



Women Entrepreneurs as Influencers

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This is the first part of a three-part excerpt. It is an edited version of Chapter 3 of Maddy Dychtwald's book, [Influence: How Women's Soaring Economic Power Will Transform Our World for the Better](#). (Voice, Hyperion)

Katie Rodan, a dermatologist in the San Francisco Bay area, didn't set out to break all the rules. She just wanted to treat acne. She'd been plagued by zits as a teen, so when she went to Stanford medical school in the 1980s, she headed straight into dermatology.

But the medical approach to skin problems troubled her. "The way people treated acne made absolutely no sense to me," she told me. I've known Rodan for years and still find it hard to believe she's ever had a pimple in her life. Her skin is perfect, a delicate porcelain set off by her dark hair. But her struggles with acne were long and painful. Years later, there was one thing she still couldn't understand: Why did almost all dermatologists treat breakouts like injuries -- unfortunate accidents to be treated after they happened? Why weren't zits treated more like cavities, something that could be prevented by good habits and hygiene?

In 1989, two years after finishing her residency in dermatology, Rodan and her medical school friend and fellow dermatologist Kathy Fields set out to change the model, to focus on preventing outbreaks, not treating them afterward, and developed a new line of skin-care products called Proactiv.

"Getting people to treat their whole face every day, so they could prevent breakouts to begin with -- that was the real flip of the tortilla," Rodan says. But it's not easy to change entrenched ideas about what works, medically or commercially.

"When we tried to raise money, businesspeople would say, 'Well, if it's so obvious, why aren't the big companies doing it?' " Rodan recalls. The big cosmetics companies were stuck in an old paradigm: That's the way things have always been, so that must be the best way. Why change?

Since Rodan and Fields couldn't raise big money or interest major companies in developing their products, they had no choice but to break more rules. The first and biggest: "Nice doctors don't do infomercials." As an adjunct clinical professor at Stanford and a practicing dermatologist, Rodan valued the respect and esteem of her peers and knew she'd be risking her reputation by promoting Proactiv through an infomercial. But she also wanted to help more patients -- and she believed the existing acne protocol was letting patients suffer needlessly.

Ultimately, it was guidance from her mother -- a quiet, reserved professor of microbiology -- that gave her the courage she needed. "My mother said, 'Do it. Who cares what they say?' She'd always been so quiet and proper. The encouragement to take a risk really meant a lot coming from her." Rodan and Fields made their first infomercial in 1995. "We tried to make it classy and credible," she says. The infomercial was an instant success. On camera, as off, Rodan is warm,

confident and intelligent, a refreshing combination of bubbly enthusiasm and down-to-earth smarts. Her commercials hit home.

In the years since that first act of promotional daring, Rodan and Fields have transformed the way dermatologists treat acne and the way acne sufferers self-treat it. By 2007, Rodan's and Fields' company was selling \$850 million worth of acne preventative products a year, to more than 5 million customers, 70 percent of them in the United States. Compare that revenue to the sales of all acne products sold over the counter in drugstores that same year -- a mere \$155 million -- and you see what a massive impact Rodan's paradigm shift had on acne treatment. In 2003, Rodan and Fields shared the prestigious Cosmetic Executive Women's award for "changing the direction of the industry." Along the way, Rodan became financially independent, eventually hiring her husband, who has an MBA from Harvard and had worked with a number of startups, as chairman and CEO of the company.

Rodan stresses that her idea alone doesn't account for her success. Rather, a moment of cultural upheaval helped her idea succeed. "In the early '90s, medicine was going through a real transformation. Physicians' incomes were going down, and it became more acceptable to market yourself," she says. Meanwhile, infomercials were becoming more sophisticated, engaging and well produced.

"A lot of things were changing at one time. Everything gelled at exactly the right moment to make Proactiv successful," she adds.

For Rodan, the sweetest part of it all is that her financial success didn't compromise her medical reputation, as she'd feared. Instead, it helped her become a better doctor. Because of Proactiv's success in the marketplace, she told me, "I didn't have to see 10 patients an hour so I could pay my bills. I could give each patient a lot of time and attention." As a result, a panel of her own peers -- the very group whose contempt she feared -- chose her as one of the Bay Area's best doctors in 2008.

When I saw Rodan's face on the cover of *Oakland Magazine's* annual best doctors issue in the fall of 2008, I thought of how far she'd come. Clearly, by breaking the rules to create a new way to treat acne sufferers, she'd found a whole new way to succeed.

Flipping the Tortilla: Changing the World's Work

To my mind, Katie Rodan's story stands for much more than just one woman's success. Women like her are succeeding in every industry -- using their education, professional skill and economic confidence to rewrite the rules governing how business gets done. This is nothing new: Women have been quietly transforming business for the past three decades. But as women move from financial independence to true economic influence, with the financial power to realize their visions on a big scale, the depth and breadth of their transformative potential is about to become blazingly clear.

Katie Rodan's success happened at a unique moment when economic realities, industry shifts and social mores coincided with a groundbreaking idea. The same thing is about to happen in the workplace, where new economic and demographic realities will intersect with long-term trends in women's income and employment. We're on the brink of a change that will transform entire industries, revolutionizing the way companies manage their employees and structure their businesses. We're about to see one very big flip of the tortilla.

Entrepreneurial Exodus

Like Katie Rodan, millions of women are breaking the rules in their industries every day. In businesses of all sizes, women are finding new ways of working that make more sense for their lives (and for the lives of their life partners and children and extended families as well). Business

as usual, in a workplace designed by men, for men, with at-home spouses, just isn't working for a huge number of women. Frankly, it hasn't been working well for a lot of men, either.

"The current work model is the old model," says Karen Sumberg, vice president of the Center for Work-Life Policy. "It addresses a white man with a stay-at-home wife. But that person represents an increasingly small portion of the work force. White men are becoming the minority in the workplace, which is increasingly populated with women and men of different cultures and ethnicities." The American work force is vastly different than it was 50 years ago, or even a decade ago. In 1950, 30 percent of the U.S. work force was women. Today, it's about half women. In the 1950s, a minority of mothers worked. Today, 70 percent do.

But most companies are still run by men with spouses at home. In the United States, 85 percent of corporate officers at Fortune 500 companies are men. Women make up just 26.7 percent of all general and operations managers. Globally, senior male executives (75 percent of them) usually have a stay-at-home partner, while 74 percent of senior women executives have a partner who works full time.

It's no wonder the old rules and paradigms of most workplaces don't work well for many women, especially mothers. Many workplaces are outright hostile to family needs. "My twins were born very prematurely. My son weighed less than 2 pounds," says Kathleen Hall, now general manager of consumer marketing at [Microsoft](#). Her employer at the time, an advertising agency, showed little respect for family needs. "I was on maternity leave when they said, 'You have to come back, we have a huge pitch.' I said, 'You know I have two kids in intensive care. What are you people thinking?' " Later in her career, at a financial services firm, she again encountered hostility when she had to take six weeks off to care for her 11-year-old son's sudden severe health problems. "Even when you have a track record of high performance, you can still encounter little or no tolerance for family needs."

If a sensible response to family needs is that hard to come by for a high-powered executive like Hall, just imagine how family needs are treated for the vast majority of American workers. Hall's case is just one, glaringly clear example of the mismatch between the real work force -- full of working moms, working dads, older people and many other nontraditional workers with full lives outside the office -- and the mythical corporate work force that doesn't bat an eye at 70-hour weeks, every week, for years on end.

When it comes to today's work force, perception does not fit reality.

What do you do when something doesn't fit? You alter it, or leave it and find something else that works better. For many women in the United States, the latter choice has been more alluring. "There's an ongoing parade of women moving out of corporations who say, 'This is too soul crushing,' " says Nell Merlino, founder, president and CEO of Count Me In for Women's Economic Independence, a nonprofit organization that, in 2005, launched an initiative called Make Mine a Million \$ Business to boost women-owned businesses over the million-dollar sales mark. Every day, more than 400 U.S. women start their own companies -- twice the rate at which men do so. The number of women-owned firms grew by 19.8 percent between 1997 and 2002, then leaped a whopping 55 percent after 2002. Today, 10.1 million firms are owned by women. These businesses employ more than 13 million people, and they generated \$1.9 trillion in sales in 2008.

The growth -- in numbers and in revenue -- of women-owned businesses represents a massive change. But what's even more important is the way women are writing their own rules for the workplace and changing paradigms along the way -- specifically, upending our ideas about when, where and how work gets done -- to fit new realities about who (men or women, parents or single people) is doing that work.

Next: Minding Their/Our Own Business

Maddy Dychtwald is co-founder of [Age Wave](#), which conducts national and global studies exploring key trends and implications of the aging of America. She is the author of three books, the latest, with Christine Larson, being [Influence, How Women's Soaring Economic Power Will Transform Our World for the Better](#). (Voice, Hyperion)

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