



RESEARCH NOTES



STRATEGIC ALIGNMENT



MERGER & ACQUISITION



TRANSFORMATION & TURNAROUND



TALENT MANAGEMENT

GENDER, AGE, AND INDUSTRY: EXPLORING THE VARIABLES OF LEADERSHIP

In the US today, women hold 46.9% of the jobs and make up more than half of the managerial, professional and related occupations in the US (U.S. Bureau of Labor and Statistics, 2018). Despite this, women are still scarce in the upper echelons of today's organizations. It has long been thought that the advancement of women is only a matter of time; if this is true, however, then why aren't more women occupying executive positions in our organizations?

Understanding the seeming lack of women leaders, particularly at the highest levels of leadership, is not as straightforward as understanding gender stereotyping. To the contrary, decades of research investigating gender stereotypes in leadership have found mixed results. Some studies found there were no differences in perceptions of male and female leaders, while others find that there are striking differences. Why do researchers keep finding mixed results? Perhaps it is because different characteristics of the work environment and of workers themselves can enhance or diminish gender bias. To further investigate this, the researchers at Denison Consulting conducted two studies to investigate if the variables of industry and age affect the relationship between gender and leadership perceptions.

The Moderating Effect of Industry

Gender is one demographic area where people expect to find big differences in how leaders perform. The context in which a leader works, could be one cause for this difference. For instance, previous research has shown that certain aspects of a person's work environment can make gender more salient and can enhance gender bias. In particular, male-dominated environments, such as the military, financial services organizations, or manufacturing, can be difficult environments for women to succeed in. Although research in this area has been mixed, on the whole, it has shown that women in these environments have a harder time reaching the upper levels of leadership.

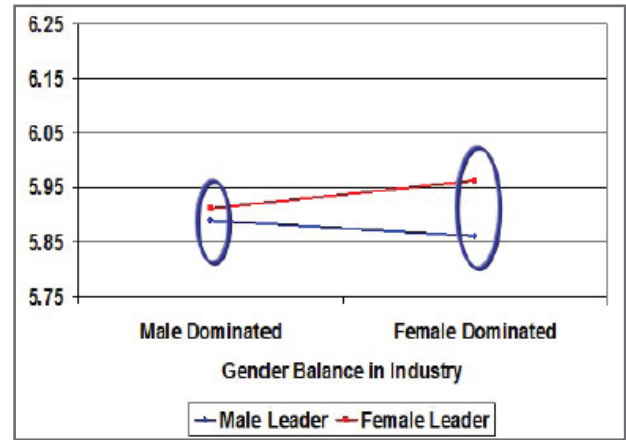
While much of the research done in this area has focused specifically within a particular organization or job function to answer this question, the researchers at Denison wanted to see what effect gender has on leadership in a large field sample with multiple industries, organizations and job functions. In our broad range sample, we asked the questions, will women be rated lower than men in male-dominated industries? And will men be rated lower than women in female-dominated industries?

Our sample was made up of randomly selected leaders, line management or above with two or more years of tenure. All of these leaders voluntarily used the Denison Leadership Development Survey (DLDS) as part of their leadership development efforts. The DLDS is a 360-degree feedback instrument that focuses on capturing the leadership skills and behaviors important to creating high performing organizations. There were 485 women and 467 men and they were rated by 1237 supervisors in the study. In all, 107 organizations, 10 job functions and 19 different industries were represented in the sample. For this study, we wanted to look at both how the leader viewed him or herself as well as how the boss or supervisor viewed the leader.

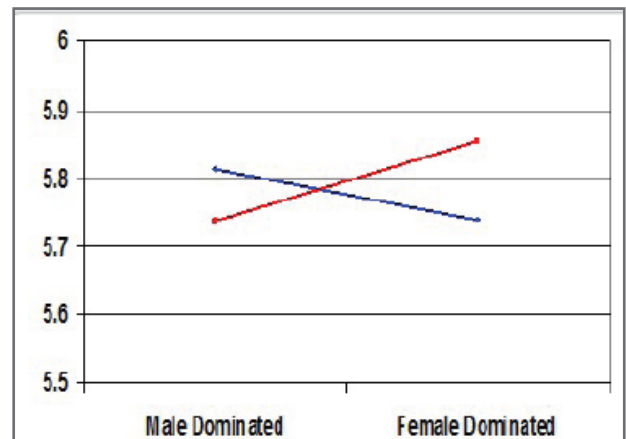
To determine the gender dominance in each of our industries, we assigned a "percent female" value to each, based on information from the US Bureau of Labor Statistics. The industries ranged from 9.4% female (male-dominated) to 84.8% female (female-dominated). Examples of male-dominated industries included, financial services, construction and manufacturing. Examples of female-dominated industries included, healthcare, business/professional services and to some extent retail or whole sale trade. We used Hierarchical Linear Modeling (HLM) to allow us to model relationships at multiple levels. Industry: Self

Figure 1: Self Ratings for Leaders based on Industry

Consistency



Adaptability



Industry: Self Ratings for Leaders

How did men and women perceive themselves as leaders? Our graphs in Figure 1 represent the self scores for two of the Denison Model traits. The first group shows us that in male-dominated industries women and men rated themselves very similarly in regards to the Consistency trait of the Denison Model. However, in female-dominated industries, women rated themselves higher and men rated themselves lower. Looking at the Adaptability trait, women rated themselves lower in Adaptability when working in male-dominated industries and higher in female-dominated industries. Similarly, men rated themselves higher in male-dominated industries and lower in female-dominated industries. As the environment becomes more imbalanced, we see an enhancing effect for the leader if they are in an environment congruent with their own gender.

Industry: Boss Ratings for Leaders

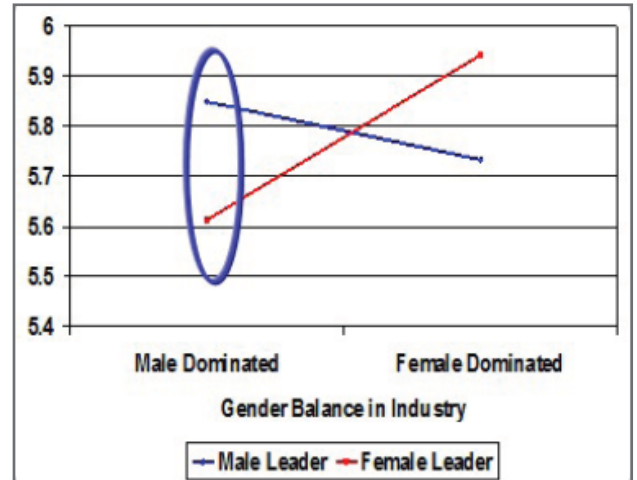
Based on the Boss ratings, we see a similar pattern as we did with the self scores, see Figure 2. Men were generally rated higher in male-dominated and lower in female-dominated industries in Adaptability and Mission. Women were generally rated higher in female-dominated and lower in male-dominated industries. It is worth noting the large differences between the scores when leaders are in male dominated versus female-dominated industries for each gender.

Industry: Implications for Organizations

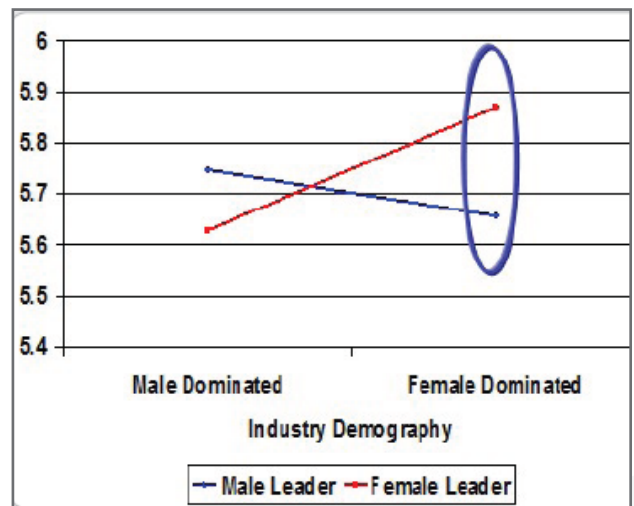
These findings provide support to the idea that the context in which a leader works in can impact the way that they are perceived; women (Self) and Others tend to rate themselves higher in female-dominated environments and

Figure 2: Boss Ratings for Leaders based on Industry

Adaptability



Mission



and men (Self) and Others tend to rate men higher in male-dominated environments. While these findings are interesting by themselves, why are they important to our organizations?

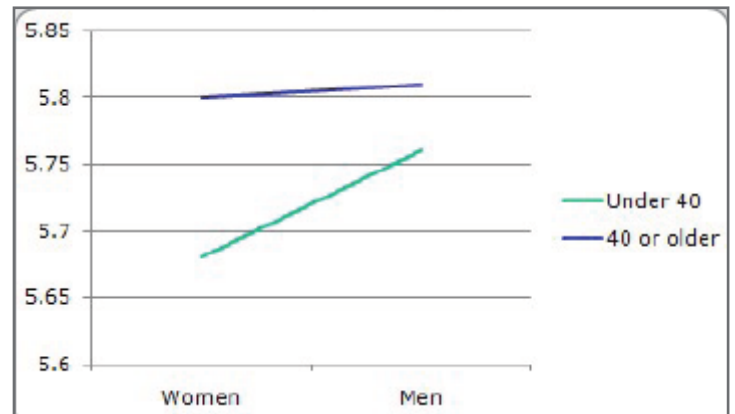
These findings indicate that there may be a boost for leaders if the environment they are in is congruent with their own gender. This is particularly important for organizations to be aware of given the legal implications that they may face if a gender inequality exists. Moreover, these stereotypes may cause morale issues for the leaders whose gender is not congruent with the organization.

The Moderating Effect of Age

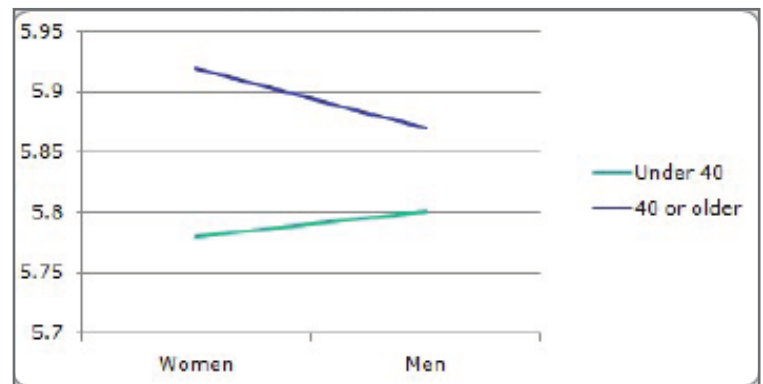
The average age of the workforce in most industrialized countries is increasing and so new workplace dynamics are in play. Previous research has shown that there are a variety of perceptions of older workers in the workplace. These perceptions can range from "the older worker is a wise and experienced asset to the organization" to "the older worker is slow and resistant to change within the organization." Despite the biases that people hold, age diversity is increasing for leaders themselves and for the individuals whom they are leading. Coupling our perceptions of age with our perceptions of gender in the workplace, the researchers at Denison sought to investigate how the two interact to impact the perceptions of leaders. For this study, we looked at 3657 leaders from 191 organizations who voluntarily took the Denison Leadership Development Survey (DLDS) and reviewed how they perceived themselves (Self) and how they were perceived by "Others" in their organization including their Bosses, Peers and Direct Reports.

Figure 3: Self Ratings for Leaders Based on Age

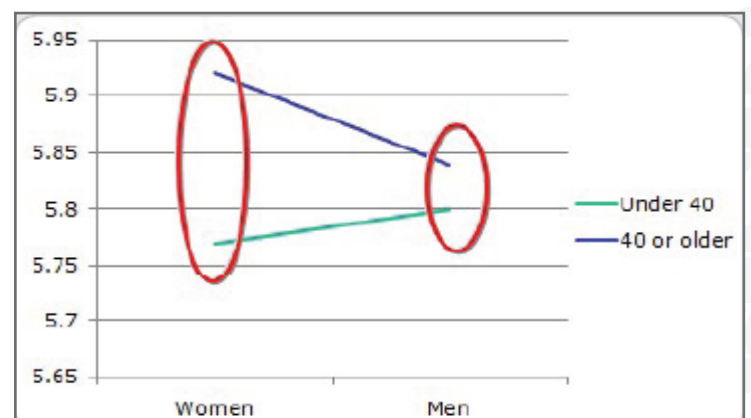
Adaptability



Involvement



Consistency



Age and Self Perceptions

First, we divided the leaders by age (over 40 and under 40) and studied how they rated themselves on all four trait of the Denison model. Our results showed similar patterns across three traits: Adaptability, Involvement and Consistency. In Figure 3, there is very little difference in how men rate themselves based on their age. However, for women the pattern is clear: women under 40 rate themselves much lower than women over 40. Age seems to play a bigger role in the self perception of women than men.

Looking at the directionality of these charts, older women also consistently rate themselves higher than their older male counterparts. Younger women, consistently rate themselves lower than their younger male counterparts.

Age and the Perceptions of "Others"

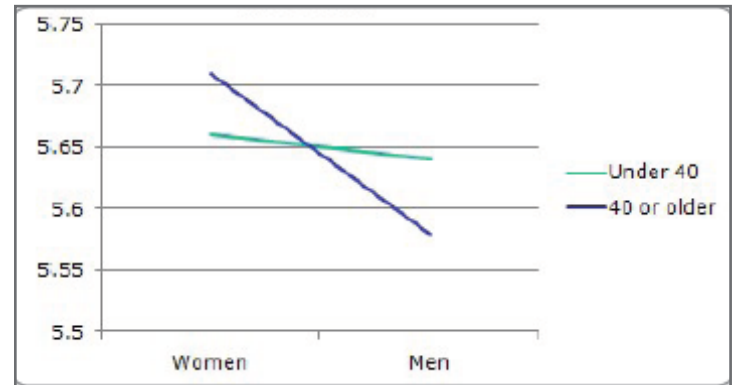
When we looked at the perceptions of "Others" (Bosses, Peers and Direct Reports), we found that ratings were consistent based on age, however, there were differences based on gender. Female leaders were rated significantly higher than male leaders on Involvement, Consistency and Mission. We also found some interesting interactions. If we look at our graphics for each of these traits (Figure 4), there is very little difference between how men and women light blue line). However, if we look at the darker blue line we see a much steeper curve. This shows us that "Others" are rating women leaders over 40 much higher than they are rating men leaders over 40.

Implications for Leadership Development

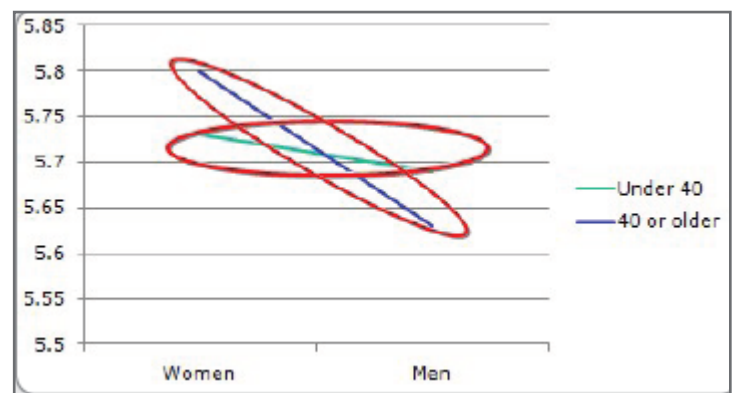
Younger leaders tend to rate themselves less favorably than older leaders, however this is not true for how others within the organization

Figure 4: Others Ratings for Leaders based on Age

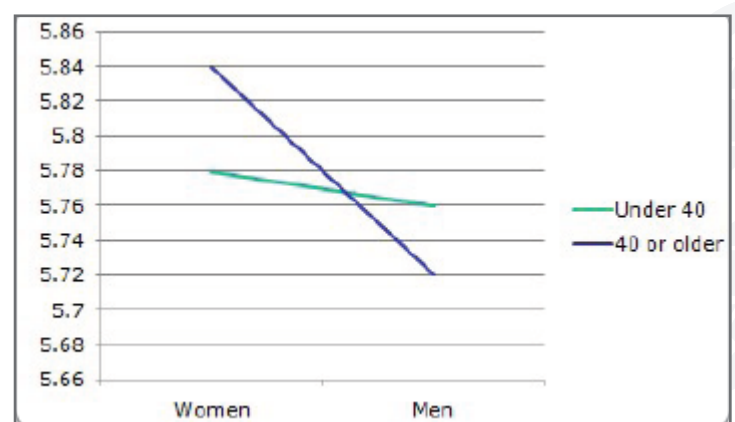
Mission



Involvement



Consistency



view the leader. This suggests that younger leaders could benefit from activities that boost their self confidence. This is particularly true for women under 40 as they gave themselves the lowest ratings. Organizations developing younger leaders, especially women, may want to keep this in mind when creating leadership development programs or other activities to help their leaders.

From the perspective of "Others," men over 40 have the lowest ratings. This could suggest several things: perhaps there is an over confidence in the abilities of men over 40 or that their focus is on issues other than development. For organizations experiencing this, there are potential opportunities to create additional leadership development activities aimed at this demographic group. Women over 40 were rated more favorably than other demographic groups by both themselves and others. This suggests that this could be a good group of leaders to utilize for activities such as peer coaching networks, mentoring, or other activities to harness their skills and share best practices.

Conclusions

Our findings indicate that industry and age may help explain how different characteristics of the work environment and of workers themselves can enhance a bias, thus creating gender disparity in leadership. However, to some extent, these findings also indicated that there may be an advantage for women leaders. A possible way to interpret these results relates to the intricacies of women's career paths.

Specifically, today women are accepted in the work-place and their presence in leadership positions is not directly questioned; however, in order for women to achieve higher positions within organizations, they must navigate through several paths that present unique barriers and hurdles that men do not have to face (Eagly & Carli, 2007). As such, the reasons behind women's minority presence in the upper echelons of organizations are perhaps more subtle than just the degree to which they are perceived to portray the correct leadership behaviors. Further investigation on contextual and personal factors that influence perceptions of leaders in organizations may help increase our understanding of the factors that are likely to influence biases toward women leaders in the workplace.

FOR MORE INFORMATION

United States

121 W. Washington Street
Suite 201
Ann Arbor, MI, 48104
Phone: +1 (734) 302 4002

Europe

Freiestrasse 7
CH-8570 Weinfelden
Switzerland
Phone: +41 71 552 0571

United Kingdom

36 Coquet Terrace
Newcastle upon Tyne
Heaton, NE65LE England, UK
Phone: +44 7961 974 568