

Glass Ceilings and C-Suites

Where are the female business leaders?

While the number of women continues to rise in nearly every profession and universities around the world turn out more female graduates, the percentage of women in the highest echelons of business remains disproportionately low.

This fact has sparked intense debate on why there's a drought of female CEOs and what is stopping more women from rising to the top.

Corporate diversity initiatives and targeted recruitment and mentoring programs have driven an increase of women in the workforce. Today, half of the employees in mid-level management are women, a number that has doubled over the past three decades, according to the research and advocacy group Catalyst. Nationally, more women are enrolling in college business programs, too. They represent roughly 35 percent of today's MBA candidates.

Despite these promising trends, *Forbes* reports that women hold only 21 percent of senior leadership positions in North American C-suites. Worldwide, less than one quarter of business leaders are women. Fewer than two dozen of the Fortune 500 CEOs are female and, even in these corporations, the number of women on their leadership teams is startlingly low: six of PepsiCo's 22 top executives, for example, and only two of Hewlett-Packard's 13 executive VPs.

So what happens between business school and the C-suite?

Where are we losing qualified female talent? And what can be done to effect corporate cultural change?

One reason for the phenomenon is easy to intuit: Many women opt out of the top leadership track as they juggle the demands of jobs, households and personal lives and keep a watchful eye on the biological clock, all of which typically intersect at the time when men and women are establishing themselves professionally.

Since the 1980s, when the term “glass ceiling” emerged, scholars, business leaders and the media have considered these issues. According to Iftekhhar Hasan, Ph.D., Fordham University’s E. Gerald Corrigan Chair in International Business and Finance, “it is not a female issue or lack of commitment or competitiveness, or even a family issue, unless we as a society make those problems.” The biggest obstacles, he said, are corporate, governmental and social norms.

“Norway, China and even relatively conservative Malaysia have higher numbers of females on corporate boards and in upper management,” he continued. “It is the mindset and expectation.”

Hasan pointed to renowned scholar and author Geert Hofstede’s ranking of world nations based on their cultural masculinity versus femininity. Cultural masculinity represents a preference in society for achievement, heroism, assertiveness and material reward for success, while cultural femininity values cooperation, modesty, caring for the weak and quality of life. The key difference: masculine-ranking societies are more competitive, while feminine societies tend to be more consensus-oriented.

The United States scored on the masculine side of Hofstede’s scale, while Norway—which, unlike the United States, has a higher proportion of women in the boardroom—scored far along the feminine side.

“For masculine societies like the United States,” Hasan said, “a regulatory mandate of minimum female representation on corporate boards would be beneficial in defining a change in social norms, as undertaken in Norway and Malaysia.” The role of regulation is debated in academic circles, but he said one thing is certain: “Without equity in the upper management and board representation across gender and diversity—both demographic attributes and intellectual background—the corporation is not forward-looking for its own welfare in all aspects.”

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In addition to direct regulation, scholars propose other policy changes to help put more women in leadership positions. Last year, Anne-Marie Slaughter, former director of policy planning at the U.S. State Department and a Princeton University professor, helped to reignite the dialogue about the challenges working women face. In her *Atlantic* article “Why Women Still Can’t Have it All,” she suggested policy changes such as the “results-only workplace,” in which employees have clear goals and deadlines but can flexibly manage their own time to meet them.

The work-life-balance conversation is far from over, but there are other factors that play a role in why fewer women reside at the high end of the corporate ladder.

Mars and Venus

Old cultural norms continue to be obstacles in women’s paths toward success. In his 1992 pop-culture bestseller *Men are from Mars, Women are from Venus*, John Gray brought to the public eye some fundamental personality differences between men and women, including their communication styles and the way they problem-solve. This may shed light on the disparities between men and women in senior management. In the traditional corporate culture, women have been perceived as better-suited for positions calling for “feminine” traits—think communication and relationship-building—while men have been viewed as better for jobs that require decisiveness and leadership.

Rae Etherington (GBA ’94) recalled that her own career choices were influenced by this dynamic. Now managing director and chief risk officer for BNY Mellon Clearing, LLC, a BNY Mellon subsidiary, and co-chair of the Fordham Graduate School of Business Administration’s Wall Street Council, Etherington began her career as a teacher in Idaho. After moving to New York, she landed a job on a bank’s trading-room floor. “The trading room was a male-dominated world, and I wasn’t cut out to even think about challenging it,” she said. “I veered toward relationship management and risk management, where women were welcome.”

The double bind

Studies show that women face a quandary when it comes to success and likability: Women who achieve highly tend not to be well-liked. Facebook COO Sheryl Sandberg explored this in her book *Lean In: Women, Work, and the Will to Lead*, deducing that success and likability travel together for men. For women, not so much. She cited Harvard research in which business school students at Columbia and New York Universities all were asked to evaluate the same business case study—but half read a version with a female central character, Silicon Valley entrepreneur Heidi Roizen, while the other half read a version with only the first name changed to “Howard” Roizen. In their assessments of the case study, both male and female students rated Heidi and Howard as equally competent. But they liked Howard more.

Opinion polls following Christine Quinn’s loss in the 2013 Democratic primary for mayor of New York City suggested the same. According to a September 2013 article in *USA Today*, voters described Quinn unfavorably, as “ambitious” and “bossy.” Debbie Walsh of the Rutgers University Center for American Women and Politics, quoted in the article, pointed out that all candidates who run for mayor in New York are ambitious, but “[for] a woman, that is framed as a negative.”

Influenced by traditional gender perceptions, many women fear that coming off too strongly jeopardizes their success. But in their self-correction, some end up calling their own assertiveness into question. Laura Roche (GSB ’92), a Gabelli School Advisory Board member, has seen this firsthand. Roche, the CFO, COO and chief compliance officer of hedge fund startup Roystone Capital, said the woman she ultimately hired as operations manager was so modest in her interview that Roche wasn’t sure if the woman truly wanted the job until she accepted the offer. “She had the best qualifications, hands down,” Roche explained, but male candidates who didn’t have as much experience were “jumping up and down trying to get the job.”

WOMEN RISING!

According to a 2013 Forbes Insights study with Grant Thornton, the female presence is increasing among global CEOs and in each of the top positions that are points of entry to senior management.

Cultural evolution

Certainly, there has been some change in the corporate culture over the past few decades. The question now is, will there be sufficient enough change to keep a critical mass of women in the pipeline so they can make it to the top?

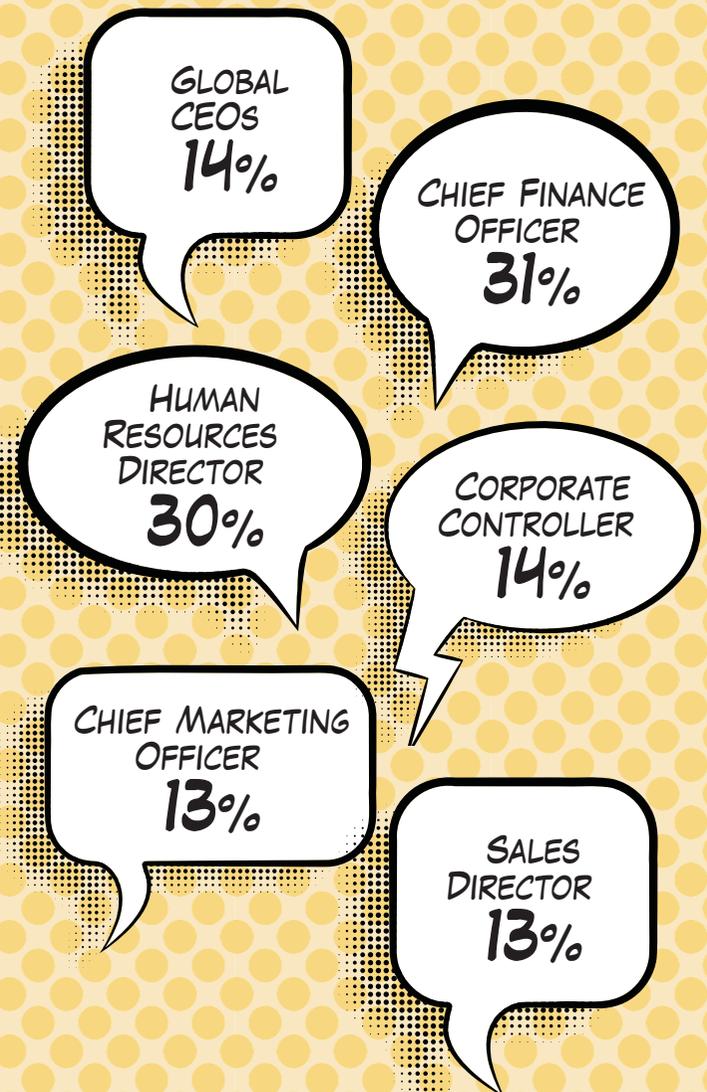
Though only 21 women head Fortune 500 companies today, consider that 15 years ago, it was just three. Encouraging signs of cultural evolution do exist. Charles Menges (GSB '64) said he sees "a very strong leadership group well-represented by women, and a good proportion of bright, savvy women executives and women professionals" at Bernstein Wealth Management, where he is a senior financial advisor. The firm's secret? "To pick the best performers, regardless of gender, race and so on."

Many in today's business world see Gen-X and Gen-Y as hope for further change. "We've sort of stalled out for now, but we have a solid base of role models, like Hewlett-Packard CEO Meg Whitman, Xerox CEO Ursula Burns, Yahoo! CEO Marissa Mayer and Facebook COO Sheryl Sandberg," said Marcia Formica (GSB '86), senior director of client service at Resources Global Professionals. "And they are speaking out in ways nobody was 25 or 30 years ago."

Executive recruiter Lorraine Hack (GBA '92), who considers the upcoming generation "wildly promising," sees corporate culture shifting as the home front changes. Rigid roles are disappearing, nontraditional families are emerging and partners are sharing more equally in household chores and parenting. Hack, a partner at Heidrick & Struggles, reported that more male and female job candidates who are being considered for overseas assignments are asking for help in placing their spouses, too—and even turning assignments down because "my significant other and I just can't do it."

Looking toward the future, Formica added perspective: "Considering that we're trying to undo thousands of years of ingrained thinking, it takes pioneering and ambitious women to break through that glass ceiling initially—as many have. Now, it's: How do we propagate that as a norm, something that should be expected?"

Co-written by Leslie Limon, a freelance writer based in Salem, Massachusetts, and Claire Curry, managing editor of Fordham Business.



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