

More women are making their way to that corner office

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Maria Jackson left a position managing databases at McCormick & Co. nine years ago to be a consultant. She did it to be independent, not to lay the foundation for a large company.

But Jackson now has 50 employees in her company's Woodlawn offices. And revenues at Maricom Systems Inc., which manages databases and designs computer networks, grew nearly 87 percent to \$8.4 million from 2003 to 2004.

Maricom also has attracted large organizations as clients, such as the Centers for Medicare & Medicaid Services, the company's largest customer. And IBM and CACI work with the company as subcontractors, a fact that Jackson likes to advertise.

Women like Jackson are leading many of the fastest-growing private firms in the Baltimore area, a sign that may reflect the increased number of women starting firms or a correlation between gender diversity in management positions and financial performance.

"I'm aware of a number of women in my industry that are doing very well," Jackson said of being a female CEO. "It doesn't feel strange."

In 2004, 17 of the 50 fastest-growing private firms in the Baltimore area were partially or fully owned by women, according to *Baltimore Business Journal* research. And at all of those firms a woman was either leading the company as CEO or president.

The trend is national. In 2004, 47.7 percent, or 10.6 million, of all privately held businesses in the United States were owned by women, says the Center for Women's Business Research.



Maria Jackson left McCormick & Co. to start IT consulting firm Maricom Systems.

A link between gender diversity and financial performance has not been firmly set, but several studies support a link. In a study of 353 Fortune 500 companies conducted from 1996 to 2000, Catalyst, a research and advocacy organization for businesswomen, concluded that companies performing better had more women in top management.

At those companies, named "top-quartile" companies by Catalyst, the representation of women in top positions averaged

20.3 percent. At the bottom-quartile companies, which did not perform as well, the representation of women at the top averaged 1.9 percent.

The average return on equity was 17.7 percent at top-quartile companies, compared with 13.1 percent at the bottom-quartile companies. Total return to shareholders was 127.7 percent at the top, compared with 95.3 at the bottom.

John Peoples, managing partner of Global Lead Management Co. in Balti-

more City, said more smaller and midsize companies — the growth engines of the economy — should make diversity in gender, race, educational level or backgrounds, a priority because of its effect on productivity. Peoples recently conducted a study with the National Urban League measuring the effectiveness of diversity practices in the workplace.

"Diversity is one of the most important factors in keeping engaged employees," Peoples said. In order for organizations to keep up with the marketplace, they have to bring in people who are different and create an environment that allows them to think differently and work differently, he said.

In 2004, more women than in past years were leading fast-growth firms in the Baltimore area. For 2003, six of the fast-growing private firms were run, and coincidentally owned, by a woman, up from four in 2002. Only 25 firms were ranked in 2002 and 2003. Of the top 25 firms on the *Business Journal's* 2004 List, 10 were run by women.

As with all fast-growing businesses, challenges are presented even at the most diverse workplaces that could hinder growth, and the business on this year's List are no exception.

Four years ago, Maryland Marketing Source/Bay Area Research, the marketing research firm Barbara Bridge started so she could have a more flexible schedule, started to take off and Bridge's hours at work increased.

"My son said, 'Are you ever coming home?'" Bridge recalled. "I find women are compulsive" about work.

She said she would advise other owners of fast-growing firms to make sure they find time for their family.

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