AWIS research shows that lack of gender and racial diversity in company leadership can have implications for long-term success. Biotechnology companies have led the way in the initial public offering (IPO) market for the past five years. Only 21 of the 269 IPOs issued were led by female CEOs. Of those, five are women of color.

From 2013-2017, biotech IPOs demonstrated consistent underrepresentation of women among their CEOs, boards of directors, scientific advisory boards, and C-level leaders. Biotech companies in 2017 saw dramatic improvement in the proportion of women among leadership, with about 93% of companies with women in leadership roles.

### Women in Biotech Leadership

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEOs</td>
<td>7.8%</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>9.7%</td>
</tr>
<tr>
<td>Advisory Boards</td>
<td>10.1%</td>
</tr>
<tr>
<td>Management</td>
<td>22.1%</td>
</tr>
</tbody>
</table>

### Biotech Firms with No Women

| No Women in Management  | 30.9% |
| No Women on Board of Directors | 52.8% |
| No Women in Scientific Advisory Boards | 77.0% |
| No Women in any Leadership Position | 17.5% |

Despite women earning over 62% of PhDs in the life sciences, 17.5% of biotech companies had no women in any leadership position and only 23% had women on their scientific advisory boards.
Reasons having women in leadership is good for business

1. Greater Financial Success
Fortune 500 companies with at least 3 women directors have experienced an:

- Increase in return on invested capital: 66%
- Increase in return on sales: 42%
- Increase in return on equity: 53%

Those companies that have sustained at least 3 women directors for at least 4 out of 5 years have outpaced their competitors by a:

- Return on invested capital: 60%
- Return on sales: 84%
- Return on equity: 86%

Companies with more than 15% of their top management positions occupied by women experienced 52% greater returns on equity than those where women represent less than 10% of the top management positions.

2. Greater Long-term Stockholder Value
Small and mid-sized companies with at least one woman director have performed 17% better in their stock prices over a six-year period than their counterparts while large companies performed 26% better.

3. Better Decision Making, Innovation and Performance
Diverse boards are better able to consider issues in a well-rounded way and have been shown to make better decisions, have more creative problem-solving skills, be more innovative, have higher levels of effort by all members, and have better average performance.

4. Smarter
Several studies have shown that, regardless of individual IQ, teams that include women have higher levels of group intelligence than teams comprised solely of men.

Meet the Entrepreneur
I am **Dr. Pamela Marrone**, CEO and founder of Marrone Bio Innovations, I started the company in 2006 to discover and develop effective and environmentally-responsible, biologically-based products for pest management and plant health. In August 2013, I led the company to be listed on the NASDAQ stock exchange, raising net proceeds of $56.4 million. A serial entrepreneur, I started a similar company, AgraQuest in 1995, and served as the CEO, Chairman and President. I know the challenges women face in starting their own company particularly with regard to access to capital. Research shows a mere 2.7 percent of venture capital-funded companies have a woman CEO. AWIS recognizes there are a myriad of reasons for the dearth of VC funded female entrepreneurs which don’t have to do with the individual but the system. So, what can funders do?

- Invest in companies with at least one female founder
- Make sure the company has at least three executives who represent gender and ethnic diversity
- Recognize unconscious biases and focus on sound proof-of-concept

Sources:
https://magazine.awis.org/publication/?r=491204
http://www.scientificamerican.com/article/how-diversity-makes-us-smarter