Exploring the Gender Gap: What are the Issues?

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Did you know...? The highly successful investor, Warren Buffett, once attributed his success to the fact that he only had to compete with half (the male half) of the population.

While women have benefited from diversity initiatives, there are still substantial gender gaps in terms of corporate, economic and government leadership. Today, women represent 46.9 percent of the U.S. labor force, (Catalyst, 2013) earn more bachelors, masters and doctoral degrees than men and can now serve in combat. There are three female justices on the U.S. Supreme Court and three U.S. Secretaries of State have been women. Yet, women earn only seventy-seven cents for every dollar that a man earns and only 17.1 percent of the Fortune 500 corporate board members are female. In 2013, in spite of being 51 percent of the population, women held only 20 percent of the U.S. senate seats and 18 percent of the seats in the House of Representatives. Currently, only six women serve as state governors. So, why do these gaps exist?

THE GENDER GAP AND PRIVILEGE

Although gender is a socially constructed characteristic consisting of behaviors and attitudes that are considered proper for males and females and its norms and expected behaviors can differ significantly from one culture to another, it serves as a significant way in which society privileges its members. Many societies consciously or unconsciously set up cultural and legal barriers to provide unequal access to power, property, and prestige on the basis of sex. Privilege means that some people have an advantage just because they belong to a certain social identity group. Usually, privileges are not earned but are more an "accident of birth" such as being born able-bodied, male, and in most societies, white. Examples of gender privilege are: being able to assume that your gender, engagement ring, or status as a parent or caregiver is not a factor in a hiring or promotional decision.

A HISTORY OF PATRIARCHY

A society is patriarchal to the degree that it is male-dominated and identifies with what are considered to be male values. In a patriarchal society, the majority of political, economic, legal, religious, educational, and military positions of authority are filled by men. Heads of state, CEOs, corporate board members, religious leaders, senior law partners, generals, members of legislatures at all levels of government, etc. tend to be mostly males under a patriarchal system. When women do achieve these positions, like former Secretary of State, Hillary Clinton or Marissa Meyer, CEO of Google, people tend to think of them as the exceptions. Consequently, male dominance creates power differences between men and women and promotes the idea of male superiority. If men occupy more powerful positions, then viewing men as superior is not a stretch. If presidents, generals, legislators, and corporate CEO's are mostly men with a few women as exceptions to the rule, then men as a group become more identified with leadership and power.

CLOSING THE LEGAL GAPS

History provides some insights into how a society comes to value, i.e., grant privilege, to a more masculine style over a more feminine one. In early U.S. society, the second-class status of women was taken for granted. A husband and wife were legally one person: him. Women could not serve on juries, vote, make legal contracts, or hold property in their own name. Because men tenaciously held onto these privileges and used social institutions to maintain their privileges, basic rights for women came only through a prolonged struggle. In 1848 a group of women led by Elizabeth Cady Stanton used the Declaration of Independence as the framework for writing the "Declaration of Sentiments". Among the many inequalities it sought to correct were women not being allowed to vote or to enter the professions.

Women finally won the right to vote in 1920. In 1963 President Kennedy convened a commission on the status of Women, naming Eleanor Roosevelt as its chair. The report documented discrimination against women in virtually every area of American life. That same year, Betty Friedan published *The Feminine Mystique*, a book that acknowledged the oppression that middle class, educated women experienced because of their limited life options. In 1964, Title VII of the 1964 Civil Rights Act was passed. This legislation prohibited employment discrimination on the basis of sex as well as race, religion, ethnicity, and national origin. With the inclusion of Title IX in the Education Codes of 1972, equal access to higher education, professional schools and high school and college sports teams became the law. The number of female doctors, lawyers, engineers, and other professionals grew substantially. Sports participation by women and girls also rose substantially as a result of Title IX.

However, the Equal Rights Amendment to the U.S. constitution languished in Congress for almost fifty years, was finally passed in 1972 and sent to the states for ratification. The legislation simply called for total federal and state equality because of one's sex. When the deadline for ratification came in 1982, the ERA was three states short of the 38 needed to write it into the U.S. Constitution, but it was never passed.

While many women today may be hesitant to be labeled as a "feminist" for fear of being criticized, few would give up the personal freedoms and opportunities that women fought hard to win over the last 150 years.

Global Notes.....Europe

Female Corporate Board Membership: Europe's "Pink" Quotas

- In Norway, legislation passed in 2003 requires that females make up 40 percent of all corporate boards.
- In Finland, any company without females on its board must explain why in its annual report (Nobel, 2013).
- France is requiring that corporate boards be 20 percent female by 2014 and 40 percent female by 2017 or directors will not be paid their stipends (Lubin, 2012).
- In Italy, one-third of board listed companies and state owned enterprise board members must be female by 2015 (Kanter, 2013).
- As a result of a shortage of qualified European women to fill legally required board positions, and pressure from the European Union to increase female board membership percentages, 96 American women now hold 136 board seats in 12 European countries (Lubin, 2012).

THE GENDER GAP IN WAGES AND EMPLOYMENT

According to the 2010 census 53.6 percent of the U.S. labor force is female (U.S. Department of Labor, 2013), but many factors, including career choices account for the gender gap in pay and career advancement for women. The gap between men's and women's wages in the U.S. has not changed much over the past twenty years. In terms of women of color, in 2011, African American women made 69.5 percent of men's salaries, Asian American women 84.8 percent and Latinas 60.2 percent (National Committee on Pay Equity, 2013). Over the course of a lifetime, this pay gap becomes substantial and eventually even lowers a woman's Social Security benefits.

Many factors including horizontal and vertical employment segregation account for these differences in earnings. **Horizontal segregation** means that many women still tend to work in fields that have been long considered predominately female and traditionally pay less money such as social services, child care, teaching, retailing, and office administration. As Exhibit 3-1 illustrates, even today too few college educated women prepare for jobs by majoring in the STEM (science, technology, engineering and mathematics) fields which are not only lucrative but have

Most Popular College Majors for Women	Majors with the Highest Earnings for Women	Majors with the Lowest Earnings for Women
1. Business	1. Pharmaceutical Science	1. Psychology
2. Health Professions	2. Information Sciences	2. Early Childhood
3. Social Sciences & History	3. Chemical Engineering	3. Theology
4. Education	4. Computer Science	4. Human Services
5. Psychology	5. Electrical Engineering	5. Social Work

Sources: Forbes.com & Georgetown University Center Education and the Workforce on Business Insider.com (2011)

EXHIBIT 3-1

high future employment demands. Between 2010 and 2011, the number of women in computer-related positions actually dropped 8 percent while men's employment in this field increased 16 percent and the number [of] female Chief Information Officers declined from 11 percent to 9 percent (U.S. Bureau of Labor Statistics, 2012).

Research conducted by Gartner, a high tech think tank, found that technology teams with greater gender diversity exhibited more creativity and better problem solving techniques (Harris, Morello, & Raskino, 2007). Yet, a study commissioned by the National Center for Women in Information & Technology found that 56 percent of women in high-tech leave their organizations at the mid-career level after ten to twenty years experience. The reasons most often given were subtle bias, gender pay gaps, lack of role models or mentors, isolation, and family work-life balance issues (Simard, Henderson, Gilmartin, Schiebinger, & Whitney, 2011).

Former Harvard President, Larry Summers once publicly remarked that innate differences between men and women might explain why men tend to dominate science and engineering. The furor that followed his remarks led many colleges to re-examine the standing of women in the sciences and eventually contributed to Mr. Summer's resignation! In contrast, IBM took a more active and progressive approach and designed a program to encourage women to enter the STEM fields.

Best Practices

EX.I.T.E (Exploring Interests in Technology and Engineering)

To encourage young women to prepare for careers in the STEM fields, in 1999 IBM developed the concept of a week-long summer camp where learning about science and technology is presented in engaging ways to middle school girls. Since its inception, over 10,000 girls have participated and 85 percent of the graduates said that they were interested in pursuing a career in science and or engineering. Today, the camps are held all over the world. There are even special sessions for girls with handicaps. Instruction is hands-on, fun, and collaborative. Executives from IBM as well as other technology companies and local college professors participate and serve as role models.

Sources: www.pacer.org/ste/exite/camp.asp; www.ccnmag.com/article/ibm_exite_camps

In contrast, **vertical segregation** occurs in the workplace when both genders are working in the same industries, but men are perceived as being more capable, skillful and qualified for the better paying and more upwardly mobile line positions (like sales, branch management, etc.), than women (Charles & Grusky, 2004).

> Vertical segregation reinforces the idea that women are suited for lower level roles with less responsibility rather than professional and managerial roles within the same occupational category because they possess certain innate characteristics (passivity, nurturance, emotional sensitivity, for example) or because they have less cognitive capability or fewer higher-level skills compared to men. (Reeves, 2010, p. 18)

In 2012 the American Association of University Women conducted a study of 15,000 college graduates. This research revealed that even one year after graduation, women were already

making only 82 percent of their male classmates' salaries, even though the women earned higher college grades. Comparing male and female graduates in the same occupations, finds that gaps still exist. Women in teaching earned 89 percent of male salaries, in business 86 percent, and in sales 77 percent. These differences are attributed to discrimination and women's inabilities to confidently negotiate better starting salaries (Corbett & Hill).

Even in a traditionally female occupation, like nursing, males often earn higher salaries and receive more promotions. The 2010 census revealed that males account for only 10 percent of the total number of full-time registered nurses in the United States. Yet, the average salaries of males were still 9 percent higher than female full-time nurses within the same specializations and 16 percent higher overall. Further analysis of the data revealed that male nurses made some interesting career choices that may somewhat account for these gaps. They tended to be in the highest paying specializations, like anesthesiology, worked more night shifts, and were more apt to obtain doctoral degrees that led to promotions (Casselman, 2013).

THE GENDER GAP AND LEADERSHIP

Economists at Stanford University and the University of Chicago estimate that between 1960 and 2008 much of U.S. productivity growth could be attributed to removing the legal barriers that prevented women from achieving their workforce potential (Wessel, 2013). Yet, in 2013, only 17 percent of Fortune 500 CEOs were female. Some research concludes that male and female leadership styles do differ somewhat and that males tend more towards a **transactional**, i.e., goal-directed leadership style in contrast to women's tendencies towards a more **transformational**, i.e., relationship-oriented, consensus-building leadership style. However, a 15 year study of gender differences in management concluded that "female managers are no more inclusive or democratic than men when making workplace decisions" (Williamson, 2013, p. 1). Clearly, there are many individual exceptions to these generalizations and "there is little evidence to suggest that one sex or the other is more effective leading" (Powell, 2010, p.142).

Traditionally, women's inability to advance into higher level positions is described as "hitting a **glass ceiling**", i.e., having a career progression that goes only so far, usually to mid-level management positions and then stops. While there are personal and organizational factors that do limit women's careers, and some exceptional women do make considerable progress, it is usually a more complicated process than it is for men. Eagly and Carli (2007) describe this type of career trajectory more as a **labyrinth**, or indirect uneven path that requires women to develop a leadership style that integrates assertiveness with nurturing for career progression.

> It is an unfortunate fact of life that women often do not have parity with men in the workplace or in the highest ranks of power. Certainly, there are a few outliers, who are able to break through the barriers, but there are still too many places and circumstances where crucial decisions are made and women are absent. (Gutherie, 2012, p. 1)

In spite of all the progress that women have made, there is still a very real perception by many that women are not as effective as leaders as men. Consequently, women still face considerable prejudice in business and politics. When women's leadership styles differ from men's, it contributes to a perception that women are less qualified when in fact they may be equally or even more qualified.

In her best-selling book, *Lean In: Women, Work, and the Will to Lead*, Sheryl Sandberg, COO of Facebook, argues that the absence of women in economic and political leadership occurs because many women are not assertive enough and willing to take career risks. For example,

Global Notes.....*Asia*

Women in Asian Businesses

- In China, 74 percent of the female population is in the workforce. In contrast, only one-third of Indian women work outside of the home.
- Publically traded Asian corporations with no female board members averaged a 15 percent return on equity for 2007–2009 while those with the highest proportion of female board members, averaged a 22 percent return on equity.
- Women hold a third of the senior management jobs in Southeast Asia. This compares with 24 percent in Europe and 18 percent in North America.

(Chu & Ramstad, 2012).

men will apply for jobs for which they are minimally qualified, while women often will only have the confidence to risk applying when they are 100 percent qualified. In addition, in a patriarchal society, males are expected to be ambitious and assertive and are rewarded for demonstrating these qualities while women often are criticized and/or not supported when they behave in the same manner. She compares these gender differences to running a marathon.

> Men and women arrive at the starting line equally trained and fit. You could argue, based on educational attainment, that the women are more trained and fit but at least equal. Think of a career like a marathon: long, grueling, ultimately rewarding. What voices do the men hear from the beginning? 'You've got this. Keep going. Great race ahead of you.' What do the women hear from day one out of college? 'You sure you want to run? Marathon's really long. You're probably not going to want to finish. (B. Sandburg, p. 100)

Conversational style differences between genders can also reinforce a perception of men as being stronger leaders. Many men have a tendency to talk in a more assertive conversational style that includes tendencies to interrupt, question in an interrogating manner, and be more direct in their speech patterns. In contrast, more women tend to favor a communication pattern where they speak in shorter bursts, ask questions instead of making more positive statements, are more indirect, etc. (Tannen, 1990).

From studies describing gender differences in leadership styles, a number of challenges emerge. If women don't promote themselves, they can be considered as too passive. If women do highlight their achievements, they can be perceived as aggressive and selfish, particularly by other women.

TIME GAP

Only 20 percent of the U.S. households with children now have a working father and stay at home mother. Yet, women are still responsible for more of the household and childcare tasks than men. A high-level career often implies frequent travel, job relocations, and the 60+ hour work week, all of which complicate personal and family relationships, and imply that there is support at home to provide child care, cook, clean, and do laundry. According to the (2012) U.S. Labor Department's Time Use Survey, married men in households with children spent 16 minutes a day on housework while women spent 52 minutes. In the 2010 Women Matter—Women at the Top of Corporations: Making it Happen report issued by McKinsey & Company,

57 percent of the female respondents cited balancing work and domestic responsibilities as the number one barrier to their getting to the top levels of management.

In the U.S., it is estimated that approximately half of the women who have achieved corporate-level positions do not have children. Interestingly, when men have a family it implies stability while for women it is too often considered by their employers to be more of a distraction. The demands of ambitious careers, the lack of balance within male-female obligations at home, and the stereotypes that still persist may take a personal toll on women's decision whether they will pursue an ambitious career. This choice is a difficult one and may involve giving up some things that are more important to a woman. For professional women, it's unusual not to step off the career fast track at least once. With family demands, many women feel they have little choice but to give up their demanding careers. In order to avoid the waste of educated talent, business leaders and the federal government need to establish new policies to support working parents and assist in improved work-life balance.

Best Practices

McKinsey & Co. the global consulting firm, noticed that they were losing a significant number of highly-qualified new mothers just about the time that these women were eligible for partnership status. In an attempt to stop this talent drain, Mc Kinsey adopted innovative policies and practices to retain these employees. For example, they

- Established a Mother's Network to coach and support new mothers.
- Initiated a "phase back" program that offers reduced work hours following a maternity leave.
- Published a "Laptops and Lullabies" guide with tips for balancing work-life responsibilities.

Fathers are not forgotten at McKinsey & Company either. Their paternity leave policies also earned the organization a place on *Working Mother* magazine's list of the "10 Best Companies for Paternity Leave" (Adapted from mckinsey.com).

THE MENTORING GAP

Having a mentor who can guide and coach an employee to grow and develop has long been associated with achieving career success. However, a 2010 Catalyst study of 4100 1996–2007 MBA graduates from elite universities, found that there were gender differences in the types of mentoring that males and females received. While many women receive career advice and guidance from a mentor, men are more apt to be actively "sponsored" by their mentors, also mostly male, more senior in rank, and willing to actively use their own social capital to further their mentee's careers.

Although women need to cultivate their social capital by networking more with colleagues and finding mentors/sponsors, who can help them achieve success, it is a more complex process than it is for men. Besides the potential of sexual harassment, there are far fewer females in higher positions to be mentors than there are in mid-career positions that need mentors. In addition, 2011 survey of 1,000 working women by the American Management Association revealed that 95% of the respondents said that they had been undermined by another woman at work

(Drexler, 2013). This behavior is referred to as the "Queen Bee Syndrome" which essentially means that women who have achieved positions of power in male-dominated environments may fear competition from other women and actively work to undermine them.

While white women at least gain some benefit from the unearned privilege of being white, women of color have to deal with the additional difficulties of finding mentors interested in working with them and the intersection of racism and sexism. Latinas often do better than Latino men in the workforce but few are found on corporate boards or on the executive level (Floyd, 2003). Asian American women who exhibit the influences of Confucian values, such as humility and harmony, often do not fit the American business expectation of assertiveness and self-promotion (Eagly & Karu, 2001).

> African American women are too different from white women to benefit from their shared gender status and too different from Black men to benefit from their shared race. Hence, women of color who strive for leadership positions are different from those who are also different—white women and African American men. (Sanchez-Hucles & Davis, 2010, p. 174)

CONCLUSION

The percentage of high-powered women in the world remains diminutive compared to their male counterparts and it is not improving as fast as most people imagine. Power requires influence in the global marketplace as well as economic and cultural clout. In its annual power rankings, *Forbes* magazine compares individuals based on global visibility and economic impact as well as the size of the economic area over which they have influence. Only one woman, Angela Merkel, Chancellor of Germany, is listed in the top ten on the 2012 list. Two years ago there were two women in the top ten.

There can be no denying that women have made progress over the last twenty-five years. Women now sit on the Supreme Court, run for president and fight in combat. Overt sexual behavior in the workplace is less tolerated and a small percentage of women have successfully entered corporate management. Concern exists however, that the publicity around these successes leads to an illusion that issues around inequality based on gender no longer exist. While blatant cases of gender discrimination are becoming less prevalent, there is nothing to gain and a lot to lose, by keeping so many women, particularly women of color, out of positions of authority. While the causes are complicated, the statistics make it clear that women still have a long way to go to narrow the gaps in leadership and power. That doesn't mean that gender inequity has vanished. It has just gone underground and become more subtle.

Most organizations have been created by and for men and are based on masculine values. Even though educated women entered the workforce by the thousands in the last twenty years and added great value, the definition of what makes an effective leader is still associated more with male behaviors such as toughness, aggressiveness, and decisiveness and less with what are considered as the more female characteristics of teamwork and relationship building. Perhaps, part of the challenge is in convincing others in management to mentor women and to appreciate the positive elements of their different styles.

The challenge society faces is that gender discrimination has existed for thousands of years. One of the greatest obstacles to change is that dominant groups hardly ever see the issues of the subordinate groups as theirs. Diversity is the engine that drives originality and creativeness and gender is part of that diversity. To be effective in today's global marketplace, business organizations must fully utilize their talent pool and commit to advancing all groups of employees.