

# Beyond the Spin

the issues based publication  
of the one hundred percent project



Issue 1, Autumn 2010

## Editor's Welcome

Welcome to the inaugural edition of *Beyond the Spin*, a regular publication of The 100% Project. Each quarter *Beyond the Spin* will explore from various perspectives The 100% Project's Vision: "to see 100% of Australia's leadership talent, female and male, equally contributing to our social and economic future." This month the focus is on The 100% Project's first research project, which explores the relationship between the global financial crisis and gendered leadership.

In future issues we will address other topics and research questions, publish interviews with key leaders in the public and private sectors, and give our readers the chance to tell their stories and make their opinions known. I very much look forward to hearing your responses, comments, questions and suggestions and hope you enjoy this issue, the first of many to come from The 100% Project.

*Dr Barbara A West*



# Research Report

## THE GFC AND GENDER

Since its foundation, The 100% Project has embarked on a comprehensive research program focusing on two distinct areas: Women in Leadership and Organisational Change and Effectiveness. While much research in these areas has been conducted in the Americas and Europe, far less has been done focused specifically on Australia. We believe there will be inter-related experiences of women and men everywhere, but know there will be significant differences as well. We are investigating what these differences are and how change programs have to be adapted to the Australian context to make a significant difference.

For its inaugural research venture The 100% Project began with a pair of research questions that aimed to capture the local point of view on a series of global economic processes:

1. Will the implementation, in response to the GFC, of greater alternative work arrangements such as part-time and flexible work improve the utilisation of such practices by both genders and make these alternative arrangements more acceptable and less 'career limiting'?

2. Will the global financial crisis (GFC) provide greater impetus to Australian organisations to increase the participation and retention of female senior managers?

This intersection of global macroeconomics with the perceptions of local women and men provides a fascinating and unique view into the business systems, beliefs and processes that have created the world in which we live. After all, women make up the majority of people who

take up flexible and alternative work arrangements to spend time with family; for example, according to the Australian Bureau of Statistics in September 2009, 2.2 million women worked part time while fewer than 1 million men did.

### Methodology

The methodology utilised to explore the study's two primary research questions involved both an on-line 52-item survey and structured interviews.

*This is a world where women make up just a small percentage of senior executives and board members; EOWA found that 10.7% of executive managers in ASX200 companies are women. In addition, in this world a majority of men would like to spend more time with their family; the Department of Family and Community Services reports that 68% of men want more time with family.*



# Research Report

## THE GFC AND GENDER

Two-hundred and nineteen people from a range of industries and hierarchical positions in Australia completed the survey. This was a convenience sample taken from The 100% Project's database and then allowed to snow-ball into other networks. After respondents who failed to answer demographic questions were eliminated from the sample, 197 people remained, 151 women and 46 men, most between the ages of 25 and 54. In addition, 20 senior leaders from different organisations and sectors were chosen to participate in more in-depth interviews, each lasting between 45-60 minutes.

Adrienne Evans and Susan Nheng, who based on this research, have each completed a thesis as part of their postgraduate studies of psychology at Deakin University.

Evans' explored the first of the overall study's questions and looked at flexible and part-time work practices during the GFC while Nheng investigated the second question, "perceptions of recruitment and promotion practices" during the GFC as they relate to women.

### Key Results

#### Flexibility

One of the key discoveries of this work is that fewer Australian organisations than expected have encouraged or required alternative work arrangements in response to the GFC.

This finding, which differs quite significantly from the literature search done prior to the commencement of this study, may be the result of Australia's relatively strong economy during the entire crisis period.

The participant group chosen for interviews was 60% female (12 individuals) and, 40% male (8 individuals), most of whom were between 35-55 years old. To the best of our knowledge, no individuals responded to both survey and interview questions.

Although the project is in its early stages, some fascinating work has been completed looking at select questions from the survey and interviews. The 100% Project acknowledges the work of





# Research Report

## THE GFC AND GENDER

Perhaps fewer organisations have been forced into such cost-cutting measures in the context of a stronger-than-expected economy. This is a fascinating result and, if it holds up over time, places Australia in a unique position in the Western world.

*Senior leaders know that part-time work was largely a response to the GFC and will therefore diminish when companies are no longer using this as a cost-cutting method*

We found some other interesting trends with regard to flexibility as well. Results showed that survey and interview respondents differ greatly on what they think may occur in the post-GFC economy with regard to alternative work arrangements.

While many survey participants believe that more people will take up the part-time work option post-GFC, many of the senior leaders indicated that the use of part-time work would decrease post-GFC. This result may capture a difference of opinion between employees outside the highest echelons of power, who made up the majority of survey respondents, and those who hold senior leadership positions and responded to interview questions only. Employees not in the senior positions largely believe that in the post-GFC economy more people will be able to take time off to raise children, earn a degree, care for elderly parents or just have greater work-life balance. Conversely, senior leaders may be more

familiar with the secondary research and know that part-time work was largely a response to the GFC and will therefore diminish when companies are no longer using this as a cost-cutting method. Only time will tell who is right but in the mean time, let us know what is happening in your organisation [\(Click here to let us know\)](#)

### Recruitment and promotions

While the question of flexibility resulted in a most interesting difference of opinion between employees and senior leaders, when we looked at recruitment and promotion we discovered that women and men at all levels of the business hierarchy continue to differ at least somewhat in their perceptions of hiring and promotion practices. For example, a majority of male survey (63%) and interview respondents disagree that it is easier for men than women to be promoted at any level of





# Research Report

## THE GFC AND GENDER

their organisation; only 39% of women respondents share this view. Similarly polarised results are evident in the question regarding recruitment practices for executives: men believe that there is little to no gender bias while women believe there is. The one exception is that some senior men seem to believe that women do have more difficulty in being promoted into senior roles; however, a far greater percentage of senior women than men pointed to bias in this promotion practice.

Despite this difference in male and female views, women and men concur in both survey and interview settings that the GFC has not helped women to advance in their careers. This result may be a surprise in light of the plethora of research indicating that this downturn has been worse for men than it has been for women. From the *NY Times* and *Atlantic* to the blogosphere, the current global recession has frequently been referred to as a 'mancession' due to the relatively high rates of male unemployment. Based on this fact and the increasing ratio of women to men in the

workforce (EOWA reports that in February 2009, 45.6% of employed people in Australia were women), we might have expected that women by sheer weight of numbers would be advancing more readily than before to the most senior levels of leadership. According to this study's results, however, this has not occurred and the perception is that women have actually been more negatively affected by the downturn.

### Conclusion

This research has contributed some interesting results to add to our greater understanding of the macro-economy and some Australians' experiences of it. Our first research question has generated results that reveal that Australian companies have not responded to the GFC as expected with regard to voluntary or enforced alternative work arrangements. This question also provided an interesting look at the differing perceptions of senior leaders and their employees with regard to flexibility. The second question, thus far, can be answered with a fairly

resounding 'no, the GFC will not assist women.' Like all research, however, this must be seen as a snapshot in time and in need of constant revision. We are currently in the process of analysing the remaining data from this study and will report on that in future editions of *Beyond The Spin*.

*Polarised results are evident in the question regarding recruitment practices for executives: men believe that there is little to no gender bias while women believe there is*



# IN MY OPINION



Each month I will conclude *Beyond the Spin* with a short opinion piece and invite our readers to engage with the material. Raise it with friends and colleagues, take a stand, get angry, or even wholeheartedly agree – and then let me know what you are thinking and talking about. Whatever you do, do NOT remain silent on the topic of equal leadership; it is too important to women, to men, to our organisations and companies, and most of all, to our society for anybody, regardless of their views, to sit out of the debate. So in that spirit, let's debate!

## The Myth of Objectivity

What is this nonsense I hear out there about 'objectivity' in hiring and promotion decisions? We are human beings making choices – there is no human way to turn off our own lenses, our own perceptions, our own sets of experiences and points of view. There is no way for human beings to make decisions that “exist independent of thought,” as the dictionary definition says is required of true objectivity. Human beings and the organisations they create cannot be independent of human thought, full stop.

Let's admit then that every selection decision – and that includes both overt decisions about who is hired/promoted and more covert ones in designing selection criteria and tools – is based on sets of principles and categories that favour some over others.

In the area of promoting people to senior leadership positions, all evidence points to the fact that BOTH the covert and overt principles and categories chosen overwhelmingly favour men. After all, there is a plethora of men in senior executive positions in Australia; in ASX200 companies 98% of CEOs, 91.7% of board directors and 89.3% of executives are men.

This is not a good situation for the individuals involved nor the companies, for as a European study has found, “the greater the representation by women in senior management teams, the better companies performed on all dimensions of organisational effectiveness” (Desvaux, G., Devillard-Hoellinger, S., & Meaney, M. C. (2008). A business case for women. *The McKinsey Quarterly*, 2-7). In other words, it makes good business sense to have women around...the more, the better.

So let's take the bull by the horns and make a change. If 89.3% of executives are already men, one criterion that is lacking in the vast majority of companies' senior leadership (if not all) is femaleness. So a woman who meets most other selection criteria should automatically be favoured for the position because she brings a badly needed dimension to the job. This is not affirmative action nor is it discrimination. It is a company making a good business decision to give itself the best chance of surviving and thriving.

To have your say email [editor@the100percentproject.com.au](mailto:editor@the100percentproject.com.au)



# News...your window to the world

*Beyond the Spin* and The 100% Project are your window to the world of gender and leadership. As such, we would like to point you in the direction of some interesting work that has recently been published on the subject. You may be particularly interested in the debate about quotas, as that will be a topic of an upcoming essay in *Beyond the Spin*.

## Quotas and Targets:

<http://roomfordebate.blogs.nytimes.com/2010/03/22/using-quotas-to-raise-the-glass-ceiling/?emc=eta1>

<http://www.heraldsun.com.au/opinion/take-a-stand-over-seats/story-e6frfif0-1225807314583>

<http://www.theage.com.au/opinion/society-and-culture/why-a-gender-quota-is-the-only-solution-to-board-imbalance-20100319-qm1q.html>

<http://www.theage.com.au/business/gender-mender-on-agenda-20091210-kmec.html>

<http://www.nytimes.com/2010/01/28/world/europe/28iht-quota.html>

<http://www.theaustralian.com.au/business/opinion/push-to-promote-women-in-the-workforce-gathers-pace/story-e6frg9if-1225842551914>

## Senior Women's Experience

<http://www.theaustralian.com.au/business/breaking-down-sexist-barriers-in-the-boardroom/story-e6frg8zx-1225842063004>

<http://www.theage.com.au/national/still-lonely-at-the-top-20100123-mrr5.html>

<http://www.theage.com.au/small-business/entrepreneur/why-arent-there-more-women-in-senior-positions-20100202-nark.html>

<http://www.theage.com.au/business/rare-find-in-the-rag-trade-a-woman-in-the-boardroom-20091229-litl.html>

<http://www.heraldsun.com.au/business/fully-frank/knowning-what-women-want/story-e6frfinf-1225845202086>

## Double Standards

<http://www.heraldsun.com.au/opinion/time-to-get-on-board/story-e6frfihx-1225823154292>

<http://www.adelaidenow.com.au/business/sa-business-journal/lose-the-women/story-e6fredel-1225806284154>

<http://www.nytimes.com/2010/03/08/business/global/08manage.html?scp=8&sq=women%20in%20business&st=cse>

## Political and Legal Sectors

<http://www.theaustralian.com.au/business/legal-affairs/women-miss-out-on-partnerships-as-firms-cut-intake/story-e6frg97x-1225811522859>

# A FINAL NOTE...

## THE 100% PROJECT?

We hope you have enjoyed the inaugural issue of Beyond the Spin. Please tell us what you think and send us your ideas for future issues. To become part of The 100% Project, become a Champion! Contact us to find out how.



E: [info@the100percentproject.com.au](mailto:info@the100percentproject.com.au) W: [www.the100percentproject.com.au](http://www.the100percentproject.com.au)