

Women, Education and Economic Development: Yours, Mine and Ours Keynote Address for Million-Dollar Women Symposium

November 6, 2008

Good afternoon.

I cannot begin to tell you what an honor and pleasure it is today to take part in a symposium such as this—one that recognizes extraordinary women and their many achievements. To have been asked to be your keynote speaker humbles me, and I'm very appreciative of the opportunity to share with you my thoughts on the role that we, as successful women, can, and most definitely WILL, have on the future—of this region, this country and our world.

Did I mention that women rule?!

One need only look back at this year's recently concluded presidential election to see the enormous impact women in this country are finally beginning to have on the national stage. Hillary Clinton was elevated to near icon status by women all across America; so much so that when she failed to clinch the nomination her supporters, in turn, threatened to abandon the party—a heretofore unthinkable act. **That**, my friends, is the extraordinary power of women. We have also witnessed the rise of Alaska Governor Sarah Palin and her appeal to an entirely different segment of America.

Make no mistake about it: As women, our time to lead has come. The leadership void in business, in the political arena, in education, commerce, and, indeed, in every aspect of the American fiber **requires** us to step up and show this country just exactly what women are capable of.

Let me share with you some facts I believe are worth noting.

It's a fact:

- That currently, **10.1 million U.S. firms** are owned by women. These women-owned firms **employ more than 13 million people**, and generate **\$1.9 trillion in sales**.
- That women-owned businesses account for nearly 40 percent of all privately held companies in this country.
- That here in Massachusetts, women-owned businesses represent nearly 30% of the state's total businesses, generating \$23.1 billion in annual revenues.

These are impressive numbers, and all indicators point to continued growth in the decade ahead. I say that with some confidence for in my **own** industry—higher education—the United States continues to see dramatic increases in the number of women enrolling in college. Nationally, women now outnumber men in our colleges and universities, accounting for 57 percent of all undergraduates. The trend is even more dramatic in graduate education, where between 1994 and 2004 the number of men in graduate school increased by 25%, while the number of women increased by an astonishing **66%**.

We have experienced this same trend at Salem State where women now represent over 60 percent of our student population. It is clear that women value education and what it means to their future success. The numbers are clearly in our favor.

This, however, is also a fact:

- Only 3 percent of the women-owned businesses I mentioned previously will ever gross over a million dollars in annual revenue. Not surprisingly, twice that number of male-owned businesses will hit the magic million-dollar mark.

The question that naturally arises is this: If women are graduating in larger numbers than men from our colleges and universities, why are they not becoming this generation's leaders in the work force—its CEOs, its company founders, its upper-level managers? Why have our earnings, relative to those of men, not kept up with our gains in educational attainment?

Small changes **are** beginning to appear. Female college students, according to Harvard University economics professor Claudia Goldin, have begun changing from majors focused on consumption to those focused on investment, "thereby expanding their horizons and increasingly planning for careers rather than jobs." This is a good sign.

There has also been change in the **types** of businesses women own. While we have traditionally founded businesses in the retail and service sectors, we are increasingly represented in such non-traditional industries as high-technology, construction, transportation, public utilities, business consulting, and other types of services—sectors previously dominated by men.

"An explanation for why women have emerged as an important entrepreneurial group and why they have moved beyond traditional areas," according to the Small Business Administration's Office of Advocacy, "can be found in examinations of changes in women's human capital—especially their educational attainment and occupational representation."

As educators, mentors, role models, and influential women in business, it is incumbent upon all of us to seek new ways to balance the female advantage in enrollment and graduation rates against the female *disadvantage* in this country's post-college labor force.

There is absolutely no doubt in my mind that our American economy will only benefit from women's educational gains. This will not happen, though, if women continue to work in occupations that do not use their specialized knowledge and skills. Bear with me now as I tell you something all of you already know—**that every woman who enters the realm of business does so with the same intent as every man.**

Why then the discrepancy when it comes to building million-dollar businesses? Is it gender bias? Is it because as women we've been brought up to believe men are the traditional money earners or that we are supposed to feel somehow guilty about "bringing home the big bucks?"

In her introduction to ***The Girls' Guide to Building a Million-Dollar Business***, author Susan Wilson Solovic writes that part of the problem is men's and women's different approaches to money. "When are women going to wake up to reality?" she asks. "What's wrong with making money?"

I'm here today to tell you that this once powerful tide may well be ready to turn (pause for applause)—and that you and I and women just like us will be the catalysts that make it happen! Change is coming and we must be poised, prepared and fully ready to take the reins.

Can we do it?

Of course we can, and we will begin in our own backyard. Let me tell you how.

At last February's North Shore Business Expo I put forth a proposal to create an economic entity to advance this region's interests, drive its economic stimulus and clearly identify it with a brand by which others will come to know—and value—us.

At that time, it was but a proposal. I am delighted to report to you today that—thanks to a cooperative effort on the part of many—it is now reality. It is called the North Shore Alliance for Economic Development, it is centered at Salem State College and it is funded with a combination of public and private monies. An active search for an executive director is now in progress and that position should be filled by December.

The Alliance has as its primary goal the creation of jobs, income and investment that will generate revenue to fund facilities and services. The latter will in turn maintain and enhance the quality of life on the North Shore.

As we prepare to craft an identity and develop strong brand awareness for this area in which we live and work and raise our families—at the same time seeking the most effective ways in which we can become catalysts for the economic development of our region—we will require the cooperative efforts of our government entities, our institutions of higher education and our businesses, both large and small.

As women business leaders, **this is our time.**

In her 2007 book, ***Her Turn: Why It's Time for Women to Lead in America***, Vicki Donlan, founder of Boston's *Women's Business*, speaks of a new model of leadership that will take advantage of women's skills. It's a model that takes into account not only our numbers, but our talents, determination, skill, wisdom, and willingness to lead.

Despite the inequality in pay, the lack of women in executive suites and boardrooms across America and the challenges we face breaking down these and other barriers, women, she notes, are the ones who start two of every three new businesses in this country.

Interestingly enough, women-owned businesses are more likely to be in operation at the critical make-or-break five-year mark—and less likely to be in debt—than those owned by our male counterparts. Donlan also cites a study that shows that the most successful Fortune 500 companies are those with women on their boards.

We are being presented with an extraordinary opportunity not only to make our voices heard, but to use our influence, our expertise and our collective visions of what the future can be for this region to guide the North Shore Alliance for Economic Development in its formative stages. Each and every one of us in this room today is integral to the Alliance's success. As a woman and a professional, I know **exactly** what we are capable of and I urge you to lend your voice to the Alliance.

I firmly believe that:

- **Together**, we—as successful women—can be a strong factor in defining the vision for the North Shore's economic growth.
- **Together**, we —as successful women—will create a favorable business environment for the region.

- **Together**, we—as successful women—will match job vacancies with educational offerings through a workforce strategic plan.
- **Together**, we—as successful women—can increase the opportunities for young professional women seeking to break through those increasingly fragile glass ceilings that have held them back in the past.

Most importantly, however, I believe that **together** we can mentor the young women graduating from our colleges and universities. We must, by our own successes and achievements, show them that they, too, can become a company's CFO, the chairwomen of high-visibility corporate boards or the founders of their own entrepreneurial dreams.

Professional women have an inherent understanding that we are all in this together. Our success comes from understanding that we work with an entirely different skill set than men.

According to the Center for Women's Business Research, we are more likely to emphasize relationship building in our work. We are also more likely to consult with experts, employees and fellow business owners to get a range of opinions and join formal business organizations for support. Women business owners are also prepared to take risks; studies indicate that as many as 66 percent are willing to take above average or substantial risks for business investments.

Collectively we do so much, but I believe we are capable of so much more. Today, I want to challenge each and every one of you to step forward and commit to the economic development of our region. Commit to mentoring the young women who are coming out of our colleges and universities, looking to make a difference in the world. Mentor them, extend your hands and teach them to lead. You are their role models, and I know I can count on you to show them the way.