

Women in Leadership

What History Tells Us About the Path to the C-Suite

By Meghan McGrath, Director of Marketing

Bates Executive Insights Report



For some time, there have been questions about why women aren't advancing more quickly to the C-Suite. In fact, over the past 25 years, the number of women in senior leadership globally has been static at around 24%. Many developed countries are ahead of the U.S. when it comes to women in senior management. This in spite of the fact that women are 47% of the US labor force, 49% of entry level college educated workers, and they earn 44% of the MBAs.



While this is perplexing, we think that history may offer some guidance as to why women aren't advancing more quickly. It offers us a longer view of how change happens not gradually, but because of economic and social catalysts that were perhaps foreseeable but unanticipated. And that would be a reason to wonder, are there any social and economic forces that might be a catalyst for change in the near future?

From the home to the factory: economic and wartime needs make it happen

Recall how women began entering the workforce in a whole new way during the Industrial Revolution (about 1760-1820). The primary driver in employing women was that factory owners were trying to increase their profits. Women entered into the factory workforce later than men and were, not surprisingly, paid less.



THE MATCH-MAKERS AT THE EAST-END

Fast forward a century during The Great Depression, when the unemployment rate was about 25% in the US - the typical household archetype was that men “brought home the bacon” and women maintained the home.

Yet as more and more men lost their jobs in the late 1920’s and early 1930’s, women sought work to help keep their families afloat. At the time, it was controversial for women to work outside of the home, as many believed keeping women out of the workforce would preserve jobs for men.

During WWII (1939-1945), as mostly men went to war, the employment rate for women again rose dramatically. This time, women were taking even more traditional male jobs, especially in manufacturing. “Between 1940 and 1945, the female percentage of the U.S. workforce increased from 27 percent to nearly 37 percent, and by 1945 nearly one out of every four married women worked outside the home” (1).

Equality and civil rights continue the tide

The next shift occurred in the 1960’s, during the US Civil Rights Movement, when women began joining the workforce in even greater numbers, including in the professions. While the civil rights movement was largely about racial discrimination in the US, the Civil Rights Act (1964) outlawed discrimination based on race, color, sex, national origin, and religion. This paved the way for another huge historical landmark – in 1965 under President John F. Kennedy, the Equal Employment Opportunity Commission (EEOC) was established. The EEOC is a federal agency in the US that insures workplace rights and combats discrimination based on race, color, sex, national origin, and religion.

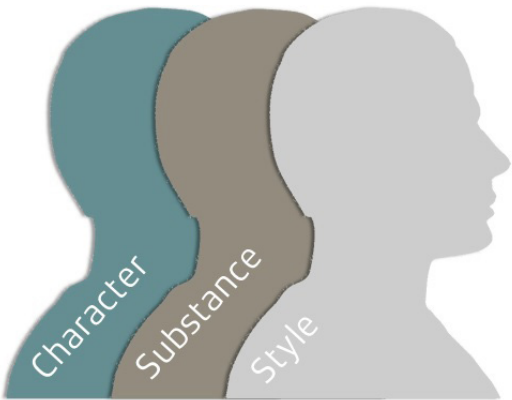
Not yet tipping the leadership scale

There’s also the phenomenon of the Tipping Point, a term whose first use was in 1959, and was made famous by Malcom Gladwell in his book of the same title. A tipping point is defined as the point at which a series of small changes or incidents becomes significant enough to cause a larger, more important change.

Today, in the Fortune 100 the number of women CEOs is actually – 8%. That rarified list includes Mary Barra, Meg Whitman, Ginny Rommetty, Indra Noohey, Marilyn Hewson at Lockheed Martin, Safra Katz at Oracle, and Irene Rosenfield at Kraft. What number might be the tipping point for female CEOs to be recruited and hired, especially in major companies?

So what’s ahead for women leaders? Uncovering the opportunity in transforming work

As we think about what other forces might portend change, another is a change in thinking about what great leadership is today. As we built our Bates model of executive presence (the Bates Executive Presence Index or ExPI™), we drew on empirical studies and research in an array of disciplines from leadership and management to social action theory, communication theory, psychology, philosophy and ethics. We were striving to acknowledge the trend toward more transformational leadership, leadership that resonates for a new generation of workers who respond to a higher level of social emotional qualities in leaders.



Our model incorporates aspects of leadership not often called out in other assessments, including qualities of character such as humility, restraint and concern; qualities of substance such as composure and resonance; qualities of style such as inclusiveness and interactivity.




The Bates Model of Executive Presence

Character	Substance	Style
Authenticity	Practical Wisdom	Appearance
Integrity	Confidence	Intentionality
Concern	Composure	Interactivity
Restraint	Resonance	Inclusiveness
Humility	Vision	Assertiveness

What we've found as we've reviewed the historical data from nearly 1,000 leaders is that women tend to be higher in many of these social emotional qualities of executive presence.

Overall, Women Higher in 7 Facets, Men Higher in 1

Character	Substance	Style
Authenticity	Practical Wisdom	Appearance
Integrity	Confidence	Intentionality
Concern	Composure	Interactivity
Restraint	Resonance	Inclusiveness
Humility	Vision	Assertiveness

 = Women rated higher  = Men rated higher  = No difference

What's the impact of this? It is foreseeable that companies forced to compete for highly skilled, highly educated talent, will need to have leaders who are high in qualities such as concern - they are more likely to demonstrate interest in others development and connect with Millennials and newer generations.

It's also predictable that companies striving to gain a competitive advantage by being more innovative will need leaders high in humility, inclusiveness and interactivity – which our research shows are directly correlated with leading innovation.

It's also imaginable that companies navigating the rapid changes brought by technology, disruption, industry regulation and global economic forces, will need leaders with greater integrity, inclusiveness and resonance. These qualities correlate with the ability to create calm, lead through change, and appreciate the emotions thoughts and concerns of people who are at the forefront of problem solving and driving change. In our research, women are rated higher than men, and the differences are statistically significant.

Finding balance matters to the bottom line

Companies that have a well-balanced mix of male and female leaders are already proven to have better performance. Fortune 500 companies with the highest representation of women board directors attain significantly higher financial performance on average, according to a four-year study by Catalyst, a non-profit corporate research and advisory organization. The Conference Board/DDI published a study of 2,000 organizations in 48 countries, and found among the 20% of companies when measuring financial performance, 27% of leaders are women. Among the bottom 20% of financial performers, only 19% of leaders were women.

The future of women's leadership lies in embracing information, insight, and differences

Do women need to do anything different in order to advance to the C-Suite? This has long been the question in companies with a C-Suite and board mandate to promote women. Women's leadership programs, mentoring and corporate networking initiatives have had some impact; however, many approaches to developing women treat them as one-size-fits-all, with programs on questions such as how to build confidence or assertiveness.

Our research tells us that while there are on average some qualities of presence that women generally excel at, that each individual has her own strengths and gaps. That's why programs that try to approach the development of women with standard programming are not likely to help them understand what holds them back, or what qualities they need to develop, to be considered ready-candidates for senior positions.

Our work has been to help organizations, as well as individual leaders, appreciate these differences. When we present organizations with a snapshot of the strengths and gaps of their leadership teams, we can also compare these to diverse populations of leaders to see if there are differences. Very often, organizations tend to promote people like themselves – not only people who look similar, but who have similar qualities of leadership. This means they may very well miss the best candidates, candidates who are out of that norm but who exhibit some of the important qualities of leadership that have been missed by most assessments and competency models.

Further, when women in the high potential pipeline are provided with accurate data from a multi-rater assessment that tells them how they are perceived by colleagues, direct reports and their managers, it widens their aperture of understanding about what they need to develop in themselves. It also changes the conversations they are having with managers, coaches and mentors. Providing leaders with data that reflect leadership qualities that are becoming more important in today's fast-paced, global business world could be another catalyst for change.

No doubt that gender bias exists; gender is one of the most noticeable distinctions of difference. Our human brains are wired to notice and take into account these differences. People have conscious and unconscious assumptions about how gender translates into work performance, decision-making skills, and ultimately leadership. We want to know how we are different and similar to our peers, co-workers, and bosses.

Perhaps as we look to appreciate what will shift to open the C-Suite to women is to note that diversity is a social force that is taking its course. The world is more global, populations especially in the US, Europe and other countries are becoming more diverse. It is foreseeable that this will lead us to another tipping point. While we may continue to over-generalize, those generalizations may also shift as diverse populations of workers come together.



Works Cited

- 1. History.com. "American Women in World War II." History.com. A&E Television Networks, 2010. Web. 25 Jan. 2017.**