

# Missouri Economy Indicators Women in Business and Civic Leadership

VOL. 4, ISSUE 9, 24 JULY 2023

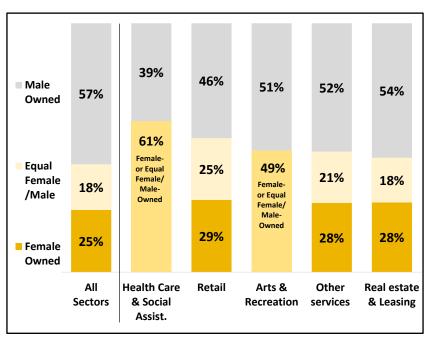
The underrepresentation of women in business and civic leadership is not a new story, but associating numbers with this disparity can illuminate the progress made and the challenges that persist. Missouri women made up nearly half of the labor pool in 2020 yet led 43% of the state's payroll businesses either themselves or with male partners. Solely female-owned firms were an even smaller share (25%) compared to male-owned businesses (57%). Even so, this portion of women-owned businesses was three percentage points greater than the national average (22%). Relative to the population, female leadership in public governance is also less prevalent. In 2021, adult women accounted for 51% of Missouri's population but only 26% of the state's legislative body; by 2023 this share had increased to 29%, still smaller than Missouri's female population.

### Women-Owned Businesses are Concentrated in Specific Sectors

In 2020, a quarter of Missouri payroll businesses were solely female-owned (25%), with another 18% owned equally by a female and male. However, some sectors had a more significant share of female ownership.

The educational service sector had the largest share of solely women-owned businesses nationally (43%). Missouri data was unavailable, but it is likely that educational service ownership was similarly high. Female- and female/male-owned firms were more common in health care and social assistance (61%) and retail (54%). Arts and recreation, along with other services firms, were nearly half female-or female/male-owned (49%).

## Missouri Industry Sectors with Largest Share of Female Business Ownership, 2020



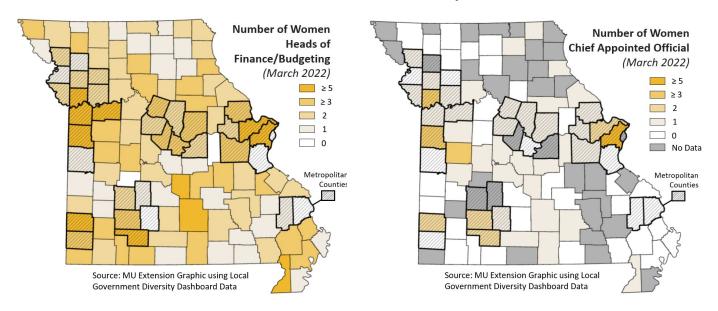
Source: MU Extension graphic of 2020 U.S. Census Annual Business Survey data. Some Missouri information was not available so combined ownership categories of female and female/male were used when partial survey data was provided.

In 2020, there were nearly 25,000 solely female-owned Missouri businesses that employed 203,000 workers. With an average of eight employees, female-owned firms were smaller in size than male-owned firms which averaged 14 employees. Payroll per employee was lower as well, with solely female-owned firms averaging \$38,387 per worker compared to \$49,763 in male-owned businesses. While the gender pay gap may influence this average, this nationally-recognized disparity is largely due to the <a href="higher concentration">higher concentration</a> of female-owned firms in lower sales sectors, including health care, social assistance and personal care businesses.

#### **Women in Civic Leadership**

Nationwide, the number of women in <u>civic leadership positions</u> has climbed steadily over the past 30 years. In 1991, women accounted for 2% of the United States Senate; in 2021, that number was 26%. Similarly, only 6.4% of the U.S. House of Representatives was comprised of women in 1991, compared to 27.3% in 2021. Growth is also seen in state legislatures, rising from 18.3% to 30.8%; governors, 6% to 18%; and the U.S. Cabinet, 17.6% to 48% over the same time. Despite these gains, a disparity in representation remains.

### Number of Missouri Women in Civic Leadership Positions, 2022



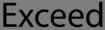
Locally, Missouri women hold a larger share of civic leadership positions. According to March 2022 data from the Local Government Diversity Dashboard, Missouri women made up 70% of finance and budgeting leadership positions across county and municipal governments, in line with the national average (68%). Women also held 27% of chief appointed official positions, in which they were appointed by the elected governing body and responsible for running the day-to-day operations of the government, trailing the national average (29%). Local governments with <a href="mailto:smaller populations">smaller populations</a> are more likely to have women leaders. Women occupy 38% of top appointed official positions in communities between 1,000 to 5,000 people, but only a quarter of these positions in communities over 100,000.

#### **Additional Notes and Resources**

- <u>America's SBDC Missouri</u> offers resources to Missouri women to start or grow a business.
- <u>United WE's Appointments Project</u> and MU Extension developed <u>Show-Me REDI</u>, an educational series for Missouri women interested in serving on a board or commission. Learn more about these efforts on the <u>Show-Me MO Success podcast</u> episodes <u>three</u> and <u>eight</u>.

All Missouri Economy Indicators briefs in this series are available at http://muext.us/MissouriEconomyIndicators

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