

Diversity Research from a Historical Perspective

Context, Cognition and Career Choices

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Women's participation in the labour market has increased steadily since World War II along with a greater focus on the human factor in organizations. The change from a mechanistic to a more humanistic view in organizations can, at least partially, be attributed to women's entrance into the workforce. Their collaborative style made human relations central in a way that challenged existing norms.¹

This and other improvements in gender equality during the last century have opened the possibility of high-position jobs for women, but progress in gender balance at the C-suite level remains slow. Recent data from the top 100 companies on the UK stock market² shows that female executive directorships stand at 9.8%, and a global survey of 21,980 companies in 91 countries reports that only half of the companies have female executives at the C-suite level, with less than 5% having a female chief executive officer. This is problematic, since the same survey showed that the presence of women at the C-suite level contributes positively to company performance.³ Other research has shown that benefits of diversity range from innovative quality in decision-making to resiliency in times of crisis and that gender balance in management is profitable.⁴

In an attempt to explain why women are still underrepresented in powerful positions, researchers started by examining contextual barriers. However, as women began to take on leadership but stayed at the middle level and in the public sector, a new explanation arose: Maybe the remaining gender inequality reflects a lack of career ambition among women? This explanation has encouraged a "fix women" strategy aimed at changing women's choices through self-help literature (e.g., *Lean In* by Sheryl Sandberg). Although these books help women feel empowered, they also place responsibility for gender inequality on women by downplaying the social context that continues to affect men's and women's career choices differently.⁵

It is important to look at both context and career choices if we want to change the gender imbalance in powerful positions. Organizational context is a social structure of predictable behavioural patterns that derives from a culture of shared beliefs, values and goals. Such cultural norms affect choices differently across gender, and this acknowledgement is key to achieving sustainable development in the workplace of the future.⁶ The following is a brief overview of diversity researchers' key findings from the last half century to illustrate the interaction between context and choice.

Contextual Barriers

In times of war, there has always been a need for women to do men's work. World War II was different, because women stayed in the workforce after the war. The norm for married women started to shift so that working outside the home became more acceptable. Over the following decades, women's participation in the labour market increased steadily, but the majority of women stayed in low-level jobs and entry positions.⁷ This was puzzling, so in the 1970s, during the women's movement, studies on workplace gender equality bloomed. Generally, it was assumed that contextual barriers posed the greatest obstacle. This focus gave rise to the famous "glass ceiling" metaphor describing the invisible external barriers that prevent women from moving up the corporate ladder.⁸

Traditional norms and stereotypes for gender are at the core of contextual barriers. Stereotypes are simplified representations of a social group's behaviour and personality traits. The stereotype of men and that of leaders shares the common features of individualistic agency, whereas the more relational "communion" style is perceived to be a key feature of women.⁶ A flexible combination of communion and agency is important in leadership, but the traditional stereotype of a leader emphasizes agency, and numerous studies show that when people think "manager", they automatically think "male". This creates a double bind in which female leaders can be penalized for displaying either too little or too much agency, because their behaviour is conflicting with either the stereotype of a leader or that of a woman.⁹

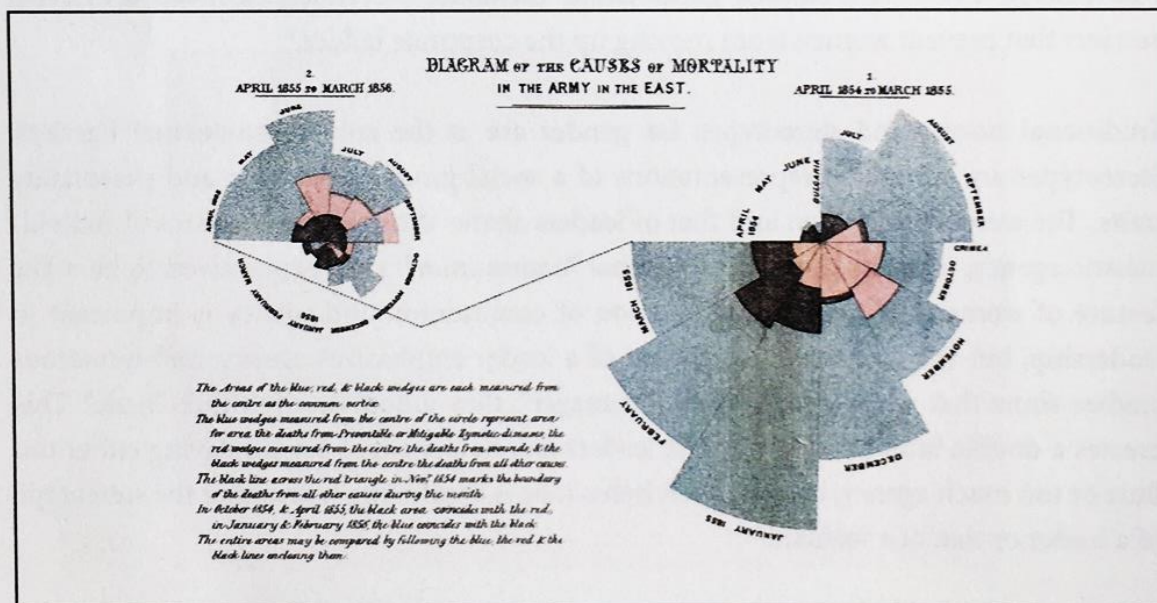
We tend to think that we treat female and male leaders the same, but research shows that we still make judgments based on a mismatch perceived between being a woman and being a leader. A Harvard Business School case frequently taught to university students consistently shows that gender bias still affects our perception.¹⁰ In this experiment, half of the students are given the true story about an entrepreneur, Heidi Roizen, who after years as a powerful player in Silicon Valley became a successful venture capitalist. The other

half of the students read the same story, but with the name changed to Howard. When asked to evaluate performance, the students find both Heidi and Howard competent and effective, but Howard is rated as a more appealing colleague because he is judged as less selfish, despite identical credentials. This experiment is a variation of Steinpreis' famous experiments exploring gender bias in the perception of job applications. Studies show that when an average CV is submitted with a male name, the applicant is considered to be more productive, more experienced and more independent than when the same CV has a female name.

This tendency is also reflected in the way we frame role models. Take for instance Florence Nightingale. Most of us know her as the merciful nurse tending the wounded soldiers during the Crimean Wars in the 1850s. Few of us know that she was also a passionate statistician who invented the coxcomb diagram.

Figure 1. Florence Nightingale's Coxcomb Diagram (the original)

She produced numerous research reports that reformed hospital care, but that is not part of her public narrative.¹¹ The stories told about role models can affect career choices, because

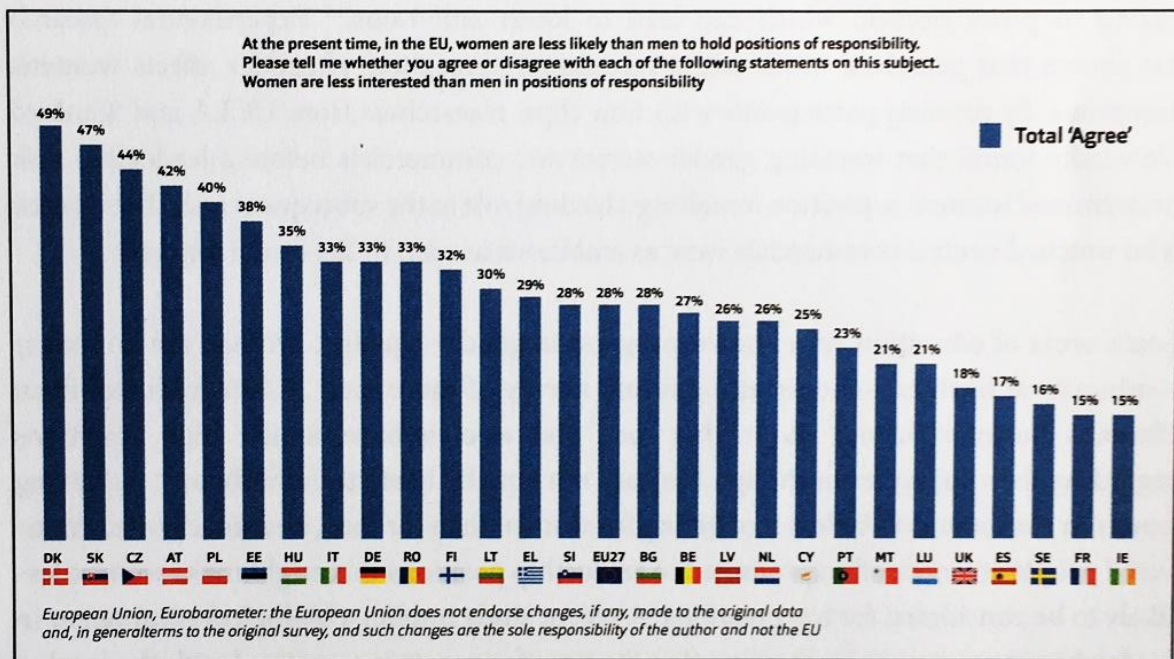


they motivate individuals to set ambitious goals by increasing perceived attainability.¹² Conversely, the feeling of not fitting in because no one similar to you has succeeded before you can affect ambition. A recent pilot study indicates that 35% of psychological exits from workplaces can be accounted for by reduced ambition due to a lack of fit, whereas gender discrimination only accounted for 5% of psychological exits.⁵ Narratives that are gender

biased reinforce girls to aspire to traditional feminine professions and boys to traditional masculine professions, so when Florence Nightingale is remembered for her stereotypical feminine traits rather than for her mathematics abilities, it robs the following generations of girls of a source of inspiration within science.

Cultural norms for gender roles tend to be rigid and hard to change. Danes have a surprisingly traditional perception of gender, despite Denmark's worldwide reputation for gender equality. Particularly, Danes show low confidence in women's ambitions compared with other Europeans.

Figure 2. People agreeing with the statement: "Women are less interested than men in positions of responsibility".



A European Union survey of women in decision-making positions found that every second Dane believes that women are less interested than men in positions of responsibility. In Spain, Sweden and France, less than 20% agree with this statement.¹³ Correspondingly, Denmark has fewer women in management than these countries, so it seems that societal expectations for gender might affect Danish women's career choices by making them strive less for powerful positions.

Women's Choices, Costs and Benefits

Research on ambition, rewards and risk taking can add to our understanding of how career choices are affected by context. People who choose a STEM education (science,

technology, engineering and mathematics) are more likely to be considered for leadership positions later on in life. STEM tends to be male-dominated, leaving women with the disadvantages of being a minority.¹⁵ Research shows that minorities are held to a higher standard. They constantly have to prove themselves, but at the same time they are less likely to be listened to in meetings, and their ideas are often ignored. The experience of being an invisible outsider makes a minority person conform to existing social patterns instead of lobbying for change. Thus, the advantages of collaboration across different perspectives are often lost.⁶

Women in STEM and other masculine fields encounter the inherent risk of the stereotype threat that all minorities face. A stereotype threat is the fear of being judged as conforming to one's stereotype rather than fitting an acquired role. This adds to the feeling of constantly having to prove oneself, which can lead to lower ambitions.¹⁶ Experimental research has shown that perceived misfit and a traditional perception of gender affects women's ambitions. By priming participants with film clips, researchers from UCLA and Stanford University found that watching gender-stereotypic commercials before a leadership task undermined women's aspiration for taking a leading role in the subsequent task. The women who watched neutral commercials were as ambitious as men in the leadership task.¹⁷

Some areas of education have shown progress in gender equality. Women are no longer a minority at business schools, and a recent survey of more than 25,000 graduates from Harvard Business School shows that men and women have similar high ambitions regarding their career, even though they are not equally likely to fulfil them.¹⁸ Achieving power in itself seems to be less motivating for women than for men, and since power-motivated people are more often promoted to leadership positions this might make women less likely to be considered for top positions. A recent study implies a biological component in leadership appointment by showing that the urge for power is associated with the level of testosterone, but also with an increased tendency for corruption.¹⁹ Another study shows no association between testosterone and good leadership. So, although people with high levels of testosterone are more likely to be appointed to top positions, they are not necessarily better leaders.²⁰ This makes a case for looking for candidates with value-based rather than power-based motivation for leadership when developing a leadership pipeline.²¹

Ethics and moral attitudes in leadership became particularly relevant in the aftermath of the 2008 financial crisis and led to more research on the male-female ratios in the banking world.²² The studies of banks showed that gender diversity in management facilitates sustainable development by making organizations more resilient. Specifically, smaller

banks with female CEOs and board chairs were less likely to fail during the financial crisis.²³ These same banks held more conservative levels of capital, indicating more risk aversion among women than men. Women applied a wider range of responses in situations of risk and uncertainty, so while men gained more profit by using a high-risk strategy in a stable market, women's choice of contextual adjustment was a better long-term strategy in a volatile market.²²

In general, research on risk aversion shows that gender differences are more complex than categorizing men as risk takers and women as risk averse. Willingness to take risks is a function of our expectations, because behaviour is modified by the probability of our actions leading to a preferred outcome. A recent study of 870 middle managers from accountancy firms around the world shows that willingness to take risks is matched by expectations of benefits. Women were less willing than men to take risks to get ahead in their career, but they also found themselves less likely to be rewarded for risk taking and other sacrifices.⁵ Top careers require sacrifices from both genders, but for women the benefits are lower and the consequences more severe than for men. Studies show a motherhood penalty, where parenthood has a more negative effect on women's careers than on men's. The risk of condemnation for prioritizing career over family is high for women, while men are often encouraged to advance career-wise after becoming fathers.²⁴ In general, surveys show that women are paid less and advance at a slower pace than their male peers with similar degrees and seniority, so the female executive role models of today have been successful despite the odds.²⁵

Creating the Workplace of the Future

The old saying, "It is a man's world" still holds true for the corporate world. Historically, business was created for men, by men – while women's task was making sure that children survived.¹ Today, life expectancy has increased and survival rates of babies have improved markedly, so it ought to be possible for women, as it is for men, to be ambitious about both family life and a career during a lifetime. However, gender norms still pose contextual barriers affecting career choices in a way that sustains women as a minority in leadership positions. The male–female collaboration at the C-suite level continues to be between a minority and a majority and not between men and women, so instead of reaping the benefits of gender-different perspectives in organizations, the confirmative behaviour of minorities is likely to sustain existing norms.

Considerable organizational change will have to take place before women can enjoy equal access to leadership. A narrow focus on fixing women and their career choices is not enough.

We need to look at society as a whole and start fixing men and management too. Future research needs to explore the advantages of collaboration across gender at the C-suite level, and management programmes should be reconsidered. Leadership is about people, so recruiting leaders from STEM disciplines might not be the best option. Good leadership is created in the relationship between people and requires a psychological foundation in addition to technical skills. A broader mix of competencies needs to be acknowledged as beneficial in leadership, because women will take risks and make sacrifices for their careers when their choices are accepted by society and duly rewarded. Organizations need to understand the gendered nature of costs and benefits in career choices in order to disrupt existing norms that sustain gender imbalance at the executive level.⁵

The first step in fixing the imbalance is to create an open work culture where employees are aware of potential gender bias. We are not always rational and logical in our decisions, but although behaviours rely on automatic thought processes, habits can be affected by nudging. Inclusion nudges are non-intrusive interventions that affect cognition at the subconscious level. They can mitigate unconscious associations to facilitate more objective decision-making among employees and in management.²⁶

A second step is to maintain a constant focus on the pipeline of both male and female talent by making sure that middle managers are well educated and prepared for top leadership.

Third, encouragement of paternity leave is one of the most effective tools in creating gender balance in organizations. A more equal distribution of parental leave in Sweden, Iceland, and Norway has paved the way for women in top positions by making men and women more equally attractive candidates for leadership positions. Studies show that mandated paternity leave is strongly correlated with the female share of board seats.³

Fourth and most importantly, leaders at the C-suite level need to be aware of their function as role models. Executives should lead by example to secure a healthy work environment. Female role models displaying a work-life balance can make younger female employees feel authentic in their new profession. The experience of fitting in increases the expectation of success within a field and has a positive effect on career ambitions.⁵

Context affects career choices differently across gender. Women are not met in the same way in the world as men, and this creates different perspectives that are beneficial for decision-making in organizations. In general, research shows that collaboration across gender at the top level is good business, so let us make it just as attractive for women as it is for men to aim for the top.