

A Company's Evolving View of Gender Equity

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A company's internal deliberations and changing beliefs about women in the workplace over the course of two decades, particularly about their role as leaders, is the subject of a recent paper that traces how fundamental societal views can change an organization.

The study looks at the years between 1991 and 2009, a period when the growing number of highly educated women in the workforce tested widely held understandings about gender and professional work, write the authors, Harvard Business School professors Lakshmi Ramarajan and Kathleen L. McGinn, and Simmons School of Management Professor Emerita Deborah Kolb.

"Despite bodies of knowledge about social institutions and social issues at the institutional and organizational levels, we know very little about how individual organizations experience and internalize gradual shifts in deeply held social understandings," they write.

As the first longitudinal examination of the relationship between societal and organizational change regarding gender and work, the paper, *An Outside- Inside Internalization of Shifting Gender Logics in Professional Work*, identifies cycles of organizational analysis and resulting actions sparked by transformations in societal beliefs and practices from outside the organization. (The unidentified firm is called "BigAC" in the paper.)

Ramarajan, McGinn, and Kolb attempted to answer several questions about the relationship between societal and organizational change. What is the process through which an organization responds to changes in society's understandings of gender and work? Specifically, how is internal adaptation in employment practices linked to external shifts in gendered beliefs and practices?

The authors began by comparing thousands of pages of the firm's internal documents, such as surveys and interviews, as well as public annual reports, against nearly 300 articles about gender-related themes from media outlets including the *Wall Street Journal* and *New York Times*. This allowed them to trace how, when, and why the firm evolved in its focus on gender. They also created a time line to explore links between gender as a social institution of beliefs, practices, and representations, and the organization's own set of beliefs and practices.

By linking these changes to the company documents, the study sheds light on how shifts in US society's understanding of gender influences beliefs and practices inside organizations.

To maximize the potential for deeper insight, one of the three—Deborah Kolb—added perspective as an "insider" at BigAC. Although not a BigAC employee, Kolb had collaborated closely with the firm's leadership between 1998 and 2010 by conducting interviews and surveys, as well as designing and delivering a leadership program for women in the firm. She was thus familiar with its culture and practices.

To ensure broad perspective, two "outsider" researchers—Ramarajan and McGinn—conducted the detailed coding of the inside data. "Our insider-outsider authorship provided a balance between involvement and distance," they write.

Using the keyword "work" plus either "women" or "gender," the researchers collected and analyzed several hundred media articles between 1991 and 2009. (Articles mentioning BigAC were eliminated to minimize overlap between inside and outside data.) The year 1991 was selected as the start point for two reasons: First, it was when the CEO of BigAC observed that less than 10 percent of the candidates for partnership were female—this after a decade of actively recruiting highly qualified women. And second, clients were openly expressing concerns about gender equity in their own companies.

Bias, underrepresentation, and work-family conflict

Analysis of the articles published over nearly two decades in the US business press gave the authors an opportunity to trace shifts in the media's framing of issues around gender and work. The presentations shifted over time: from a logic of bias (women presented as victims of unequal treatment), to a logic of underrepresentation (women presented as stuck at lower levels of organizations), to a logic of work-family conflict (women's career advancement stymied by child-bearing and home responsibilities). Although all three were important across the period studied, their relative prevalence varied. For example, gender bias peaked as a concern in 1991, underrepresentation dominated the picture in the late 1990s, and work-family conflict as a concern peaked in 2002. By 2008, the data show, all three issues held equal sway in the media.

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As the authors suggest, the first two presentations, bias and underrepresentation, have tended to invite straightforward responses from organizations. When the media discuss gender and work as a problem of bias, for example, the media also project solutions: that companies should educate employees about biases and be held legally and reputationally responsible for treating men and women equally.

Likewise underrepresentation: When the issue is a lack of female leadership, the solution is to get more women at the top by watching numbers and holding managers and leaders accountable. But as the researchers note, there is only so much that firms can do to improve underrepresentation before they hit up against work-family conflict.

"This is where organizations and society working separately get stuck—because the solution can't be mandated solely by an organization," says McGinn, the Cahners-Rabb Professor of Business Administration at HBS.

"There is an interaction," she continues. "The organization can be helpful, the family can be helpful, the individual women can be helpful; but all of these interact with one another and with legal and normative constraints and enablers in society. And so for the first two—bias and underrepresentation—the problem and solution, although not simple and not fully resolved, were discrete. With work-family conflict, the problem is amorphous and the solution even more so."

Adds Ramarajan, "Even though the work-family logic has taken off and grabbed everyone's imagination and experience, it doesn't mean that bias is no longer an issue, or that underrepresentation is no longer an issue. Even if obvious gender bias seems to have disappeared, there may be more subtle forms of bias or ways in which bias gets expressed that perhaps come out in policy or in concerns about work-family conflict. These themes all work together."

A powerful dance

When they studied the interplay between societal discourse and institutional change, the researchers found a repeating cycle. Shifts in societal discourse on gender and work would be accompanied by the company noting discrepancies between its own expectations and outcomes, sparking an analysis phase and subsequent actions.

One example: As social discourse peaked about bias in the workplace in the early 1990s, BigAC found discrepancies between its own hiring rates and promotion rates for women. At the CEO's prompting, an initial analysis phase focused on the question, "Why are women leaving?" A task force was established, outside gender experts consulted, and internal surveys conducted to find the answers. The learning that took place resulted in new beliefs that the firm's culture was inhospitable to women, and that "the problem was a 'firm problem' not a 'women problem'" — a conclusion echoed in the business press at the time, that gender bias was baked into workplace processes and practices.

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The firm moved into action to change the culture, through organizational and policy changes. The sobering results led to a significant achievement: BigAC's formation of a Women's Initiative—which has endured as an integral part of the organization.

According to McGinn and Ramarajan, it is the process of change and the structure of this initiative that has been crucial to the firm's overall improvement in its efforts to recruit, retain, and promote women.

"The Women's Initiative is embedded into every level of the organization," McGinn explains. "There is a representative in every office so it truly permeates the organization. Its members are part of the decision-making body at the table making hiring and promotion decisions. More than good intentions, such structure increases accountability and ensures that practices are implemented in ways that are useful, relevant, and effective within the organization."

As a result, several women were appointed to the company's board of directors, and the firm moved ahead of its competitors in terms of number of women partners. According to the paper, BigAC was soon recognized as a leading women-friendly place to work and succeed.

The research shows that organizations internalize shifts in public discourse into their own beliefs and activities. These come about in repeated analysis and action cycles. To sustain these changes, leaders may want to initiate "periodic monitoring of the fit between outcomes and assumptions, and intermittent periods of analysis relatively free of new activities."

The study also underlines the importance of outside experts in helping organizations identify, validate, and implement change. During analysis phases, outside experts provide credibility; during action phases, they offer accountability.

The future of work

As the authors suggest, technology and growing economic pressures may be increasing the difficulty in striking a work-family balance that could allow women to fully pursue corporate goals. As long as solutions to work-family conflict circle around individual choice—who in the family is responsible for what—they remain outside the purview of political action.

"Right now there is a sensibility that 24/7 is a normal labor practice," says Ramarajan. "There's nothing questionable about it. But I think that if it becomes so dominant and permeates every part of every person's life, all the societal repercussions that come with that—such as people's health—are going to make it a much more legitimate political topic."

The researchers' current projects focus on gender through lenses of generations and identity, and family. Ramarajan, for example, is working with Boston University's Erin Reid to study how organizational practices relate to employee identities outside of work. She also studies masculine gender identity in dual-career couples with Jennifer Berdahl of the University of Toronto.

McGinn is involved in three related projects: The first, with HBS colleague Mukti Khaire, studies self-employed women in India and their different understandings of gender, family, and women in the economy and community.

A second project, with HBS doctoral student Rachel Arnett and Beth Humberd and Judy Clair, both of Boston College, focuses on interviews with 60 successful female executives, inquiring into how they navigated transitions in their career and life trajectories.

A third project, with Arnett and HBS Professor Robin Ely, is a long-term study of high-wage-earning-potential women, their partners, and their hopes and expectations about career and family.