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Women in Management

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“The most powerful organizational positions are almost entirely occupied by men, with the exception of the occasional biological female who acts as a social man.” (Acker, 1990: 139)

Introduction

In my paper I would like to present various characteristics that could describe women’s participation in management. I will also discuss how individual, organizational and social/institutional factors impact opinion on women in management, and I will address the question of the social acceptance of female managers. Alongside international experience and literature, in my analysis I will use European and Hungarian statistics and sociological studies from recent years.

No fundamental changes occurred in the role of women in management in the years following the political changes in Hungary. The Hungarian situation is in line with that of other developed countries, as we shall see later. This is particularly interesting, because in the period leading up to the new millennium there were voices and opinions that sought to link this new era to women taking on more active roles, even in business life (Rosener, 1990). The situation may be described as generally ambivalent: on the one hand, women’s investment in human capital is on the increase and, as a result, their representation in managerial positions is becoming stable; on the other hand, women’s overall participation in management is still low, signalling a weak return on their investment in human capital. Thus we have a glass that is both half full and half empty.

The increase in the number of students in Hungary’s tertiary-level education is mainly attributable to the greater participation of young women. While, in the total population, there is a higher proportion of male degree holders, the distribution is different in the active population (those aged 15–64); and in younger age groups the trend is the very opposite. Based on data from the 2001 census, 17.4% of women and 12.2% of men aged 25–29 have degrees, and the figures for 30–34 year-olds are 17.7% and 13.6%, respectively (HCSO, 2004: 48). The unfavourable structure of tertiary education is even more disadvantageous for women: there are jobs where women are highly overrepresented, yet the labour market opportunities offered by these occupations are limited and, as a result, the holders of such degrees generally face dead-end positions. According to data from 2003, tertiary education programmes with strong female participation include

courses on health (69%), the liberal arts (70.4%), teacher-training for nursery and primary schools (89.5%), and social work (79.6%). These data follow the trends of previous years and even decades, and contribute significantly to the stabilization of horizontal gender segregation in the labour market (HCSO, 2004: 50). Segregation, in turn, is largely responsible for continued inequalities in the labour market. Consequently, European Union actions place significant emphasis on reducing gender segregation (Rubery, Smith and Fagan, 1999).

Although segregation is in evidence and is a clear obstacle to equal opportunities, we see a significant increase in the presence of women who are training for careers that are in demand and that offer good employment and promotion prospects. This category includes technical training, where the participation of women in full-time courses had grown from 15.7% in 1990 to 23.2% by 2003; finance courses, with a jump from 58.9% to 62%; and courses in legal and social management, where the increase was from 53.8% to 62.9% (HCSO, 2004: 50). The data thus support the claim that the preconditions are increasingly in place, yet the scale of change is modest.

International data

International comparison always presents difficulties when it comes to comparing various categories. *Table 1* shows where Hungary and other former socialist countries stand in an international comparison of gender distribution in managerial positions.

According to the data below, Hungary, with slightly above the 30% average, is around the European mean. Almost all the former socialist countries in the table have rates significantly higher than the European average. (Slovenia is something of an exception, but, as we shall see later, it is in a much better situation in other respects.) Data from the former socialist countries suggest that the presence of women in management was always more accepted there, and even in the past was a clear social trend. Since the 1970s and 80s, the phenomenon has been much more widespread than in Western Europe. *“In Hungary, in the era of state socialism, gender inequality at the workplace was in continuous decline, and—even more importantly from the point of view of our research—by the 1980s the career opportunities for Hungarian women were much better than for women living in capitalist Austria”* (Fodor, 2003: 29). Thus, changes in Western Europe started later and progressed more gradually. However, because our data relate to the single year of 2004, we are not in a position to draw any firm conclusions on trends.

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Table 1

Women and men in managerial positions, 2004 (%)¹

Country	Women	Men
Austria	29	71
Belgium	31	69
Bulgaria	n.a.	n.a.
Cyprus	19	81
Denmark	21	79
Estonia	37	63
Finland	28	72
France	36	64
Germany	27	73
Greece	26	74
<i>Hungary</i>	35	65
Iceland	31	69
Ireland	28	72
Italy	20	80
Latvia	39	61
Liechtenstein	48	52
Luxembourg	22	78
The Netherlands	26	74
Norway	n.a.	n.a.
Portugal	30	70
Romania	n.a.	n.a.
Slovakia	32	68
Slovenia	29	71
Spain	32	68
Sweden	31	69
United Kingdom	32	68
<i>Average</i>	30	70

Source: EU (2004a)

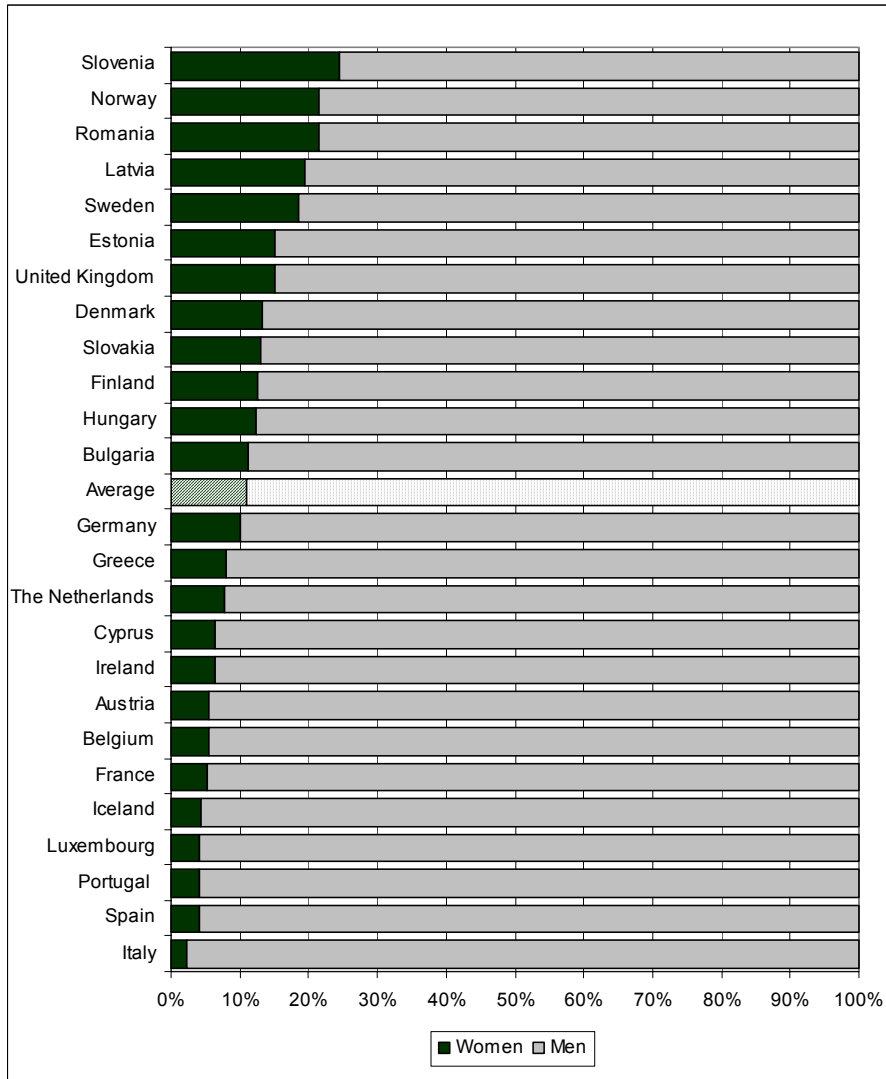
n.a.: not available

Examining the upper management of the Top 50 companies, we see that former socialist countries are slightly above the average. However, it must be noted that the average itself is very low, and that the value for Hungary is just slightly above it (*Figure 1*). If we consider just the number one managers, the gender difference is even more pronounced.

¹ Managers are persons classified as Directors and chief executives, Production and operating managers, Other specialist managers and Managers of small enterprises (ISCO (International Standard Classification of Occupations) category 12 and 13) (EU, 2004a).

Figure 1

Presidents and members of the highest decision-making body in Top50 companies (%)²



Source: EU (2004b)

² Top 50 companies are defined as the companies that are quoted on the national stock exchange and that have the highest market capitalisation. Market capitalisation is defined as the market price of an entire company, calculated by multiplying the number of shares outstanding by the price per share (EU, 2004b).

Dissatisfaction with this situation and the concept of equal opportunities as a general social goal prompted the Norwegian government in 2003 to take action against unfavourable social trends (Eironline, 2003). This decision was the result of social changes that had been taking place over some time, and came once it was clear that the situation would not change of its own accord: it would require government action and clear public policies to influence companies. Hence the government's goal of achieving 40% female participation on management boards across all state-owned companies and large private businesses by 2005. The law will be enforced if companies do not voluntarily comply with this requirement for female participation. This was not the first case in Norwegian legislation that government had used positive discrimination. The Norwegian equal opportunities legislation, which is also based on the grounds that equal treatment will not in itself guarantee equal opportunities, defines potential situations where women or men are entitled to preferential treatment (Likestillingsombudet, 2005). In the case of women, such situations include pregnancy, childbirth and breast-feeding, while men may enjoy privileges in the fields of education and childcare.

So what are the factors that determine the proportion of women in management positions in a given country?

Good news and bad news: explaining the trends

In his study, Dipboye (1987)—quoted by Powell (1999)—gives ‘good and bad news’ as regards the situation of women in management. The ‘good news’ is that, in recent decades, the number of women in management has shown steady and significant growth. The ‘bad news’, though, is that the higher we look in corporate hierarchy, the fewer women we see, and in this respect only minimum changes are taking place. What exactly are the drivers behind the ‘good’ and the ‘bad news’?

The first positive factor is the increase in *human capital*. The level of educational attainment among women is on the increase in all developed countries, and in younger generations women are outperforming men in this respect. The labour force is shrinking due to *falling fertility rates*, and thus there is a growing need for the presence of women in the labour market. As there are more and more women in jobs, the *gender composition of the labour supply* has also changed, and there are more management positions open to women. Traditional *attitudes and norms* have undergone fundamental changes: women in employment have become accepted, and also, due to the spread of birth control, there are fewer births, which in turn leaves more time and energy for women to get involved in activities outside the family. *Growing economies* provide opportunities for job seekers, especially in the *service sector*. Therefore changes in industries will result in

more opportunities for women than for men. Governments in developed countries are introducing a growing number of *equal opportunities policies* that aim to overcome the disadvantages women face (as in the case of the Norwegian example above). These policies are complemented and strengthened—and sometimes outdone—by certain *organizational and corporate programmes*.³

However, there are many obstacles blocking real growth in women's participation in senior management. Formal education is no longer a key consideration in the selection process for top corporate positions; in other words, *qualifications are losing their significance*. Although social norms are showing significant change, male-dominated organizations are finding it hard to accept women in key positions. The *stereotype of the efficient manager* still requires men to be in the managerial positions. As the final decision in the selection process is made by management itself, the principle of *like attracts like* will apply to a great degree, as an attempt to minimize the insecurity of the unknown. *Men have higher social standing*, hence the assumption that they will make much better managers than women. The process of *decision-making and selection* is fixed and transparent at lower levels, but not when it comes to the selection of senior managers. The presence of *mentors*⁴ greatly supports career development. Women's *motivation* is much lower when it comes to securing managerial jobs and especially senior management positions. Studies of managers regularly show that, in the case of women, becoming a manager requires much greater *personal sacrifice*. Last but not least, the *glass ceiling* clearly obstructs women in getting ahead; some female managers respond to this by leaving the organizational hierarchy and becoming *self-employed*.

In summary, both the 'good news' and the 'bad news' have factors attributable to the individual, include elements of support and hindrance related to the particular situation or the organizational context, and, finally, contain components that are rooted in the overall structure of society.

The Hungarian situation

Data from Hungarian labour force studies confirm the 35% presence of women in management positions that we presented above in a European comparison. However, due to the high level of segregation, we must also examine *Table 2* below in detail. Some 68% of men work in manual jobs, as opposed to 44% of women. As we discussed in the introduction, the

³ In Hungary, two large multinational companies have launched major programmes in support of women in recent years: one is the Women's Network programme, introduced at General Electric, the other is the Procter & Gamble's diversity programme.

⁴ Mentors are experienced, senior-level managers who—using their experience and human capital—support staff at work by offering them opportunities for professional development.

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proportion of women among degree holders is over 50%. *Table 2* lists the positions that are occupied by women and men with tertiary education. Among non-manual workers, most men work in positions that require university or college degrees, while women typically work in jobs where other tertiary-level qualifications are needed. If we examine the first category, that of lawmakers, public administration officials, trade union leaders and finance managers, and compare it to the total number of non-manual workers, we see that 31% of men and 11% of women work in some kind of management position. Thus men's chances of getting into management jobs are significantly higher than women's.

Table 2

The number and proportion of employed women and men according to occupational group and type of employment, 4th quarter, 2004

Occupational groups	Number of workers (1000)		Share of workers (%)	
	Women	Men	Women	Men
1 Legislators, senior officials and managers	104.2	196.4	34.7	65.3
2 Professionals	290.5	226.2	56.2	43.8
3 Technicians and associate professionals	367.1	192.0	65.7	34.3
4 Clerks	221.3	16.8	92.9	7.1
<i>Non-manual workers</i>	<i>983.1</i>	<i>631.4</i>	<i>60.9</i>	<i>39.1</i>
5 Service-type jobs Service workers and shop and market sales workers	352.2	258.2	57.7	42.3
6 Skilled agricultural and forestry workers	29.2	84.2	25.7	74.3
7 Craft and related workers	113.4	654.3	14.8	85.2
8 Plant and machine operators and assemblers	135.3	325.9	29.3	70.7
9 Elementary occupations	164.9	130.2	55.9	44.1
<i>Manual workers</i>	<i>795.0</i>	<i>1,452.8</i>	<i>35.4</i>	<i>64.6</i>
0 Armed forces	9.2	37.7	19.6	80.4
<i>Employed persons together</i>	<i>1,787.3</i>	<i>2,121.9</i>	<i>45.7</i>	<i>54.3</i>

Source: HCSO (2005), Table 3

In labour force surveys, the various management categories are combined, and therefore the vertical segregation between genders cannot be observed any more clearly than is shown above. Recent years have seen no systematic sociological surveys that have focused on specific representative groups of finance managers, such as those performed in the 1990s among leading finance executives (Nagy, 2001). Consequently, we must just do with what recent research has been conducted on this topic.

In 2003, Zsuzsanna Bálint examined the 50 biggest companies, those with the largest headcounts. Of the Top 50, she selected 16 companies where she conducted comprehensive surveys among managers (Bálint, 2003). In her sample the share of female workers was 42.4%. The study revealed a clear pyramid structure. Women's representation was 29.4% in middle management, 21.1% in upper management and 7% in top management (Bálint, 2003: 36). Bálint's results supported the general observation that women have a significant role in management, but that their presence in top management is minimal. As a next step, Bálint investigated the opportunities men and women had to get into management positions at the companies under review: she compared the number of male managers at each management level with the total number of male staff, and then she performed the same calculation for women. The resulting ratios revealed that, in large companies today, the glass ceiling is between middle management and upper management. In all, 0.1% of male staff were in top management positions, 0.9% in upper management jobs, and 2.5% worked as middle managers. For women, the figures were 0.02%, 0.5% and 2.5%, respectively. Thus, the opportunities were equal at middle management level, yet men were twice as likely as women to hold a job in upper management, and five times as likely to be in top managerial positions (Bálint, 2003: 36).

Individual interviews confirmed the fact, also known from international literature, that such differences have very complex background reasons, as is seen in Powell's summary above. One important element is the slow pace of change in social norms. This was also one of the most important findings in a recent questionnaire-based survey of finance managers (chosen using snowball sampling), conducted in the course of research into the existence of a female management style (Nagy, 2003).⁵ Some 36 people responded to the questionnaire: 14 men and 22 women. The questions focused on the chances of becoming a manager, on equal opportunities and management style. Men and women typically gave the same response to almost all questions, while, for instance, a Swedish study conducted in the early 1990s reported systematic differences in opinions (Kristinsdóttir, 1994).

As regards the issue of getting into management positions, we asked respondents whether they thought a glass ceiling existed. The term 'glass ceiling' has become widely known over the past ten years, but nonetheless we provided an explanation of the concept. An equal 80% of male and

⁵ The survey was conducted as part of OTKA (Hungarian National Research Foundation) research project (tender No. T35064), entitled "Changes in management style—female managers in business life". Research period: 2001–02. Topic leader: Beáta Nagy. There were two groups of respondents: 1) members of a professional body that represents female managers, plus male managers working at the same levels of management; and 2) middle managers and upper managers at two large companies. I used the questionnaire with the permission of the leader of a study carried out in the UK (Wajcman, 1998).

female managers responded that no glass ceiling existed. Only three women said they thought there was a glass ceiling, and the same number of men was undecided. As regards equal career opportunities within the company, agreement was even stronger: 83–86% were convinced that there was no difference between men and women in this respect. Thus, all respondents believed that the company did provide the conditions for all staff to get into management, and this is in line with the results of subsequent research into corporate equal opportunities (Nagy, 2004).

Here we must describe two different approaches toward equal opportunities: a liberal and a radical approach. While the liberal approach is based on creating fair procedures and equal conditions, the radical approach puts fair results in the focus and approves, and indeed actively uses, certain supporting measures to achieve its goal (Jewson and Mason, 1986). Based on research in Hungary, it is fair to say that respondents, regardless of the location of the study or its context, clearly endorse the liberal approach. The key reason for this is the negative associations of the radical approach, namely that unfair preference is given to unsuitable competitors (in our case women) who lack the requisite skills. Some 87–89% of respondents rejected the notion that positive discrimination was necessary in the case of female managers. One obvious explanation is that, while the concept of equal opportunities has become a topic of public discussion, the diversity that comes with it is rarely addressed. Another reason is the continued negative reaction to the emancipationist approach of socialist women's policies. Due to the huge gap between its rhetoric and the reality, socialism failed to bring about fundamental social change in gender relationships, and people still have a strong aversion to the topic. One consequence is that even the people concerned (in our case women in management) fail to see the external obstacles that block their advance, and instead blame the differences on social gender roles, particularly motherhood and family life.

However, in subsequent parts of the study we found that attitudes toward male and female managers can indeed be different. When asked whether the positive abilities of female managers contributed to the performance of the company, 30% of male managers rejected the notion out of hand. Also, 60% of men responded negatively to the question of creating a balance between women's child-bearing and career building. (In the United Kingdom, responses to these latter two questions were positive, supporting women.) This difference in attitude may be interpreted as a backlash against socialist emancipation, as it was never part of organic development and there was never a genuine need for it in society. Also, this response reveals Hungarian men's traditional attitudes toward the issue.⁶ In any case, these answers clearly illustrate gender stereotypes related to management roles, and the

⁶ At the same time, we have to appreciate that respondents in the UK may be much more aware of how they are expected to answer direct questions on gender equality in their culture.

prejudices against female managers, no matter how highly trained and well positioned.

Based on the results and the numbers we have seen so far, we may assume that Hungarian society is deeply patriarchal, granting formal rights to women but falling short of giving them genuine respect. If the situation were this simple, we would see male managers receiving preferential treatment across the board. However, that is not the case: when asked whether male managers are more dedicated to the corporate organization than female ones, respondents gave a strong negative reaction. All women and 86% of men rejected this notion. This implies that the picture of men's patriarchal supremacy in management is being eroded. It is clear that Hungarian men and women take the concept of equal rights seriously, and believe that people should be judged according to their genuine performance only.

In her research, Wajcman found that women have a long way to go before they are accepted as managers (Wajcman, 1998). Although the large majority of respondents expressed no firm preference as to the gender of managers, those that did preferred men in leadership positions. When asked "*Do you prefer to work with managers of your own sex?*", most managers were noncommittal. Yet when they did express a preference, they opted for men. This was especially visible among women, who tended to be less neutral and expressed a clear preference for male managers. Consequently, women themselves make a strong contribution to the perpetuation of stereotypes and, paradoxically, block their own way to acceptance as managers. When asked "*Do you prefer to work for managers of your own sex?*", responses showed less gender variance, yet the prejudices we have seen earlier remained. No respondent said they preferred to work for women managers, while 19–29% had a clear preference for male managers.

Why do people prefer to see men in management positions? Results from psychological studies clearly reveal that the answer lies in the structure of society (Carli and Eagly, 1999). Researchers used two theories to explain the gender difference in social influence: that of status characteristics and that of social roles. Both theories underline the fact that men have more organizational (and, in general, social) power thanks to their social status characteristics, and that their social role empowers them to act as leaders of a group, which in turn means they have more opportunities to get into management. My own research also supports the results of these socio-psychological studies, namely that it is not so much individual capacities but social conditions that determine women's chances of getting into management in larger numbers.

While female and male managers share similar levels of qualifications and a preference for male managers, we wished to explore whether there was any difference in their motivation as regards their managerial work. In the questionnaire, respondents were asked to assess 11 areas related to motivation (promotion, financial rewards, status, achievement of results, fear

of failure, contribution to corporate success, enjoyment of work, reaching objectives, respect for colleagues, assisting staff development, possession of power/sense of responsibility). In most categories, the motivations of men and women were the same, yet there were a few marked differences between the genders. Both men and women ranked the achievement of results highest, with almost all respondents considering this factor very important. Some 75% marked reaching objectives and 72% enjoyment of work as very important aspects. (No respondents said that these factors did not motivate them in their work.)

As is usually assumed, female and male managers are different in a few important respects: male respondents are much more motivated by financial reward and the prospect of promotion. In general, men are much more career focused, while women are more often afraid of failure, and this often gives them negative motivation.

Summary

Using Hungarian and international statistical data, this paper has described the changes that characterize the presence of women in corporate management positions. The professional literature has grouped these changes into two main categories: 'good news' and 'bad news'. The 'good news' is that the proportion of women in management has increased steadily over the past few decades. The 'bad news' is that, despite fundamental social and economic changes, there has been no major increase in the presence of women at top management levels. The Hungarian data correspond to the international statistics and depict a clear pyramid structure in career development: women and men have an equal share in middle management, but the path for women into top management is obstructed by the glass ceiling and other hindrances. Despite the obvious presence of a glass ceiling, the majority of managers themselves deny its existence. Neither do they think that there are obstacles blocking women's promotion; rather, they believe it is women's dual role that limits their career opportunities.

Although the answers managers give to attitude questions reveal that the conditions for equal opportunities are formally in place, in practice women's suitability to fulfil managerial positions is often challenged. The Hungarian survey reinforces previous results, in that women still have a long way to go to achieve equal acceptance in management positions. Paradoxically, it is mostly women themselves that block the way to equal social acceptance: they more frequently express the view that they prefer working with and for male managers, while none of the respondents preferred female managers to male ones.

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