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With Women As Top Bosses, Other Women Gain

Pay gap shrinks when women lead companies, study shows

By Elizabeth Kelleher
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Washington – American women earn higher pay and a gender gap in income narrows significantly when other women in their workplaces reach senior positions, according to a recent study.

“When women reach into the upper reaches of management – not just any managerial job, but higher-status managerial jobs – the women who work below them benefit,” said sociologist Philip Cohen of the University of North Carolina, who co-authored the study with Matt Huffman of the University of California. Low-level women managers have no effect on women’s wages, the study shows. While half of all managers in the United States are women, many are not in decision-making positions, according to Cohen.

The study, based on 2000 census data, makes a distinction between high-level and low-level managers. It does not explain why the presence of high-status women raises other women’s pay, but Cohen said it might be that female bosses provide support and are less likely than men to act on the basis of stereotypes.

Lawyer Delia McCabe is one illustration of Cohen’s hypothesis. She works for Gilbert & Gilbert, a New York law firm managed by women. One of them is Elisa Gilbert, who hired McCabe. The two had worked together previously in a firm headed by males. McCabe said that when she was hired at the male-dominated firm, it had been Gilbert who got her in the door. “And I know she got me more money,” she said.

On the average, U.S. women earn 81 percent of what men earn, according to the Bureau of Labor Statistics. But the study finds that as the share of women in senior positions rises to more than 50 percent, average women’s pay climbs to 91 percent of that of men. Men’s wages decline slightly when more women occupy high- or low-level managerial positions.

MEAN WOMEN AT THE TOP?

Davia Temin, president of a marketing company in New York City,

said she talks to women who have had a difficult time working for other women. She once worked in an entry-level position for a woman dean of a business school. "She wasn't particularly warm," Temin said, "but she was smart, fair, honest and knew when to give me room and when to supervise."

The tough woman boss who is an "ogre to other women" is a pervasive stereotype in the United States, Cohen said. But if the stereotype is true, he said, it might describe a "token woman" in power. As more women reach executive status, he said, "maybe the mean-woman stereotype goes away."

"The climate has changed in the last 10 years," said Judy Rosener, a professor at the University of California who is writing a book on women's leadership styles. "The woman who rises to the top and doesn't help other women out of fear they could be competition has changed."

WOMEN-OWNED BUSINESSES: SMALL BUT ENCOURAGING

There are 10.6 million private, women-owned businesses in the United States, Rosener said, and they employ far more women in total than the large Fortune 500 companies do.

After working for the woman dean, Temin spent years in the male-dominated investment banking industry. She was frustrated that she could not get her assistants promoted. "There was complete lack of understanding that someone who started as a secretary could move up to a professional role," Temin said. "When I started my own firm, it was a wonderful relief to have women whom I could promote."

After taking what she expected to be a short internship at a small woman-owned company called The Communication Center, in Washington, advertising saleswoman Kelly Andresen stayed four years. Only after she left to work for a satellite radio company did she realize she had taken some things for granted, like the "graduation celebrations" the woman-owned firm used to throw for departing employees. At her new job, Andresen said, someone "just leaves and that's it."

Marlene Bessette, a vice president at Xerox Corporation, argues that big business can be good for women too. She has worked at Xerox, a Fortune 500 company, for decades. Sometimes she reported directly to Xerox's chief executive, Anne Mulcahy. Bessette says women do best at any company when they work across divisions while gaining experience and visibility. "I owe a debt of gratitude to the women who came before me," Bessette

said, "and I hope that younger women in the work force continue the legacy."

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