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# More women take CFO roles

## Number in top finance jobs at big firms grows 20% in 2 years

By Matt Krantz  
USA TODAY

Women may be hitting the glass ceiling when it comes to getting into the CEO suite, but they're shattering it on the way into the CFO's office.

While a small percentage of the nation's biggest corporations have female CEOs, a rising and significant portion are promoting women into their top financial post: the chief financial officer.

Some 8.7% of companies in the Standard & Poor's 500, including household names such as Yahoo, PepsiCo and Home Depot, now have female CFOs, according to a USA TODAY analysis of data from Hoover's, a service that collects information on companies. That's well above the 3.5% that have female chief operating officers and 1.8% with female CEOs.

While the number of female CEOs has hardly budged, in two years, the number of large companies with a female CFO has grown more than 20%, according to a study by Catalyst, which researches issues concerning women in business.

The trend keeps accelerating. Case in point: financial services giant Citigroup, which just named Sallie Krawcheck CFO and head of strategy.

The rise of women in the CFO job stands to usher in changes in the gender divide in Corporate America. Not only has the

### Women in CFO office

Some of the women who are chief financial officer at companies in the Standard & Poor's 500 (ranked by companies' market capitalization):

<b>Company</b>	<b>CFO</b>
Verizon	Doreen Toben
Home Depot	Carol Tome
Pepsi	Colndra Nooyi
Merck	Judy Lewent
Yahoo	Susan Decker
First Data	Kimberly Patmore
Automatic Data Processing	Karen Dykstra
Marsh & McLennan	Sandra Wijnberg
Gannett <sup>1</sup>	Gracia Martore
Marathon Oil	Janet Clark

1 – Parent company of USA TODAY.  
Sources: Hoover's, USA TODAY research

CFO position taken on even greater visibility as new rules put emphasis on reported results and accountability, but it's traditionally the position that feeds into the CEO post at many large companies.

"You're seeing more women in the roles that are steps to other positions," says CFO Jean Blackwell of Cummins, which makes diesel and gas engines.

Female executives and experts studying the trend point to several reasons women are making major inroads into the CFO office:

Presented by:



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### About Millipore

**Headquarters:**  
Billerica, Mass.

**Ticker symbol:** MIL  
(NYSE).

**Description:**  
Bioscience company that provides technologies, tools and services for the development and production of new therapeutic drugs.

**2004 Q2 revenue:**  
\$225 million.

**2004 Q2 net income:**  
\$56 million.

**2003 revenue:** \$800 million.

**2003 net income:**  
\$101 million.

Sources: The companies,  
USA TODAY research

► **Women's greater representation in finance-related positions.** By and large, 90% of women are in so-called staff positions, which include back-office roles largely in finance and human resources, says Paulette Gerkovich, senior director of research at Catalyst. For them, the position to strive for is CFO.

Historically, women have pursued staff positions, since that's where their role models have been, or they've been gently guided that way by peers or bosses, Gerkovich says. "Stereotypes are common that women aren't tough enough" to work on factory floors or in sales, Gerkovich says. Women are steered away from those jobs, and guided into support roles such as finance, she says.

► **Women's bigger presence in Corporate America.** Now that women are much more of a factor in the workforce overall, it's not surprising to see a greater

Comerica, agrees. She points out that only 25% of her graduate school class was female 25 years ago. Now, business schools report 50% female populations. "There are more (women) in the pipeline," she says.

► **Companies' greater willingness to break the white-male mold.** At Darden Restaurants, for instance, women occupy four of the 13 top positions, says CFO Linda Dimopoulos. The incoming CEO, while male, is African-American. "It's our everyday practice around here" to promote based on skill, not gender or race, she says.

The ratio of female executives is higher at Southwest Airlines, 37%, says Laura Wright, CFO. "I've been fortunate enough to work for a company that promotes women," she says. She lightheartedly adds that the high number of fast-rising women "could explain why Southwest is so successful."

Finally, men and women really are different and have different strengths. While a CFO's top job is managing the company's numbers, success is really a factor of the ability to communicate. Women, through their traditional roles, have developed skills that make them effective, Acton says.

She says successful CFOs don't just "beat the table and yell and scream" to force departmental heads to cut costs. Instead, CFOs need to collaborate to find ways to drive down costs. "Women have particular skills, especially if they have husbands and kids, to manage many balls in the air," she says. "They've learned how to navigate and push forward."

Whatever the reason for the success in the CFO suite, the big question is whether that will mean more female CEOs in the future.

percentage reaching top levels, says Kathleen Allen, CFO at Millipore, which provides biosciences technology and services. "There are more women going into MBA programs and getting finance degrees."

Elizabeth Acton, CFO of the financial services firm

It "bodes well," Allen says. "Give it time."

### Linda Dimopoulos Darden Restaurants

**Headquarters:** Orlando.

**Ticker symbol:** DRI (NYSE).

**Description:** Casual-dining restaurants with over 1,300 locations in the USA and Canada. Major chains are Red Lobster and Olive Garden.

**2005<sup>1</sup> first-quarter revenue:** \$1.3 billion.

**2005 first-quarter net income:** \$72 million.

**2004 revenue:** \$5.0 billion.

**2004 net income:** \$231 million.

1 – fiscal year ended May 30, 2004

### Laura Wright Southwest Airlines

**Headquarters:** Dallas.

**Ticker symbol:** LUV (NYSE).

**Description:** Low-cost airline serving 60 cities in 30 states.

**2004 second-quarter revenue:**  
\$1.7 billion.

**2004 second-quarter net income:**  
\$113 million.

**2003 revenue:** \$5.9 billion.

**2003 net income:** \$442 million.

Sources: The companies,  
USA TODAY research

### Elizabeth Acton Comerica

**Headquarters:** Detroit.

**Ticker symbol:** CMA (NYSE).

**Description:** Financial services firm with three divisions: Business Bank; Small Business and Personal Financial Services; Wealth and Institutional Management.

**2004 second-quarter revenue:**  
\$545 million.

**2004 second-quarter net income:**  
\$192 million.

**2003 revenue:** \$2.4 billion.

**2003 net income:** \$661 million.

## More women take CFO roles

### Objectives:

Students will:

- examine the article, “More women take CFO roles.”
- identify the difference between a company’s CFO and CEO.
- learn about the roles, responsibilities and pay scales of various careers in finance.

### Concepts:

- Business
- Leadership
- Finance
- Careers
- Salaries
- Comparison

### Preparation:

- Give each student a copy of the article, “More women take CFO roles.”
- Ask students to read the article silently. Then, have them briefly discuss the questions on the following page. After, direct individuals to complete the activity and the attached graphic organizer.

### Activity at a glance:

- Grade level: 7-10
- Subjects: careers, finance, comparison, research
- Estimated time for this activity: 45-60 minutes; 20 minutes, homework (graphic organizer)

### Materials:

- Reading: “More women take CFO roles” (one copy per student)
- Graphic organizer
- USA TODAY newspaper

## More women take CFO roles

### Discussion:

What is the proverbial “glass ceiling” that women hit in the workplace? In what executive roles are females becoming more common? Why do you think the top corporate position – CEO – still eludes the overwhelming majority of female executives? Why has the position of corporate CFO taken on more visibility and accountability in recent years? According to female executives and other experts, why are women making major inroads into the CFO office? What financial knowledge and skills are needed to be a CFO?

### Activity:

A company’s Chief Financial Officer (CFO) is responsible for a corporation’s accounting and financial structure and activities. The CFO usually reports to the CEO (the Chief Executive Officer – the head of a corporation who oversees the company’s finances and strategic planning). Both the CFO and CEO are executives. Executives, of course, are also leaders.

Effective leaders are able to connect seemingly diverse strategies into a cohesive plan designed to carry a company into an unknown future. First, define the characteristics of a “good” leader (e.g., honest, reliable, organized, etc.). Next, peruse USA TODAY’s Money section for articles or interviews that profile corporate executives. What do these people have in common? On what aspect of their jobs do they seem to focus? How do they communicate a vision for their companies? Compare your analysis of these business leaders with the original list of criteria for a leader you developed. Do the business leaders profiled in today’s news measure up to your standards? Explain.

### Activity extensions:

- Create a graphic organizer that lists the key responsibilities of a CFO and CEO. What are the primary differences between the two positions? In what ways are the roles similar?
- Read USA TODAY’s Money section for two weeks, and identify news events that might have an impact on a business’ structure – corporate mergers, consumer confidence, interest rates, etc. How do financial trends impact the way companies are structured?
- Divide the class into five groups, and assign each a different industry (e.g., transportation, banking, communications, etc.). Have students research leaders in each industry. In which fields do women hold top positions? Which are male-dominated? Why might this be?

### Additional resources:

- CFO.com provides online news and other resources for those interested in learning more about financial and business trends.

A CFO is just one of many financial careers. There are dozens of others. Through research, fill in the chart below with the appropriate job description and the average salary. (Visit [salary.com](http://salary.com) for more information.)

Title	Description	Salary
Accountant		
Analyst		
Auditor		
CFO	Responsible for a corporation's accounting and financial structure and activities.	\$200,000-\$350,000
Collections Officer		
Controller		
Financial Planner		
Loan Officer		
Stockbroker		
Treasurer		