San Diego Regional Chamber

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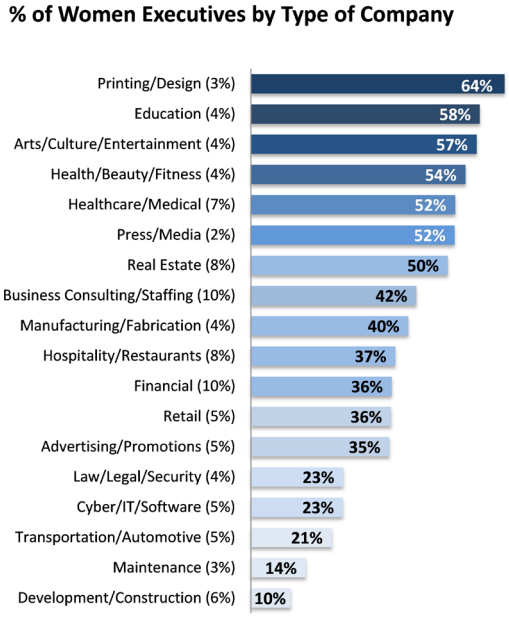
# Business Forecast

September 2015

## Women Executives Underrepresented in County; Dip in Outlook Continues

When looking at leaders of businesses throughout the region, how do women stack up when it comes to executive positions? According to businesspeople in San Diego County, 37 percent of the executive positions in their industries are held by women. From a broad perspective, this clearly shows women are underrepresented as CEOs, but what is hidden in that number is the wide variation depending on the industry.

As the chart shows, there are several industries which have more than the average number of women executives. However, women are underrepresented in many more industries and those industries tend to be larger. In two of the biggest economic segments – business consulting and financial – fewer than half the executives are women.




When it comes to compensation, 68 percent say women are paid the same as men. However, 15 percent see an imbalance that favors men over women and only 2 percent say women are paid more. The rest are unsure about pay equity.

More pronounced discrepancies are evident by gender and business size. Among men, 9 percent see women as being paid less than men, but among women, 23 percent see an imbalance. The pay equity problem is perceived as more acute by those helming small firms where 23 percent say men are paid more than women. This is compared to only 7 percent of business people in large firms who see a pay imbalance that favors men, and 16 percent in

## Highlights

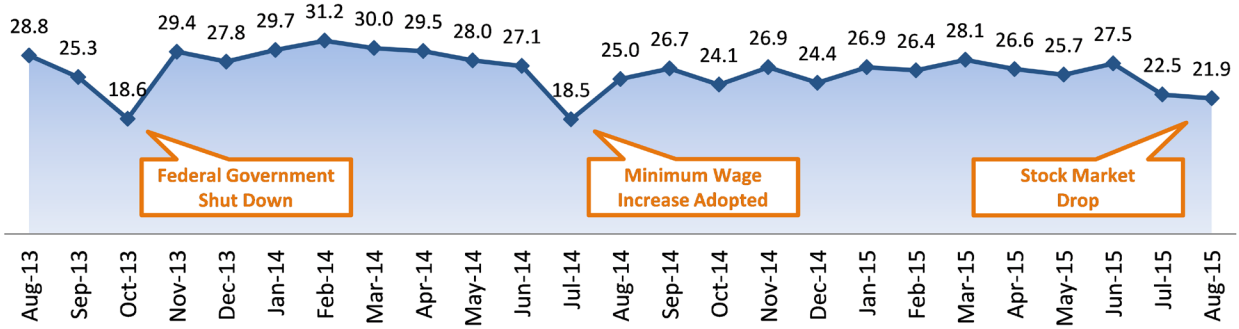
- Business people estimate 37 percent of executives are women, but that varies widely by industry
- 15 percent say women are paid less than men; only 2 percent think it's the other way around
- San Diego County's overall outlook is unchanged with a below-average 21.9 BOI
- Shocking loss of confidence among firms with 50+ employees
- Manufacturing sector continues to outpace others

*Note: Data for this report was collected August 18-30, 2015.*

medium-sized firms.

The county's Business Outlook also shows an imbalance related to firm size this month, with large companies (those with 50 or more employees) reporting a staggeringly low Business Outlook Index (BOI) compared to small and medium-sized companies who are not showing the same signs of weakness. The poor outlook among large firms has contributed to the overall BOI remaining in the same low territory as last month, at 21.9.

**Business Outlook Index Over Time**




This divergence in optimism between smaller and larger firms may be due to the volatility seen in the stock market during mid-to-late August (while the survey was being conducted) as big companies are more closely tied to macro and national trends and may themselves be publicly owned. Larger businesses show significant drops in their outlook for revenue and for business conditions. While the survey did not find evidence of a hiring slowdown among big firms, a pull back is also expected on the hours they offer their employees.

Large firms also indicate problems coming from Washington and Sacramento. Forty-four percent of large businesses report new government-related challenges are creating hurdles for them, up from only 14 percent saying the same thing in July. It's possible that the burden of government rules and regulations has taken some companies past a tipping point. When those issues combine with a challenging macro economic enviroment, CEOs of large firms may lose their otherwise optimistic outlook.

The manufacturing industry is leading all industries with a stellar BOI of 57. This continues a positive trend for the industry as manufacturers have reported BOIs at 25+ since March. At the other end of the spectrum are printing/design firms with a BOI of 7.