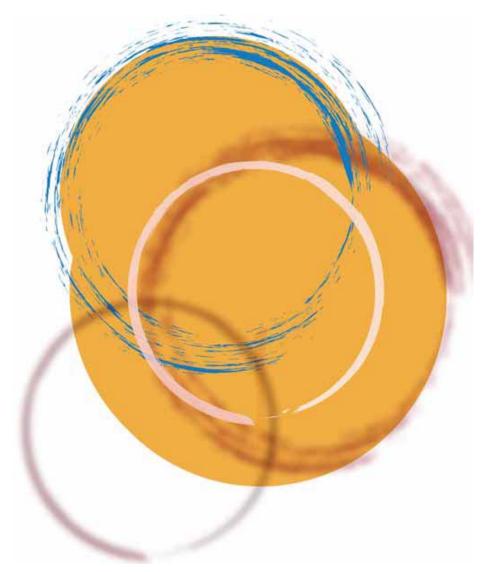
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# Who's Managing Gender Balance in Private Sector Organizations?

A Study of Senior Management Women in Australia

Dr Jennifer Rindfleish

#### **Abstract**

EEO policies designed to address gender balance have been in place in Australian organizations since 1986. However, gender balance at management levels in private sector organizations has proved highly resistant to change and women still represent very low proportions particularly in senior management ranks. This paper reports on the views and strategies of 251 senior management women in private sector organizations in Australia towards issues of gender balance in management. The aim is to quantify the proportion of women in private sector organizations that believe there is a need for more gender balance in management and what proportion address the problem of gender balance by supporting EEO policies and/or implementing proactive strategies. The results show that the overwhelming majority of women believe there is a need for more women in decision-making positions in senior management in Australia. However, only a minority support existing government policies and personally enact strategies that would enable more women to enter senior management ranks. The results are discussed with regard to their implications for gender balance at senior management level in private sector Australian organizations.

#### Introduction

The proportion of women in senior management positions in Australian private sector organizations remains very low and is highly resistant to change over time (Hede, 2000; Sheridan, 2001). The reasons for the gender imbalance are complex and involve broad social factors such as the sexual division of labour, the reification of emotions and sexuality, the elitism inherent in capitalist economic infrastructure, and practices surrounding globalisation (Acker, 1998).

Due to the fact that broad and complex social factors are precursors to the persistence of gender imbalance in senior management, the context within which an organization operates also effects the construction and reproduction of gender in senior management. Research has shown that there are differences between private and public sector contexts in terms of their ability to respond to the barriers that exist for women trying to enter senior management (Acker, 1990,1998; Cockburn, 1991; Connell, 1987; Hearn & Parkin, 1987; Hearn et al, 1989; Savage & Witz, 1992; Wajcman, 1999; Yeatman, 1990). Such research has focused on the formal and informal historical, economic, social and individual practices that uphold the 'gender under-structure' of organizations. The complex interplay of such practices renders 'gender systems' within organizations fundamental and intractable in nature.

Consequently, any changes to such 'gender systems' require continuously monitored structural and legislative mechanisms if they are to succeed.

The profound characteristics of the barriers to gender imbalance in management are evident when the issue of stereotyping and deference to male authority are discussed. Connell (1995) argues that both males and females are restricted in their behaviour by masculine models of authority and that as a consequence, gender balance in management will not improve until males take a pro-active stance on issues of gender equity. Other researchers have highlighted the practice of stereotyping women as 'different' to men as the mechanism that marginalizes and undermines their authority. Furthermore, the masculine models of power and authority that are frequently deferred to in organizations do not allow for the differences women bring into the context of the workplace (Cockburn,1991; Segal, 1987; & Bacchi,1990). The outcome of the profound and persistent barriers to gender equity in management is a gendered system that is highly resistant to change this is more so in private sector organizations than public sector ones due to the non-bureaucratic nature of their internal practices.

If change to the structures and practices that uphold the gendered system of organizations is to come about, be effective, and long lasting, it must be implemented on two fronts. Firstly, any strategy for change should address both direct and indirect forms of discrimination through the appropriate organisational policies enacted, constantly monitored, and supported by sanctions for non-compliance. Secondly, individuals within organizations with referent power, namely supervisors and managers, must bring attention to any systems and procedures that could potentially cause discrimination on the basis of gender on a regular basis in order to raise the consciousness of the individuals with which they work (Bacchi,1996; Burton,1991; & Charles, 1993).

In the Australian context, EEO legislation introduced in 1986 to address gender imbalance, has been an 'invitation to change' approach rather than an adequately monitored government policy containing appropriate sanctions for non-compliance (Smith & Hutchinson, 1995, p177). The result has been minimal compliance with the existing EEO legislation. Consequently, over the last twenty years the legislative mechanisms implemented to address gender imbalance in organizations have not been highly effective. Together with the ineffectiveness of sanctions for non-compliance with legislative mechanisms, research on the individual practices and activities of managers and their willingness to address gender balance within their organizations has been lacking.

This paper explores how senior management women in private sector Australian organizations respond to the following issues for women in management. Firstly, what proportion of senior management women believe there is a need for more women in decision-making positions in senior management in Australia? Secondly, whether they support policies designed to bring about structural change in organizations such as Affirmative Action (EEO) policies and quota systems. Thirdly, whether they pro-actively implement strategies themselves to bring about change and if so what type of strategies.

The study set out to gauge these questions amongst a cohort of senior management women in private sector organizations. However, the same study could be conducted with senior management males to ascertain their willingness to assist in implementing strategies to address the gender imbalance at senior management levels. The author is not suggesting that women should be more responsible than men for EEO policies or

strategies to enact changes to the gender balance in management. Instead the responsibility for addressing gender balance in the management of organizations could be seen as a cultural issue related to the health of any organization and in that way all managers, those in supervisory roles, or those with referent power in organizations, could share the responsibility.

#### Method

To achieve the objectives of the study the research measured the responses of a randomly selected cohort of senior management women in Australian private sector organizations to questions from a quantitative questionnaire. The questions included in the survey were developed from a previous qualitative study reported in Rindfleish (2000) the results of which showed that women were divided on whether and how gender imbalance could be addressed in management.

The sample of respondents used in the study was drawn from 600 names of senior management women in private sector organizations. Lists of names and addresses of senior management women were purchased from a market research organization based in Sydney in order to assure a large randomised and accurate sample. The list of names was devised using organizations from across Australia with more than 50 employees with each individual respondent having the title of at least Director. The names were selected using a computer randomised skip procedure. 251 responses were gained for the study making the response rate 41.8%

The data in the results is descriptive in nature and the responses are presented in the form of bi-variate tables analyzing each variable of interest to the research objectives. The following specific objectives were focused upon to fulfil the aims of the study.

- 1. Whether senior management women believe there is a need for more women in decision-making positions in senior management in Australia.
- 2. Whether senior management women agree or disagree with the Affirmative Action (EEO) Legislation and if the legislation has improved the position of women in management.
- 3. Whether senior management women agree or disagree with the implementation of quota systems to redress the gender imbalance in senior management and if not why not.
- 4. Whether senior management women actively lobby to increase number of women in management, and if so, in what ways.

Each objective is reported in the results section as a table with a percentage breakdown of the responses for each question asked. As part of a larger study comparing the responses of senior management women in either private or public sectors of the workplace to issues relating to gender equity, this study uses only the responses of women. The responses of senior management males would also be required to get a total understanding of how senior managers generally might respond to issues of gender imbalance in senior management. This is one limitation of the study. Another limitation is the purely descriptive nature of the data. Descriptive data allows the reader only a superficial measure of how respondents might respond to social issues it does not allow the reader any insights into why the respondents respond as they do.

#### Results

Table 1 shows that an overwhelming majority of women (90.7%) believed that there should be more women in decision-making positions in senior management in Australia. However, a proportion of private sector women (7.7%) were undecided about aiming to have more women in decision-making positions and almost 10% if women surveyed were either undecided or against the idea of more women in decision-making positions in senior management in Australia.

Table 1
Increase Women in Senior Management Positions

More Women	Private(%)
Yes	225 (90.7)
Undecided	19 (7.7)
No	4 (1.6)

Table 2 shows that the women surveyed were divided on whether they agreed with Affirmative Action Legislation. The majority (59.8%) of women agreed with the legislation and 40.2% of women did not.

Table 2
Agreement with Affirmative Action

AA Agree	Private(%)
Yes	144 (59.8)
No	97 (40.2)

When asked whether the Affirmative Action program had improved the position of women the response was even further divided, as can be seen from Table 3. A large proportion of women in the sample (68.7%) believed that the program had done either not much or nothing at all to improve the position of women in society.

Table 3
Affirmative Action Has Improved the Position of Women

AA Improved	Private(%)
Not at all	25 (11)
Not much	131 (57.7)
Quite a lot	62 (27.3)
Very much	9 (4)

The reasons given for the responses on the effectiveness of Affirmative Action were varied. 10.9% of women said that appointments to management positions should be based on merit only and not 'special advantages' given to women. They also said that the legislation was too weak to change the current status quo of gender balance in management. Negative comments about the Affirmative Action legislation were made by 25% of private sector women. Some negative comments were: women are seen as 'lesser' or needing help when employed by Affirmative Action, that attitudes will take time to change therefore Affirmative Action is not needed, or that the policy creates resentment and division between men and women in the workplace.

Questions were then asked about the introduction of a quota system to address the gender imbalance in senior management. When asked whether a quota system should

be put into the Australian workplace, Table 4 shows that a majority (57.6%) of women responded with a definite no. Approximately one quarter of the women surveyed conceded that Quota systems should be considered if no improvement in the proportion of women in senior management is evident over time.

Table 4
Put Quota System in Place

Quota System	Private(%)
No, never	57.6
Only if no improvement	26.9
Yes, but with caveats	13.9
Yes definitely	1.6

Table 5 shows that 42.6 % of women chose the threat to the merit principle as being their main reason for rejecting a quota system. 20.2% were concerned that women would lose their credibility or respect when they were appointed via a quota system and 15.0% were concerned that the right person would not get the job. Those in the 'other' category chose a combination of two or all of the three reasons for not implementing a quota system.

Table 5
Reservations About a Ouota System

Why Not Quotas?	Private(%)
Merit under threat	50.6
Women lose credibility	20.2
Not right person	15
Other	10.9
N/A	3.2

Even though the majority of women surveyed were against the use of quota systems as a strategy to increase the representation of women in management, the overwhelming majority agreed that there needed to be more women in decision-making positions in Australia.

Table 6 shows that a minority (37.5%) of women surveyed said they had lobbied for an increased representation of women in the senior levels of their organization. Of those who said they did lobby to get an increased representation of women in senior management, most said they did it by way of practical initiatives such as mentor programs, creating flexible working arrangements, suggesting certain women be promoted or trained for promotion, and personally encouraging women.

Table 6 Actively Lobby to Increase Women

Lobby	Private(%)
Yes	37.5
No	62.5

#### **Discussion of Results**

The quantitative data showed that senior management women who worked in the private sector in Australian organizations were unlikely to be in favour of EEO policies that suggest strategies, such as Affirmative Action, to assist other women into senior management positions. The overwhelming majority of women believed there should be more women in decision-making positions. However, this research shows they were divided in their support of the current government policies in place to increase the numbers of women in senior positions.

The majority of women surveyed did not take a positive view of quota systems to address the gender imbalance in senior management and the majority were reluctant to introduce quota systems. Approximately one-third said they actively lobbied for the increased representation of women in senior management. Therefore, two-thirds did not actively lobby for an increased representation of women in senior management. Of the one-third that did actively lobby for an increase in women in management their practices were individually based activities such as mentor programs, creating flexible working arrangements, suggesting certain women be promoted or trained and personally encouraging women. As discussed earlier, for gender balance to be addressed within the organisational context such activities need to be accompanied by structural legislative policies, such as EEO, that are constantly monitored and supported by sanctions for non-compliance. The divisions in the responses of the senior management women surveyed and their low level of support for individual practices and organisational policies shows that change is unlikely to come about from the collective efforts of this senior management cohort.

#### Conclusion

The results from this study show that senior management women in private sector organizations in Australia generally agree that there need to be more women in decision-making positions in Australian organizations. However, the study also shows they are firmly divided in their views and practices on how to go about increasing the numbers of women in management. Differences in the views of senior management women working in the private sector on issues regarding gender balance in management are more significant and extensive than the similarities within the group. The views of women from the survey differed on the following issues:

- The majority of women said there was a need for more women in decision-making positions in Australian organizations.
- The majority of women agreed with the implementation of Affirmative Action legislation. However, the majority also believed that the Affirmative Action legislation had not improved the position of women.
- The majority disagreed with the implementation of a quota system to redress the gender imbalance in senior management, due mainly to the fact that the merit system would be threatened by such a strategy.
- Only a minority of women had pro-actively lobbied to increase women in positions of power. Those who had pro-actively lobbied had done so in sporadic, individual ways that are known not to bring about real and long-lasting change to the gendered systems currently operating in organizations.

The results show that the majority of senior management women working in private sector Australian organizations do recognise that there is a problem in terms of women's representation in decision-making positions in Australia. However, at the same time their commitment and response to existing and proposed programs to counter gender imbalance in senior management varies markedly. While a slight majority support the Affirmative Action (EEO) program at least 40% of the women surveyed did not support the legislation. A proportion of the women surveyed do undertake activities to redress the gender imbalance in senior management. However, the type of activities they undertake are individually based 'one-off' type of activities that, by themselves, do not change the gendered structure of organizations unless supported by more stringent organisational policies with which a large proportion of these women do not agree.

An important implication of these conclusions is, who will champion the need for change in the gender balance in management ranks if the majority of senior management women with referent power in organizations are not undertaking or supporting effective strategies for change? These results have ramifications for the development of equity policies in the private sector context due to the fact that sanctions for non-compliance of regulatory mechanisms such as EEO are currently having little or no effect. Public sector organizations enact EEO legislation more proactively compared with the majority of private sector organizations by implementing mechanisms such as guaranteed maternity and paternity leave, career 'fast-track' provisions for women, and committee structures with quotas to ensure women are represented.

The results imply that private sector organisational contexts will continue to show slow progress towards gender balance in senior management without senior managers who champion and implement policies and practices that redress the imbalance. The findings also support the case for more stringent regulations and controls built into equity policy mechanisms and enforced in private sector organizations.

The findings from this study could be further enhanced by measuring the same set of variables with a similar cohort of senior management males. The aims of such research would be to quantify the extent to which policies and practices that address gender balance in senior management ranks are either supported or unsupported by the total cohort of senior managers in Australia. The results of such research would inform the debate about who should be responsible for the implementation of Equal Employment Opportunity practice and policy and what extra measures and programs are required to bring about change in the gender imbalance at senior management levels.

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