HOLDING WOMEN BACK

TROUBLING DISCOVERIES—AND BEST PRACTICES FOR HELPING FEMALE LEADERS SUCCEED

> Ann Howard, Ph.D.   > Richard S. Wellins, Ph.D.

A SPECIAL REPORT FROM DDI'S GLOBAL LEADERSHIP FORECAST 2008│2009

DDI®

HOLDING WOMEN BACK
TROUBLING DISCOVERIES—AND BEST PRACTICES
FOR HELPING FEMALE LEADERS SUCCEED

> Ann Howard, Ph.D.   > Richard S. Wellins, Ph.D.

Welcome from the Authors

Our main report of findings from the *Global Leadership Forecast 2008|2009* is silent on matters of gender because men's and women's views about leadership development in their organizations seldom differed. However, a review of the demographic data revealed that organizations were not evenhanded in their treatment of male and female leaders. The women—more than one-third of the global sample of over 12,800 leaders—had not progressed nearly as far up the management ladder as the men. This discrepancy isn't a surprise; it has been reported frequently in popular media. What caught our attention was how the deck is stacked against women from the start of their management careers.

This unexpected finding warranted a special investigation; this report is the outcome of that effort. The sobering results suggest that gender discrimination continues to thrive below the surface to the detriment of not just female leaders, but the organizations that employ them. After disclosing how this happens, we offer some practical recommendations for organizations that recognize the value of leveling the playing field and for women who want to ensure that they are among those rising to the top.

As we note in the concluding section of this report, overcoming this persistent and troubling underuse of talent is not simply a moral responsibility in the pursuit of fairness. Particularly in today's sagging global economy, helping women move up the organization ladder could well be one of the best survival strategies that an organization could undertake. We encourage you to review carefully the revelations in this report and then think hard about what you might do differently.

Ann Howard, Ph.D.
Chief Scientist

Richard S. Wellins, Ph.D.
Senior Vice President

ABOUT DDI

In today's complex marketplace, having the right talent strategy is crucial for an organization's success. Development Dimensions International will help you systematically and creatively close the gap between the talent you have and the talent you need to drive future business strategies.

We excel in:

- **Competency models** that are linked directly to your business.
- **Screening and assessment,** enabling you to hire the right people with a full range of validated tests and assessments.
- **Behavior-based interviewing,** helping hiring managers and recruiters make accurate hiring decisions.
- **Performance management** to foster individual accountability and superior execution of your strategic priorities.
- **Succession management** expertise and assessment systems to help you make critical placement and promotion decisions.
- **Accelerated development** to give you people who are more productive faster by offering the widest range of topics for workforce to senior leadership levels.

DDI is all about giving you the kind of business impact you want over the long term—what we call "realization." The work we do together is tied to your organization's strategies and becomes part of your business and your culture. If your business is multinational, DDI has precisely the kind of global resources needed to implement your talent initiatives effectively and consistently worldwide.

DDI TREND RESEARCH

Global Leadership Forecast 2008|2009 is part of the continuing series of trend research by DDI's Center for Applied Behavioral Research (CABER). In alternate years our research has focused on recruiting and selecting talent as reported in the *Selection Forecast*. CABER also investigates special topics around optimizing human talent in the workplace.

Executive summaries of research reports are available at www.ddiworld.com. To order full reports, call DDI Client Service at 1-800-944-7782 (U.S.) or 1-724-746-3900 (outside the U.S.).

CONTACT INFORMATION

Ann Howard, Ph.D.
Chief Scientist
Development Dimensions International
1225 Washington Pike
Bridgeville, PA 15017
Phone: 412-257-3643
Fax: 412-257-3093
E-mail: ann.howard@ddiworld.com

Richard S. Wellins, Ph.D.
Senior Vice President
Development Dimensions International
1225 Washington Pike
Bridgeville, PA 15017
Phone: 412-257-3805
Fax: 412-220-2785
E-mail: rich.wellins@ddiworld.com

CONTENTS

Symbols Used in this Report

♀♂↗   Key Finding

INTRODUCTION

DDI's *Global Leadership Forecast 2008|2009* (Howard & Wellins, 2008) uncovered considerable pessimism about leaders' ability to help their organizations survive and thrive. Human resources (HR) professionals' confidence in leaders' ability to assure the success of their organizations had declined steadily over the previous eight years, and most leaders were not satisfied with their organization's development offerings.

Men and women in leadership roles substantially agreed on what was happening in their organizations. However, demographic information about the experiences of these leaders made clear that the women were not being utilized and developed to the same extent as their male counterparts. Given the huge need for leadership talent as the baby-boom generation retires, we launched a special investigation to better understand why this large segment of the leadership talent pool was not reaching its potential.

The Research Sample

For the *Global Leadership Forecast 2008|2009,* HR professionals and leaders around the world were asked to respond to surveys about current leadership development practices in their respective organizations. The surveys were primarily administered online (before the onset of the current global economic crisis) and made available in 11 languages. The final sample consisted of 12,208 leaders from 76 countries and nearly 1,500 organizations or independent business units that ranged widely in size and industry sector.

Response rates varied considerably by country and organization. In order to represent the results fairly, we used a combination of weighting and sampling techniques.

- **Organization representation—**Some organizations were more energetic about recruiting leaders than others; thus, the number of participating leaders per organization ranged from 0 to 317. So that no individual organization would dominate the global results, we selected a random sample from any organization with more than 100 respondents.
- **Global representation—**To properly represent global findings, we wanted to ensure that leaders were representative of the world population of leaders; that is, leaders from smaller economies should not outnumber leaders from larger economies. The proportion of survey responses from any country was adjusted if it did not fall within 5 percent of the proportion of worldwide leaders from that country, according to data from the International Labor Organization.   Using this standard, we weighted responses for leaders from three countries and HR professionals from three countries.

For the purposes of this special investigation report, we included only those leaders with an identified gender who could be matched to an organization and thus an industry. This reduced the sample to 10,006 leaders from 376 organizations. The sample included 3,807 women and 6,199 men (see **Figure 1**).

FIGURE 1 **Gender of Leaders in Sample**

Females   Males

38%   62%
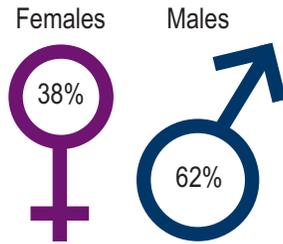
The leaders ranged over four management levels, with mid-level the most typical (see **Table 1**). Additional demographic data about the sample are in the Appendix.

TABLE 1 **Management Levels of Leaders**

Title	Definition	Sample	
Executive-level	Leader in a policy-making position	897	9%
Senior-level	Leader/Manager of mid-level leaders	2,715	28%
Mid-level	Leader of first-level leaders	3,676	37%
First-level	Supervisor, team leader, foreman, etc.	2,506	26%

NOTE: Not all leaders provided their management level.

To get a more personal view of leadership experiences, we conducted interviews with 23 female leaders from the United States, China, and the United Kingdom. Excerpts from these interviews as well as answers women provided to open-ended survey questions are included in this report to help illustrate the research findings.

Falling off the Management Ladder

The men and women in the sample were very similar in tenure and age; however, women were much more likely to be in lower-level rather than higher-level leadership positions. There were no sharp distinctions between the mid-level and senior-level positions, but the trend was clear (see **Figure 2**).

♀♂ **Women's representation in executive-level positions was half that in first-level management.**

FIGURE 2 **Percent Female by Management Level**
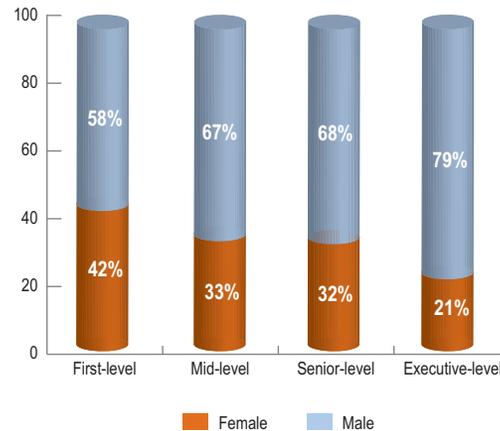
	First-level	Mid-level	Senior-level	Executive-level
Male	58%	67%	68%	79%
Female	42%	33%	32%	21%

■ Female ■ Male

Women were much more likely to be in lower-level rather than higher-level leadership positions.

The decreasing percentage of women at higher management levels persists despite the fact that women's levels of education and employment in industrialized countries have nearly caught up with men's. For example, women in the U.S. constitute more than half of all employees, are graduating from high schools and colleges at a higher rate than men, and are making their way into many of the country's most prestigious professions.

It is true that women are being promoted or appointed to increasingly high-level positions. Yet, the rate at which they are moving ahead is decidedly slow, and they are failing to reach leadership roles in the numbers expected. While more than one-third of managers are women, more than 70 percent of the top 1,500 U.S. firms have no women on the senior leadership team (Dezsö & Ross, 2008). In other words, dramatically more women in the workforce is not translating into proportionately more women in leadership positions—and their numbers grow significantly smaller as the level of the leader goes up (Pichler, Simpson, & Stroh, 2008).

Women participating in the *Global Leadership Forecast* described this unequal workplace reality.

> *"We have lots of managers who are women. I don't see it as being an issue. However, as you move up the ranks, there are fewer and fewer women. So, you see, there is an assumption of turning to the men for higher roles."*
>
> —Senior vice president, information services,
> insurance company

> *"Women definitely make up a lower proportion of the leaders than men . . . you have one female for every ten males in the regional sales manager position, and all the director level and VPs are male."*
>
> —Manager, telecommunications company

> *"I was looking for a C-level position. The recruiters were horribly biased, and they were taking their marching orders from their clients. They had a strong male paradigm in their mind. I was almost never their first choice for a C position. It's a hard place to enter any company, and the predominant paradigm for thinking of that role is that it is male."*
>
> —Senior director, business laboratory,
> biopharmaceutical firm

In all major global regions, women were more likely than men to fall off the management ladder before reaching the top.

This trend was consistent across global regions, with some areas showing greater disparities than others (see **Figure 3**). North American organizations had the highest percentage of women in all management levels, largely due to the overrepresentation of health care in our sample, but there was, nevertheless, a large drop-off between the first and executive levels. Latin American organizations had the lowest proportion of women in leadership positions overall, but again the downward trend by level was clear. Asian organizations made the least differentiation of gender by level, although their percentage of women at any level was not very high. Thus, the same pattern

FIGURE 3 **Percent Female by Management Level across Regions**
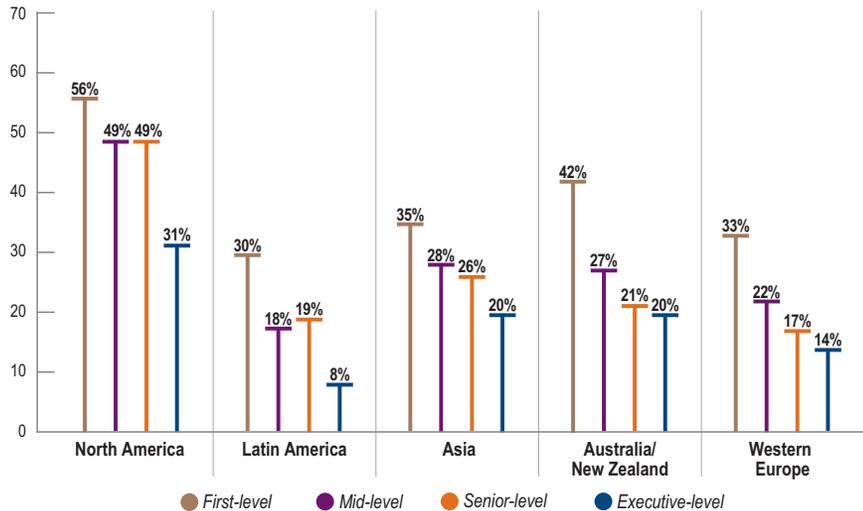
Note: Health care organizations were overrepresented in North America sample.

Legend: ● First-level ● Mid-level ● Senior-level ● Executive-level

Data labels:
- North America: First-level 56%, Mid-level 49%, Senior-level 49%, Executive-level 31%
- Latin America: First-level 30%, Mid-level 18%, Senior-level 19%, Executive-level 8%
- Asia: First-level 35%, Mid-level 28%, Senior-level 26%, Executive-level 20%
- Australia/New Zealand: First-level 42%, Mid-level 27%, Senior-level 21%, Executive-level 20%
- Western Europe: First-level 33%, Mid-level 22%, Senior-level 17%, Executive-level 14%

THE STACKED DEVELOPMENT DECK

One important reason that women have failed to advance in management is that they have not had equal access to developmental experiences that would prepare them for higher levels. Several types of information led us to this conclusion.

High-Potential Programs

Half of the *Global Leadership Forecast* organizations formally identified high-potentials (that is, a special pool of employees deemed to have the potential to succeed in high-level leadership roles). These employees typically are placed in accelerated development programs to prepare them for future responsibilities and roles. Given that it takes approximately 10 years for a leader to advance into a senior position, a high-potential program is important for ensuring that organizations will have the right leaders well prepared for key positions when they are needed.

prevails despite significant cultural differences across major world regions in terms of attitudes toward women in the workplace or progress in education for young women.

One important reason that women have failed to advance in management is that they have not had equal access to developmental experiences that would prepare them for higher levels.

Men make up progressively larger proportions of high-potentials within each management level; among executives, 50 percent more men than women are high-potentials.

At all management levels women were less likely than men to be named high-potentials (see **Figure 4**). The proportion of leaders in high-potential programs rose with management level, but at each higher level, the gap between the number of men and women in the programs grew increasingly large. At the first level of management, the gap was 4 percentage points (19 percent of men and 15 percent of women were high-potentials); at the executive level, the gap was 13 percentage points (39 percent of men and 26 percent of women). Put another way, there were 28 percent more men
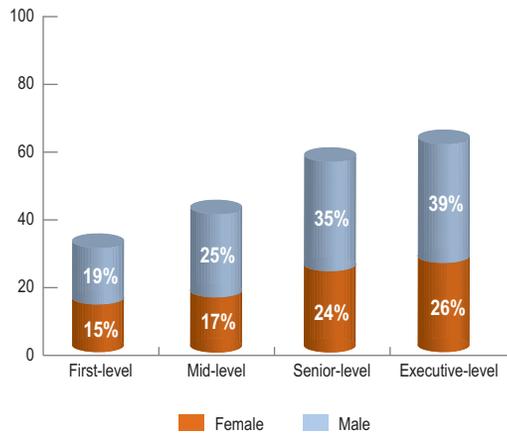
than women in high-potential programs at the first level of management, but 50 percent more men than women in such programs at the executive level.

The findings in Figure 4 cast doubt on arguments that the gender difference in the highest level positions occurs because women have not been given sufficient time to rise through the ranks. Realistically, achieving gender parity is not just slow but impossible if organizations continue to place disproportionately more males in the high-potential programs that are the feeder pool for senior leadership.

High-potential programs are important in part because they usually provide special experiences that promote successful leadership at higher levels. Placing women in high-level positions to satisfy affirmative action quotas or organizational policies without first providing them with the training and experiences they need to be successful sets them up for failure.

Leadership Transitions

Leaders especially need training and support when they make the transition to a higher-level position. With each step up, leaders acquire more accountability, affect wider audiences, experience greater visibility, and face a heightened risk of failure. The *Global Leadership Forecast* showed that although one-third to more than one-half of leaders found each transition difficult or very difficult, only slightly more than half of organizations offered some kind of transition training. Even for the most difficult transition—from operational to strategic positions—one of every five leaders received no training at all (Howard & Wellins, 2008).

> *"I do need to learn more about the transition from detail to strategy. I will consult my mentors or colleagues, learn from the work, and adjust my mind to overcome the barriers."*
>
>   —Higher-level leader, electrical products manufacturer

| FIGURE 4 | Percentage of Leaders in High-Potential Programs by Level and Gender |

First-level: Female 15%, Male 19%
Mid-level: Female 17%, Male 25%
Senior-level: Female 24%, Male 35%
Executive-level: Female 26%, Male 39%

Legend: Female, Male

♀♂ Organizations provide increasingly less support for women as they move up the management ladder.

Women received even less support for transitions than did men (see **Figure 5**). As a consequence, women also reported significantly greater difficulty making transitions to higher management levels, in part likely due to an absence of female role models and mentors.

| FIGURE 5 | Leaders Reporting No Preparation for Transitions by Leader Level |

Executive-level 35% / 28%
Senior-level 30% / 25%
Mid-level 28% / 23%
First-level 30% / 28%

■ Female   ■ Male
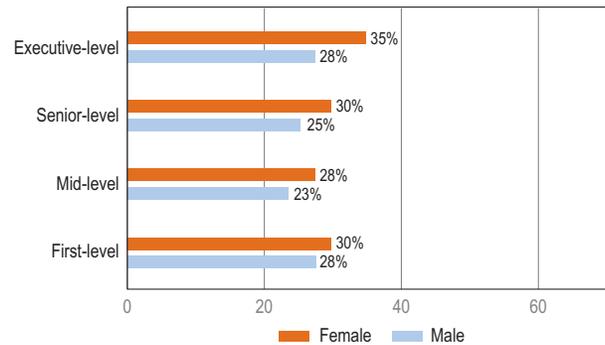
Multinational Leadership Experience

Another valuable development opportunity, particularly in today's global economy, is multinational leadership experience. Such experience does not necessarily mean living abroad; it does involve working on projects, assignments, or business units that require a great deal of collaboration with associates in multiple countries. Here, too, women were less likely than men to have such experience.

♀♂ Men were twice as likely as women to have multinational leadership responsibilities.

Overall, 21 percent of the men in the study were in positions with a multinational scope compared to only 9 percent of the women. Multinational responsibilities increased with each level of management, but within each level, women had multinational roles significantly less often than men (see **Figure 6**). The ratio of men to women was 1.8 at the first level, 1.5 at mid-level, 2.3 at the senior level, and 1.6 at the executive level.

There were 28 percent more men than women in high-potential programs at the first level of management, but 50 percent more men than women in such programs at the executive level.

FIGURE 6 **Percentage of Leaders with Multinational Responsibilities by Level and Gender**

Bar chart:
- Executive-level: Female 25%, Male 41%
- Senior-level: Female 13%, Male 30%
- Mid-level: Female 11%, Male 17%
- First-level: Female 7%, Male 13%

Legend: Male, Female
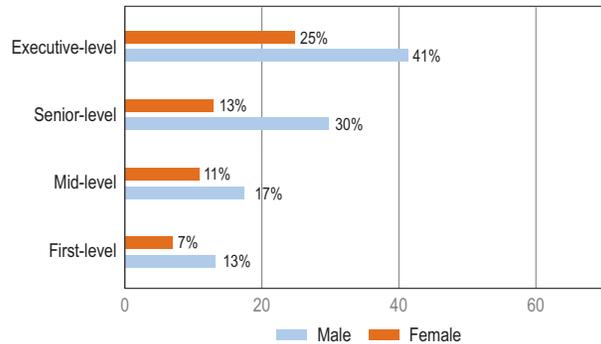
Multinational experiences can be very powerful accelerants of personal and professional development.

> *"I was able to be a project leader for a global project, and able to interface and physically travel to other countries to meet with global colleagues. I am on conference calls and do trainings in plants around the world, and it has been a huge, huge, benefit to my training and ability to develop relationships."*
> —Regional quality engineering manager, consumer products company

Multinational experiences also can include expatriate assignments, which entail working for the organization for a specified period of time in another country. The percentage of female expatriates, although growing, is still low. Compared to 4 percent in the early 1980s, women in some regions now make up nearly 20 percent of expatriates (Eagly & Karau, 2002).

Development Discouragement

Whether a development opportunity was a way to enter a high-potential program or provided support for transitions into higher levels or for taking on multinational responsibilities, men were favored over women at every job level. The higher the management level, the greater the gender gap, leaving women by the wayside.

This favoritism toward men in leadership development programs has been noted in other organizational practices as well. Gender discrimination has been found in HR policies that identify, support, promote, and evaluate future talent, such as succession planning or formal mentorship programs (Selmer & Leung, 2002, 2003). It's not surprising that some women, faced with such a reality, become discouraged or give up.

> *"I have repeatedly asked for development in specific areas in which I know additional education is needed. This has resulted in empty promises, which are documented as development plans, but never materialize."*
> —Leader, pharmaceutical company

> *"I have not attempted to get developmental opportunities due to my assumption that they will be turned down."*
> —Community director, recreation/leisure/health management company

SAFETY IN NUMBERS . . .
TO A POINT

The proportion of women and female leaders in an industry can potentially influence their opportunities for development or advancement (Maxwell et al., 2007). Two sociologists have advanced contrasting theories on how the gender ratio in organizations can affect women's status.

* Kanter (1977) hypothesized that increases in women's numerical representation would lead to more favorable attitudes toward them and lessen discrimination against them in corporate management. As tokens (less than 20 percent), women would be isolated and subjected to discrimination based on gender stereotypes; as a minority (about one-third of the group), they will develop networks and can influence the majority; in balanced proportions the multiple opportunities for men and women to interact should eliminate stereotypes and inequalities. Some authors have argued that women need to comprise 35 to 40 percent of leadership if they are to get away from token status (Oakley, 2000).

* Blalock (1967) hypothesized that the majority group will perceive an increase in the proportionate size of a minority group as a threat to their advantages and discriminate against them to secure their own dominant position. However, once a proportionate size has been reached, the minority will initiate assertive actions to counter the discriminatory behaviors of the majority.

To test these theories, we divided the *Global Leadership Forecast* data into four groups on the basis of the gender composition of leaders in the industry (see **Table 2**). Leaders from 35 industries were placed into groups using the percentage of male and female leaders in our sample. These groups were relatively consistent with published industry groupings by gender. We experimented with alternative categorizations to match external groupings, but this made little or no difference in our findings.

TABLE 2	Industry Groups by Gender of Leaders	
	% Female Leaders	**Industry Examples***
Token Women	Less than 20%	Computer hardware, energy and utilities, transportation services
Minority Women	20–39%	Banking, electronics, consumer products manufacturers
Balanced	40–59%	Government, business services
Majority Women	60% or more	Health care providers, foundations

* See the Appendix for a complete list of industries in each group.

Figures 7 through 10 show the proportion of men and women in each level of management for each industry category.

Whether a development opportunity was a way to enter a high-potential program or provided support for transitions into higher levels or for taking on multinational responsibilities, men were favored over women at every job level.
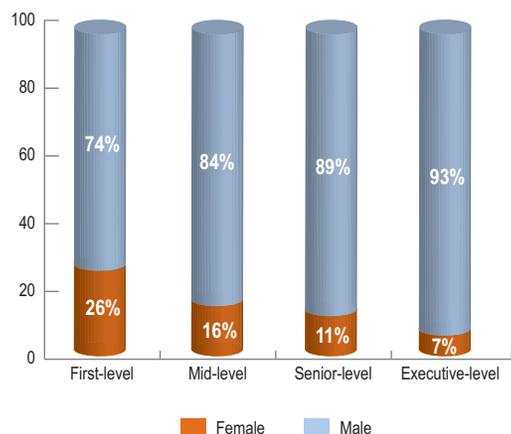
Mostly Men

In industries where leaders are mostly men, the majority of women fell off the management ladder before reaching executive status.
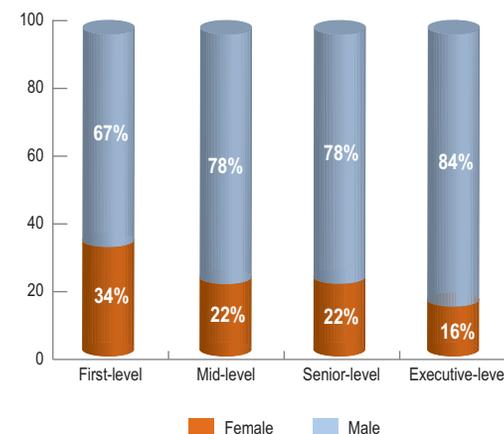
The decline in women's representation at higher management levels was precipitous in industries where women had only token status (**Figure 7**) or were in the minority (**Figure 8**). Among token industries the proportion of women at the first level of management dropped by nearly three-fourths at the executive level; in minority industries the reduction was by more than one-half. Thus, at the executive levels the percentage of women became almost negligible (16 percent in minority women industries; 7 percent in token industries).

FIGURE 8   Minority Women Industries*: Leaders by Gender and Level

First-level: Female 34%, Male 67%
Mid-level: Female 22%, Male 78%
Senior-level: Female 22%, Male 78%
Executive-level: Female 16%, Male 84%

Female ■   Male ■

* 20–39% women leaders overall

FIGURE 7   Token Women Industries*: Leaders by Gender and Level

First-level: Female 26%, Male 74%
Mid-level: Female 16%, Male 84%
Senior-level: Female 11%, Male 89%
Executive-level: Female 7%, Male 93%

Female ■   Male ■

* <20% women leaders overall

Sometimes, being in a token or minority role can provide important opportunities for women to step up and demonstrate their value. More often, token or minority group status makes life considerably more difficult for female leaders. Significant mental health consequences related to feelings of isolation and exclusion as well as more job pressure and scrutiny have been reported (Linehan & Walsh, 2001; Oakley, 2000).

> *"IT [information technology] is a male-dominated arena. There are always more men, and they've already been heavily networking. It's difficult to feel like you're part of the team."*
> —Senior vice president, information services, insurance company

"When I started, I felt like I had to do it all. I couldn't ask for help, because it would be viewed as being weak. In the boardroom, the rest of them were men. I had to be more forceful to get them to listen."

—Senior vice president of operations, security services company

"Technology is very male dominated; you have to be very strong. I sit in on staff meetings where 95 percent of the people are male. If someone challenges you, you have to be able to stand up to that; push back and still continue to talk about your ideas or your position. You can't let them push you back; you have to hold your own. Sometimes it's tougher to make people buy into your position, and you have to come really prepared to get people to support you."
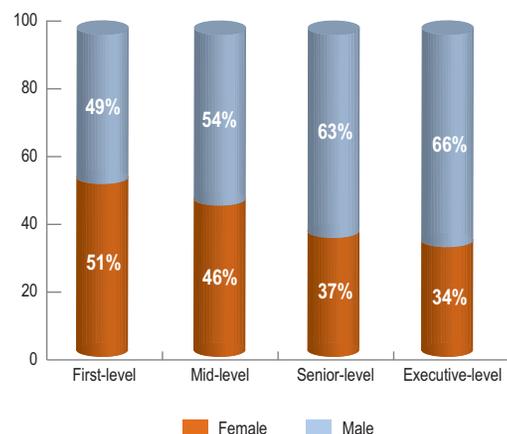
—Manager, electronic components manufacturer

Balanced Men and Women

⚥ **In industries where the gender ratio was balanced at first-level management, one-third of women fell off the ladder before reaching executive status.**

When the ratio of men to women in the industry's leadership was more balanced, there was a more gradual shift to male dominance as management level increased (see **Figure 9**). Although women were half of the first-level leaders, they represented only about one-third of those at senior and executive levels.

| FIGURE 9 | Balanced Industries*: Leaders by Gender and Level |

First-level: Female 51%, Male 49%
Mid-level: Female 46%, Male 54%
Senior-level: Female 37%, Male 63%
Executive-level: Female 34%, Male 66%

■ Female   ■ Male

* 40–59% women leaders overall

The decline in women's representation at higher management levels was precipitous in industries where women had only token status or were in the minority.

♀♂ **Women are less likely to fall off the management ladder when their numbers in the management ranks equal men's than when they are in the minority.**

Up to this point, then, the data support Kanter's contention that opportunities for women grow as their management numbers increase; that is, the drop in the proportion of women from first level to executive level was less precipitous as women became better represented. For the token industries, the proportion of women dropped 73 percent (from 26 percent at the first level to 7 percent at the executive level); for the minority industries, the proportion of women dropped 53 percent; and for the balanced industries, the drop was 33 percent. However, a drop of one-third for the balanced industries is far from the equality that Kanter hypothesized, suggesting that the increased interaction of men with women leaders has not eliminated the barriers to women's advancement.
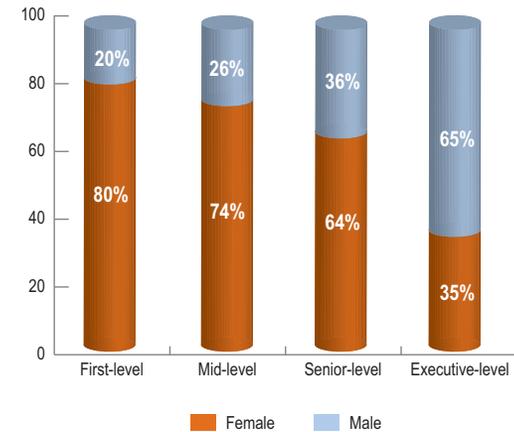
Mostly Women

♀♂ **In industries where women were the majority of first-level managers, men were still the majority at the executive level.**

When women were in the majority in an industry, there was a sharp reversal in male/female representation at the executive level; the proportion of women at the senior level fell by more than half (see **Figure 10**). Thus, even when women make up the majority of leaders in an industry, they are still vastly underrepresented at the top. Male executives outnumbered females by 2 to 1.

FIGURE 10 **Majority Women Industries*: Leaders by Gender and Level**

First-level: Female 80%, Male 20%
Mid-level: Female 74%, Male 26%
Senior-level: Female 64%, Male 36%
Executive-level: Female 35%, Male 65%

■ Female ■ Male

* 60%> female leaders overall

The sample represented in Figure 10 was dominated by health care organizations (see the Appendix for details). However, health care practices and traditions vary widely worldwide, and grouping them together makes it difficult to interpret the results. To check the findings with a more homogeneous sample, we investigated the results from U.S. health care organizations alone (see **Figure 11**). Once again there was a considerable gap—though not as dramatic—between the proportion of women who were frontline leaders and the proportion who were at the executive level.

⚥ **In the U.S. health care industry, where women comprise the large majority of leaders, the proportion of men in executive positions was nearly three times their representation in first-level management.**

Industry groups in the total sample also were examined for male and female participation in high-potential programs (see **Figure 12**).

⚥ **Regardless of the proportion of women in the leadership ranks, men are significantly more likely to be in high-potential programs.**

FIGURE 11 — Leaders by Gender and Level in U.S. Health Care Organizations

	First-level	Mid-level	Senior-level	Executive-level
Male	18%	22%	29%	53%
Female	82%	78%	71%	48%

■ Female ■ Male

FIGURE 12 — Percent High-Potential by Proportion Female in Industry
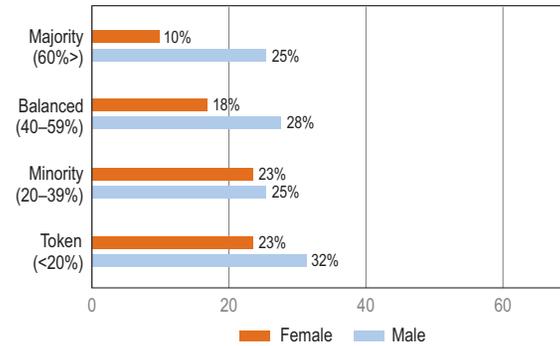
	Female	Male
Majority (60%>)	10%	25%
Balanced (40–59%)	18%	28%
Minority (20–39%)	23%	25%
Token (<20%)	23%	32%

■ Female ■ Male

Even when women make up the majority of leaders in an industry, they are still vastly underrepresented at the top.

Across industry groups men were overwhelmingly favored in high-potential programs. Especially striking is the finding that in industries where women are the majority, the percentage of high-potential males is two and a half times that of females. This practice serves to keep men in the top positions in organizations whose leadership ranks are primarily female.

⚥ **There is an apparent backlash against women when they constitute a majority of leaders.**

In the U.S. health care sample, the proportion of women dropped 41 percent from first-level of management to executive level, a larger percentage reduction than in industries with a balanced ratio of men and women in management. At the same time, the proportion of men grew by 194 percent between the first and executive levels (see **Figure 11**). These findings support Blalock's theory, namely, that too many women would arouse threats to men's advantages and men would take discriminatory steps—a backlash—to protect themselves and their hold on key decision-making positions. One mechanism to implement the backlash is massive favoritism of men in high-potential programs.

The thrust of these findings is that women are not only less represented at the highest levels of an organization, but processes are in place to ensure that the situation doesn't change. Regardless of the dominance of women in an industry, the prevalence of men in the highest leadership positions was compounded by organizations' obvious favoritism toward men in high-potential programs. These actions serve to keep women out of the most prestigious positions at the top of the organization. Although more women might join the ranks of management in the future, their chances of equaling or exceeding men at the highest levels will not grow commensurately.
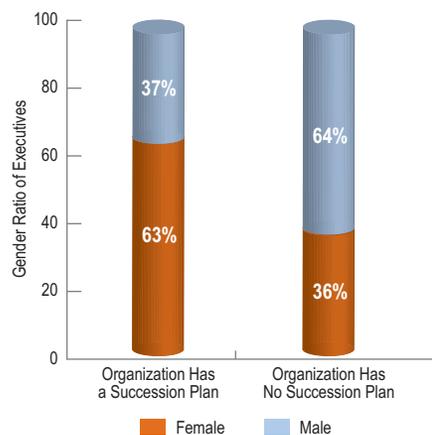
DOWN IN THE UNDERGROUND

One reason that high-potential programs are so vulnerable to gender discrimination is that they typically are conducted in secrecy. When asked if they were in a high-potential program, 42 percent of leaders responded that they didn't know. Thus, the proportion of men and women in such programs is not a transparent fact that interested parties can monitor.

Lack of transparency is a likely barrier to women's progress in other ways. Confidential practices related to evaluating leaders' performance and potential can be fertile grounds for gender discrimination. This is not necessarily purposeful; ingrained but unconscious biases can flourish where there is little oversight or scrutiny. Several types of organizational practices appear to be particularly vulnerable to discriminatory practices that thrive in this "underground environment."

The Underground Pipeline

Formal succession plans help organizations identify leadership potential and assure that replacements are available to fill key leadership positions. Using the U.S. health care sample, we compared the gender ratio of executives in organizations that had a formal succession plan to organizations that did not (see **Figure 13**).

FIGURE 13

Formal Succession Plans and Gender of Executives in U.S. Health Care Organizations

Gender Ratio of Executives

- 37% Male — Organization Has a Succession Plan
- 63% Female — Organization Has a Succession Plan
- 64% Male — Organization Has No Succession Plan
- 36% Female — Organization Has No Succession Plan

Female ■ Male ■

In the U.S. health care industry, nearly twice as many women were executives if their organization had a formal succession plan.

Among organizations with a formal succession plan, nearly two-thirds (63 percent) of the executives were women. In organizations that did not invest in a formal succession plan, only a little over one-third (36 percent) were women. Thus, a formal plan clearly worked to women's advantage.

Regardless of whether an organization has a formal plan, succession decisions are made as position openings appear. Organizations with a formal succession plan usually make efforts to evaluate leaders' capabilities objectively and shore up development needs. Organizations without a plan rely on individual managers' recommendations. These underground decisions are prone to biases and stereotypes, such as men's beliefs that women are less capable than men at problem solving (Prime, Carter, & Welbourne, 2009). Biased promotion decisions can accumulate over a series of openings and serve to cap women's advancement.

> *"I was held back by a CFO who wouldn't let me step up or go further. Everyone thought I was the prime person for the position, but I wasn't a buddy."*
> —Director, health care organization

The Pay Down

Salary is another organizational practice that is kept underground rather than publicly known. Here, too, scientific research points to discrimination.

Currently, women in the U.S. make roughly 81 cents for every dollar earned by a man for the same work. This difference remains even after equating numerous factors, including but not limited to education, tenure, and past work experience (Eagly & Carli, 2007). Although the pay gap shrunk throughout the 1980s, it leveled off and stalled during the 1990s. The absence of scientific explanations for this stall points to traditional views of women—perhaps more specifically women's place in the work world—as the most viable source of blame (Blau & Kahn, 2006).

Women are not only less represented at the highest levels of an organization, but processes are in place to ensure that the situation doesn't change.

Research has demonstrated that the male-female pay gap worsens over time. Among new MBA graduates, men are only slightly ahead of women in salary. Over time, the small initial pay gap not only never closes, but becomes inexplicably large. Some investigators suggest that women lack negotiation skills. Others have found that only three years out of the workforce for family or other leave decreases women's earning potential by as much as 38 percent (Hewlett & Luce, 2005). Although pay inequity might be unintentional, it can carry considerable legal consequences. However, the lack of transparency about pay contains the risk of legal action.

> *"Pay differences are a general problem. From what I've seen, women are less aggressive when being hired about pay. When you start at a lower level, you stay lower. Women all tend to say the same—'I'm just not as good at negotiating.' It's not addressed in the organization unless you stand up and fight for it. You have a tendency to do this only once you get really, really frustrated. This tends to happen later in your career when you have already left an awful lot of money on the table."*
> —Director, strategic marketing, engineering firm

> *"I believe women are paid less than men. I believe that it has taken me much longer to get to the salary range I am in now than it would have taken a man. Whenever I added responsibility there wasn't always compensation. A previous boss looked at my salary at one point and said, 'This is horrible, you are so underpaid; I am going to do everything I can to sort this out.'"*
> —Manager, telecommunications company

> *"I do not believe that all women and men in the organization are paid the same for the same job. I know that the man who held my position before me made more than I do."*
> —Manager, financial services company

> *"Women start off lower in salary and then have to catch up. But you never catch up because of the cap on yearly increases. So you come in lower and you stay lower."*
> —Branch manager, security services firm

Lower pay for comparable work sends a very clear message: This organization does not value the work of women as much as it values the work of men. The more devalued a woman feels, the more likely she is to leave the organization, taking with her talent that can be very difficult to replace.

The Put Down

Studies show that many men still hold negative views of women as leaders. Although men in organizations are outwardly exhibiting fewer discriminatory beliefs and behaviors, we may now have what has been termed "modern sexism" or "neosexism" (Alksnis, Desmarais, & Curtis, 2008). Instead of overt discussion regarding traditional roles for women in general, discriminatory attitudes have become more covert and pointed specifically to women and work. This is not just a passing phenomenon; men in business schools have much the same view of women as leaders as male managers did 15 to 30 years ago (Duehr & Bono, 2006).

"A boss told me that he didn't have problems with women in leadership positions, but that I should be careful because that wasn't the case with everyone."

—High-level leader, insurance company

"I don't think men take [women] as seriously. I think if you are an attractive woman, that gets comments, and if there is a female in the room, they are always asked to take the notes, even when there are lots of men in the room. I refuse to do it. They joke about me getting the coffee or other behaviors that just make you feel you aren't being taken as seriously."

—Manager, telecommunications industry

"My impression is that men feel dismissive of women leaders."

—Senior research and development manager, technology industry

"I felt my decisions were questioned by the staff and some of the males in supervisory positions."

—Service supervisor, utilities industry

"It's the way you're treated by your peers. The way you're spoken to. There is arrogance and it's not the way they would talk to another male. They act superior."

—Branch manager, security services industry

"The view toward women being less than equal in the business is an unconscious belief. I was the only woman out of 10 trade commissioners. A male peer in jest said, 'Blimey, you've done well! Who did you have to sleep with?' It was said without any malice, but I felt it shows I was not credited in the same way for attaining the position as my male counterparts."

—Senior trade commissioner, government agency

These attitudes undermine women leaders' effectiveness by lowering their self-esteem and undercutting their relationships with others. They also color the way organization make decisions about hiring, promoting, or paying women leaders.

Lower pay for comparable work sends a very clear message: This organization does not value the work of women as much as it values the work of men.

HELPING WOMEN MOVE UP

What Organizations Can Do

Fairness and objectivity in the treatment of diverse groups in the workforce are required by law in the U.S. and increasingly around the world. Organizations need to have objective, job-relevant procedures for identifying high-potentials, assuring readiness for promotions, and making promotion decisions. The greater the objectivity built into selection and development decisions, the greater the opportunity for women to take their rightful place next to men. In order to determine the extent to which the programs are working, organizations need to regularly measure their progress, including analyses of adverse impact against women.

There are various steps that organizations can take to build objectivity into different programs and level the playing field for women.

1. Formalize Succession Planning

Succession planning should begin at the bottom of the hierarchy, objectively identifying high-potential individuals and accelerating their development. As noted previously, U.S. health care organizations with a formal succession plan had considerably more women rising to the top echelons than did organizations that made succession decisions informally as the need arose. Formal succession plans usually entail a series of objective evaluations of leaders' competencies and other characteristics to determine their potential. Using objective indices of potential and readiness for promotion can help eliminate unconscious gender biases about performance and leadership, particularly if the plans are accompanied by appropriate checks to ward off inadvertent gender discrimination in the execution of the programs.

A particularly engaging way to determine readiness for promotion is an assessment center, whereby participants engage in "day-in-the-life" simulations of leadership positions at a higher level than their current role. *Global Leadership Forecast* organizations with the most effective development programs (according to HR professionals) were twice as likely as those rated least effective to conduct in-depth assessments to examine leaders' capabilities and readiness. Other tools to support readiness evaluations include behavior-based interviews or competency-based achievement records that examine past experiences. Personality and motivation inventories also can help identify potentially enabling and derailing characteristics that need to be managed.

2. Recognize Performance Equally

Research continues to show that women need to perform significantly better than their male counterparts to be seen as equally competent (Lyness & Heilman, 2006). This makes ascending to higher levels of management all the more difficult for them.

> *"Women weren't taken seriously. I found that I had to provide more facts and to prove everything I did and present more than male counterparts."*
>
> —Director, health care organization

> *"The main barrier for me has been gaining respect from those I report to, to get them to allow me to bring my ideas to the table and execute them. I think today we still have a little bit of the male mentality where their ideas must be the best ones. Sometimes they look to each other for the answers first, or faster than they may look to their female counterpart."*
>
> —Manager, electronic components manufacturer

"As I've watched male coworkers promoted and lauded, I've come to realize that my gender has hindered my career . . . male coworkers seek and get more attention and recognition for accomplishments."

—Senior research and development manager, technology company

"I was excluded from access to an interview used to select for promotion. This was despite the fact that I had long tenure with the business and a strong performance record, stronger than some male counterparts who were successful in getting the interview. I was advised that I was too young for the position, but male counterparts my age were successful."

—Senior trade commissioner, government agency

Organizations need to set up objective methods of performance management and use these tools to help determine recognition, rewards, and advancement. Salary programs should be monitored carefully for unwarranted gender differences. If organizations want to keep talented women, those women need to feel wanted.

"I reported to a supervisor and was team leader in a billing area for a hospital. My boss was promoted and encouraged me to apply for the supervisor position. When I applied for the

position, the director decided to go on the outside and hire someone he knew [before]. The person he hired didn't know how to run the business. I dealt with it, but only stayed another six months."

—Director, health care organization

3. Democratize Development

Developmental programs can provide a strong boost to leaders' capabilities and confidence.

"Developmental opportunities have absolutely impacted my career. I am being sought out as a trainer, advocate, go-to person, and subject matter expert because of my training. My people skills are strong, I get better results from those I interact with, my responsibilities continue to increase and my value is evident."

—Regional manager, consumer products industry

As a consequence, denying women equal access to development can quickly lead to feelings of resentment.

"Males were able to go to more seminars and conferences. When it came to the female executives, it was a real tight pick and choose. And if you did get to go it was only once every other year."

—Director, health care organization

Using objective indices of potential and readiness for promotion can help eliminate unconscious gender biases about performance and leadership.

The more strategic and programmatic an organization's approach to development is, the greater the opportunity to make sure that men and women are treated equally. It's especially important to assure that high-potential women have equal access to accelerated development experiences so that they are equally qualified in terms of experiences for promotions that arise. Access to high-visibility positions and other prized assignments should be particularly scrutinized to assure equal treatment by gender.

4. Provide Women with Mentors

Another way that women are deprived of development is that men more often have access to mentors. Whether mentoring is formal or informal, women stand to benefit greatly from having a mentor (Anderson, 2005; Blake-Beard, 2001).

> *"I feel very lucky [to have had mentors] who would help me think through ideas to move my career forward, and where to go next to take on more responsibility. I think there are fewer women who look for male mentors at more senior levels because they feel that asking more basic questions of these men can have a negative effect. More women come to me, perhaps because they feel more comfortable."*
> —Director, strategic marketing, engineering firm

> *"I have had 'informal' mentors who have provided very valuable advice and support during my career."*
> —Chief of staff for CEO, energy/utilities company

> *"Feedback provided to me by mentors has definitely improved my performance. I didn't really have it before, but now I have it and I am just flying."*
> —Regional quality engineering manager, consumer products company

One way that mentoring can help women leaders is by encouraging them to be more proactive about seeking new positions. For example, Hewlett-Packard found that women apply for open positions only if they believe they meet 100 percent of the listed criteria, whereas men apply if they feel they meet 60 percent of the requirements (Desvaux, Devillard-Hoellinger, & Meaney, 2008).

5. Internationalize Women's Experiences

Male executives tend to assume that women don't want or won't take the international assignments often required for advancement, and if they do, they won't perform well. This assumption is based on women's greater family responsibilities and, anecdotally, on expatriate wives who have not adjusted well to living abroad (Adler, 1994; Harris, 2004; Tzeng, 2006).

However, assumptions made about women with families traveling abroad need to be reexamined. Studies show that women who go abroad with trailing spouses are often well-adjusted expatriates due to very strong, well-established support systems anchored on their partners (Caligiuri & Lazarova, 2002).

Organizations shouldn't take it for granted that women will reject expatriate assignments; if the experience is important, it should be offered to women as often as to men. Perhaps more important, women need the opportunity for multinational leadership experiences that expose them to cultural challenges without necessarily requiring living abroad.

## 6. Equalize (and Enhance) Transition Support

Organizations should provide much more support for leadership transitions for both men and women. Leaders of both genders indicated that this was a clear need, but women were especially likely to be left out and thus have more difficulty with transitions. Some organizations neglect women more than others.

Organizations with high-quality development programs support leadership transitions among men and women to about the same degree.

In organizations whose development programs were of generally low quality, women were more likely than men to receive no preparation at all for transitions. However, these gender differences disappeared in organizations with high-quality development programs (See **Figure 14**).

| FIGURE 14 | Percent of Leaders Reporting No Preparation for Leadership Transitions |
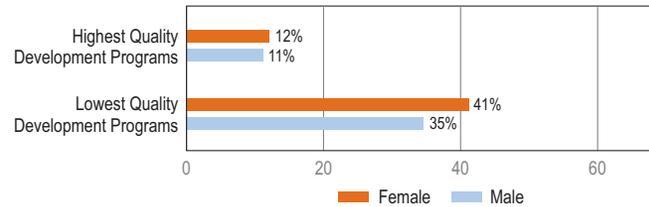
When organizations with high-quality development programs did provide transition support, they also treated men and women nearly the same; 23 percent of their male leaders and 21 percent of their female leaders indicated that the organization provided "much" preparation. Once again, it seems likely that the formalization of transition support resulted in more equal treatment of men and women.
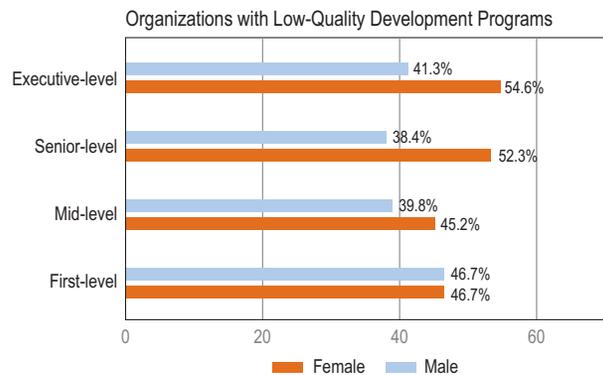
Once again, it seems likely that the formalization of transition support resulted in more equal treatment of men and women.

♀♂ Organizations failing to support leadership transitions were especially likely to neglect women moving into high-level positions.

In organizations with low-quality developmental programs, gender differences in transition support grew with higher-level positions. Among those making the transition from nonmanagement to first-level leadership roles, the same percentage of men and women reported that they received no preparation at all. At the second level of management, 12 percent more women than men reported that they are given no preparation. At the senior and executive levels, 25 percent more women were given no preparation (see **Figure 15**). Thus, a lack of support is felt disproportionately by women leaders as they move higher in the organization. The informal network of leaders likely provides what support there is, and that network increasingly favors men at high levels.

FIGURE 15   Leaders Reporting No Preparation for Transitions by Level

Organizations with Low-Quality Development Programs

Executive-level: Male 41.3%, Female 54.6%
Senior-level: Male 38.4%, Female 52.3%
Mid-level: Male 39.8%, Female 45.2%
First-level: Male 46.7%, Female 46.7%

■ Female ■ Male

---

7. Make HR Policies More Family Friendly

Organizational initiatives accommodating families can make the work environment better not only for women, but also for men who seek work-life balance. Flexible hours and child care allowances and leaves are examples.

Other policies might need to be adjusted to accommodate the realities of family life. For example, high-potential programs often focus on employees between the ages of 28 and 35. If those criteria were broadened to include time actively employed by the company, the programs could include women who were out on maternity leave, which is sometimes two years in Europe (Desvaux et al., 2008).

In summary, there are many steps that organizations can take to reduce women's barriers to moving up the management ladder. Taking a frontal approach to changing neo-sexist attitudes, such as providing training about diversity or how to overcome stereotypes, is one possibility. But organizations also can beat back both overt and inadvertent discriminatory practices by putting in place high-quality talent management programs that are predicated on objective processes and include metrics to verify their impact on women's advancement. Building objective and comprehensive talent management programs will not only help women, but provide considerable value to organizations in their own right.

What Women Can Do

Gender discrimination that appears so pervasive and persistent can make women feel helpless to do anything about it. However, helplessness is a female stereotype. Women who want to improve their lot in management should make helplessness the target of their first battle. Following are some suggestions for how women can help themselves.

1. Make Intentions Known

The traditional explanation for women's lack of progress toward higher levels of management is that their family roles drive both their opportunities to invest the necessary time and energy in moving up the ladder as well as their motivation to do so. Women tend more often than men to define their success in terms of both work and family; more women, therefore, self-select out of positions providing career advancement in order to avoid sacrificing family (O'Neil, Hopkins, & Bilimoria, 2008).

There is nothing wrong with making this choice. However, at a time when most women work, technology has lightened the burden of household chores, and men increasingly share domestic responsibilities, many more women manage to have both happy families and high-powered careers.

Research shows that managers are more likely to assume that women will not accept promotions or assignments on the basis of family, making managers less likely to offer opportunities in the first place (Hewlett & Luce, 2005). It's up to women to make it clear the extent to which they are willing to ask their

family for support to further their careers rather than opting out of fulfilling careers to support their family.

2. Consider Multinational Assignments

As noted earlier, a woman with a family can be highly successful in an expatriate assignment because her family provides a strong support system in an unfamiliar environment. However, her children are not necessarily making a sacrifice. International experiences while young and a multicultural upbringing have been shown to be strong predictors of later success as global leaders. Thus, a woman taking her family abroad can discover that her children, when supported in their adjustment, have a significant amount to gain (Caligiuri & Tarique, in press).

3. Counteract Behavior Stereotypes

Stereotypes of appropriate feminine characteristics can seriously disadvantage women because these images don't fit the mold of an effective leader. It's important for women to find ways around these barriers.

> *"In a top management meeting, men look at me as long as an administrative affair is mentioned, maybe because they think women are more competent for that."*
>
> —Higher-level leader, electronics company

Social norms dictate that a communal demeanor is most appropriate for women, meaning that their behaviors should be nurturing, caring, and cooperative. This also means it is less appropriate for women to be aggressive or assertive in

Building objective and comprehensive talent management programs will not only help women, but provide considerable value to organizations in their own right.

getting deserved developmental or promotional opportunities (Eagly & Carli, 2007). Bowing to these kinds of stereotypes can frequently become women's undoing.

> "A female manager at one time pointed out that we females couldn't ask for too much in the way of bonuses or raises because we would be viewed as greedy."
>
> —Senior research and development manager, technology industry

Women need to recognize where gender stereotypes can lead them into dysfunctional behavior and learn how to cast them aside in a nonthreatening way.

4. Don't Wait for Opportunities

Women eager to move into higher levels of management will find their hopes and desires frustrated if they take for granted that opportunities will come in time. Male peers get opportunities early, which can create an advantage their female peers might never overcome. Women need to observe how others get opportunities to learn about higher-level responsibilities and then reach out for opportunities to do the same.

> "At a consulting firm I did a lot of legwork and research, but the men would go on the client call. It was like they thought it was beyond me to be involved at that point. They acted like I wouldn't want to go. I was always on the trip after saying I wanted to go."
>
> —Senior vice president, information services, insurance company

> "From early on in careers women do not have a mentor to talk to about the business side of things and what is necessary to help them get the right start in the beginning. Later on, organizations do a pretty good job if they put you on a track and monitor you, but then it becomes very, very difficult to move up the pay scale and get developmental opportunities. It's something you have to be very proactive about and something women aren't as good at. They need a model earlier in life to teach women how to proactively manage their career."
>
> —Director, strategic marketing, engineering company

5. Stay Positive

Signs of gender discrimination can crush a person's spirit. To keep that from happening women need to focus on what they love about their work and not let potential gender constraints color their ambitions or mitigate the steps they need to take to get ahead.

> "I probably am treated differently because of my gender, but it would be hard for me to put a finger on it. I didn't want to be bothered thinking about it because it doesn't get you anywhere. I think about how can I be successful in the job that I'm in."
>
> —Senior director, biopharmaceutical industry

"Gender is one of those things that is all about perception. If I perceive that it's negatively affected my career, then it's true. I think I've been very fortunate, and gender might even have benefited my career because my management recognizes that there is a need for talented female professionals in the organization."

—Regional quality engineering manager,
consumer products industry

The Payoff for Helping Women Move Up

In the coming years, as baby boomers retire, leader talent pools shrink, and women become the majority of the work force, organizations that do not fully utilize women will find themselves at a significant disadvantage. They not only will lose the female perspective that can be critical in appealing to customers, but they also will fail to realize their maximum return on investment in the women they have hired and trained (Appelbaum, Audet, & Miller, 2003).

Women as Leaders

As long as effective leadership is defined by traits associated with masculine gender roles—a common research finding (Cann & Siegfried, 1990)—women will be viewed as coming up short. Yet this definition overlooks extensive research on what makes a good leader in modern societies, including "feminine" qualities like being empowering, democratic, and transformational (Eagly, Johannesen-Schmidt, & van Engen, 2003).

Research that uses sound criteria for effective leadership consistently finds that women compare favorably to men as leaders. Women might show advantages in some areas and men in others, but the differences are usually small and the bottom-line results the same.

Women's inferiority as leaders is a myth based on gender stereotypes, yet the socialized perception of women's inadequacy persists among senior managers (Prime et al., 2009). Organizations that perpetuate these myths openly or inadvertently are lured into actions that deprive them of an important source of leadership talent.

Leading in an Economic Crisis

The ongoing global economic crisis has sparked discussions about some of the implications of so few women in powerful positions. Wall Street is dominated by men, and some have speculated that this might have resulted in second-rate decision making. For example, at the 2009 World Economic Forum meeting in Davos, Switzerland, attendees discussed whether the world would be in the same state of crisis if Lehman Brothers had instead been Lehman Sisters (Kristof, 2009).

Fueling this line of argument is research on men's tendencies to take high risks, especially when competing in male groups. A British study of male traders found that their morning level of testosterone was directly related to risk taking and profit making; thus, the excitement of winning could potentially lead a testosterone-elevated trader to impulsivity and irrational decisions (Coates & Herbert, 2008). Another experimental study found that men under financial pressure are particularly

Women need to observe how others get opportunities to learn about higher-level responsibilities and then reach out for opportunities to do the same.

likely to make high-risk bets when they're surrounded by other men in the same situation. This type of competition did not affect women's risk taking (Ermer, Cosmides & Tooby, 2008).

Other evidence suggests that women might be better at leading organizations through a crisis. In a DDI study, researchers identified the competencies and personality characteristics that take on importance when an organization's primary business challenge is to manage and promote stability during a downturn. In brief, leaders need to concentrate on managing with discipline and focus and leading with equanimity to keep the workforce calm and focused on the task. These demands were then mapped to the characteristics of more than 3,600 leaders participating in DDI executive assessment centers worldwide (Howard & Watt, 2008).

Additional gender analyses of the DDI assessment data showed that men were potentially more likely than women to derail under the stress of a crisis because of underlying impulsive or volatile behavior. The men also had a slight disadvantage in leading with equanimity because they were more likely to be emotionally detached from a workforce that needed empathy and support. These gender discrepancies were statistically significant but small and concerned only derailment risks. When we examined competencies, like driving execution and building trust, that are required to lead an organization through a downturn, on average the groups did not differ.

Gender differences in leadership are nonexistent or small; there is far more variability within a group of men or a group of women than between the two groups. This means that there is far more to be gained by carefully and objectively evaluating the individual characteristics of male and female candidates for key leadership positions than in letting gender myths or small differences in personality or style determine selection decisions.

Top Management Teams

A more productive application of gender differences is to consider the value and impact of a more balanced representation of men and women on top management teams. Some research on executive-level leaders has shown a financial advantage for senior teams of mixed gender. For example, firms that had three or more women in senior management scored higher on all dimensions directly linked to financial performance than firms with no women at the top (Desvaux et al., 2008). Other studies also have found that companies with more gender diversity on their top management teams outperformed others on profitability and equity returns to shareholders (Adler, 2001; Catalyst, 2004).

Yet just adding women to male work groups doesn't automatically provide an advantage; other studies have found no effect. For one thing, organizations also need a supportive culture to reap the advantages of mixed-gender teams (Kochan et al., 2003).

There is also the possibility that the causal arrow is pointed in the wrong direction. In other words, high-quality firms might be more likely to institute enlightened HR practices, including promoting gender diversity. In support of this possibility, a study of more than 500 IPO firms demonstrated that a higher percentage of women on top management

teams was related to the firms' initial pricing. Thus, more women on the team apparently signaled something positive about the organization to the marketplace. Various researchers have suggested that gender diversity might represent cost savings from lower turnover and absenteeism, ability to attract top talent to the organization, enhanced leadership effectiveness, better market understanding, larger and more diverse social networks, or positive organizational practices like personnel decisions based on merit (Welbourne, Cycyiota, & Ferrante, 2007).

One explicit test of causality concluded that female participation in top management enhanced firm quality even after controlling for firm characteristics and prior levels of firm quality. Further investigation found that organizational strategy affected these results. Among firms pursuing innovation-intensive strategies (measured by R&D expenses on their income statements), gender diversity on the top management team was positively associated with firm quality; the relationship did not hold for other firms (Dezsö & Ross, 2008). These findings are consistent with the explanation that women bring a more democratic and transformational leadership style to top management teams, which promotes collaboration and teamwork.

Mixed-gender top management teams also can bring more diverse perspectives to discussions, which generates more options for decision making. Broader perspectives also provide a stopgap to unexamined "group think."

> *"Currently the top management is composed of men except for two women in one region. Meanwhile, the top management is expecting more women to join the decision-making team as they believe women and men leaders will complement each other in thinking and working styles."*
>
> —Higher-level leader, electrical products manufacturer

The conclusion at Davos was that the optimal bank would have been Lehman Brothers and Sisters (Kristof, 2009). Isn't it time organizations stopped blocking the development and progress of the kind of talent that could fortify the executive suite?

Mixed-gender top management teams also can bring more diverse perspectives to discussions, which generates more options for decision making.

APPENDIX

Demographics

Organization

376	Number in sample

Number of Employees

7%	1–200
12%	201–500
13%	501–1,000
29%	1,001–5,000
18%	5,001–10,000
10%	10,001–20,000
8%	20,001–50,000
3%	50,001 or more

Leaders

10,006	Number in sample

Management Level

26%	First-level (supervisor, team leader, foreman, etc.)
38%	Mid-level (leader for first-level leaders)
27%	Senior-level (leader/manager of mid-level leaders)
9%	Executive-level (leader in a policy-making position)

Organizational Tenure

3%	Less than 6 months
4%	6–11 months
10%	1–2 years
19%	3–5 years
20%	6–10 years
13%	11–15 years
33%	More than 15 years

Age

1%	Less than 25
20%	26–35
34%	36–45
33%	46–55
9%	56–65
3%	More than 65

Gender

62%	Male
38%	Female

Participating Leaders by Region

Africa/Middle East

Africa	3
Saudi Arabia	1
South Africa	83
Turkey	2
United Arab Emirates	39
Other	17
Total	145

Asia

China	585
Hong Kong	39
India	121
Indonesia	714
Japan	211
Korea	18
Malaysia	559
Philippines	449
Singapore	309
Taiwan	570
Thailand	1,836
Other	3
Total	5,414

Australia/New Zealand

Australia	564
New Zealand	45
Total	609

Eastern Europe

Czech Republic	7
Hungary	4
Poland	2
Romania	5
Russia	30
Slovakia	7
Other	19
Total	74

Latin America

Brazil	73
Colombia	37
Mexico	265
Peru	1
Venezuela	2
Other	10
Total	388

North America

Canada	148
Puerto Rico	37
United States of America	2,689
Total	2,874

Western Europe

Austria	20
Belgium	14
Denmark	1
France	73
Germany	83
Greece	1
Ireland	4
Italy	6
Netherlands	17
Portugal	5
Spain	9
Switzerland	13
United Kingdom	240
Other	5
Total	491

Region Unknown

Other	11
Total	11

Industry Group by Gender

Industry		Male		Female		Total	
		Count	Row N %	Count	Row N %	Count	Row N %
Majority Women	Foundations & Charitable Organizations	35	30%	83	70%	118	100%
	Health Care Providers	408	32%	867	68%	1,275	100%
	Membership Organizations	3	33%	6	67%	9	100%
	Consumer Services	15	36%	27	64%	42	100%
Balanced	Education	40	44%	51	56%	91	100%
	Government	933	46%	1,118	55%	2,051	101%
	Health Care—Products & Services	87	57%	64	43%	151	100%
	Business Services	189	58%	135	42%	324	100%
	Insurance	112	59%	77	41%	189	100%
Minority Women	Leisure	103	60%	70	41%	173	101%
	Pharmaceuticals	211	61%	137	39%	348	100%
	Real Estate—Commercial & Residential	26	63%	15	37%	41	100%
	Cultural Institutions	21	64%	12	36%	33	100%
	Financial Services	98	67%	48	33%	146	100%
	Computer Services	152	68%	72	32%	224	100%
	Consumer Products Manufacturers	251	68%	116	32%	367	100%
	Beverages	57	71%	23	29%	80	100%
	Media	189	72%	75	28%	264	100%
	Telecommunications	107	72%	41	28%	148	100%
	Banking	318	75%	108	25%	426	100%
	Computer Software	99	76%	32	24%	131	100%
	Retail	47	76%	15	24%	62	100%
	Electronics	347	78%	99	22%	446	100%

	Industry	Male		Female		Total	
		Count	Row N %	Count	Row N %	Count	Row N %
Token Women	Computer Hardware	665	81%	159	19%	824	100%
	Energy & Utilities	325	81%	76	19%	401	100%
	Food	184	81%	43	19%	227	100%
	Transportation Services	384	82%	87	18%	471	100%
	Automotive & Transport	85	82%	19	18%	104	100%
	Security Products & Services	27	82%	6	18%	33	100%
	Agriculture	235	82%	52	18%	287	100%
	Industrial Manufacturing	175	83%	36	17%	211	100%
	Metals & Mining	102	84%	20	16%	122	100%
	Chemicals	62	89%	8	11%	70	100%
	Construction—Services & Materials	107	91%	10	9%	117	100%
	Total	6,199	62%	3,807	38%	10,006	100%

About the Authors

Ann Howard, Ph.D., is DDI's Chief Scientist. She leads the Center for Applied Behavioral Research (CABER), DDI's hub for research to support evidence-based management. Ann directs research that measures the impact of selection and development programs on organizational performance and uncovers new knowledge and information about global workplace practices and issues. With special expertise in assessment centers and managerial careers, Ann is an internationally recognized author and thought leader. She is a past president of the Society for Industrial and Organizational Psychology.

Richard S. Wellins, Ph.D., is Senior Vice President at DDI. Rich is responsible for leading DDI's global research programs, launching new solutions, building strategic alliances, and executing marketing strategies. During his tenure at DDI, Rich has authored five books on leadership and teams and written for more than 20 publications on global talent management. Rich designs leadership development programs and provides executive coaching services to organizations including AXA, Texas Children's Hospital, and Nissan Motors.

Acknowledgements

This study was a true global effort, and the authors would like to acknowledge the invaluable contributions of the following people.

Research Advisors

Bob Rogers is President of DDI. In addition to overseeing day-to-day operations, Bob continues to consult with clients and is a recognized expert in assessment leadership, performance management, and organizational change who presents at major conferences around the world. In his 30 years at DDI, he has authored and coauthored numerous articles, monographs, and books, including *Organizational Change That Works: How to Merge Culture and Business Strategies for Maximum Result* and *Realizing the Promise of Performance Management.*

Marc Effron is Vice President, Talent Management for Avon Products, Inc., where he and his team grow Avon talent using simple, transparent, and practical processes. Marc previously served as Global Practice Leader for Leadership Consulting at Hewitt Associates, where he created the *Top Companies for Leaders* research. Marc has coauthored two books on leadership, written articles in numerous books and journals, and is a frequent speaker at industry events. He is the founder of the New Talent Management Network, whose objective is to increase the effectiveness of the talent management profession.

International Partners

Philippe Cavat, Rajiv Krishnan, Elmar Kronz, Vic Magdaraog, Steve Newhall, Ricardo Padilla, Vina Pendit, Kiyoyuki Takeuchi, David Tessmann-Keys, Bruce Watt

Project Management

Julie Hogan

Participant Recruitment

Dwiputri Adimuktini, Malu Arredondo, MaryAnn Buffington, Mark Busine, Monica Chen, Lorena Contreras, Cheryl de la Porte, Nikki Dy-Liacco, Andrew Eisenhauer, Barbara Endemann, Denise Flaherty, Ramon Fontaine, Dylan Gleue, Lisa Han, Kumiko Hashimoto, Rodrigo Infante, Claudette Johnson, Michelle Lai, Doris Lam, Dorothy Lo, Yvonne McGowan, Simon Mitchell, Mary Etta Nader,

Stephanie Nam, Panmanee Ong-Art,
Marianne Peterson, Zig Rabara, Dian
Rosdiana, Shalini Sinha, Mehzabeen
Sitabkhan, Lily Sun, Julie Vedrinne, Jane
Viehman, Christien Winter, Patsy Wise,
Catherine Yap, and DDI sales and consulting
associates globally

Research Team
Johanna Johnson, Jazmine Boatman,
Stephanie Neal

Editorial
Mike Crawmer, Shawn Garry

Graphic Design
Mike Lawley, Susan Ryan, Janet Wiard

Web Team
Noelle Conover, Mark Hamilton

References

Adler, N.J. (1994). Women managers in a global economy. *Training and Development, 48,* 30–36.

Adler, R.D. (2001). Women in the executive suite correlate to high profits. Pepperdine University: Glass Ceiling Research Center.

Alksnis, C., Desmarais, S., & Curtis, J. (2008). Workforce segregation and the gender wage gap: Is "women's" work valued as highly as "men's"? *Journal of Applied Social Psychology, 38,* 1416–1441.

Anderson, D.R. (2005). The importance of mentoring programs to women's career advancement in biotechnology. *Journal of Career Development, 32,* 60–73.

Appelbaum, S., Audet, L., & Miller, J. (2003). Gender and leadership? Leadership and gender? A journey through the landscape of theories. *Leadership & Organization Development Journal, 24,* 43–51.

Blake-Beard, S.D. (2001). Taking a hard look at formal mentoring programs: A consideration of potential challenges facing women. *Journal of Management Development, 20,* 331–345.

Blalock, H.M., Jr. (1967). *Toward a theory of minority group relations.* New York: John Wiley & Sons.

Blau, F.D., & Kahn, L.M. (2006). The U.S. gender gap in the 1990s: Slowing convergence. *Industrial and Labor Relations Review, 60,* 45–66.

Caligiuri, P., & Lazarova, M. (2002). A model for the influence of social interaction and social support on female expatriates' cross-cultural adjustment. *International Journal of Human Resource Management, 13,* 761–772.

Caligiuri, P., & Tarique, I. (in press). Predicting global leader success. *Journal of World Business.*

Cann, A., & Siegfried, W.D. (1990). Gender stereotypes and dimensions of effective leader behavior. *Sex Roles, 23,* 413–419.

Catalyst (2004). The bottom line: Connecting corporate performance and gender diversity. Available at http://www.catalyst.org.

Coates, J.M., & Herbert, J. (2008, April 22). Endogenous steroids and financial risk taking on a London trading floor. *Proceedings of the National Academy of Sciences of the USA, 105*(16), 6167–6172. Available at www.pnas.org.

Desvaux, G., Devillard-Hoellinger, S., & Meaney, C. (2008). A business case for women. *The McKinsey Quarterly,* (4), 26–33.

Dezsö, C.L., & Ross, D.G. (2008, July). "Girl Power": Female participation in top management and firm quality. Available at http://ssrn.com/abstract=1088182.

Duehr, E.E., & Bono, J.E. (2006). Men, women, and managers: Are stereotypes finally changing? *Personnel Psychology, 59*(4), 815–846.

Eagly, A.H., & Carli, L.L. (2007). Women and the labyrinth of leadership. *Harvard Business Review, 85,* 62–71.

Eagly, A.H., Johannesen-Schmidt, M.C., & van Engen, M.L. (2003). Transformational, transactional, and laissez-faire leadership styles: A meta-analysis comparing women and men. *Psychological Bulletin, 129*(4) 569–591.

Eagly, A.H., & Karau, S.J. (2002). Role congruity theory of prejudice toward female leaders. *Psychological Review, 109,* 573–598.

Ermer, E., Cosmides, L., & Tooby, J. (2008). Relative status regulates risky decision making about resources in men: Evidence for the co-evolution of motivation and cognition. *Evolution and Human Behavior, 29,* 106–118. Postprint available at http://repositories.cdlib.org/postprints/2997.

Harris, H. (2004). Global careers: Work-life issues and the adjustment of women international managers. *The Journal of Management Development, 23,* 818–832.

Hewlett, S.A., & Luce, C.B. (2005). Off-ramps and on-ramps: Keeping talented women on the road to success. *Harvard Business Review, 83,* 43–54.

Howard, A., & Watt, B. (2008). *Leaders without sea legs: Threats to staying afloat in uncertain times.* Pittsburgh: Development Dimensions International.

Howard, A., & Wellins, R.S. (2008). *Global Leadership Forecast 2008|2009: Overcoming the shortfalls in developing leaders.* Pittsburgh: Development Dimensions International.

Kanter, R.M. (1977). *Men and women of the corporation.* New York: Basic Books.

Kochan, T., Bezrukova, K., Ely, R., Jackson, S., Joshi, A., Jehn, K., Leonard, J. Levine, D., & Thomas, D. (2003, Spring). The effects of diversity on business performance: Report of the diversity research network. *Human Resource Management, 42*(1), 3–21.

Kristof, N.D. (2009, Feb. 8). Mistresses of the universe. *The New York Times, Week in Review,* p. 12.

Linehan, M., & Walsh, J.S. (2001). Key issues in the senior female international career move: A qualitative study in a European context. *British Journal of Management, 12,* 85–95.

Lyness, K.S., & Heilman, M.E. (2006). When fit is fundamental: Performance evaluation and promotions of upper-level female and male managers. *Journal of Applied Psychology, 91,* 777–785.

Maxwell, G.A., Ogden, S.M., & McTavish, D. (2007). Enabling the career development of female managers in finance and retail. *Women in Management Review, 22*(5), 353–370.

O'Neil, D.A., Hopkins, M.A., & Bilimoria, D. (2008). Women's careers at the start of the 21st century: Patterns and paradoxes. *Journal of Business Ethics, 80,* 727–743.

Oakley, J.G. (2000). Gender-based barriers to senior management positions: Understanding the scarcity of female CEOs. *Journal of Business Ethics, 27*(4), 321–334.

Pichler, S., Simpson, P.A., & Stroh, L.K. (2008). The glass ceiling in human resources: Exploring the link between women's representation in management and the practices of strategic human resource management and employee involvement. *Human Resource Management, 47,* 463–479.

Prime, J.L., Carter, N.M., & Welbourne, T.M. (2009). Women "take care," men "take charge": Managers' stereotypic perceptions of women and men leaders. *The Psychologist-Manager Journal, 12,* 25–49.

Selmer, J., & Leung, A.S.M. (2002). Career management issues for female business expatriates. *Career Development International, 7,* 348–358.

Selmer, J., & Leung, A.S.M. (2003). Are corporate career development activities less available to female than to male expatriates? *Journal of Business Ethics, 43,* 125–136.

Tzeng, R. (2006). Gender issues and family concerns for women with international careers: Female expatriates in western multinational corporations in Taiwan. *Women in Management Review, 21,* 376–392.

Welbourne, T.M., Cycyota, C.S., & Ferrante, C.J. (2007). Wall Street reaction to women in IPOs: An examination of gender diversity in top management teams. *Group and Organization Management, 12*(5), 524–547.

THE AMERICAS

WORLD
HEADQUARTERS
PITTSBURGH
412.257.0600

MEXICO CITY
52.55.1253.9000

TORONTO
416.644.8370

Other offices include
Atlanta, Calgary,
Chicago, Dallas,
Detroit, Monterrey,
Montreal, New York,
San Francisco,
Santiago, and
São Paulo

EUROPE/AFRICA

DÜSSELDORF
49.2159.91680

LONDON
44.1753.616000

PARIS
33.1.41.96.86.86

Other offices include
Johannesburg,
St. Petersburg,
and Warsaw

ASIA-PACIFIC

SHANGHAI
86.21.6113.2525

SINGAPORE
65.6226.5335

SYDNEY
612.9466.0300

Other offices include
Auckland, Bangkok, Beijing,
Brisbane, Hong Kong,
Jakarta,Kuala Lumpur,
Manila, Melbourne, Mumbai,
Perth, Taipei, and Tokyo

TO LEARN MORE:

EMAIL: INFO@DDIWORLD.COM

WWW.DDIWORLD.COM

PART NUMBER

DDI🌐®

XXXX
xxxx

$50