcoming barriers and proving to companies around the world that their negative connotations need to disappear, just like the male CEOs have been. Male CEOs have been dwindling, as numerous studies prove that women excel exceptionally when working overseas as expatriates, even better than their male coworkers (Allen & Ruhe, 1999.)

International business can be a tough outlet for women to get involved in due to the traditional belief that business is more of a man's job. This belief makes working in business, especially overseas, very difficult for females. Women tend to have to work much harder when pursuing deals overseas than men. Some countries have eased their beliefs about women in the workplace, but there are still many barriers there. Women have to study the countries and cultures they pursue business in to make sure they do not come across as rude or unprofessional. Even after accomplishing all of these tasks to complete a job, males are still frequently picked over females.

Some people still believe that women are not valuable in the business world abroad because many people believe that women are too gentle, emotional, intuitive, sensitive, and accommodating. These characteristics of females, as well as many others, are automatically viewed as negative for business practices, even though these characteristics have been proven to

boost morale and productivity within organizations (Dennis & Kunkel, 2004). Many women around the world are starting to take a stand against people who claim that females do not have what it takes to run a business just because of their female characteristics. Aaron Maines (2010) reports how 11 women in Italy are taking a stand against these claims by creating an organization to help women thrive in companies.

In Italy, women are starting to fight the resistance of women in the workplace. Eleven female managers have created an association to help promote and organize skill-building events for women called Valore D (Maines, 2010). The women who founded the association are dedicated to helping women in Italy make it to the top in organizations. There are even business schools all over Europe that are starting to focus on females more and empowering them to pursue careers in business. These schools are marketing towards women and giving them generous scholarships (Steinborn, 2004). The reason for their marketing heavily towards women has to do a great deal with a study done in 2000 by Catalyst Inc. and the University of Michigan. This study revealed that women tend to avert going to business schools and pursuing a career in the field due to the lack of female role models and encouragement, the difficulty of balancing work with family duties, and the lack of confidence in math skills (Steinborn, 2004).

When it comes to business in the twenty first century, women are ready to take on a more pronounced role in organizations. Women are dominating and fighting their way to the top. This year the United States has a record of 18 female CEOs. However, women are still facing an abundant amount of resistance and criticism for working as professionals in the business world, despite all the progress they have made. Women have been fighting against the resistance and excelling significantly by becoming CEOs and entrepreneurs, becoming more involved with international business, joining corporate boards, and educating other women to break the mold. As time progresses, the criticism against women in business will slowly start to disintegrate, for women have been proving themselves more than capable and pertinent to organizational success.

## References

- Allen, W., & Ruhe, J. (1999). Representation of Women in International Business Case Studies. *Journal of Education for Business*. Retrieved from <http://web.ebscohost.com/ehost/detail?sid=77b9e96a-2445-40d7-bebb-ee8b22b97445%40sessionmgr12&vid=1&hid=10&bdata=JkF1dGhUeXBIPWNvb2tpZSxpcCx1cmwsY3BpZCZjdXN0aWQ9c2hhcGlybyZzaXRIPWVob3N0LWxpdmU%3d#db=a9h&AN=2747282>.
- Coleman, I. (2010). The Global Glass Ceiling: Why Empowering Women is Good for Business. *Foreign Affairs*. Retrieved from <http://www.foreignaffairs.com/articles/66206/isobel-coleman/the-global-glass-ceiling>.
- Dennis, M., & Kunkel, A. (2004). Perceptions of Men, Women, and CEOs: The Effects of Gender Identity. *Social Behavior and Personality*. Retrieved from <http://web.ebscohost.com/ehost/detail?sid=e5fe8229-ce64-4947-bcbb-39bb88da807c%40sessionmgr15&vid=1&hid=14&bdata=JkF1dGhUeXBIPWNvb2tpZSxpcCx1cmwsY3BpZCZjdXN0aWQ9c2hhcGlybyZzaXRIPWVob3N0LWxpdmU%3d#db=a9h&AN=12803273>.
- Jahanshahi, A., Nawaser, K., & Pitamber, B. (2010). Issues and Challenges for Women Entrepreneurs in Global Scene, with Special Reference to India. *Australian Journal of Basic and Applied Sciences*. Retrieved from <http://www.insipub.com/ajbas/2010/4347-4356.pdf>.
- Maines, A. (2010). Italian Women Strive to Snap Stereotype. *Wall Street Journal*. Retrieved from <http://search.proquest.com/wallstreetjournal/docview/776009394/1329C14B43E785B8568/6?accountid=3783>.
- Petrecca, L. (2011). Number of Female Fortune 500 CEOs at Record High. *USA Today*. Retrieved from <http://www.foreignaffairs.com/articles/66206/isobel-coleman/the-global-glass-ceiling>.
- Rosener, J. (2009). Women on Corporate Boards Makes Good Sense. *Women's Media*. Retrieved from <http://www.womensmedia.com/lead/87-women-on-corporate-boards-makes-good-business-sense.html>.
- Russell, J., & Burgess, J. (1998). Success and Women's Career Adjustment. *Journal of Career Adjustment*. Retrieved from <http://jca.sagepub.com/content/6/4/365.full.pdf>.
- Silver, L. (2009). Female CEOs: What it takes to Climb the Corporate Ladder. *Investopedia*. Retrieved from <http://www.investopedia.com/articles/financialcareers/09/top-female-ceos.asp#axzz1fwt3ZnQg>.
- Steinborn, D. (2004). Europe's Business Schools are Focusing on Women. *Wall Street Journal*. Retrieved from <http://search.proquest.com/wallstreetjournal/docview/398974379/1329C163BD91B35A3CB/2?accountid=3783>.