Transforming Cultures: the impact of diversity in senior management.

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## **Abstract**

This paper discusses some preliminary findings of a major research project that explores whether organisational cultures alter when the 'glass ceiling' is shattered and a 'critical mass' of women are in senior leadership roles. It confronts the view that 'The dominance of men and masculinism in organisations appears to be particularly resistant to change of either a micro- or macro- variety." (Whitehead and Moodley, 1992: 2.)

The findings draw on data from over 280 interviews in 19 organisations including higher education, private and public sectors from all five Australian States. In the organisations studied, women were in the minority numerically, but held at least 30% of the senior positions and were in seven cases chief executives. Many of the women had retained and strengthened their positions over lengthy periods of time.

Utilising qualitative interview methods, both women and men participants were invited to reflect on structural and cultural experiences of their organisations and the interplay of power, representation, and voice. Leadership, decision making, values, and emotional commitments were some aspect of focus on the micro politics of their gendered organisational lives.

This project explores the complexities of power relations between women executives and their male peers in order to develop a clearer understanding of the investments made in 'being' a senior executive. At an historical time when 'cultural diversity' is posited as a competitive 'given', the overall goal of the project is to evaluate and disseminate a range of strategies for attracting and maintaining women in senior management roles.

## Introduction

This paper draws from the narratives of over 280 women and men interviewed in 2001 and 2002 as part of an *Australian Research Council* Industry Linkage Grant. The study encompassed 19 organisations in five Australian States and is not yet finalised. The Chief Investigators are Dr Anne Ross-Smith (UTS), Dr Colleen Chesterman, Executive Director of the ATN Women's Executive Development Program, and Dr Margaret Peters (UniSA).

The three sectors covered in this project are the Higher Education sector in the form of the Australian Technology Network (ATN), the Private Sector in the form of two national/international banking and finance companies and the Public Sectors from five Australian States.

In the organisations studied women at senior executive levels were in the minority numerically but held at least 30% of executive positions. Only seven were Chief Executives, and one of these seven was removed from office while we were in the process of interviewing. The term 'senior executive' hierarchically encompassed Assistant Director, Executive Director, Director General, Deputy Chief Executive, Secretary, Vice Chancellors, Pro Vice Chancellors, Deputy Vice Chancellors, Executive Deans, and Directors.

Our purpose in initiating this project, along with our industry partners, was to understand more clearly the complexities of *power relations* involved in sustaining and transforming gendered representations and lived identities at work, as well as the investment in 'being' a senior executive.

Since the Karpin Committee released its report, *Enterprising Nation*, in 1995 and identified 'capitalising on the talents of diversity' as an issue of not just equity but of enhancing competitiveness and good management (Karpin, 1995), much has been written about the impact of diversity in management (Pepper, 1995;Daniels, Spiker, and Papa, 1997; Cope and Kalantzis, 1997). Diversity management was posited as involving strategic, structural, cultural, and personnel considerations, which obviously encompassed a focus on women as well as other marginal workplace groups.

The global business environment of the 21<sup>st</sup> century is a site that stimulates a convergence of rationales for valuing diversity as a mode of transforming work cultures and therefore organisational lives. Increasing diversity among employees and customers is posited as one of the most critical adaptive challenges organisations are facing today. Understanding the meanings and implications of diversity is at the core of the difficulty inherent in 'successful globalisation' and is key to the critical issues pertaining to performance and sustainability as our workplace environments undergo rapid and continuous change. According to some writers, a shift is under way from modernist homogeneous corporate culture to a postmodernist pluralist diversity model of organisational culture. (Cope and Kalantzis, 1997; Miller, 2001.)

What we set out to explore was the impact of diversity on senior executive women and men. We were interested in both women's and men's responses to the diversity model of management and leadership as it played out at the micro level of their gendered organisational lives. No prior Australian study had qualitatively researched senior executive level women and men in different sectors across five Australian States focusing on the interplay of power, representation, and voice. While our key concern was the impact increasing numbers of women senior executives was having on organisational cultures, in all its various manifestations, it was important not to study women in isolation. We were interested in the

similarities as well as differences in responses between men and women, between men and men, and between women and women to questions about decision making, leadership, emotional commitments and so on. One of our goals was to assess the impact of diversity on transforming the modernist perpetuation and legitimation of a gender-neutral view of executive roles. We contend that a focus on gender systems must also include a study of men and masculinities in organisations if we are to explore the organisational construction of gender in all its complexities. It is our position that the construction of organisational narratives are deeply embodied and gendered.

## The Study

The study confronted the notion that diversity exists when individuals act through social, political, and economic institutions that create, embed and reproduce inequality among people. Diversity is then acted out in the practices of everyday life and, as DiTomaso and Hooijberg (1996) posited, is interpreted through lenses of moral and ethical reasoning which, when unexamined, legitimates both unearned privilege and unearned disadvantage. Diversity is created and perpetuated in the historical, institutional, cultural, and hence, moral construction of *difference* and is reinforced by structures of opportunity, resources, and power.

Such a viewpoint posits that diversity must incorporate interpersonal and intergroup interaction, organisational transformation, and the macro moral and ethical frameworks through which diversity is framed and taught. Our study sought to understand how the politics of *gender* is played out in organisations that celebrate diversity and seek to mainstream difference. We wanted to examine the participants' responses to such factors as the embeddedness of work organisations in family and society, the sense of self or identity which results, and their experiences of the complexity of the interplay of structure and agency that 'explains' the ways in which senior executives are represented by themselves or by others, the choices they make or are able to make, and the opportunities they are able to grasp.

Some literature has been quick to dismiss gender as a critical aspect in any or all discussions on valuing diversity, pointing out that diversity is not about women, per se, but about corporate citizenship, of the need for all citizens to be multicultural and multilingual. (Cope and Kalantzis, 1977.) This study, in coming to understand the interplay of power, subjectivity and voice, highlights the ways men and women interviewed think about themselves as gendered subjects and the implicit and explicit expectations they carry with them. Following on from Foucault (1978), we believe that gendered social practices become so normalised that the injustices they perpetuate are utterly transparent. Our research probed this paradox in inviting the participants' to reflect on their positions within the organisations, how they got to the executive levels, their current management and leadership practices, any constraints experienced, and the emotional investments made. In coming to understand their organisational lives more clearly, we needed to understand how they framed their subjectivity and meanings.

Within this study we viewed gender as a matrix of habits, practices and discourses. The narratives would reveal that 'gender' is not always a stable and enduring construct but is sometimes fluid and malleable. Following Giddens (1984), we also understood that our study must stress the importance of incorporating human behaviour as action into any social theory. If the actions of our participants were to be analysed, then it must be done so in the structural components of social institutions or societies. Ethnographic interviews provide an opportunity

to analyse ways in which action and structure operate simultaneously on the production and reproduction of a gendered sense of self. In this way we come to understand that gender systems are not fixed, but respond and contribute to change. (Higonnet, et al. 1987.)

### Research methods

Qualitative research methods underpin this study and the findings reported in this paper. We built on extensive demographic data from each organisation and each participant. Then we conducted semi-structured interviews in the work site with each participant averaging one hour. Spending up to a week at the sites enhanced observations of the work sites, and of participants. Many of the sites were revisited throughout the two years of interviewing.

In each organisation we had a sponsor who facilitated the process of gaining volunteer participants. Rigorous ethics procedures for ensuring confidentiality and anonymity were agreed to by all legal departments of the various sectors and by the researchers' universities. The setting up of this aspect of the project took over six months to complete.

Questions for participants' reflection were along the lines of:

Tell me what it's like working in your present position?

What does it allow you to do?

Why do you think you were selected?

What formal support mechanisms do you have in this position?

Are there times when you are lonely in this job?

Do you see any differences in the way you lead, influence, and manage staff, to that of you're your male and female peers?

In what ways has being a female/male been an asset to you in your career progression?

We were aware that it was very important not to give our interviewees the impression that we were privileging pre-existing and universal features that we believed distinguished 'females' from 'males.' The point was not to objectify our participants in time and place but we also understood (Following Mills, 2002) that the further removed from the narratives the idea of females and males as embodied persons, the further removed is the possibility of political challenges to discriminatory practices. And the further removed from productive diversity in the work place.

### **Concerns and Issues**

Within this paper we have chosen to highlight only a few of the concerns and issues that emerged under the umbrella of organisational diversity and its impact on senior executives: the notion of a gender-neutral workplace; reproduction and parenting; family friendly policies; and leadership.

Gender-Neutral Organisations

Despite the plethora of feminist research pointing to the contrary (Acker 1992; Calas and Smircich, 1989; Marshall, 1995; Cockburn, 1985; Simpson 2000), a seductive viewpoint is frequently posited in management texts, and was frequently presented by some interviewees, that organisations are gender-neutral. Ideally a senior executive has no body, age, class, sexuality, race, ethnicity, religious beliefs et cetera. This reinforces the myth of meritocracy.

Organisation theories and research that represent gender as absent from workplaces, we argue, silences the voices of the less powerful, especially, but not only, women.

"Gender issues, it's interesting you know, from my perspective I haven't felt anything particularly. It hasn't been an issue for me since I've been here, not personally and not within the staff and the people I work with. I have never addressed a gender issue at all."

(Male 42, Managing Director International. Higher Education Sector.)

Many males shared this seductive view across the three sectors: "Well, people don't actually think about it too much in terms of gender around here, everyone's friends. (Male 48, Executive Director of Funding and Financial policy. Private Sector.)

"I actually don't believe gender is an issue one way or another. I actually think it's the individual. So I don't believe being male or female makes any difference. My wife could tell me I'm naïve. I mean I wouldn't know (re gender) but I will tell you my wife thinks I'm naïve and blind. (Male 48, Director of Customer Services. Public Sector.)

This is a view that is also shared by some younger female senior executives who were single or had not had children. Imminent parenting for the first time was at times predicated by some interviewees as "proof" that organisations were gender-neutral.

"To me I find it a very gender neutral environment in that I am not hit in the face with being female very often, except in my current state. Lots of people in the lift ask me how I'm doing being nine months pregnant. But women here wouldn't think twice about applying for a role by and large." (Female 39, Human Resources Director. Private Sector.)

Gender neutrality therefore reifies practices that are masculinist and hegemonic. As Maier and Messerschmidt (1998) stated if powerful corporate men practise 'destructive' masculinities under the guise of behaving as 'gender-free' executives, they may place people, organisations and even society at risk. Similarly, the case can be made for 'destructive' femininities operating under the guise of 'gender neutrality.'

#### Reproduction and Parenting

This vision of the workplace was contradicted by the majority of the interviewees and was particularly marked when women talked about their experiences or perceptions of the value organisations' placed on child bearing and rearing and the affect this had or could have on their career.

"You know, in this organisation if I were to go and get pregnant it would be very, very difficult for me to progress.... I would regard that as being the death of my career here.... A good friend of mine here has a baby...no one would know she has a baby because she believes people would make judgements of her and they make assumptions about her situation that lead to her not being given opportunities." (Female 36, Executive Director of Global Capital. Private Sector.)

This theme of invisible parenting re-occurred frequently. Many women contrasted their juggling of parental responsibilities with that of male peers and talked of how they believed that minimising the impact of children on their organisational lives was a career necessity while men who talked about 'helping out with the children' were treated as organisational heroes.

"I have two children and I'm a single parent. And I have always lied at interviews and said that I have a Nanny because I thought that I don't want to engage in how I look after my children. It's not your business, you know. So if people asked me about that I would always make it sound as if "Oh, no, it's incredibly well organised." You know the blokes are married with kids and they would feel uncomfortable if they thought your kids were being neglected for the job. But they're happy for me to work long hours." '(Female 37 years. Executive Director, Corporate. Private Sector.)

This interviewee further described how she never says she is leaving early for a parental commitment. Rather she will say she has a meeting to attend. She contrasted this to the way her male peers 'get a tick' if they say they are leaving early to attend a school function.

Another interviewee in the same organisation questioned the enacted values of supportive policies towards executive women with children.

"When I was pregnant the first time, you know all the executives had a perception that I wouldn't come back and encouraged that perception. And when I did get back they never had a space for me, you know like they'd given my desk to somebody and stuff like that. So they weren't quite ready for somebody who says you know, "Well, I've had my child, I've done it. Now I'm back" and you know it happened three times and I figured they would of learnt." (Female 37. Executive Director Investment Banking. Private Sector.)

Reproduction, particularly in terms of child bearing, directly contradicts the corporate image of a sexless and ageless executive.

"You always need to prove yourself. When I helped set up this unit I was told "well, you've done a very good job but now we need to wheel in somebody with grey hair to execute the strategy because you don't have enough grey hair." After two years I got the job but now the crunch time has come. I'm about to have another baby and I'd like to go part time but they'll probably get a male into the job so they don't have to deal with these issues." (Female 34. Executive Director Legal Services. Private Sector.)

Another woman responded "I just don't think there is a whole lot of mileage in sort of advertising that they have a whole lot of children or that they have responsibilities outside. I think they think it detracts from being taken seriously. As Eva Cox says "you have a right to have choices but not a right to have it all." (Female 44 years. Director. Private Sector.)

Work/life balances and family friendly policies.

The field of gendered organisations addresses the complex relations between 'work' and 'life.' In masculinist organisational processes, 'work' has been privileged over 'life.' (Collinson and Collinson, 1997.) Given that the privileging of diversity incorporates a concern with work/life balance, our study critically explored the impact of family friendly policies in the three sectors on our interviewees.

"I believe you have children, husband, work and you can do two of those well and one of them has to suffer and you have to sort out which one it is and let's hope it's not the baby. Men just don't have that problem. I mean because if they look after their child they are a hero; if they pick them up from child care...Wow!" (Female 39. Director. Public Sector.) Against the increasing politicisation of the complex relations between 'work' and 'family', younger women executives are increasingly questioning the wisdom of having children; of taking time off to look after them, of juggling parental responsibility with a partner or by themselves.

In contrast many older women talked about how they gained executive positions because they had had children. How the experience had taught them how to manage, to multi task, to have a sense of humour and not take themselves too seriously, and how to attain a work/life balance. It is interesting that many older executives had not gained those senior positions until their children had entered their school years. The challenge for many of them now was juggling care of aged parents with a myriad of extended family and social responsibilities. Family values were articulated along gendered responsibility lines. Paternity leave amongst males in senior levels remains a somewhat 'unrealised opportunity.' One woman described it as "allowing the men to do little bits but not go the full ten yards." One male who had taken six months parenting leave used the time to complete his MBA "as well."

The recent contributions of politicians on family friendly work policies has led to some interesting essentialised headlines in newspapers along the lines of "Family values new front line for the hard men of politics." (The Australian, August 16, 2002.) This discourse is circulating at a time when Australians are working longer hours, with increased access to communication technologies, which allow one to work anywhere at any time. This availability, flexibility, and 'boundarylessness' is seen as increasing our global productivity and competitive edge. The complexities of achieving life/work balance at senior executives levels are huge as globalisation has ushered in a 24 hour work frame.

"One of the critical issues is family friendly policies. How much do they survive at the senior executive level? There are certain incentives in terms of flexible working, in terms of lots of maternity opportunities. Having said that... if you believe you can work 9-5 in a senior executive position in an international company, it just doesn't apply. That belief is nonsensical. Yes, we do things to encourage talented executives to be able to cope with family pressures but... the further you get in the position the more there will be someone dependant on you being visible and available." (Male 48. General Manager of Human Resources, Global. Private Sector.)

There was much discussion of work/life balance in all three sectors. Many posited that what was needed was 'people friendly' policies, not 'family friendly' policies.

"As an organisation we've got a gender imbalance but I think the public sector is much better from that point of view than the private sector. It's very easy to fall into the traps of what women are like. For example, the expectation that women are primary carers for their children... and I don't expect all women to identify with that. But it seems to me that if you deal well in an organisation then your crying similar options for men, and that's important. So we have people friendly policies because it's work balance not family balance." (Female 47. Secretary. Public Sector.)

Policies that should work for men as well as women are not to deny that organisations are systems of power relations embedded in gender. The practice of management has always attempted to displace gendered realities through impersonal, objectifying practices of organising, managing, and controlling. For example, the narratives of the interviewees reveal performance indicators and performance appraisals are calibrated against masculine norms. So work friendly policies are always already intricated within gendered power assymetries.

### Leadership

When senior executives were asked how they saw themselves, for example, as leaders, managers or as entrepreneurs, there were multiple versions of how they reconciled their decision-making powers with their sense of self and their affect on others.

"Power means sharing. Keys are consultation and collaboration and sharing of empowerment. I believe in open communication, transparency, acknowledgment and helping them grow both men and women. I have worked with men who also adopt that style. I'd say the majority though of the men I've worked for have not. I think they see sharing of information and praising and promoting of others as somehow diminishing their own authority and power instead of enhancing it." (Female 49. Managing Director of International Programs. Higher Education Sector.)

Others preferred to see themselves as leaders who had management functions but operated as facilitators and change agents. They saw their position as allowing them to set certain visions that they then needed to bring staff along with them.

"Well, I talk about leadership quite a lot and people are always surprised by what I say. For a start, I don't think there is one sort of paradigm that you should follow. There's a lot of ego in a lot of role models that you see I'm very distrustful of. I always say to people, you really have to know yourself and be yourself and find a way of working that to your advantage. And it's a lot like a Chinese horoscope, as I understand it. If you're born in the year of the pig and you're a pig, then what you have to do is be a good pig, be really good at being a pig, and don't say you want to be a horse." (Female 47. Secretary. Public Sector.)

This interviewee went on to say "But alongside of that you need strong empathy because you achieve things by influencing people and you can only influence them if you can see things through their eyes, and I think empathy is something that ...strong leaders have but it is often not visible and it is undervalued."

Leading by example was a frequent response to self-analysis. 'I try to lead by example, I guess if I don't expect my team to do things that I'm not prepared to do myself or work in ways that I wouldn't be prepared to put myself. I'm very happy to make the hard calls and provide leadership on the hard calls. I am very supportive... and I'm accountable." (Female 48. Company Secretary. Private Sector.)

Many saw leaders as setting the organisational values in place that could have negative as well as positive affects. "If x sneezes we all know about it." Not surprisingly some saw leadership as a dysfunctional dance between leaders and followers where collusion as opposed to reflection took place. But the impact of leadership on diverse workplaces was posited by many interviewees as crucial in any transformation of workplace cultures.

Women and men across the sectors shared some interesting similarities when initially asked about the qualities of leadership and management that they valued in themselves and in others in their organisations. Openness, honesty, accountability, transparency, participation, supportiveness, visibility, empathy, ethics and loyalty were reoccurring values listed as desirable qualities. Others talked about the need for emotional intelligence and intellectual curiosity.

#### Towards a conclusion

It has been an important part of this ongoing study to reexamine, through the eyes of the participants, work organisation structures, practices and ideologies. Diversity in senior management has resonance with post capitalism, which is driven by the need to compete in increasingly competitive globalised markets. The mantra of the three Cs -customers, competition, and change is continually exhorted. Within this mantra diversity is celebrated. Yet contemporary organisational processes such as team working, outsourcing, e-commerce,

surveillance, business process re-engineering, and globalisation are still postulated as being gender neutral. The narratives however reveal the gendered processes at play in which these practices are embedded. The telling of stories is an important way of providing insight into the organisational lives of senior executives as they reflexively create their gendered sense of self.

In accord with Sandra Harding (1991), we believe multiple perspectives, experiences, conceptions and theories produce a 'less false' rendering of gender as it actually exists and 'works' in the organisational lives of senior executives. Our research is yet to be finalised but already it has revealed a rich array of expectations these men and women place on themselves where cultural diversity and corporate objectives are seen to mesh in order to produce a productive and equitable future for themselves and other organisational workers. Cultural diversity is privileged as a key concern of organisational transformation. Its impact has provided us with the scenario where executives are to be always conscious of the diversity impact of strategic plans regarding organisational connections, outsourcing, organisational structures, and hiring and reward systems. It has also highlighted the contradiction that while these executives are analysing whether the structures of their organisations create inequity, and whether all members of the organisation have equal access to organisational networks, et cetera, these same executives belong to a group which itself frequently signifies unequal opportunities for promotion and success.

Valuing diversity and transforming cultures requires executives who critically reflect on their own diversity practices. This aspect of our interviews was frequently applauded. "I have never taken the time to critically reflect on that." "This (the interview) has given me much to think about in terms of my own practices and beliefs." As our interviews revealed, it requires emotional commitment, mental commitment, and moral vision to politically engage in the reformation of inequitable structures and cultures.

As industry partners in this research, all the organisations have exhibited a keen interest in our findings so as better to incorporate strategies that will attract and retain women in senior executive positions. This aspect of our research is still in progress- the writing up of our findings. However, such usual strategies as those identified by our interviewees, such as succession planning, mentoring, coaching, work shadowing, opportunities to 'act up', are not always inclusive or challenging let alone transformative.

The interviewees themselves had interesting reflections on what was needed to succeed and stay in organisations.

" I don't think there are many thought through strategies as to how we are going to retain people particularly with the demographic that is coming up. Large numbers of people will retire and how are we going to retain the talent and I think these are some of the things we need to think about. Working hours, sabbaticals because people need an injection of enthusiasm, the ability to step back and look at the big picture....

There is an element of rejuvenating the soul.... I want to get something out of this organisation but I want to put something back in." (Female 37 Director of a corporate Foundation. Private Sector.)

Others talked about the need for passion and commitment, for being encouraged to be risk takers, of being organisationally socially responsible, and of being supportive and supported. Some were very frank about organisational environments: 'It's a very cruel environment but most environments are cruel really.' Most said they stayed because they could make a difference.

The challenge for this study and the participants is reflecting on whether or not that sense of making a difference is culturally transformative or merely tinkering at the edges of a masculinist status quo. In the meantime we believe that telling the stories is a critical step towards transforming cultures.

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