

**GWO**

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*Keele University (UK)*

# **Women and Growth in the French context: Some exploratory findings**

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# CONTEXT

Women Equity for Growth's annual index of the Top 50 fastest-growing women-led businesses in France

<http://www.women-equity.org>



# OUR RESEARCH AIMS

Our objectives in this communication are the following:

- Exploring the sex composition of business governance structures
- Analyzing the performance and growth profiles of French women-led businesses

## Why?

- Few papers in the French context focused on women-led businesses and factors associated with growth and performance
- Producing knowledge on French SMEs which represent more than 90% of French businesses

# LITERATURE REVIEW

*Some theoretical elements*

# Women in top management and performance

- Hypothesis of women's underperformance in entrepreneurship
- Correlation between the presence of women in the top management team and the economic performance of their companies (*Ferrary, 2010, 2016 in France - CAC40; Kartochian Landrieux, 2010*).

# Growth and performance

- Factors that can influence growth and growth intentions of entrepreneurs and top managers:
  - Age of the business, legal structure of the business, high innovative versus traditional sectors, “feminine” versus “masculine” sectors
  - Age of the entrepreneur, education, family situation, stage in the life course (Davis and Shaver, 2012)
- We focus on governance and the business-related factors of growth

# Research Questions

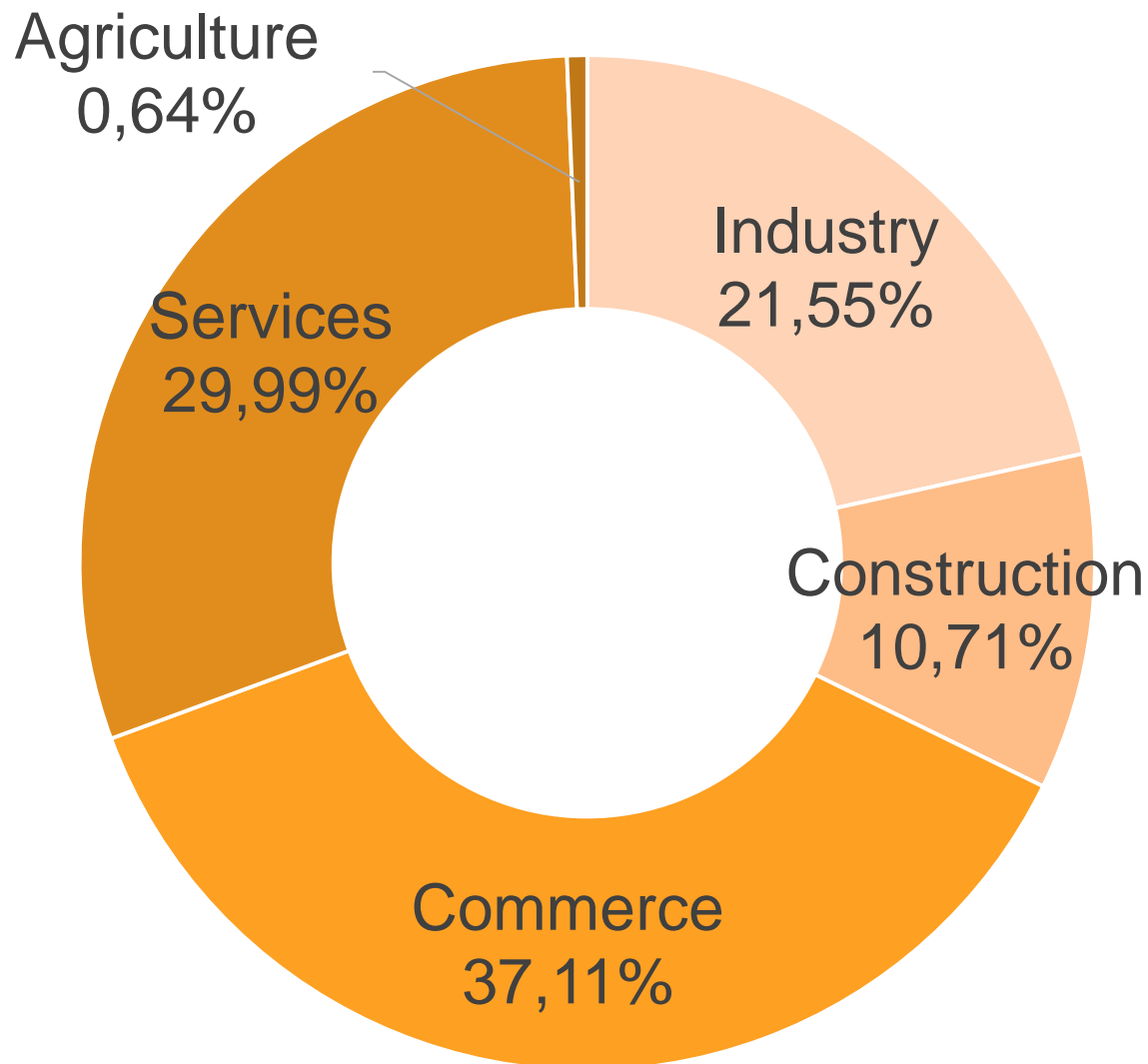
- What is the profile of women-led businesses
  - in terms of business characteristics?
  - in terms of governance?
  - in terms of business growth and performance?
- How does the fact of having a woman in a top leadership position affect the performance and growth of a business?

# METHODS

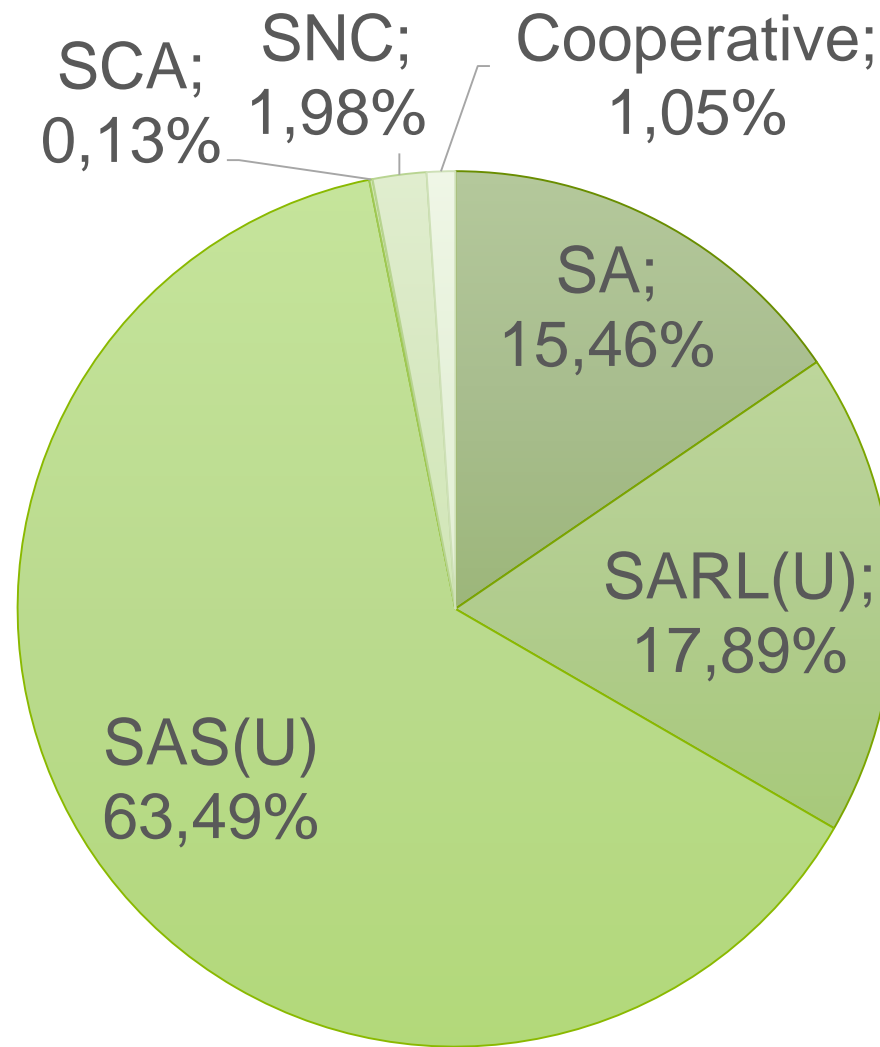
- An on-going exploratory work
- DIANE, a large database with information about all French businesses
- 28,657 enterprises selected, on the basis of:
  - Date of incorporation (at least 3 years old)
  - Revenues  $> 4$ m euros (last financial year)
  - $20 < \text{annual average headcount} < 250$
- Descriptive statistics (Excel) and first correlations / linear regressions (SPSS v11)



# Sample Description: Sector of activity



# Sample description: Legal form

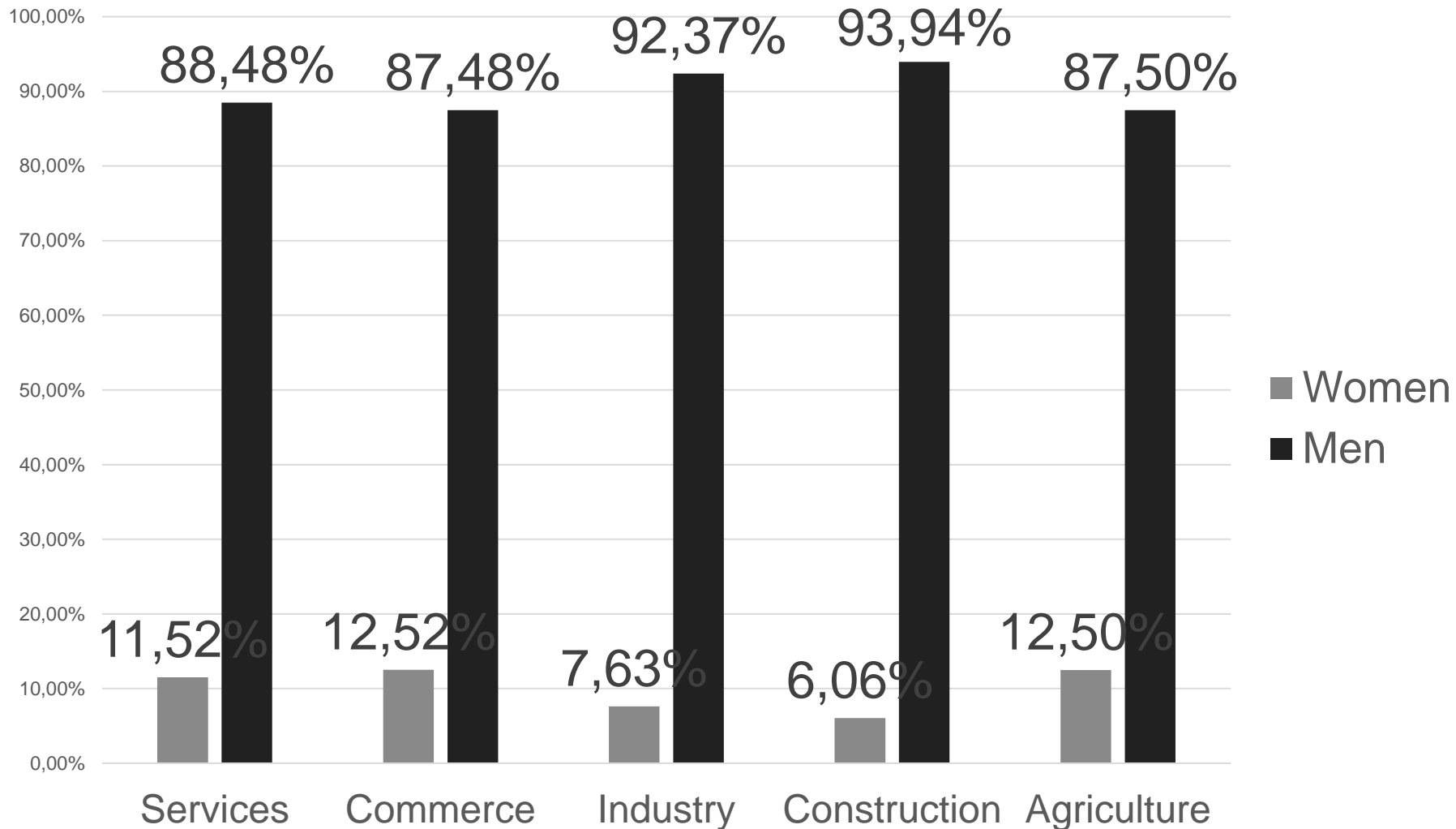


# Preliminary findings

## **Where are the women?**

The sex composition  
of business governance structures

# Women in the top position by sector



# Women in the top position by sector

<b>Sectors of activity</b>	<b>Women top leaders %</b>	<b>Women % (INSEE)</b>
Industry	8.4%	28.6%
Commerce and retail	12.5%	46.9%
Finance and insurance services	9.5%	57.6%
Real estate services	10.9%	52.3%
Admin., support, scientific, technical activities	11.0%	44.8%
Public admin., educ., health, social	24.4%	68.8%
Accommodation and food services	13.5%	49.3%
<b>TOTAL</b>	<b>10.50%</b>	<b>48.2%</b>

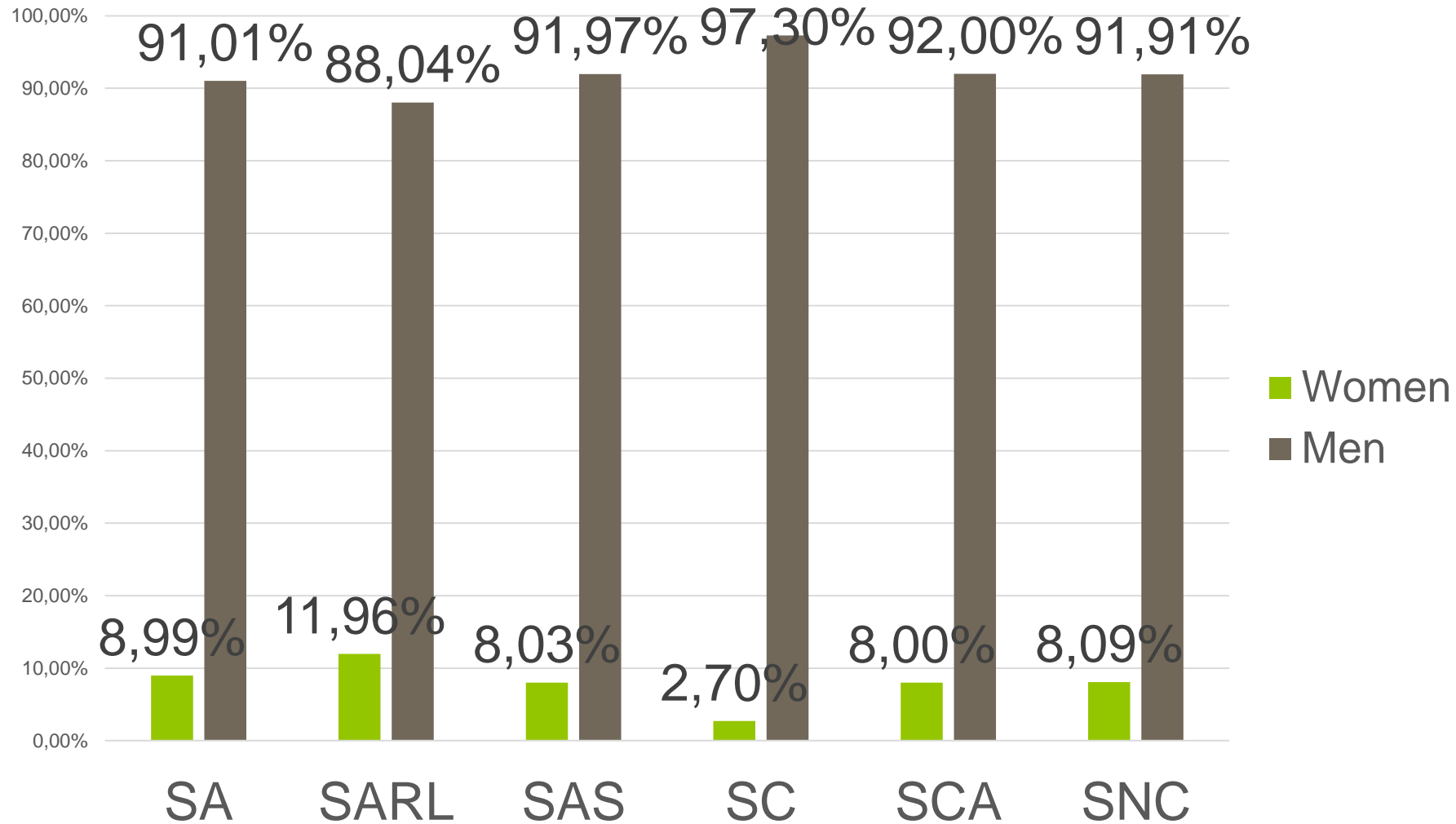
# The top position

<b>Legal Form</b>	<b>Function</b>	<b>Governance role</b>
<b>SA</b> (Public limited company)	Chairman of the Board Sole CEO	Legal representative
<b>SAS(U)</b> (simplified limited company)	President	Legal representative
<b>SARL(U)</b> (limited liability company); <b>SNC/SCA</b> (partnership companies)	Manager or Co-manager	Managers are jointly responsible for the company
<b>Cooperative</b>	President	Representative role

# Other key leadership positions

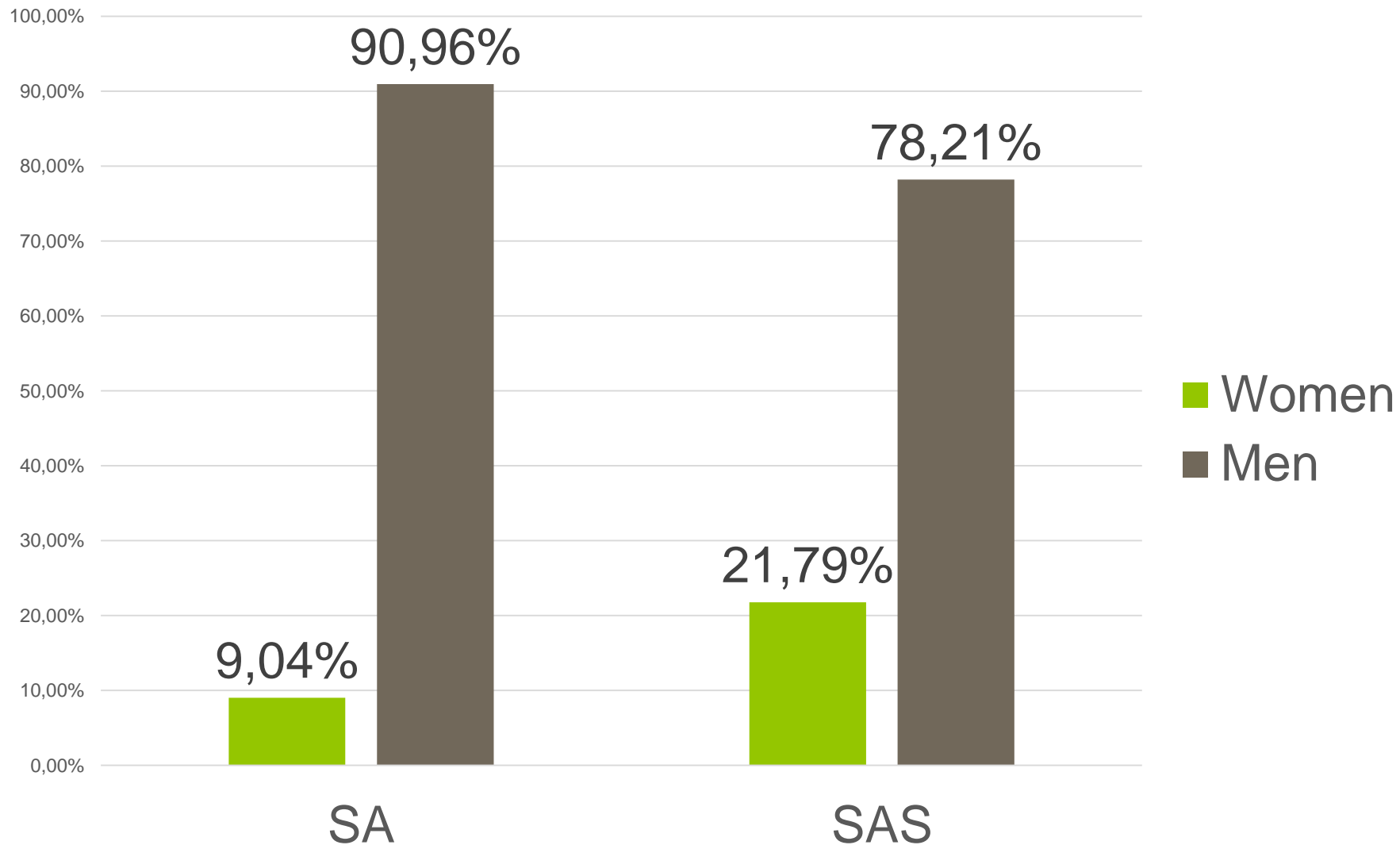
<b>Legal Form</b>	<b>Position</b>	<b>Governance role</b>
<b>SA</b> (Public limited company)	CEO Deputy CEO Member of the Board Executive board member	Decision-making, action Helps the CEO Decision-making Operational role
<b>SAS(U)</b> (simplified limited company)	CEO Deputy CEO	Operational role (& decision-making) Helps the CEO
<b>SARL/SNC/SCA</b>		
<b>Cooperative</b>	Administrator	Power commonly held by all administrators

# Women in the top position by legal form

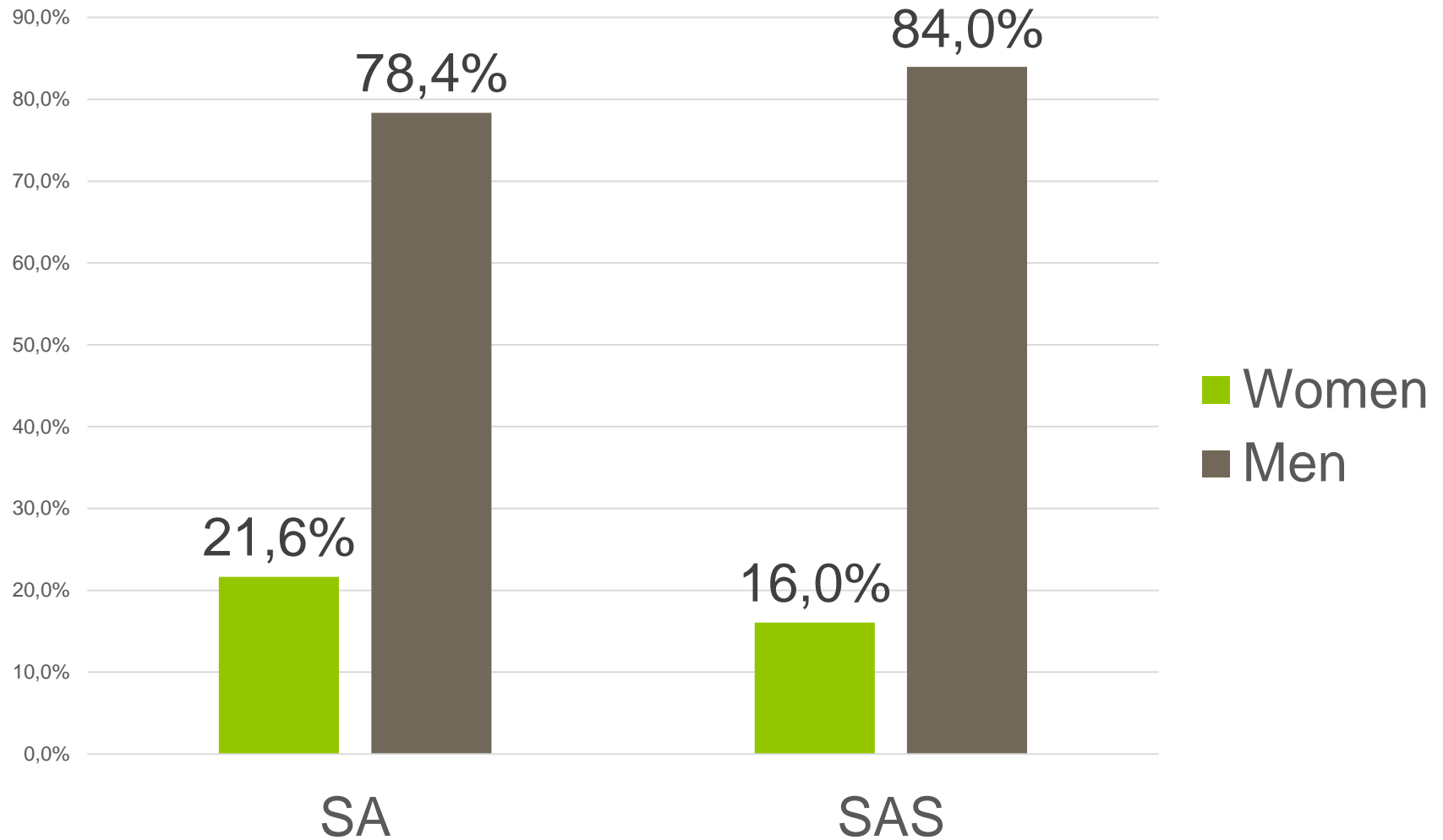




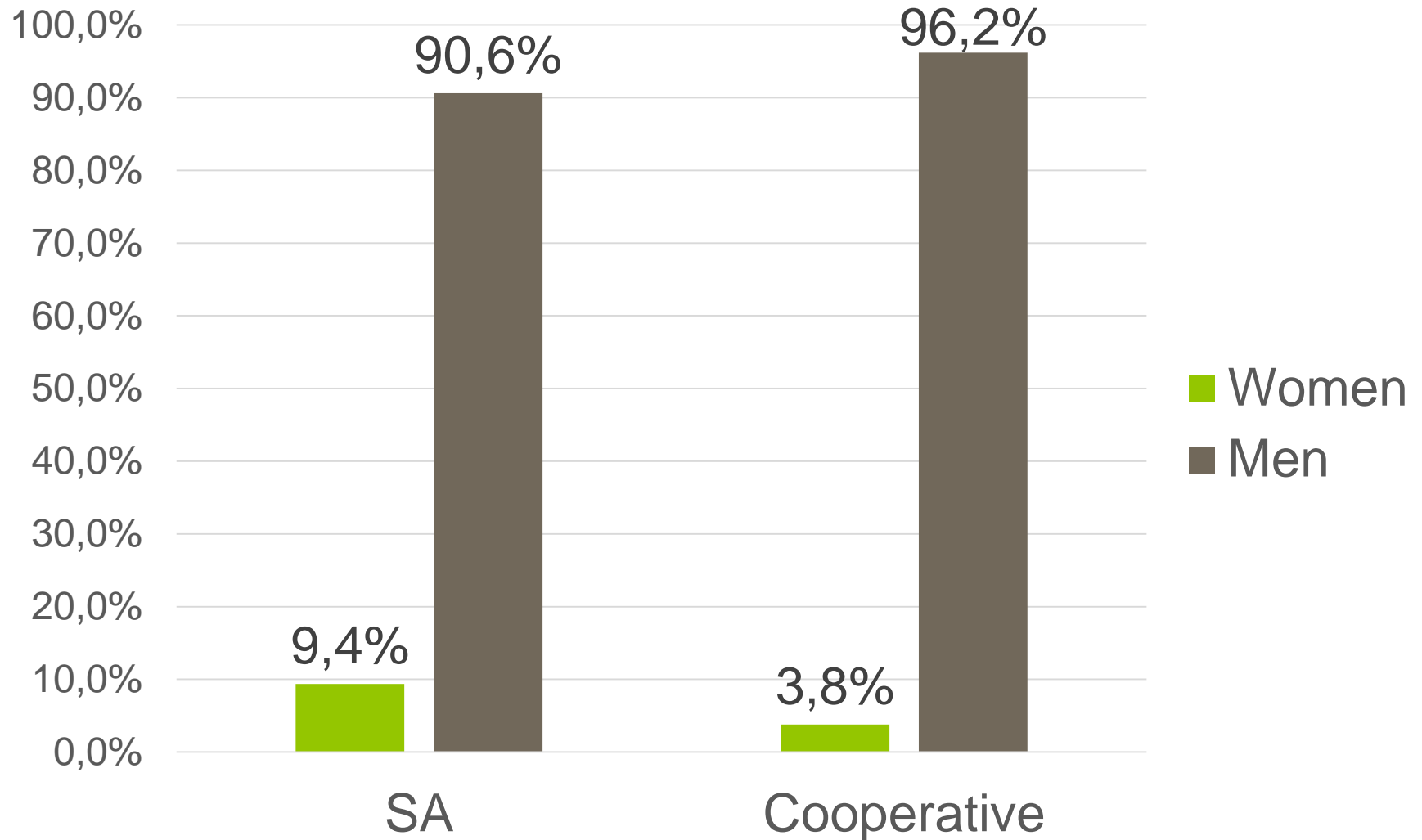
# Women CEOs (SA / SAS-U)



# Women Deputy CEOs (SA / SAS-U)



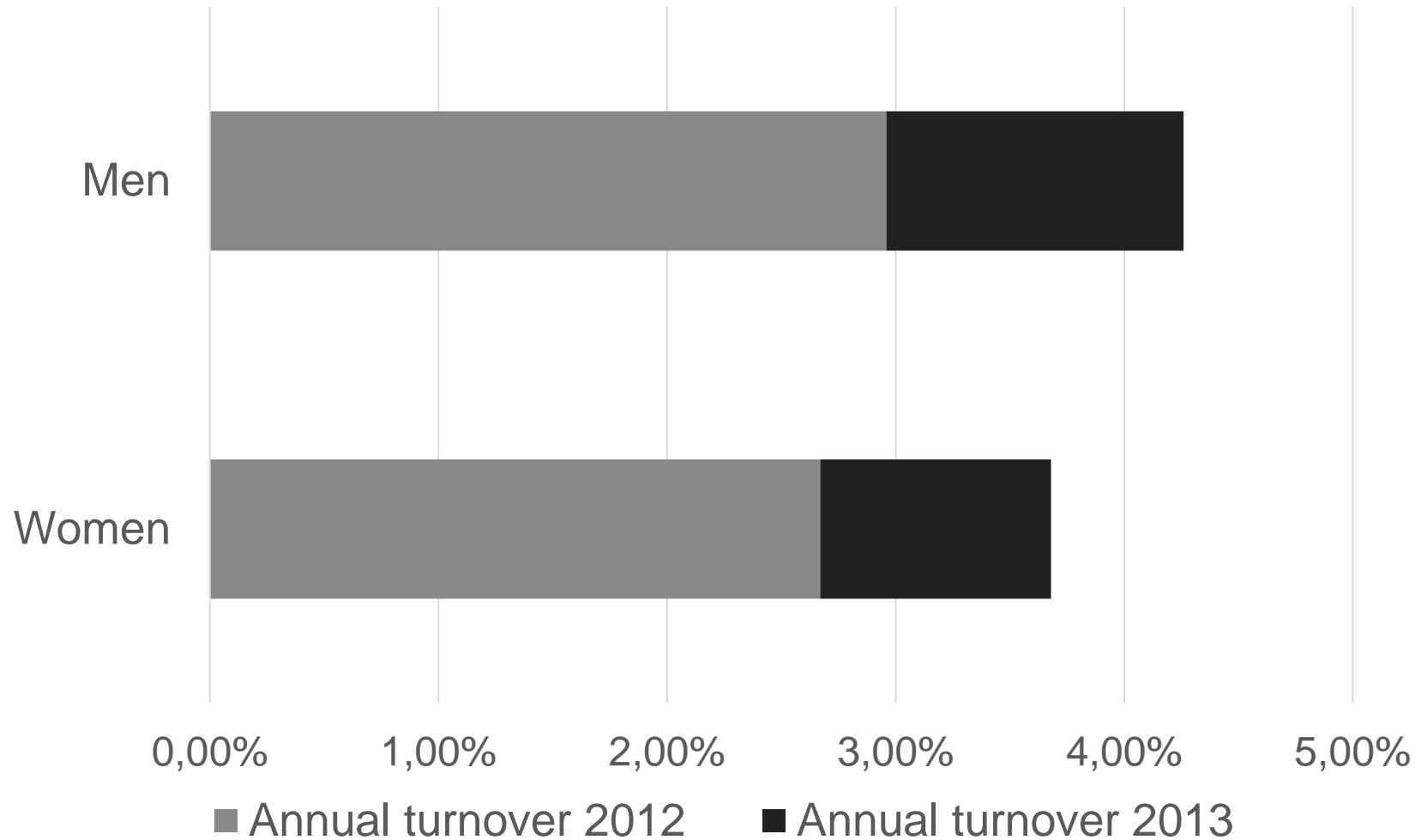
# Women Administrators



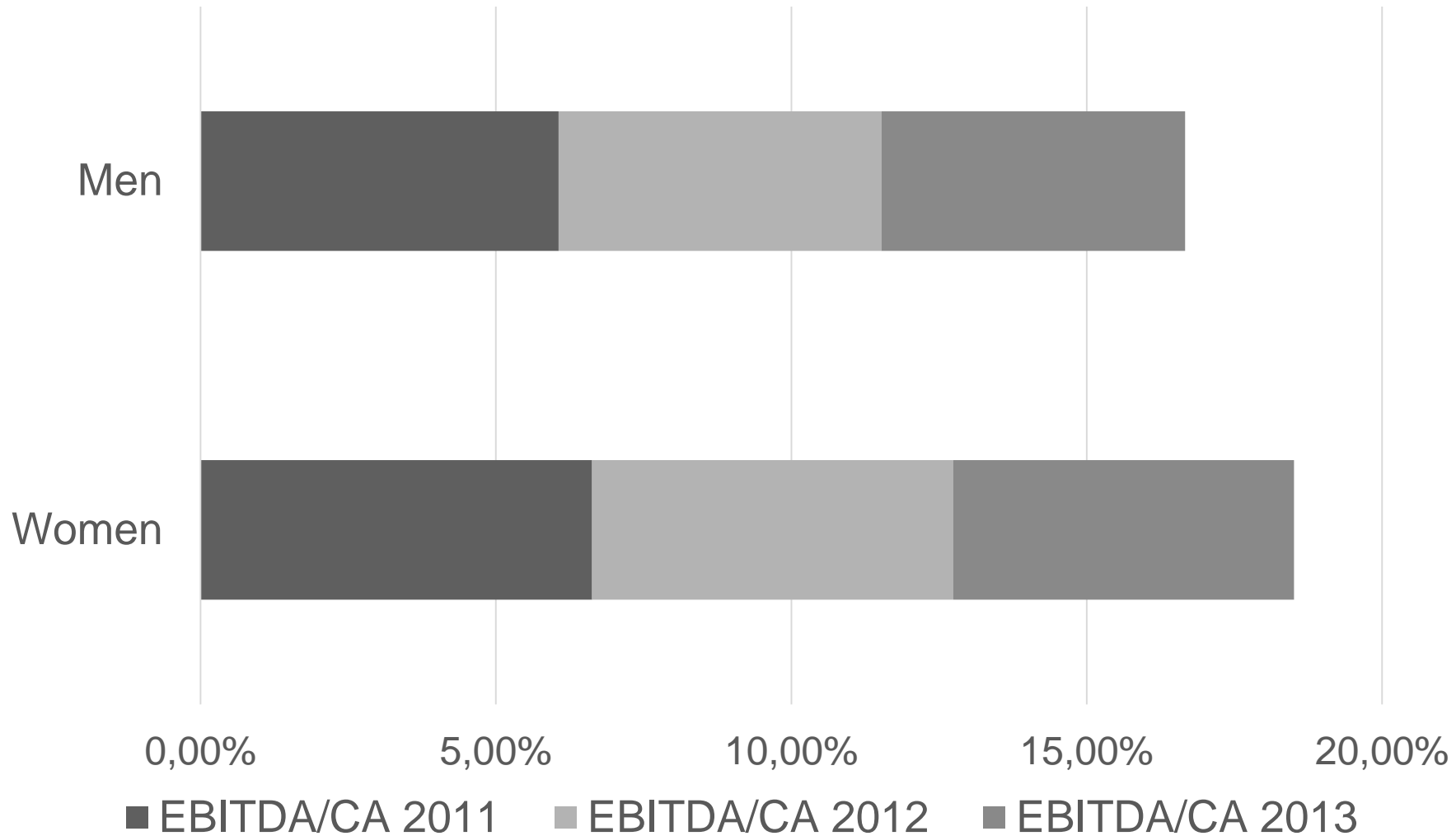
# Preliminary findings

## Performance and growth of French women-led businesses

# Annual turnover growth



# EBITDA / Annual turnover



# Turnover growth by sector

Sector of activity	Turnover growth 2013		Turnover growth 2012	
	Women	Men	Women	Men
Industry	-0,48%	0,57%	1,08%	2,05%
Construction	1,25%	2,82%	1,87%	3,64%
Commerce and retail	0,75%	1,06%	2,52%	2,64%
Financial and insurance services	3,43%	4,25%	6,42%	3,73%
Real estate services	4,45%	-0,11%	1,53%	2,02%
Admin, support, scientific, tech	1,26%	1,95%	3,40%	4,92%
Agriculture, forestry and fishing	9,98%	2,52%	1,87%	5,11%
Arts and leisure services	3,16%	-1,23%	-1,34%	0,41%
Other service activities	0,35%	2,07%	1,79%	2,04%
Public admin, Educ, health, social	0,98%	1,83%	5,35%	3,92%
Accomodation and food services	0,88%	-0,29%	2,50%	1,98%
Information and communication	1,67%	2,28%	4,06%	4,14%
Transport & warehouse services	1,42%	0,75%	4,22%	2,77%

# EBITDA/Turnover by sector

Sector of activity	EBITDA/T 2013		EBITDA/T 2012		EBITDA/T 2011	
	Women	Men	Women	Men	Women	Men
Industry	6,43%	5,81%	6,63%	6,09%	7,37%	6,78%
Construction	5,17%	3,85%	5,65%	4,01%	6,29%	4,88%
Commerce and retail	3,58%	3,14%	3,55%	3,27%	3,91%	3,67%
Financial and insurance	17,85%	13,54%	17,83%	15,61%	17,67%	16,99%
Real estate services	47,66%	30,59%	48,69%	32,06%	50,18%	33,57%
Admin, support, scient, tech	0,35%	3,96%	3,99%	4,80%	4,79%	4,81%
Agriculture, forestry, fishing	15,50%	7,95%	14,51%	9,12%	16,63%	9,01%
Arts and leisure services	26,06%	10,59%	26,88%	11,64%	28,03%	13,70%
Other service activities	9,47%	12,79%	10,17%	11,84%	9,89%	11,43%
Admin, Educ, health, social	9,31%	8,58%	8,73%	8,32%	9,36%	9,07%
Accomodation and food	6,63%	13,94%	6,86%	14,58%	7,59%	15,40%
Information & communication	10,89%	6,00%	10,56%	5,86%	9,73%	8,14%
Transport and warehouse	2,69%	4,88%	1,89%	5,37%	2,47%	5,77%



# Conclusions

- Strong vertical segregation, whatever the sector, legal form, region...
- Horizontal segregation less present for women in top leadership positions
- Women do not underperform
- Methodological limits

# Future research

- Hypotheses about the rate of participation of women as Presidents / CEOs / Deputy CEOs / Administrators, as a function of the type of sector
  - High-potential vs. Traditional
  - Technology-intensive vs. Low-technology
  - ...

*(see Nelson & Levesque, 2007, ETP)*

- Hypotheses taking into account the sex AND AGE of owners / managers
  - Women's and men's career paths and choices may depend on their age and life stage

# Future research

- Detailed analysis by legal form
  - How rules and regulations related to specific legal forms influence the choice and integration of women in leadership positions
  - The specific French context in terms of family business
- The cooperative society as a specific context
  - How a male-dominated power system reproduces itself in a cooperative context, theoretically ruled by social justice and equity
- Analysis of the women-led outliers

**THANK YOU FOR YOUR ATTENTION!**