



THE RISE OF WOMEN IN THE RANKS OF MANAGEMENT

Make no mistake, although slowly, women are increasingly and steadily making it into the ranks of senior management in both for-profit and non-profit organizations. According to the 2003 Catalyst Census of Women Board Directors of Canada, women held 11.2 percent of corporate director positions in Canada (476 out of 4,247 corporate directors), a 1.4-percent increase since 2001. However, as Dr. Susan Black, Vice President of Catalyst, noted: “At 11.2 percent, women’s representation on FP500 boards clearly does not reflect their influence and impact on the Canadian economy as wage earners, managers, professionals, consumers, investors, and business owners.” Interestingly, the Catalyst research indicated that a higher percentage of board directors in the United States are women—13.6 percent as compared to their Canadian counterparts at 11.2 percent.¹ Moreover, the so-called “glass ceiling” still continues to exist within certain areas of the corporate sector.

... Not one woman heads up a Top 50 company, despite women making up half the workforce. ... It's a little sad that the glass ceiling—a phrase coined by the The Wall Street Journal more than 20 years ago—is as indestructible as ever. "It's appalling," says Beatrix Dart, a professor at the Joseph L. Rotman School of Management at the University of Toronto, about the lack of women on top. "Not much has moved over the last few years." The blame can't be solely pinned on these companies, though. Dart says there just aren't enough qualified women to go round. But there is still a lot of gender stereotyping happening. A recent study by Catalyst, a non-profit research firm in New York, shows men still consider women to be less adept at problem-solving, one of the hallmark behaviours associated with leadership.²

However, we have entered a period when the glass ceiling may have begun to become shattered. The majority of university students are now females. In 2001, women accounted for 59 percent of total undergraduate enrolment and half the number of graduate students in Canada. Although still a minority in such male-dominated disciplines as engineering and economics (usually about 20 percent), female students increasingly recognize that university is crucial to their success. For example, more women than ever are entering schools for law, management, medicine, architecture and economics. Today, more women have university degrees than men. Since women are earning about 60 percent of undergraduate degrees, the spread is widening. Women also account for six in ten graduates of community colleges, where they have long been in the majority. However, as Lisette Canton, an Associate professor at York University, notes: “... while some women have broken through the “glass ceiling” in certain fields, there are many others for whom the doors are still shut tight or only opening ever so slowly”.³

The fact that more women are graduating from universities and colleges means that more qualified women will be available to rise to management positions. With the pending retirement of many baby boomers, North American organizations are facing enormous challenges in light of the foreseen unprecedented labour shortages and retention issues, particularly for knowledge workers and skilled managers. Diversity in the recruitment and retention of productive human resources is therefore fast

¹ 1 in 9 Corporate Directors of FP500 are Women in Latest Count. Catalyst News Release, February 19, 2004

² The Big 50 – CEOs of Canada’s Largest Companies: Joe Morse, Special Report, Canadian Business 101

³ Women’s equality is everyone’s concern: Letter to The Ottawa Citizen, January 9, 2010

becoming a critical priority for all organizations. Accordingly, corporate values, attitudes and human resource practices must change.

As per another Catalyst study released in October 2007, *Fortune* 500 companies with the highest percentage of women on their boards saw equity returns 53 percent higher than companies with the fewest number of women on their boards. This U.S. study covered a span of four years. Surveyed companies also saw a return on sales that was 42 percent higher than those companies with the least number of women.⁴ Dale Winston, CEO of Battalia Winston, a New York-based executive search firm, believed that these numbers made sense. She noted that companies with more women on their boards performed better than those that don't, mainly because these companies probably had a better handle on their customer base.⁵

*Having more women in leadership roles is one way to reform the kind of corporate "groupthink" culture that landed us in the economic mess we're in, according to a report (released in May 2009) by Ernst & Young. Increasing diversity is not just about gender, ethnicity or sexual orientation, it's about adopting new ways of thinking, Ernst & Young CEO Lou Pagnutti said about the findings in the consultancy group's Groundbreakers report. "Canada, and the world for that matter, needs business leaders who bring different skills, who think about familiar problems in new ways, and reject the kind of groupthink that may have contributed to the global financial challenges the world is facing." ... Increasing the number of women in management won't happen by accident. The Ernst & Young report says companies must plan for it, put mentoring programs in place to make sure women will advance.*⁶

How are organizations having to adapt to the realities of more women in management positions?

Around the world, a seismic gender shift in the job market has taken hold. In Canada, a staggering 71 percent of the roughly 400,000 jobs lost since October 2008 belonged to men—while employment rates among women remained virtually unchanged.

*Of course, there are much larger factors at work—chiefly, male dominance of certain cyclical industries. More than half of the Canadian jobs lost between October 2008 and October 2009 were in manufacturing and construction, sectors that are overwhelmingly occupied by men. Still, it stands to reason that a greater ratio of women in the workplace means more opportunities for them to step into leadership roles, a boon for proponents of gender equity everywhere. But it's not just about fairness. If the latest research is any indication, the economic benefits of having more women leaders are enormous.*⁷

As more professional women enter the labour market, organizations will accordingly have to adapt their recruitment, retention and promotion policies on a continuing basis. Previously male-dominated sectors will have to adjust to having highly talented women as part of their human resources capital. Failure to do so could spell future disaster in terms of productivity and achieving organizational goals. Removing glass ceilings and barriers to promotion within the management ranks would be a good start. Introducing work-life balance policies particularly aimed at retaining female managers would also ensure an organization's appeal to women. This process begins by first recognizing to impact of work on the lives and careers of women, particularly on those in senior management positions.

⁴ *Firms With More Women on Boards Perform Better Than Those That Don't*: Jessica Marquez, Workforce Management Week, September 30 - October 6, 2007, Vol. 8 Issue 40

⁵ Ibid: Jessica Marquez

⁶ *Women in management good for business: study*: Kim Covert, Canwest News Service, May 12, 2009

⁷ *Big Winner – It wasn't a "he-session" for nothing: Why more women kept their jobs*: Lianne George, Canadian Business, Winter 2009/2010

"Healthier organizations mean more productive employees."

What is the impact on the lives and careers of women in management positions?

In her book, *Time Off For Good Behavior*, Mary Lou Quinlan notes that today's young women have taken a different approach to work-life balance. Women in their twenties are more forthcoming and determined about their expectations to have both a fulfilling career and a happy life, not one or the other. They are more vocal about their intentions to seek balance in their lives, even taking time off during their careers to begin a family or to take a sabbatical. "Statistics bear this out. According to a 2001 survey by Catalyst, 61 percent of Generation Xers either are taking or wanting to take sabbaticals."⁸

*Professional women have a much more difficult time balancing work and family than is commonly supposed. According to [High-Achieving Women, 2001](#), between 33 percent and 43 percent of women are childless at ages 41- 55— only 14 percent of them by choice. The percentages are even higher amongst women of color. In addition, the study found that large numbers of highly qualified mothers opt out of the labor market completely. The result: too many women are forced to sacrifice: either family or career. Only a small proportion of these women feel that it is likely they can "have it all" in terms of career and family but feel that men fare better on this front.*⁹

Fielded in January 2001 by the Center for Work-Life Policy/National Parenting Association in conjunction with Harris Interactive, [High-Achieving Women, 2001](#) reported the results of an American survey targeting the top 10 percent of women— measured in terms of earning power and selected age groupings. Among key findings about the impact on women's lives were the following:¹⁰

- ☞ **The more successful the woman, the longer her workweek:** 29 percent of high-achievers and 34 percent of ultra-achievers worked more than 50 hours a week. A significant minority (14 percent) worked more than 60 hours a week.
- ☞ **It can be lonely at the top:** Only 60 percent of high-achieving women in the older age group were married, and this figure fell to 57 percent in corporate America. In contrast, 76 percent of older men were married and this figure rose to 83 percent among ultra-achieving men.
- ☞ **Childlessness was on the rise for professional women:** Thirty-three percent of high-achieving women were childless at ages 41-55, and this figure rose to 42 percent in corporate America and 43 percent in academe. In contrast, only 25 percent of high-achieving men were childless at ages 41-55, and this figure dropped to 19 percent among ultra-achieving men. Only 14 percent of these women said they definitely had not wanted children. Indeed, more than a quarter of those in the 41-55 year old age group said they would still like to have children.
- ☞ **Younger women were having an even harder time reconciling career and children than their older sisters:** 55 percent of the younger women were childless at age 35, while only 38 percent of older women were childless at this point in time. Contrary to the evidence, 89 percent of young, high-achieving women believed that they would be able to get pregnant into their forties.
- ☞ **Women still took prime responsibility for the household and children:** Earning power did not seem to affect this fact. Even in marriages where wives earned more than \$100,000 a year, only 8 percent of husbands took prime responsibility for helping children with homework, and 4 percent took prime responsibility for household chores.
- ☞ **Few high-achieving women believed they can "have it all":** Only 16 percent felt that it was likely that a woman could "have it all" in terms of family and career. Women thought that men

⁸ *Time Off For Good Behavior (How Hardworking Women Can Take a Break and Change Their Lives):* Mary Lou Quinlan, Broadway Books, p. 7

⁹ *Groundbreaking Study Exposes a Crisis Among Successful Women:* Center for Work-Life Policy, News Release, Apr. 15, 2002

¹⁰ Ibid:

"Healthier organizations mean more productive employees."

had it better. Indeed, 39 percent of women surveyed felt that men could have it all. Furthermore, a sizable minority (17 percent) of those surveyed agreed that in their workplace people who used an organization's work-life benefits would most likely not be promoted.

What can organizations do to accommodate the work-life balance of women in management positions?

Research has shown that work-life balance and flexible work policies do make a difference. High-achieving mothers who stay in their careers generally work for companies that offer a rich array of work-/life benefits and are supportive of their use. In contrast, high-potential mothers who left their careers worked for companies that had rather little in the way of work-life benefits. Most aspiring women today feel that such policies are an incentive for them to join an organization. Once hired, the vast majority of these women also tend to made full use of these benefits.

The majority of high-potential women who leave their careers would like to go back to work. What's more, these women would like to see more flexible benefits structured around women who take off work to raise children. A large percentage of women not now in careers support the creation of part-time careers, including high level jobs that allow for reduced hours on an ongoing basis, but also allow for the possibility of promotion. Not only do women-at-home want this option, but also the majority of those currently in careers.

Women may not now truly believe that they can "have it all" in terms of family and career. However, organizations who attempt through their policies to accommodate their obvious desires and needs will be in a better position to recruit, retain and promote highly qualified women. Loosing talented and experienced female managers because of a toxic work environment is no longer an option in today's highly competitive labour market. Organizations must first strongly believe that women can be as competent as they male counterparts. Policies and values must reflect and firmly support this belief in order to adapt to the realities of the Twenty-First Century.

Recommended Reading:



“Time Off For Good Behavior”

(How Hardworking Women Can Take a Break and Change Their Lives)

by Mary Lou Quinlan

(Broadway Books, New York, NY, 2005)

Recommended Web Sites:

- ◆ Catalyst Canada: <http://www.catalyst.org/page/77/canada>
- ◆ Canadian Business Magazine: <http://www.canadianbusiness.com/>
- ◆ Council on Workplace Health and Wellness – The Conference Board of Canada: <http://www.conferenceboard.ca/networks/cwhw/default.aspx>
- ◆ Center for Work-Life Policy: <http://www.worklifepolicy.org/index.php/pageID/26>

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