

How Many Women?

By Anne Camille Maher

Recent studies have examined the progress, career advancement methods, and work-life balancing issues of the small population of women who have pierced the “glass ceiling” across many industries. Pharmaceutical companies’ own published reports reveal equally valuable information about the number of women in top management.

The pharmaceutical industry as a whole has been very supportive of the Healthcare Businesswomen’s Association (HBA) throughout its 20-plus years, joining the organization as corporate members and often reimbursing employees for the costs of participating as individuals. Several companies regularly donate facilities and refreshments for HBA educational seminars. Yet those activities have yet to result in full achievement of the target of supporting women’s career development to the point where women have equal opportunities to men in the executive suite.

As described in HBA’s POWER Study, the glass ceiling is still very real in this industry, but it is neither overt nor pervasive. Thus, the glass ceiling is very difficult to characterize and challenge. The question remains after that study: “What proportion of senior management positions in pharmaceutical industry are now held by women?” To shed some light in this arena, this article suggests a simple method for examining the number of female names at the top management level in companies’ annual reports.

Moving into a new millennium with a more diverse workforce to attract, motivate, and retain means that now more than ever, companies must offer a visible and complete career track to women, people of color, people with physical disabilities, and other minorities. Companies must creatively and effectively meet new challenges by combining those strengths and experi-

ences of the managers—mainly white men—who have brought the industry so successfully this far with new approaches, insights, and methods that come naturally to managers from different backgrounds.

The objective of analyzing annual reports for a breakdown of male and female names by gender is to benchmark the population of women in the executive suite in the pharmaceutical industry. The intention is to prepare to quantify progress. What gets measured, gets done, daily against thousands of manufacturing, marketing, and sales targets. This study provides a relatively simple method by which annual quantification can assist in achieving the goal of developing a more inclusive senior management team for the pharmaceutical industry. If the industry meets that goal, it will be able to more effectively address many of its future challenges.

Between the Lines

Anyone with access to the World Wide Web can derive these data. Starting with the list of members of the Pharmaceutical Research and Manufacturers of America (PhRMA), available at that industry association’s website (www.phrma.org/membership/memlist/html), one can follow links to lists of senior managers in each parent company’s 1998 Annual Report. In May of 1999, there were 44 companies listed as members of PhRMA. Two have merged with each other (AstraZeneca) and another two (Pasteur Merieux Connaught and Rhône-Poulenc

Rorer) are owned by the same parent (Rhône Poulenc S.A.). This study reviewed annual reports from 42 companies, focusing on the standard sections that name “directors” and “senior management.”

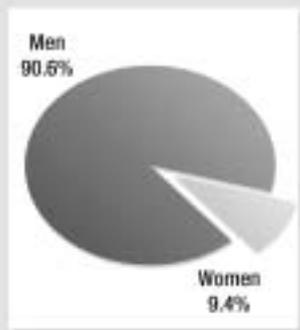
Because of private ownership, some companies, including Roche, Purdue, and Sanofi, have no standard annual report available. For those companies, this study used the pharmaceutical manufacturers’ list at the website of the publisher, Medicom International (www.medicomint.com/resources/manfs.html). An abbreviated list of “senior executives” and “other key executives” for each company from that source may differ from the information that those three companies would include in a standard annual report.

For the 39 companies for which annual reports were available, all had published 1998 reports. When counting the names of members of the board of directors and any lists of senior managers (terminology varies), the study made every effort to exclude nonexecutive directors, as lower-level managers would not run the companies on a day-to-day basis. For all 42 companies included in the analysis, the study tallied all the senior management individuals named, noting which were feminine names. The count included some division heads, senior scientists, and engineers. Where the report used initials or a name common for both genders, study administrators made a guess as to which gender was more likely to be implied. Of 24 names that were not readily seen to be gender-specific, the study identified 9 of these, or 37.5 percent, as names for females.

Be Counted

The overall proportion of managers named as senior management by the pharmaceutical industry in 1998 annual reports was 9.4 percent. (See “Just a Sliver.”) The range is narrow and never reaches above 25 percent. The proportion of females managing these 42 companies ranges from 0 percent at 15 of 42 companies to 25 percent at one

JUST A SLIVER



The gender proportions of senior managers named in the 1998 annual reports of members of the Pharmaceutical Research and Manufacturers of America.

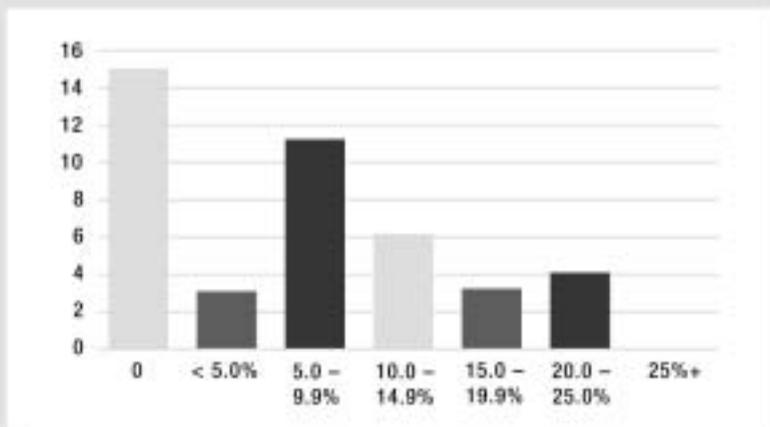
company. (See “Few to None.”) The five companies with the highest percentage of female officers were Roche Laboratories (25 percent), Elan Corp. (23.1 percent), Alza (20.7 percent), Merck (20 percent), and Gilead Sciences (17.5 percent).

How many women in senior management is enough? Given population statistics and a continued preference in many families for women and men to assume traditional roles, something less than 50 percent may well be a reasonable goal. However, given the current statistics for the workforce (nearly half women), students earning bachelor’s and master’s degrees (more than half women), law graduates (40 percent) and MBA recipients (33 percent), something close to one-half seems more than appropriate. There is no easy answer.

Yardsticks

This study provides a relatively simple benchmark of women’s progress into the executive suite of the pharmaceutical industry by 1998. It can readily measure future progress by repeating the method with the publication of each year’s crop of annual reports. Only 1 in 10 people named as senior management in an industry where many of the entry-level positions are “women’s work” (nursing, laboratory testing and, increasingly, sales) may be too few. Less than 10 percent may be too few in an industry where the population is aging,

FEW TO NONE



The distribution of companies in the pharmaceutical industry with proportions of women named as senior managers in each 5-percent range. Of the 42 companies included in the analysis, there are 15 companies with no women named as senior management. No companies have more than a quarter of women on the senior management team named in their annual reports.

women live longer than men, and there is a significant trend for patients to be active and involved in their medical treatment. An industry now challenged to find a way to balance the long-standing deficit of clinical data on the effects on women of its products perhaps should invite more women to have significant influence on its management committee decisions.

An earlier benchmark of 8.2 percent among the pharmaceutical members of the Fortune 500, derived by the research organization Catalyst in its 1997 Census of Women Corporate Officers, indicates that it is likely that the industry is making progress in diversifying its senior management. Listening to corporations’ public statements, it is clear that they want more progress. It appears that this industry, which in many ways appropriately prides itself on professionalism, inclusion, fairness, and providing an excellent working environment for all people, has failed to come as far as many managers believe it has. The total percent of women senior managers named in pharmaceutical companies’ annual reports is lower than the Fortune 500 census proportion reported by Catalyst as 11.2 percent for 1998.

Further analysis of those data is in order. Analysis of the titles published for the

women and men named in annual reports would shed light on what Catalyst calls the “glass wall”—the shortage of women who acquire line management experience and continue to take only staff or supporting roles as their careers progress. That maintains some of the barrier to women’s entry into executive management.

Additional studies would also aid the effort. Annual repetition of this study will produce the yardstick by which the industry can measure its progress. Analysis of the lists collected of nonexecutive directors would illuminate the gender composition of the groups who hire and fire executive management and set policy for pharmaceutical companies.

Studies of the pharmaceutical-allied supplier industry, including advertising agencies, contract research organizations, and publishers, would illuminate anecdotal reports that those are the places to which qualified women flee when they decide to abandon the struggle against the glass walls in the industry itself. Sensible discourse, more broadly inclusive hiring and promotion habits, and continued support of programs put in place will all help to allow this care-giving industry to benefit from the strengths and experience of the women who choose to make their careers in it. ■

NETWORKING SKILL-BUILDING KNOWLEDGE GATHERING



HBA initiatives and recent events

- Executive Roundtable discussions on career advancement issues for women
- Leadership Conference
- Senior-level Women's Breakfast Seminars
- *Meet the Rising Stars* interactive programs

Who needs it?

You. You say that talent, ambition and hard work are all it takes, that any additional skills and knowledge can be picked up on the job. That you'll make the time to plan your career moves and make them happen. And that the people you already know in the business are all you need to know.

Right?

Wrong. Reality is tough. Time is precious. Competition is fierce. And successful careers need to be planned, prodded and continually pumped full of new knowledge, new skills and broadened experience.

That's why women in healthcare turn to HBA. Through highly focused, results-oriented HBA programs, HBA members have access to career-boosting tools and networking opportunities simply not available from any other single source.

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