

The Takeaway

Policy Briefs from the Mosbacher Institute for
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Leadership of Local Economic Engines

Women in Texas Chambers of Commerce

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Texas has the second largest number of chamber of commerce entities in the country with over 600 throughout the state. Yet little to no research has been done on women's leadership within these local economic engines. We created an original data set to examine the gender composition of Texas chambers' boards of directors and leadership to identify systematic patterns of inclusion or exclusion within these entities.

Chambers of commerce are nonprofit organizations that function to connect businesses and business leaders to support and advocate for “the needs of the local business community.”^{1,2} When joining a chamber, businesses typically pay fees to become a member and gain benefits such as access to networking, increased publicity, and support resources. In a study on the value of chamber of commerce membership, researchers showed that if a business was involved with a local chamber, respondents associated the company with having good busi-



THE TEXAS LYCEUM



WHAT'S THE TAKEAWAY?

Women and men are included equally in boards of directors and leadership positions for chambers of commerce in Texas.

Rural counties are less likely to have access to chambers of commerce and the resulting potential benefits.

Facilitating the creation and upkeep of chamber websites would be valuable in keeping communities (and researchers) informed and in improving community outreach.

More research is needed on chambers and their potential role in economic empowerment.

ness practices, being reputable, caring about customers, and displaying community involvement.³ Joining a chamber of commerce can be an effective way to build business reputation while increasing local connectivity. Given their prevalence and influence across the state, it is critically important to understand whether women have equal opportunities to participate in chamber of commerce leadership.

ARE WOMEN EXCLUDED FROM CHAMBER OF COMMERCE LEADERSHIP?

Women have traditionally been excluded from leadership in major corporations and are often underrepresented in business. Business is commonly characterized as a male-dominated industry, or an industry where less than 25% of workers are female.⁴ Although this has historically been true, it should be noted that this dynamic is thought to be shifting. The 2022 *U.S. Spencer Stuart Board Index* found “female representation among S&P 500 board directors as a whole rose to 32% this year,” but women held a meager 14% of leadership positions such as board chairs.⁵ Because chambers of commerce are based in the business community, we expected to find that women were similarly underrepresented in these organizations and their leadership.

Our Project

Recognizing the potential economic influence local chambers of commerce can have, we sought to observe the current state of women’s involvement and leadership in these entities. We selected the largest chamber of commerce for each of Texas’ 254 counties and analyzed the gender composition of the chambers’ boards of directors and accompanying leadership positions. To maximize the comparability of data across counties, we limited our sample to one chamber per county and

relied on broad chambers, preferably with the county or county-seat in the name. In addition to characterizing the level of women’s inclusion or exclusion, we tested whether economic conditions or socio-demographics in the county were associated with higher or lower concentrations of women’s involvement.

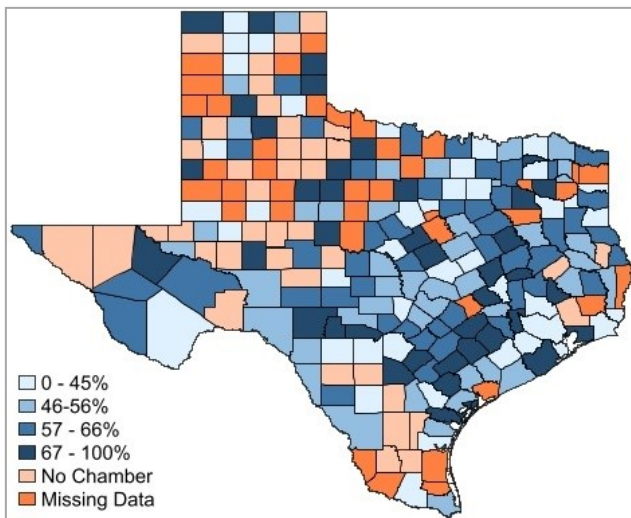
WOMEN ARE EQUAL, BUT NOT IN ALL COUNTIES

Our findings revealed that women tend to be equally included on current chamber of commerce boards in Texas, easily exceeding what was seen in the S&P 500. Women typically comprise 56.9% of the board directors and 56.8% of the leadership positions. This is vastly different from the S&P 500 in that women are not only on the boards in equal numbers, but equally present in leadership roles.⁶ The differentiation of general board members and leadership positions is important because it shows women are not only “in the room,” but also involved in influential and executive level decision-making for the chambers.

The 2023 *Texas Lyceum Poll* revealed discrepancies in responses by gender with women being more likely to identify unequal pay as a major obstacle to gender equality.⁷ The difference in perception of men and women on this issue is evidence of the importance of having both genders represented in a community body that has potential for economic influence.

County Findings

While women constitute on-average half of chamber of commerce boards of directors and half the leadership positions of those boards, there is considerable variation across Texas counties. Some counties had as little as 27% of the board who were female, and others had 100% female boards. These concentrations can be seen in Figure 1.

Figure 1: Concentration of Women in Leadership

Source: Author's Chamber Data Set

We wanted to identify whether differences in county characteristics explained the presence of women on the board or in leadership positions. In both bivariate analysis and multivariate regression models, we did not detect any statistically significant association between the composition of the board and urbanization (measured as population density) or lower economic performance (i.e., higher unemployment, lower median household income, and lower per capita incomes). Of the variables we examined, the only effect that might be statistically distinguishable from zero was the size of the board of directors with larger boards having both smaller percentages of women and women leaders, although the effect is substantively quite small.

One major indicator we do observe is not difference among genders, but among counties. Of Texas' 254 counties, 40 counties have no chamber of commerce and several counties have missing or incomplete data, including 6 counties having a chamber but no website and 33 counties with a chamber and website but no information on their board of directors and leadership (Figure 1). What these counties have in common is that they

are overwhelmingly in rural areas. Counties without chambers of commerce had an average population size of 7,310 and an average population density of 7.1, while the rest of the state boasted average population and density of 136,614 and 143.2 respectively. This shows that rural communities may have limited or no access to chambers of commerce within their county.

Limitations of the Present Study

Our multivariate analysis included some of the most common measures of the economic prosperity and demographics of a county. Future research should include finer grained measures of economic productivity including hard to obtain data on the number of small businesses and the number of women-owned businesses. Because we were only able to obtain one year of data, we were also not able to consider ways in which the membership of the chambers of commerce affected the leadership composition, how this has changed over time, or how the leadership composition affects the actions of the chamber.

WHAT IS NEXT?

Key lessons from our research include the necessity of working to understand the communities and reevaluating the untapped potential of chambers of commerce. Access to good information is not only important to researchers but also a powerful tool to build knowledge and facilitate informed communities. In our research, the unfortunate lack of data was apparent. We could not identify key figures such as the number of women owned businesses in an area, or whether the most prevalent industries of a community were represented by the chamber board of directors, all because the data did not exist. Accurately displaying relevant facets of a community is critical to un-

derstanding the community and in tracking progress over time.

Texas chambers of commerce have been highly successful in promoting women leaders. This finding is promising for a multitude of reasons, one of which is that women build leadership experience through chamber participation. The *2023 Texas Lyceum Poll* found that 36% of respondents identified “not enough women in positions of power” as an obstacle to gender equality, and chambers can provide an avenue to address this concern.⁸ Because leadership experience is typically a requirement for other influential roles, chambers are a great place to look for experienced women leaders for additional elected or appointed positions (e.g., city council).

Facilitating the creation and upkeep of chamber websites would be valuable in keeping communities (and researchers) informed and in improving community outreach. Chambers of commerce would benefit from clearly communicating the value of membership and from enhancing board of director profiles with the addition of pictures, places of work or industries, and specific job titles. Seeing people like themselves among the leadership is likely important in convincing new members that the chamber cares about their interests and encourages broad participation in the chamber and its leadership.

In summary, although little research exists, our data on chambers of commerce in Texas show

promising signs that they are groups equally inclusive of men and women in their leadership. As local economic engines with an important role to play in the community, this achievement represents hope for a promising future for women in the economy at large.

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Notes:

¹ Johnson, J. (2021). *What is a chamber of commerce and why should you join one?* U.S. Chamber of Commerce. <https://www.uschamber.com/co/start/strategy/what-is-a-chamber-of-commerce>

² Noel M.N. & Lockett, M. (2014). The benefits, satisfaction, and perceived value of small business membership in a chamber of commerce. *International Journal of Nonprofit and Voluntary Sector Marketing*, 19(1), 27-39. <https://doi.org/10.1002/nvsm.1485>

³ The Schapiro Group & Market Street Services. (n.d). *The Real Value of Joining a Local Chamber of Commerce: A Research Study*. <https://eldoradohillschamber.org/images/documents/ValueOfJoiningChamber.pdf>

⁴ Campuzano, M.V. (2019). Force and inertia: A systematic review of women’s leadership in male-dominated organizational cultures in the United States. *Human Resource Development Review*, 18(4),437-469. <https://doi.org/10.1177/1534484319861169>

⁵ Spencer Stuart. (2022). *2022 U.S. Spencer Stuart Board Index*. https://www.spencerstuart.com/-/media/2022/october/ssbi2022/2022_us_spencerstuart_board_index_final.pdf

⁶ Leadership roles were defined as holding a title that is greater than that of a general board member.

⁷ The Texas Lyceum. (2023). *Texas Lyceum Executive Summary*. https://tel.memberclicks.net/assets/Poll/TwentyThree/Lyceum_2023_Poll_Executive_Summary_FINAL%20%281%29.pdf

⁸ The Texas Lyceum. (2023).

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