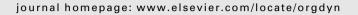


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# Women's underrepresentation in upper management: New insights on a persistent problem

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## THE PERSISTENT PROBLEM

In 2008, women comprised 46.5 percent of the U.S. labor force, and occupied nearly 51 percent of all managerial and professional jobs, yet women holding the titles of chairman, chief executive officer (CEO), chief operating officer (COO), and executive vice-president (EVP) remained at about seven percent of the population of U.S. executives, according to the non-profit research group, Catalyst. Although women's representation in lower and middle management positions has improved, the same cannot be said for upper management. Women have made few strides in breaking through the glass ceiling (the term popularized in the 1980s for invisible barriers that exist for women and other minorities that limit their upward mobility in organizations) when it comes to senior leadership positions.

Underrepresentation of women in senior leadership is problematic for several reasons. First, a lack of women in senior positions may indicate to lower-level women that aspiring to an upper-level position is untenable. Highly qualified and experienced women may thus not apply for upperlevel positions. As a result, organizations lose the opportunity to capitalize on the skills and talent of a portion of their workforce. Further, when employees perceive a lack of women in upper management, they may form ideas about the implicit values and culture of the organization, such as it being an "old-boys club," or discriminatory in its hiring and retention practices. A second reason women's underrepresentation in upper management is problematic is that when there are fewer women in senior leadership positions, women lower in the organizational hierarchy have few, if any, female mentors with experience in upper management. Without seasoned female mentors to guide women through what can be a politically driven succession planning process, women may feel unprepared for upper-management positions and thus not apply. In sum, the glass ceiling is problematic because it stymies the opportunity for a substantial proportion of the U.S. workforce, that is, women, to contribute to organizations via powerful managerial roles.

### **BACKGROUND**

Gender discrimination in hiring and compensation was made illegal with the passage of the Equal Pay Act of 1963 and the Civil Rights Act of 1964. Proponents of these Acts hoped that once the doors of workplace opportunity were opened for women, they would, in a short time, acquire the requisite experience to rise to positions of prominence in American businesses. However, in the 1980s, the popular press, including *The Wall Street Journal* and *Adweek*, began using and popularizing the term the glass ceiling, when journalists noted that some 15 years after gender discrimination was made illegal, women were still not ascending to the top jobs. Later, in 1991, a study by the U.S. Department of Labor confirmed that women and other minorities experienced a host of career barriers at many hierarchical levels in organizations.

Since this workplace social problem has been recognized as such, researchers and practitioners have weighed in on the reasons for women's lack of ascendency to the top jobs. Common explanations center around four main areas. First, "glass ceiling" explanations focus on discrimination due to many, varied causes, such as sex role stereotyping (where individuals tend to associate male characteristics and consequently men with leadership positions—also called the "think leader, think male" phenomenon). Scholars have collected substantial empirical evidence that illustrates that we associate successful leaders with stereotypically male attributes such as independence, assertiveness, and decisiveness. So because stereotypes of what women "are like" in the workplace do not match with the male leadership archetype, women are not considered for or are judged to be ill suited for the top jobs. Similarly, according to the research group Catalyst, women continue to be sidetracked into 152 J.M. Hoobler et al.

auxiliary, staff functions, such as human resources and administrative services, rather than line positions where they are responsible for an organization's profits and losses. According to CEOs interviewed by Catalyst, the latter type of experience, line positions, is particularly important because it is crucial to being considered for senior executive jobs.

Second are the pipeline explanations for women's lack of career advancement. A "pipeline" argument is one that points to historically few women in preparatory programs (law schools, M.B.A. programs). The assumption is that when enough qualified women are "in the pipeline" they will eventually assume leadership positions in senior management in equal numbers to men. However, the data do not support this explanation (except perhaps in the hard sciences, where women are still the minority of students). Consider academia as an example: since 2001, women have received the majority of Ph.D.s awarded by U.S. universities to U.S. citizens, but in 2003 only 35 percent of tenured or tenure-track faculty were women, according to the National Center for Education Statistics. The U.S. Department of Education reported that, by 2007, just 39 percent of associate professor positions (which signify job security and the first level of seniority) were occupied by women, whereas those in instructor positions (with little job security, lower pay and prestige) were 54 percent female. If this were simply a pipeline issue (since women have been "in the pipeline" in equal numbers since around 2000, and it takes on average six years to achieve tenure and a promotion to the ranks of associate), women should have reached parity with men in this same timeframe. M.B.A.s are another test case. Women today comprise half of professional school graduates, obtaining careers in fields such as accounting and management in about equal numbers to men. Yet a study focusing on three classes of Harvard Business School graduates found that only 38 percent of females were full-time career women, and a third were not working at the time of the survey. So, contemporary career women seem to have gained the requisite experience and education, but the pipeline seems to be "leaking" on the way to the top positions.

Third are the explanations that we'll group into the evolutionary psychology category—the idea that women are not genetically predisposed to top management roles. These explanations propose that men and women are simply different; men prefer the high stakes environment of top management, while women choose security and lesser challenges. These explanations usually refer to the role testosterone plays in male risk-taking and the role oxytocin and empathy play in female career choices. These ideas form the foundation of what has been intermittently heralded for a decade or more as the "opt-out revolution" of women workers with family responsibilities. The term opt-out revolution came from a 2003 New York Times report of just eight female Princeton graduates who had earned advanced degrees, chosen husbands who were their intellectual equals, and delayed having children to pursue high-powered careers. All but one of these women left full-time employment (the one full-timer was also the one who had no children). And how did these women justify opting-out? "I think some of us are swinging to a place where we enjoy, and can admit we enjoy, the stereotypical role of female/mother/caregiver...I think we were born with those feelings." (Jeannie Tarkenton,

New York Times, 10/26/03). Similarly, social conservatives use this type of "biological" evidence for gender differences to claim a return to the women-as-natural-homemaker model of society. In this view, it is assumed that with the progressive politics of gender equality, women tried to reach career parity with men, but, alas, their genetic makeup won out in the end—that differences in career achievement are a natural, predetermined difference between men and women, justifying the status quo.

The fourth explanation focuses on the way work is structured today—that the time and energy needed from all workers in today's competitive business environment and the "24/7 economy" is incompatible with what it takes to raise a family. Since women head the majority of singleparent households, and remain responsible for a greater percentage of parenting duties in most two-parent households, they fall short of managers' expectations for "the ideal worker"-one who is available to stay late, come in early, and drop everything for the company if necessary. The structure of traditional working arrangements is configured around a career model established in the nineteenth century that sometimes forces women to choose between work and family because of the direct conflict between the resources needed to perform both professional and home duties. While both women and men have less time to devote to their careers when their domestic responsibilities include spouses and children, many studies have documented that women still are responsible for the majority of household labor, and hence their careers are more affected by domestic roles.

These four explanations for why few women are underrepresented in upper management positions are the most common, and all have some support based on academic research. Yet, our research leads us to believe there is another, overlooked factor, which cuts across some of these explanations.

### **NEW INSIGHTS**

While researchers and practitioners have offered a variety of explanations for why women remain underrepresented in upper management, many explanations, at their core, rely on the assumption that being a woman is incompatible with being a leader. We have focused our research on identifying a specific assumption or bias that triggers "think leader, think male" stereotyping, which ultimately prevents the ascent of women into upper leadership roles.

In a diverse sample of working managers and their direct reports in a *Fortune 100* manufacturing and transportation organization, we found evidence of a fifth reason for the glass ceiling: the *family-work conflict bias*. The family-work conflict bias means that just being a woman signals to a manager that her family will interfere with her work, irrespective of whether or not that woman actually has family-work conflict, is married, has children, or has children of a certain age. The family-work conflict bias is quite relevant to workplaces today, yet difficult to fix. Based on our research, this is a prevalent bias managers (both male and female) hold against women that is associated with lower performance reviews, and ultimately fewer promotions for women. This new insight is discussed next.

# OUR RESEARCH—THE FAMILY-WORK CONFLICT BIAS

Based on our combined 30-plus years of experience studying the manager—employee relationship, we suggest that what is relevant to women's career progress today are the *perceptions and subtle choices of women's direct managers*. Drawing on the four explanations we presented above, we argue that a combination of the "think leader, think male" and the "way work is structured" arguments powerfully predicts women's lack of upward progress in organizations. Managers consciously or subconsciously equate a male worker with the ideal worker who is free to spend almost unlimited time in the workplace. The goal of our research was to identify what bias, precisely, triggers the "think leader, think male" stereotype.

Our research began with structured interviews of managers and their direct reports. We asked participants to identify reasons why women were not promoted as often as males in their organization. Unequivocally, managers stated that higher-level positions required less structured workdays and more availability, and that women were thought to be unable to meet the requirements of a variable work schedule due to family demands. In these interviews, we noted that this perception resided only at the manager level. From female employees' own perspective, they believed their managers felt they were unfit for managerial positions because they were too feminine. For example, one female employee was instructed to take golf lessons and to use a lower tone of voice to better mesh with the masculine culture of the organization. Based on these interviews and our prior research, we concluded that the think leader, think male stereotype is alive and well. Women are generally viewed as having greater family-work conflict (defined as family responsibilities interfering with their work) that is incompatible with a work environment that demands long hours and "face time." Even today, when managers of both sexes envision the right person for a managerial job, especially in male-dominated industries (e.g., construction and transportation/utilities), a man is more likely than a woman to come to mind, because the male is associated with effective leadership characteristics (active hobbies, deeper, commanding voices as in the example above). But, more specifically, being female signals caregiving roles, and greater family-work conflict. We call this phenomenon the family-work conflict bias. In a recent study, we sought to explore what this bias meant in terms of performance reviews and promotion decisions for male and female employees.

Our research demonstrated that managers do indeed use the family-work conflict bias to judge men and women at work, and that this bias has starling implications for a woman's career success. Specifically, managers tend to view female employees as experiencing more family-work conflict than their male employees, even when their female employees have no children, are not married, have never had a career interruption, and do not care for any other dependents. Just being female seems to signal to male and female managers that a female worker will let her outside responsibilities interfere with her work performance, or perhaps that she will someday—in other words, that she is less

dedicated to her career. Interestingly, we found that male employees actually self-reported more family-work conflict than did female employees. This means that even though male employees felt that their family conflicted more with their work than did female employees, managers *assumed* that female employees were the ones who more frequently let family responsibilities conflict with work.

The family-work conflict bias also affected managers' decisions related to women's career progress. In 2011, outright sexism is rarely tolerated in the workplace. But our findings suggest that there remain subtle biases about businesswomen that do not mesh with deeply held perceptions of what is necessary to be a successful manager, and while these biases may be subtle, they have profound implications for women's career trajectories and career progress. Specifically, we found that when managers judged their employees as having higher family-work conflict, they were evaluated as a poor fit with their company and their job. And, in turn, those who were seen as "mismatches" had lower performance evaluations, were seen as less promotable by their manager, and reported fewer promotions. Hence, the familywork conflict bias seems to be a relevant modern glass ceiling explanation for women's lack of advancement.

### IMPLICATIONS FOR MANAGERS

Our findings suggest that women's upward mobility at work is stagnated by a commonly held assumption that women are unable to fully devote themselves to work because of assumed care-giving responsibilities. In this section, we outline several ways in which managers and organizations may combat the family-work conflict bias. Importantly, because the family-work conflict bias manifests itself in relatively inconspicuous ways, awareness of the problem is the first and foremost way to combat this type of bias in the workplace.

- 1. Managers (both male and female) should be made aware of the tendency to assume women have greater family-work conflict than men, and that this can bias their perceptions of women's suitability for promotions. Companies spend millions of dollars annually on diversity management initiatives designed to attract, retain, and develop women for management positions. Yet many companies have either come to terms with their lack of women at the top, or view it as a great mystery that may or may not be solvable. Our research suggests that very simple interventions aimed at making managers aware of the family-work conflict bias may be a first step in routing out this systemic problem. Simply naming this bias (e.g., during performance reviews or in leadership training) has a remarkable effect on improving opportunities for women. For example, many well-intended managers may protect female employees with children from what they think of as burdensome overnight travel. However, when travel brings with it opportunities for high profile assignments and networking with important organizational contacts, this managerial decision may stifle women's upward progress.
- Help managers understand that assumed justifiable, subtle decisions that reflect family-work bias are actually rooted in discrimination. Recognition and dis-

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cussion of this potential bias should be a part of manager training on how to lead diverse employees. Managerial coaching on the pitfalls of common biases may be especially important for managers in traditionally male-dominated industries like energy, banking, and finance. Because leaders in these industries have for many years been male, it is likely that the family-work conflict bias may be the reason for homophily (where leaders remake the organization in their own likeness, choosing successors of their own gender and background), and therefore, a persistent reason for a lack of diversity in these industries.

3. Performance appraisals and promotion decisions should be based on performance at work. Managers should strive to eliminate from their performance evaluations indicators that have no direct bearing on performance outcomes, such as those tied to potential familywork conflict. For example, if during performance appraisals, managers focus on the number of hours an employee works per week, this may put women (who tend to bear the majority of family responsibilities and thus work fewer hours) at a disadvantage. Oftentimes, both male and female managers assume that working additional hours is an indicator of positive organizational contributions and commitment. While working additional hours doesn't preclude the possibility of these things, it is unfair to assume that more hours equates to higher performance.

Similarly, managers who make promotion and selection decisions should be able to fully defend their decisions based on objective rather than subjective information. While many companies do a good job of standardizing and formalizing their selection processes in order to stem discrimination, we suggest that organizations similarly require formal, internal reports outlining the rationale for promotion decisions. If managers have to think critically and rationally about the information they use for promotion decisions, they may be less likely to rely on assumptions or stereotypes about women's promotability.

4. Should women avoid using family-friendly benefits? A controversial implication of our research has been to question whether women should continue to utilize employer-sponsored family-friendly benefits. For example, when women bring their children to on- or near-site childcare facilities, this may make their roles as mothers more salient to their managers. Or, when women request flexibility in their work schedules to accommodate family responsibilities, these actions may increase the degree to which their managers perceive women's family roles as conflicting with their work roles, and, as such, may affect managers' perceptions of women as suitable for promotion. A related issue is that in many companies men may not utilize these benefits at the same rate as women. For example, women may take paid maternity leave after the birth of a child, while few men take paid paternity leave. In our interviews, women managers were grateful for organizational policies that enabled them to take time off or reduce their hours for family responsibilities, while at the same time they acknowledged that their reducedtime or flextime work status took its toll on their careers. As such, family-friendly benefits can have the unintended

consequence of stigmatizing women as in need of "special accommodations," and women are again mismatched with perceptions of the ideal worker. Company executives must make concerted efforts to understand which employees are using family-friendly benefits, and at what costs to their career progress.

#### IMPLICATIONS FOR COMPANIES

- 1. The family-work conflict bias means inefficient allocation of talent in companies. Women have made strides in terms of acquiring the education needed for top leadership positions. Over half of degree-earners in professional graduate programs are women. However, if this large, highly educated proportion of the workforce is being overlooked as possible upper management material, this indicates a significant underutilization of talent. Moreover, looking forward, women may become discouraged that the time, energy and money they expend on professional education does not benefit them in terms of promotability in the workplace. As a result, women may be less likely to acquire the skills and abilities learned through graduate education, limiting organizations' talent pools.
- 2. Organizations that allow the family-work conflict bias to exist risk being viewed by outsiders as discriminatory. Organizations that are touted as "best companies" or "best workplaces" by Fortune magazine and others typically emphasize their commitment to diversity and the equal opportunities they provide for diverse individuals. Conversely, organizations lacking in diversity or known for gender-biased decision-making may be eschewed as unethical by employees and consumers alike. Consider the case of Rent-A-Center, which recently settled a \$47 million class action lawsuit for routinely demoting and firing female employees, as well as relegating them to stores in high-crime areas to induce them to guit. Rent-A-Center was forced to expend huge resources to educate and diversify its workforce, including revising its board of directors to include women, hiring a certified diversity consultant, and engaging all of its employees in diversity training, from the CEO to part-time desk clerks. These are just some of the steps that were implemented in order to revamp its image as an equal opportunity employer, and to mend its tattered public image.

An organization should also consider how the demographic composition of its workforce is viewed by potential recruits. Research has demonstrated that individuals prefer to associate with those who are similar to them, for example, of similar age, race, and gender. These demographic similarities serve as "short-cuts" in getting to know and become comfortable with others. So when job candidates interact with potential employers, their perceptions of whether they are similar to and will be happy in a certain organization powerfully predict not only whether they will accept a position, but also whether they will remain employed over a period of time. Hence, organizations that hire a more diverse workforce are more likely to (a) attract more diverse employees, and (b) retain current employees.

Organizations should work to create an organizational culture where family diversity is valued and appreciated. While organizations should work to eradicate the family-work bias through training and accountability, organizations might consider going one step beyond to celebrate the intersection of family and work. Organizations that acknowledge that their workers have family lives outside the company, such as via family picnics or "take your child to work day," are implicitly recognizing that all workers, not just female workers, have duties and responsibilities at home. These programs and policies, however, must be more than just lip service. Organizations that present a united and pervasive message of appreciating workers' family commitments, such as when CEOs or other figureheads participate in family events and engage in family-friendly benefits, are more likely to persuade their workforce that family responsibilities won't sabotage one's career progress.

Organizations should also critically assess criteria used to assess the fit of their employees to the organization's culture. Are employees who rarely speak about their children more likely to "fit in?" And if so, why? Organizations must root out deeply held beliefs about what they value in employees, and seek to expunge the idea that employees with families are fundamentally incapable of meeting work demands. For example, an organization can have leaders speak about their own experiences of balancing their work and family lives. Having a powerful employee speak intermittently about work and family balance should indicate to employees that the two domains are not incompatible.

4. The family-work conflict bias has both legal and financial implications for organizations. As far as legal implications, recent research highlighted in *HR Magazine* points to a troubling trend whereby growing numbers of a wide variety of workers with family responsibilities, including pregnant women, fathers, and employees who care for elderly parents, say they are losing out on job

opportunities. These workers attribute this to managers' family-work conflict biases. The legal implications and financial penalties of this could be significant if employers are found to be in violation of Civil Rights legislation or the Family and Medical Leave Act (FMLA). Title VII of the Civil Rights Act of 1964 protects women from workplace biases due to any perceived difference due to being a woman (e.g., being perceived as too feminine; being perceived as placing a priority on caregiving), and the FMLA requires unpaid leave and job protection for new parents. As such, organizations that explicitly or implicitly penalize women because they have family responsibilities expose themselves to possible litigation.

### **SUMMARY**

Our research suggests that one reason why women are not reaching the top jobs in U.S. companies is because their managers assume that their family responsibilities interfere with performance of their work roles, a phenomenon we call the family-work conflict bias. Just being a woman signals family responsibilities, and puts women at odds with current perceptions of "the ideal worker." Our rigorous research found that both male and female managers harbored family-work conflict biases toward female employees, and that these biases substantially impeded women's career progress—a new explanation for the persistence of the glass ceiling. While these perceptions are difficult to change, we highlighted several issues that individuals and companies must consider, and several actionable areas where change is possible.



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