

2005 Michigan Women's Leadership Index



You're only limited by what you see.

So expand your point of view. Use diversity to your advantage.





Dear Friends and Colleagues:

TWO years can be a very short or a very long time. In today's global business environment, entire companies can succeed or fail in two years. When you are working toward cultural change, it's the blink of an eye.

Inforum Center for Leadership is proud to publish, for the second time, the *Michigan Women's Leadership Index*, a bi-annual report on a significant aspect of Michigan's professional landscape: the presence of women leaders at the very top of our state's major, publicly-held companies.

The 2005 results are discouraging. With 2003 as our initial benchmark, the data in this year's report clearly show that women's influence has slipped over the past two years in Michigan's executive suites.

We were even more dismayed at the compensation results, which we include for the first time. Contrary to what you might expect, the wage gap between men and women is even wider beyond the glass ceiling—49 cents to the dollar—than it is in the state overall (67 cents to the dollar) or nationally (76 cents). *

It is impossible to measure how much of the Index results are directly related to the widespread weaknesses in Michigan's overall business climate. However, the story behind the numbers is much more encouraging for several reasons:

- We have seen an explosion of interest in recent years in the development and retention of women leaders.
- The strength that diverse experience and perspective adds to executive leadership teams has gained real traction.
- More and more companies have recognized that letting half of your talent sit on the sidelines or leave the game entirely is no longer smart business.
- Increasing numbers of professional women are actively grooming their leadership skills, seeking mentors, and setting their career goals higher than their predecessors.
- And nearly everywhere we look, it's clear that the bench of highly skilled women leaders is getting deeper by the day.

Our thanks to the rigorous academic standards that Michigan State University's Institute for Public Policy and Social Research brought to this report, which we believe is a one-of-a-kind tool for understanding a significant piece of Michigan's professional landscape.

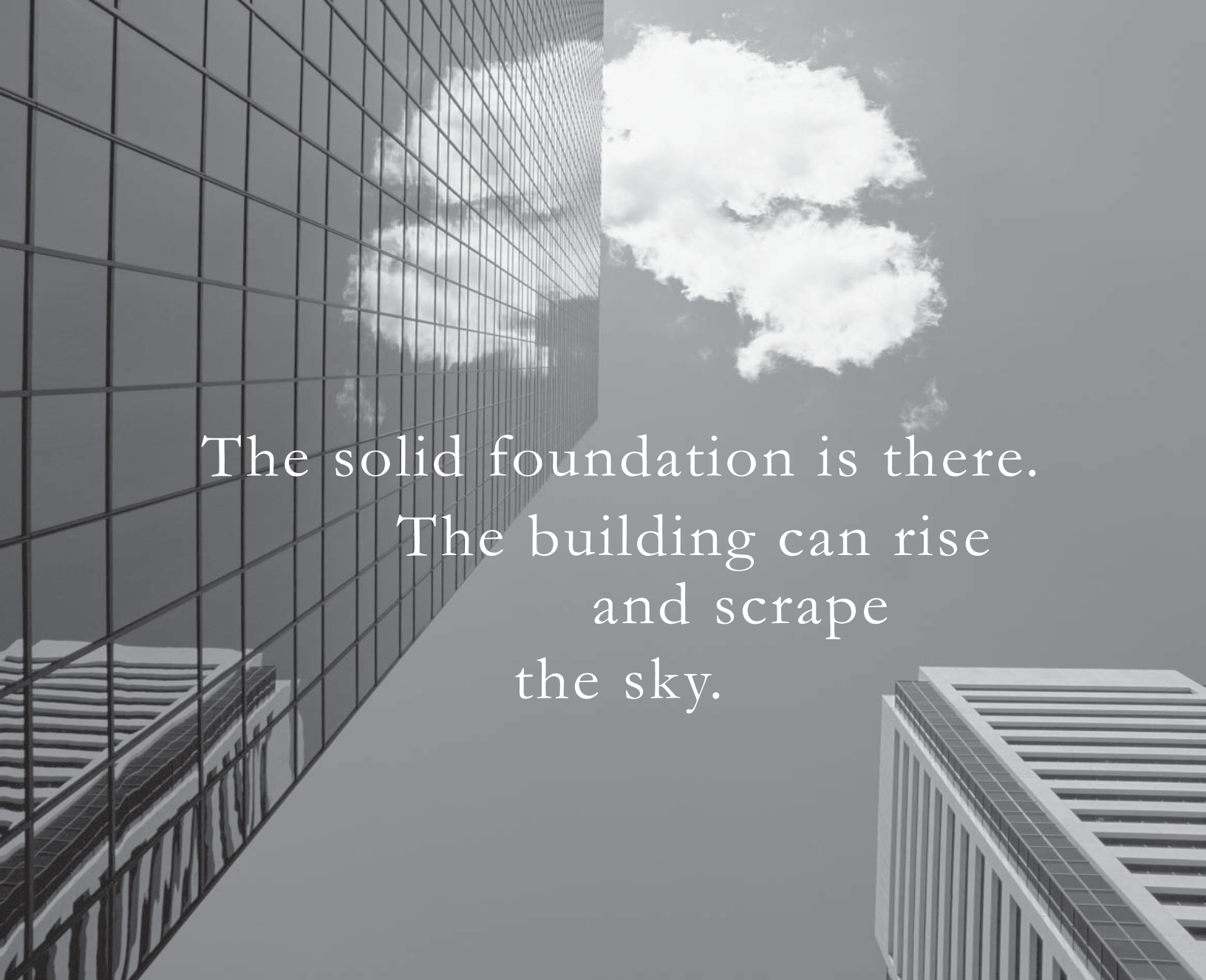
Our vision is for the *Women's Leadership Index* to be a robust resource for women making critical career decisions, for companies truly grappling with diversity issues, and for academics who are preparing the next generation of business leaders.

Possibilities, potential, and the pool are there. We are only limited by what we see.

Terry Barclay
President and CEO
Inforum Center for Leadership



* Institute for Women's Policy Research



The solid foundation is there.
The building can rise
and scrape
the sky.

2005 Michigan Women's Leadership Index



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Inforum (formerly the Women's Economic Club) is one of the largest and most prestigious business forums in the nation, with over 2,000 members from a broad cross-section of Michigan's business community. Providing opportunities for businesswomen to connect, forge alliances, discuss vital civic and business issues, and advance as leaders is at the heart of Inforum's mission. Inforum's programming includes networking events featuring prominent local, national, and international speakers; interactive skill-building seminars; and a variety of after-hours interest groups.

Inforum Center for Leadership (formerly the Women's Leadership Forum) accelerates careers through unique leadership development programs that allow women to challenge themselves, take risks, and reach the next level. Current programs include: *Executive Leadership*, an intense, highly personalized and interactive six-month leadership development program; *Leading Together: A Strategic Learning Lab*, which allows participants to experience real-world business challenges without the real-world consequences for failure; and the *Senior Executives Forum*, a confidential, peer-to-peer business roundtable for top women executives.

Inforum Center for Leadership also conducts and publishes research on women's leadership influence in Michigan. More about Inforum and Inforum Center for Leadership may be found on the worldwide web: www.inforummichigan.org.

Michigan State University's Institute for Public Policy and Social Research (IPPSR)

Extending scholarly expertise to Michigan's policymaking community is at the heart of the Institute for Public Policy and Social Research's mission. Over the past three decades, IPPSR has built a reputation for serving leaders and scholars with top-notch research, on-going discussion, and world-class political leadership training. The Institute applies research to pressing public policy issues and builds problem-solving relationships between the academic and policymaking communities. To this end the Institute promotes and conducts research on issues of public policy, provides survey research services, produces public policy education and training programs, and initiates discussion of society's most pressing needs among diverse audiences. More about IPPSR may be found on the worldwide web: www.ippsr.msu.edu.

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Board of Directors: Inforum Center for Leadership (formerly the Women’s Leadership Forum)	
Board of Directors: Inforum (formerly the Women’s Economic Club)	

Executive Summary

Background

What is Michigan Women's Leadership Index?

First reported and developed in 2003, the *Michigan Women's Leadership Index* (WLI) is a data-based instrument used to measure the number of women executives in the highest leadership positions of the top 100 publicly-held companies (Index 100) headquartered in Michigan. The purpose of the initial study, which was commissioned by the Women's Leadership Forum and executed by the University of Michigan's Center for the Education of Women, was to assess the leadership status of women in Michigan business, and more importantly, to provide a baseline against which changes over time could be compared. This report, the *2005 Michigan Women's Leadership Index*, is the first follow-up study. It was commissioned by Inforum Center for Leadership and executed by Michigan State University's Institute for Public Policy and Social Research.

What is the Value of the Michigan Women's Leadership Index?

For nearly three decades, women have made up over 40% of the national workforce. In Michigan, the number is even higher: 46.7%, with women holding one-third of the managerial, executive, and professional positions. Yet, as the employment triangle on page 12 indicates, women's participation at the pinnacle of Michigan's workforce hierarchy is still a rarity. We all know that information is power. In the hands of enlightened leaders and educators, ambitious women, and companies seeking new insights, the *Women's Leadership Index* provides a one-of-a-kind look at Michigan's current environment for high-potential women.

Definition of Index 100 by Size

While the Michigan Index 100 includes some giants, the majority of companies are not. The Index differentiates the companies in the study by market capitalization:

- GROUP I:** Fortune 500 Companies (20)
- GROUP II:** Companies with market capitalization (total sale price) greater than \$100 million (54)
- GROUP III:** Companies with market capitalization below \$100M, but still in the top 100 (26)



Dr. Lou Anna Simon, President,
Michigan State University

“Higher education really has a special role to play in building the next generation of leaders. And part of the issue of women, in particular, being in visible leadership positions is that it permits others to see that they can do these things too.”

Calculation of the Women’s Leadership Index (WLI)

The WLI is a scale ranging from 0 to 30. It is calculated by taking the percentage of women on boards of directors and the percentage of women among the top five or fewer officers as reported in Security Exchange Commission (SEC) filings. Cut-off date was July 22, 2005.

The WLI was computed as follows:

- Percentage of women on board of directors:
 - 1 point if percent greater than 0 but less than 10%
 - 2 points if between 10% and 20%
 - 4 points if between 20% and 30%
 - 6 points if between 30% and 40%
 - 8 points if between 40% and 50%
 - 10 points—maximum—if the composition of the board exceeded 50%.
- Percent of women among top-compensated officers:
 - 8 points if the percent was greater than 0 but less than 30%
 - 12 points if between 30% and 40%
 - 16 points if between 40% and 50%
 - 20 points—maximum—if more than 50% of the top-compensated officers were women.

The maximum score possible is 30. Note that the concentration of women among top-compensated officers is weighted more than board members; this is because of the greater influence of officers on day-to-day operations. The maximum score for officers and directors is awarded whenever women reach the “critical mass” of 50% or higher.

Classification of Index 100 by WLI Score

We have used the language of sports, which seems appropriate for the competitive world of business, to characterize the three general groups that our “Index 100” fall into, based on their Women’s Leadership Index score. They are:

- **Most Valuable Player:** WLI of 11 points or higher
- **In The Game:** Scores between 1 and 10 points
- **On The Sidelines:** WLI = 0

Key Findings

2005 Women's Leadership Index Results

Index Classification	2005	2003
Most Valuable Players	6	10
In The Game	61	57
On The Sidelines	33	33

- Index 100: Top Ten MVPs Drops to Top Six**
 - 4 of the 10 2003 MVP's slipped off the MVP list.
 - 5 of the 6 2005 MVPs repeat from 2003.
 - Steelcase is the only new MVP.
 - Not a single *Fortune* 500 company made the MVP list.
 - All MVPs have at least one woman officer.
- Index Overall: Officers Drop, Boards Maintain**
 - Women officers are 5.7% of all top-compensated officers, down from 7.1% in 2003—a **20% decline**.
 - Women directors are 9.9% of all Index 100 directors, up slightly from 9.6% in 2003.
 - Not a single Michigan *Fortune* 500 company has a top woman officer.
 - Of the 85 companies on the 2003 list that also appear on the 2005 list, 21 lost Index points compared to 17 gained.
 - Only 13 companies scored 10 points or higher compared to 18 in 2003—a **28% decline**.
 - Not a single board chair is a woman (same as 2003).
 - Only 21 companies have at least one woman officer.
 - Only 10 companies have more than 20% women directors, and 40 have no women on their board of directors.

2005 WLI Most Valuable Players

GROUP III

FNBH Bancorp

GROUP II

Compuware

Energy Conversion Devices

Somanetics

X-Rite

Steelcase

GROUP I

None

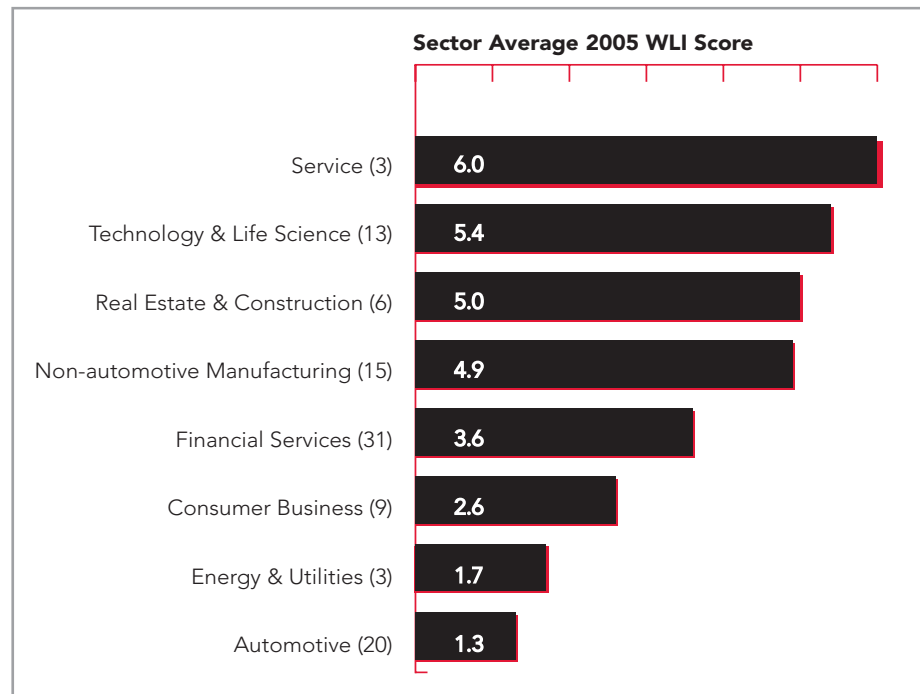


Jim Comer, Lear Corporation President – North American Joint Ventures and Diversity

“At Lear, we’re making bold changes. Our intent is to seek out the best talent and level the playing field for everyone on our team. We recognize that to be successful going forward, we must be more inclusive in our decision-making and leverage the unique talents, experiences, and perspectives of all our employees. We are not yet where we want to be, but we are definitely heading in the right direction and making solid progress.”

- **Business Sectors: Service Leads, Automotive Lags**

- Among the Michigan Index 100, the service sector is the clear leader.
- In the automotive sector, 45% of the Index companies are “On the Sidelines” with no women in top officer positions.
- Among the 85 companies on both 2003 and 2005 Index lists, only technology and life sciences and real estate and construction sectors improved their WLI scores.
- Regardless of the number of companies within a sector, the overall sector WLI score is a valid comparison.



Numbers in parentheses refer to the number of companies in that sector.

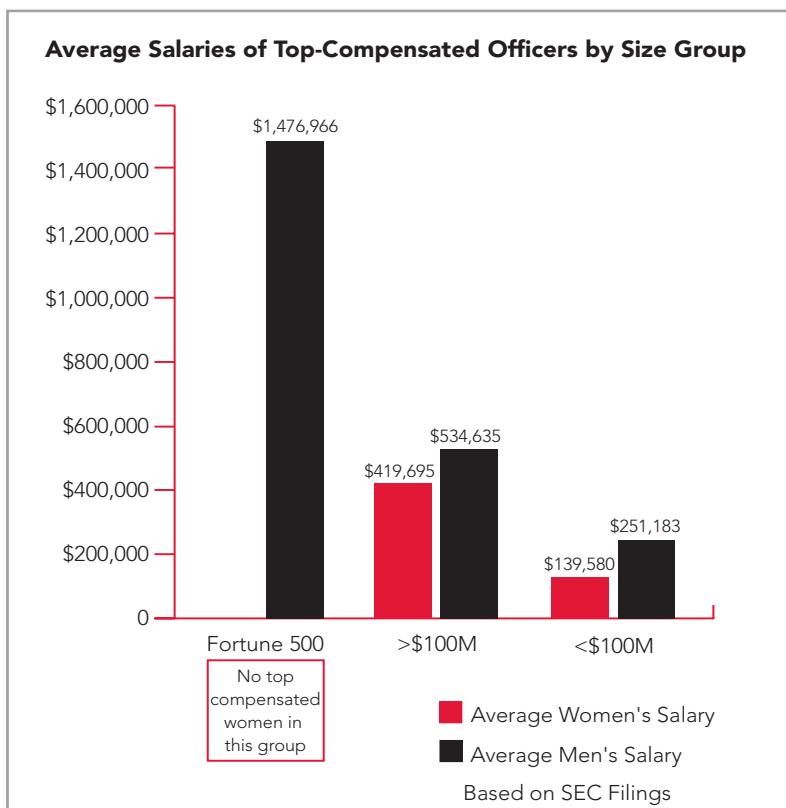


Nancy Bacon, Senior Vice President, Energy Conversion Devices

“From the beginning, our founders created a culture that was color blind, gender blind, ethnic blind, and religious blind. They wanted the very best, and talent comes in all shapes and sizes. Treasuring the diversity of our people has been a wonderful competitive advantage.”

- **Compensation: Wage Inequity Follows Women Beyond the Glass Ceiling**

- Overall, in the 100 companies, 26 women earned a total of \$8,251,882 in 2004, for an average per woman officer of \$317,380. At the same time, 428 men earned a total of \$278,417,956, for an average per male officer of \$650,509 (excludes bonus and stock options).
- In simple language, women officers received an average salary of 49 cents on the dollar, compared to male officers.
- As the graph below indicates, much of the disparity is due to the total lack of women officers in *Fortune* 500 companies, whose officers receive almost three times the average male salary and almost six times the average female salary.
- With only one exception, the reported salary of every woman officer in an Index 100 company is less than the average reported salary of male officers.
- The wage gap between men and women top-compensated officers is even wider than Michigan’s overall gap, which is 67 cents to the dollar—second worst in the United States.*



* Institute for Women’s Policy Research



Nancy Hickey, Senior Vice President & Chief Administrative Officer, Steelcase Inc.

“At Steelcase, our diversity is not simply about demographics. Diversity is the unique variety of backgrounds, experiences, potential, and spirit all our people bring to the company. It is also the vision for our future and the definition of how we will continue to embrace our most valuable asset—our people.”

• **Comparison to National Findings: Michigan Fortune 500 Companies Lag National Peers**

- The initial 2003 Index Report was inspired in part by the work of Catalyst, Inc, a highly respected, not-for-profit advisory organization working nationally to advance women in business. They have regularly published reports tracking the numbers of women holding positions as board members or among the highest compensated officers at all Fortune 500 companies.
- In 2005, **not a single Michigan Fortune 500 company has any top female officers**, which differs markedly from Catalyst¹ national figures reported in 2002.
- The latest available Catalyst numbers are two years older than the Michigan results in this report.

Comparison with Catalyst, Inc. Findings

	Percent Female Officers	Percent Female Directors
Catalyst, Inc. Fortune 500	5.2%	13.6%
Michigan Fortune 500	0.0%	14.0%

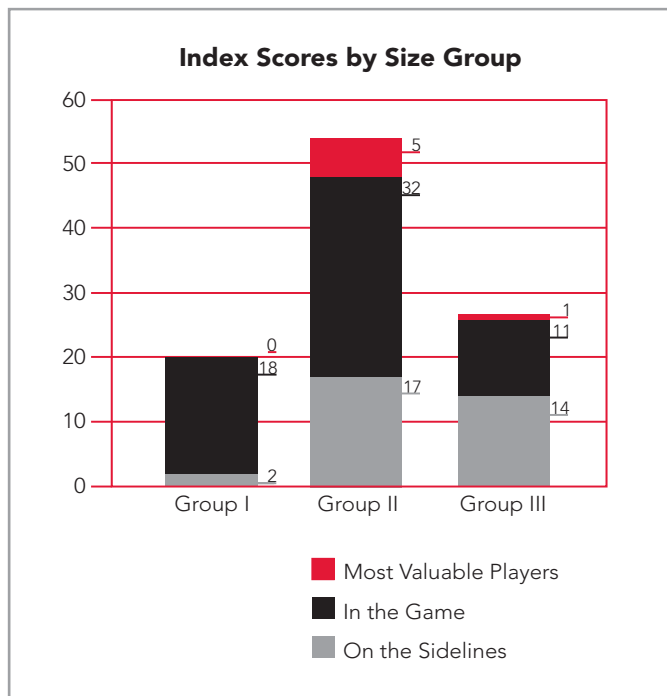
Summary:

Women’s Leadership Influence Slipping in Michigan’s Executive Suites

- Index 100: TopTen MVPs Drops to Top Six
- Index Overall: Officers Drop, Boards Maintain
- Business Sectors: Service Leads, Automotive Lags
- Compensation: Wage Inequity Follows Women Beyond the Glass Ceiling
- Comparison to National: Michigan Fortune 500 Companies Lag National Peers.

¹The most recent Catalyst, Inc. data for women officers refers to 2002, and for women directors to 2003, as opposed to our data collected in 2005. New national data is due January 2006.

Detailed Findings



- No *Fortune* 500 companies made the MVP list, but only 10% of them are "On the Sidelines."
- Group II has the greatest percentage of companies that are either MVP or at least "In the Game."
- Group III has one MVP company, but the highest percentage of "On the Sidelines."

2005 WLI Score by Individual Company and Size Group

Companies listed by declining market capitalizations

Group I (Fortune 500)	Index Score	Group II (>\$100M)	Index Score	Group III (<\$100M)	Index Score
Dow Chemical Corp.	2	Comerica Inc.	10	O.A.K. Financial Group	2
General Motors Corp.	2	Gentex Corp.	0	Learning Care Centers	10
Stryker Corp.	2	Compuware Corp.	20	Dura Automotive Systems, Inc.	0
Ford Motor Company	4	Herman Miller, Inc.	10	FNBH Bancorp	24
Kellogg Company	2	Steelcase Inc.	12	Sparton Corporation	0
Masco Corp.	2	Valassis Communications, Inc.	4	County Bank Corp.	0
Pulte Homes Inc.	2	Taubman Centers, Inc.	10	Fentura Financial	2
DTE Energy	2	Domino's Pizza Inc.	0	Amerigon Incorporated	0
Whirlpool Corp.	2	Wolverine World Wide, Inc.	4	Perceptron	0
CMS Energy Corp.	1	Citizens Banking	1	Knape & Vogt Manufacturing Co.	8
Delphi	0	American Axle & Manufacturing	2	Community Central Bank	1
Lear Corp.	1	Perrigo Company	4	Southern Michigan Bancorp, Inc.	9
TRW Automotive Holdings Corp.	2	Flagstar Bancorp Inc.	9	Mackinac Financial Corporation	0
Borders Group	8	Republic Bancorp Inc.	0	Pavilion Bancorp, Inc.	1
United Auto Group	1	ProQuest Company	2	Origen Financial, Inc.	0
ArvinMeritor Inc.	2	Asset Acceptance Capital Corp.	2	Commercial National Financial Corp.	0
Kelly Services Inc.	4	Sotheby's Holdings, Inc.	0	Manatron	0
Visteon Corp.	2	Chemical Financial	9	Sports Resorts International	2
Firstbank Corp.	0	Universal Forest Products	0	Monarch Community Bancorp, Inc	0
Federal Mogul Corp.	2	Kaydon	0	Federal Screw Works	0
		Champion Enterprises, Inc.	10	Veri-Tek International	4
		La-Z-Boy Inc.	1	Meritage Hospitality Group Inc.	0
		Energy Conversion Devices, Inc.	20	Capital Directions	2
		Sun Communities	0	Pelican Financial, Inc.	2
		Syntel Inc.	2	Rockwell Medical Technologies Inc.	0
		Independent Bank Corp.	0	United American Healthcare	0
		Credit Acceptance Corp.	2		
		Tecumseh Products	2		
		Covansys	0		
		Rofin-Sinar Technologies	0		
		Capitol Bancorp Ltd.	10		
		Ramco-Gershenson	8		
		Macatawa Bank Corp.	2		
		Handleman Company	4		
		MBT Financial	2		
		Aastrom Biosciences	6		
		Mercantile Bank Corp.	2		
		APCapital	8		
		Spartan Stores Inc.	4		
		Hayes Lemmerz, Inc.	2		
		Saga Communications	8		
		Universal Truckload	0		
		Somanetics Corp.	16		
		X-Rite, Inc.	16		
		Agree Realty Corp.	0		
		Caraco Pharmaceutical	0		
		Noble International	0		
		Citizens First Bancorp	0		
		Semco Energy	2		
		Meadowbrook Insurance Group, Inc.	2		
		Spartan Motors	0		
		Dearborn Bancorp Inc.	1		
		TechTeam Global, Inc.	0		
		Neogen Corporation	8		



Linda Forte, Senior Vice President, Business Affairs, Comerica Bank

“Leveraging the diversity of the insights, perspectives, and knowledge of our colleagues, customers, and communities is the greatest business opportunity that exists today. The universal challenge for all leaders is having the vision and courage to model the way.”

Index 100 Companies With Women Officers

The WLI awards more points for women officers than women directors. Officers have day-to-day hands-on, decision making influence, versus the occasional and advisory role of board members.

The following companies on the 2005 list had at least one woman officer:

	Group	Officers
FNBH Bancorp	III	3
Compuware	II	2
Energy Conversion Devices	II	2
Somanetics	II	2
X-Rite	II	2
American Physicians CAP	II	1
Capitol Bancorp	II	1
Champion Enterprises	II	1
Chemical Financial	II	1
Comerica Bank	II	1
Flagstar Bancorp	II	1
Herman Miller	II	1
Knappe & Vogt Manufacturing	III	1
Learning Care Group	III	1
Neogen	II	1
Pavilion Bancorp	III	1
Ramco-Gershenson PRP	II	1
Saga Communications	II	1
Southern Michigan Bancorp	III	1
Steelcase	II	1
Taubman Centers	II	1

Companies with more than one officer are in **bold**.

Table is sorted on number of women officers.

Of these 21 companies,

- 8 (38%) are in the financial services sector
- 5 (24%) are non-automotive manufacturing companies
- 4 (19%) are in the technology and life sciences sector
- 3 (14%) are real estate and construction
- 1 (5%) is a service company.



Herb Bursch, CEO,
FNBH Bancorp

“Forty-eight percent of privately held US businesses are 50% or more women-owned. With this success, women business leaders will have a powerful impact on publicly held corporations who will need to respond to the expectations of these business owners and open their corporate doors to more women leaders.”

Gainers and Losers

Of the original 100 companies profiled in the 2003 Index, 85 made this year’s “Index 100.”

- The companies that are not included this year were eliminated for a variety of reasons, including bankruptcy, merger, relocation, and privatization
- The gainers and losers represented in the following tables comprise only data from the 85 companies on both the 2003 and 2005 lists
- 17 companies gained ground
- 8 companies moved “Into the Game” from “On the Sidelines”
- The 4 companies that improved the most went from no woman officers to one
- 21 companies lost ground
- As in the increases, the most dramatic changes occurred as a result in a reduction in the number of women officers
- 4 2003 MVPs dropped to “In the Game” status
- Compuware remained an MVP, despite a lowered board percentage
- FNBH repeats as WLI top-scorer despite the retirement of its woman CEO

Companies That Improved In 2005	WLI05	WLI03	Increase	Reason for improvement
Knappe & Vogt Manufacturing	8	0	8	One woman officer added
Ramco-Gershenson PRP	8	0	8	One woman officer added
Steelcase	12	4	8	One woman officer added
Southern Michigan Bancorp	9	2	7	One woman officer added, but director percentage lowered from 10% to 8%
American Axle & Manufacturing	2	0	2	Went from 0% to 11% women on board
Champion Enterprises	10	8	2	Went from 0% to 14% women on board
Credit Acceptance	2	0	2	Went from 0% to 17% women on board
Ford Motor	4	2	2	Went from 11% to 20% women on board
Hayes Lemmerz	2	0	2	Went from 0% to 13% women on board
Perrigo	4	2	2	Went from 11% to 22% women on board
Spartan Stores	4	2	2	Went from 10% to 29% women on board
Tecumseh Products	2	0	2	Went from 0% to 14% women on board
Wolverine World Wide	4	2	2	Went from 18% to 20% women on board
General Motors	2	1	1	Went from 8% to 17% women on board
Lear	1	0	1	Went from 0% to 9% women on board
Pulte Homes	2	1	1	Went from 8% to 10% women on board
United Auto Group	1	0	1	Went from 0% to 6% women on board

Companies That Declined In 2005	WL105	WL103	Decrease	Reason for decrease
Flagstar Bancorp	9	18	-9	Went from 2 women officers to 1, and from 11% on board of directors to 9%
Meadowbrook Insurance Group	2	10	-8	Lost their one woman officer
Semco Energy	2	10	-8	Lost their one woman officer
Visteon	2	10	-8	Lost their one woman officer
Borders Group	8	14	-6	Lost their one woman officer, improved board percent from 30% to 43%
Kelly Services	4	10	-6	Lost their one woman officer, improved board percent from 17% to 29%
Proquest Company	2	8	-6	Lost their one woman officer, improved board percent from 0% to 10%
Caraco Pharmaceutical Labs	0	2	-2	Women on board decreased from 17% to 0%
Compuware	20	22	-2	Women on board decreased from 31% to 27%
Delphi	0	2	-2	Women on board decreased from 15% to 0%
Gentex Corp.	0	2	-2	Women on board decreased from 13% to 0%
Herman Miller	10	12	-2	Women on board decreased from 27% to 17%
Noble International	0	2	-2	Women on board decreased from 11% to 0%
Pavilion Bancorp	10	12	-2	Women on board decreased from 20% to 18%
Saga Communications	8	10	-2	Women on board decreased from 14% to 0%, but went from zero to one woman officer
Syntel	2	4	-2	Women on board decreased from 20% to 17%
CMS Energy	1	2	-1	Women on board decreased from 10% to 8%
Community Central Bank	1	2	-1	Women on board decreased from 10% to 9%
La-Z-Boy	1	2	-1	Women on board decreased from 11% to 9%
Republic Bancorp	0	1	-1	No women board members
Sotherby's Holdings	0	1	-1	No women board members



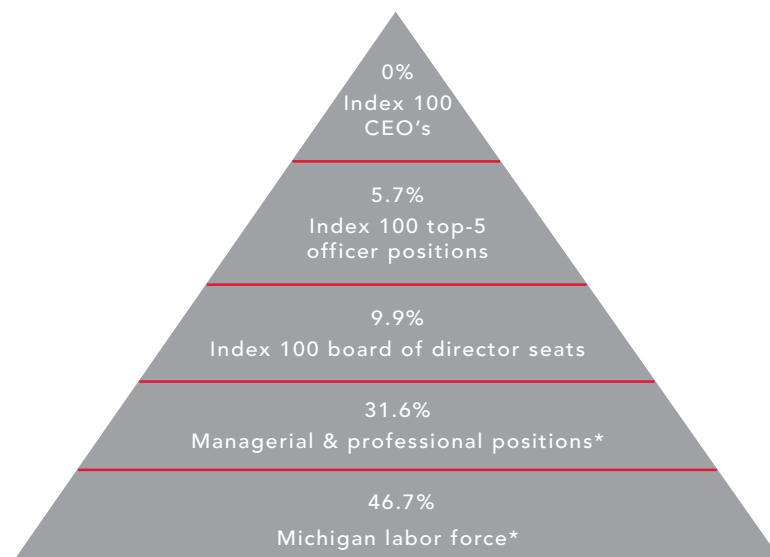
Mike Ramirez
 Director, Inclusiveness &
 Corporate Diversity
 Herman Miller, Inc.

“At Herman Miller, we firmly believe that a heterogeneous culture is much more innovative than a homogenous one. Our efforts to achieve that are broad and deep, touching every part of our business from suppliers and dealers, to education of our leaders and employees, and even reaching into the communities where our people work and live.”

Companies that are New to the “Index 100”

- 15 companies made it onto the Michigan Index 100 for the first time in 2005
- No new company is an MVP
- 10 of the 15 new companies—67%—are “On the Sidelines” with no women senior leadership.

New in 2005	WLI	Group
Learning Care Group	10	III
Astrom Biosciences	6	II
Veri-tek	4	III
Asset Acceptance Cap	2	II
TRW Automotive Holdings	2	I
Amerigon	0	III
Domino's Pizza	0	II
Dura Automotive Systems	0	II
Mackinac Financial	0	III
Monarch Community Bancorp	0	III
Origen Financial	0	II
Perceptron	0	III
Rockwell Medical Technologies	0	III
United American Healthcare	0	III
Universal Truckload	0	II



*Source: *Geographic Profile of Employment and Unemployment 2001*
www.bls.gov/gps/home.htm

Conclusions

- In the past two years, there have been no appreciable improvements and several signs of weakening in the *Michigan Women's Leadership Index*. The primary cause of the weakening has been the decline of women among the most important category: top-compensated officers.
- Along with the downturn in number of women officers, we also find it significant that in all but one of the companies women top officers are paid less than the average base salary received by Index 100 male officers. Across all Index 100 companies, 93% report compensation figures for their officers. That allows us to calculate an average pay per officer, which translates into women officers receiving only 49% of the compensation paid to their male counterparts.
- Size matters. Of the Michigan Index 100, only 20% are *Fortune* 500 companies. The average market capitalization of the 20 *Fortune* 500 companies is \$9,024 million, or nine trillion dollars, which is almost 14 times the average market capitalization, or total selling price, of the other 80 companies (\$664 million). Clearly, companies in Groups I, II, and III operate in dramatically different business environments.
- The WLI is the tip of the iceberg. The *Michigan Women's Leadership Index* measures only the pinnacle of the leadership triangle, focusing only on top officers and board members. Nevertheless, this one-of-a-kind look at a significant aspect of Michigan's business environment provides a data-based snapshot of notable differences among business sectors:
 - Many of the *Fortune* 500 headquartered in Michigan are automotive-related, an industry which historically has not cultivated diverse leadership.
 - Two of the three top WLI scoring sectors (technology and life sciences and real estate and construction) have shown an increase in the past two years. These sectors may represent the greatest areas of opportunity in Michigan for women to achieve top officer positions.
- It is notable that Michigan's *Fortune* 500 companies have no women officers, yet nearly all have at least some female representation on their boards.
- As the employment triangle on the opposite page indicates, women's participation at the pinnacle of Michigan's workforce hierarchy is still a rarity. Clearly, Michigan has barely begun to tap the strength, creativity, and possibilities that diverse leadership can bring.



Tommi White, Chief
Operating Officer,
Compuware

“At Compuware, we view our diversity as a corporate asset and appreciate the strength it creates in our business and the communities in which we live and work. Compuware promotes diversity throughout the company, not just because it’s the right thing to do, but because it allows us to take advantage of the unique skills, talents and perspectives of every employee—making us more competitive and successful.”



Kathryn Winkelhaus, COO,
Learning Care Group

“As an early education provider, Learning Care Group has the opportunity to make an impact on tomorrow’s leaders. By incorporating diversity programs into our curricular offerings and encouraging students to embrace new ways of looking at things, we hope to inspire a life-long love of learning and an appreciation for different outlooks and experiences.”

Methodology

The 2003 report covered the 100 publicly held companies headquartered in the state of Michigan that had the highest market capitalization^{2 3}—the “Index 100.” We used the same criteria to select the companies for this report.

Each publicly held corporation is required by law to file an annual report with the Securities and Exchange Commission (SEC). These reports must include the names of the directors of the corporation and the key corporate officers. We reviewed the required filings for the spring of 2005 to extract gender and salary information about the directors and top officials with each of the corporations.

As in the previous study, we sent letters to the CEO and the public information director, or other contact person, at each of the companies noting that the company was on the list of top 100 publicly held companies in Michigan, and asking for confirmation of the information posted on the SEC website. We contacted representatives of each company who had not responded within two weeks, and all of the companies either confirmed or corrected the information that we had sent to them (U.S. mail, email, or telephone) by July 22, 2005.

The research team for the 2003 study devised an index with which to assess each corporation regarding the involvement of women in the leadership of the company. The 2003 research team constructed the *Women’s Leadership Index* based on the percentage of:

1. Women on the board of directors [maximum of 10 points]
2. Women listed among the most highly compensated officers [maximum of 20 points]
3. For a total range of points from zero to 30.

We have calculated the WLI scores for each of the top 100 companies in this same way.

² The companies in the 2003 were selected by market capitalization as of November 2002; WLI calculations for those entities were computed based on data gathered up to September 1, 2003. Companies in the current report were selected on the basis of market capitalization on July 13, 2005, WLI calculations were computed as of July 31, 2005.

³ Market capitalization, often abbreviated to market cap, is a business term that refers to the overall value of a company’s stock. In essence, it is the price one must pay to buy an entire company (putting aside that trying to buy an entire company off the market would cause immense price distortions, and takeovers are almost always at more than market price). The size and growth of a company’s market capitalization often is one of the critical measurements of a public company’s success or failure.

Appendices

APPENDIX A: All the companies with women officers, with titles, sorted alphabetically

Corporation	Index Score	Top 5 Compensated Positions Held by Women
APCapital	8	Chief Operations Officer
Capitol Bancorp Ltd.	10	Chief Operations Officer
Champion Enterprises	10	Executive Vice President/CFO
Chemical Financial	9	Executive Vice President/CFO
Comerica	10	Executive Vice President/CFO
Compuware	20	Chief Operations Officer CFO
Energy Conversion Devices	20	Senior Vice President Vice President
Flagstar Bancorp	9	Executive Director
FNBH Bancorp	24	CFO Senior Vice President-Sales & Marketing Senior Vice President-Human Relations
Herman Miller	10	Executive Vice President/CFO
Knape & Vogt Manufacturing	8	Vice President of Finance/Treasurer
Learning Care Centers	10	Chief Operations Officer
Neogen	8	Vice President
Pavilion Bancorp	10	Corporate Secretary
Ramco-Gershenson	8	Senior Vice President of Acquisitions and Dispositions
Saga Communications	8	Vice President/Chief Accounting Officer
Somanetics	16	Vice President of Communications Vice President of Operations
Southern Michigan Bancorp	9	Executive Vice President/Chief Operations Officer
Steelcase	12	Senior Vice President/Chief Administration Officer
Taubman Centers	10	Executive Vice President/CFO & Administrative Officer
X-Rite	16	CFO Vice President-Global Sales

APPENDIX B: Alphabetical Listing of Companies, Index Score, Size Group and Industry Class

Corporation	Index Score	Size Group	Industry Class
Aastrom Biosciences	6	II	Technology & Life Science
Agree Realty	0	II	Real Estate & Construction
American Axle & Manufacturing	2	II	Automotive
Amerigon	0	III	Automotive
APCapital	8	II	Financial Services
ArvinMeritor	2	I	Automotive
Asset Acceptance Capital	2	II	Financial Services
Borders Group	8	I	Consumer Business
Capital Directions	2	III	Financial Services
Capitol Bancorp Ltd.	10	II	Financial Services
Caraco Pharmaceutical	0	II	Technology & Life Science
Champion Enterprises	10	II	Real Estate & Construction
Chemical Financial	9	II	Financial Services
Citizens Banking	1	II	Financial Services
Citizens First Bancorp	0	II	Financial Services
CMS Energy	1	I	Energy & Utilities
Comerica	10	II	Financial Services
Commercial National Financial	0	III	Financial Services
Community Central Bank	1	III	Financial Services
Compuware	20	II	Technology & Life Science
County Bank	0	III	Financial Services
Covansys	0	II	Technology & Life Science
Credit Acceptance	2	II	Financial Services
Dearborn Bancorp	1	II	Financial Services
Delphi	0	I	Automotive
Domino's Pizza	0	II	Consumer Business
Dow Chemical Corp.	2	I	Non-automotive manufacturing
DTE Energy	2	I	Energy & Utilities
Dura Automotive Systems	0	III	Automotive
Energy Conversion Devices	20	II	Technology & Life Science
Federal Mogul	2	I	Automotive
Federal Screw Works	0	III	Automotive
Fentura Financial	2	III	Financial Services
Firstbank	0	I	Financial Services
Flagstar Bancorp	9	II	Financial Services
FNBH Bancorp	24	III	Financial Services
Ford Motor	4	I	Automotive
General Motors	2	I	Automotive
Gentex	0	II	Automotive
Handleman	4	II	Consumer Business
Hayes Lemmerz	2	II	Automotive
Herman Miller	10	II	Non-automotive manufacturing
Independent Bank	0	II	Financial Services
Kaydon	0	II	Non-automotive manufacturing
Kellogg	2	I	Consumer Business
Kelly Services	4	I	Service
Knape & Vogt Manufacturing	8	III	Non-automotive manufacturing
La-Z-Boy	1	II	Non-automotive manufacturing
Lear	1	I	Automotive
Learning Care Centers	10	III	Service

Corporation	Index Score	Size Group	Industry Class
Macatawa Bank	2	II	Financial Services
Mackinac Financial	0	III	Financial Services
Manatron	0	III	Technology & Life Science
Masco	2	I	Non-automotive manufacturing
MBT Financial	2	II	Financial Services
Meadowbrook Insurance Group	2	II	Financial Services
Mercantile Bank	2	II	Financial Services
Meritage Hospitality Group	0	III	Consumer Business
Monarch Community Bancorp	0	III	Financial Services
Neogen	8	II	Technology & Life Science
Noble International	0	II	Automotive
O.A.K. Financial Group	2	III	Financial Services
Origen Financial	0	III	Financial Services
Pavilion Bancorp	10	III	Financial Services
Pelican Financial	2	III	Financial Services
Perceptron	0	III	Automotive
Perrigo	4	II	Technology & Life Science
ProQuest	2	II	Technology & Life Science
Pulte Homes	2	I	Real Estate & Construction
Ramco-Gershenson	8	II	Real Estate & Construction
Republic Bancorp	0	II	Financial Services
Rockwell Medical Technologies	0	III	Technology & Life Science
Rofin-Sinar Technologies	0	II	Non-automotive manufacturing
Saga Communications	8	II	Technology & Life Science
Semco Energy	2	II	Energy & Utilities
Somanetics	16	II	Non-automotive manufacturing
Sotheby's Holdings	0	II	Consumer Business
Southern Michigan Bancorp	9	III	Financial Services
Spartan Motors	0	II	Automotive
Spartan Stores	4	II	Consumer Business
Sparton	0	III	Non-automotive manufacturing
Sports Resorts International	2	III	Automotive
Steelcase	12	II	Non-automotive manufacturing
Stryker Corp.	2	I	Non-automotive manufacturing
Sun Communities	0	II	Real Estate & Construction
Syntel	2	II	Technology & Life Science
Taubman Centers	10	II	Real Estate & Construction
TechTeam Global	0	II	Technology & Life Science
Tecumseh Products	2	II	Non-automotive manufacturing
TRW Automotive Holdings	2	I	Automotive
United American Healthcare	0	III	Financial Services
United Auto Group	1	I	Consumer Business
Universal Forest Products	0	II	Non-automotive manufacturing
Universal Truckload	0	II	Automotive
Valassis Communications	4	II	Service
Veri-Tek International	4	III	Automotive
Visteon Corp.	2	I	Automotive
Whirlpool	2	I	Non-automotive manufacturing
Wolverine World Wide	4	II	Consumer Business
X-Rite, Inc.	16	II	Non-automotive manufacturing

APPENDIX C: Industry classification sorted within each class by WLI

Automotive	Index Score
Ford Motor	4
Veri-Tek International	4
Visteon	2
General Motors	2
Federal Mogul	2
ArvinMeritor	2
TRW Automotive Holdings	2
Hayes Lemmerz	2
American Axle & Manufacturing	2
Sports Resorts International	2
Lear	1
Delphi	0
Gentex	0
Universal Truckload	0
Noble International	0
Spartan Motors	0
Dura Automotive Systems	0
Amerigon	0
Perceptron	0
Federal Screw Works	0
Consumer Business	
Borders Group	8
Spartan Stores	4
Handleman Company	4
Wolverine World Wide	4
Kellogg Company	2
United Auto Group	1
Domino's Pizza	0
Sotheby's Holdings	0
Meritage Hospitality Group	0
Energy and Utilities	
DTE Energy	2
Semco Energy	2
CMS Energy	1
Financial Services	
FNBH Bancorp	24
Comerica	10
Capitol Bancorp Ltd.	10
Pavilion Bancorp	10
Chemical Financial	9
Flagstar Bancorp	9
Southern Michigan Bancorp	9
APCapital	8
Credit Acceptance	2
Mercantile Bank	2
Asset Acceptance Capital	2
MBT Financial	2
Macatawa Bank	2
Meadowbrook Insurance Group	2
O.A.K. Financial Group	2
Capital Directions	2
Fentura Financial	2
Pelican Financial	2
Citizens Banking	1

Financial Services	Index Score
Dearborn Bancorp	1
Community Central Bank	1
Firstbank	0
Republic Bancorp	0
Independent Bank	0
Citizens First Bancorp	0
County Bank	0
Mackinac Financial	0
Origen Financial	0
Commercial National Financial	0
Monarch Community Bancorp	0
United American Healthcare	0
Technology & Life Science	
Energy Conversion Devices	20
Compuware	20
Saga Communications	8
Neogen	8
Astrom Biosciences	6
Perrigo	4
Syntel	2
ProQuest	2
Covansys	0
Caraco Pharmaceutical	0
TechTeam Global	0
Manatron	0
Rockwell Medical Technologies	0
Real Estate & Construction	
Champion Enterprises	10
Taubman Centers	10
Ramco-Gershenson	8
Pulte Homes	2
Sun Communities	0
Agree Realty	0
Service	
Learning Care Centers	10
Kelly Services	4
Valassis Communications	4
Non-automotive Manufacturing	
Somanetics	16
X-Rite	16
Steelcase	12
Herman Miller	10
Knappe & Vogt Manufacturing	8
Whirlpool	2
Dow Chemical	2
Stryker	2
Masco	2
Tecumseh Products	2
La-Z-Boy	1
Universal Forest Products	0
Kaydon	0
Rofin-Sinar Technologies	0
Sparton	0

APPENDIX F: Alphabetical Listing of Companies with Percent Female Directors and Number of Top-Five Female Officers

Corporation	% of Female Directors	# of Top-five Female Officers	Corporation	% of Female Directors	# of Top-five Female Officers
Aastrom Biosciences	33%	0	Macatawa Bank	10%	0
Agree Realty	0%	0	Mackinac Financial	0%	0
American Axle & Manufacturing	0%	0	Manatron	0%	0
Amerigon	0%	1	Masco	11%	0
APCapital	0%	0	MBT Financial	11%	0
ArvinMeritor	13%	0	Meadowbrook Insurance Group	10%	0
Asset Acceptance Capital	11%	0	Mercantile Bank	13%	0
Borders Group	43%	0	Meritage Hospitality Group	0%	0
Capital Directions	14%	0	Monarch Community Bancorp	0%	0
Capitol Bancorp Ltd.	13%	1	Neogen	0%	1
Caraco Pharmaceutical	0%	0	Noble International	0%	0
Champion Enterprises	14%	1	O.A.K. Financial Group	14%	0
Chemical Financial	9%	1	Origen Financial	0%	0
Citizens Banking	9%	0	Pavilion Bancorp	18%	1
Citizens First Bancorp	0%	0	Pelican Financial	13%	0
CMS Energy	8%	0	Perceptron	0%	0
Comerica	19%	1	Perrigo	22%	0
Commercial National Financial	0%	0	ProQuest	10%	0
Community Central Bank	9%	0	Pulte Homes	10%	0
Compuware	27%	2	Ramco-Gershenson	0%	1
County Bank	0%	0	Republic Bancorp	0%	0
Covansys	0%	0	Rockwell Medical Technologies	0%	0
Credit Acceptance	17%	0	Rofin-Sinar Technologies	0%	0
Dearborn Bancorp	8%	0	Saga Communications	0%	1
Delphi	0%	0	Semco Energy	10%	0
Domino's Pizza	0%	0	Somanetics	0%	2
Dow Chemical	14%	0	Sotheby's Holdings	0%	0
DTE Energy	18%	0	Southern Michigan Bancorp	8%	1
Dura Automotive Systems	0%	0	Spartan Motors	0%	0
Energy Conversion Devices	29%	2	Spartan Stores Inc.	29%	0
Federal Mogul	14%	0	Sparton	0%	0
Federal Screw Works	0%	0	Sports Resorts International	17%	0
Fentura Financial	13%	0	Steelcase	20%	1
Firstbank	0%	0	Stryker	13%	0
Flagstar Bancorp	9%	1	Sun Communities	0%	0
FNBH Bancorp	27%	3	Syntel	17%	0
Ford Motor	20%	0	Taubman Centers	13%	1
General Motors	17%	0	TechTeam Global	0%	0
Gentex	0%	0	Tecumseh Products	14%	0
Handleman	25%	0	TRW Automotive Holdings	11%	0
Hayes Lemmerz	13%	0	United American Healthcare	0%	0
Herman Miller	17%	1	United Auto Group	6%	0
Independent Bank	0%	0	Universal Forest Products	0%	0
Kaydon	0%	0	Universal Truckload	0%	0
Kellogg	17%	0	Valassis Communications	22%	0
Kelly Services	29%	0	Veri-Tek International	20%	0
Knappe & Vogt Manufacturing	0%	1	Visteon	18%	0
La-Z-Boy	9%	0	Whirlpool	18%	0
Lear	9%	0	Wolverine World Wide	20%	0
Learning Care Centers	13%	1	X-Rite	0%	2

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