

# Facts on Working Women

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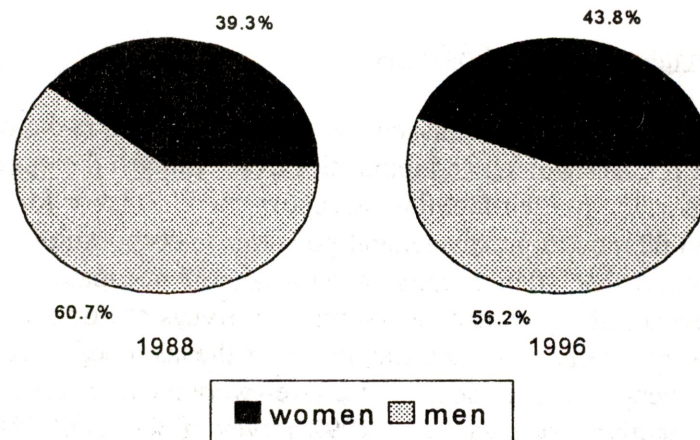


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## WOMEN IN MANAGEMENT

Women in management, or the executive, administrative and managerial occupations category, is an extremely broad group. It includes fast food restaurant managers, CEOs of large corporations, accountants, underwriters, administrators and officials, financial managers, medicine and health managers, and other occupations. Workers in this group establish policies, make plans, determine staffing requirements, and direct the activities of businesses, government agencies, and other organizations. Women comprised 44 percent of the total number employed in executive, administrative and managerial occupations in 1996, up from 39 percent in 1988. The supply of women qualified for management jobs has continued to increase as more women accumulate work experience and complete management and professional education programs. Although women have made great progress in attaining management jobs, their median weekly earnings continue to be well below those of male managers.

Figure 1: Percentage of Women in Executive, Administrative and Managerial Occupations, 1988 and 1996



Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1989 and January 1997.

## OCCUPATIONS

In 1996, there were 7.7 million women employed in executive, administrative and managerial occupations. Women's job growth in this field has surpassed that of men in recent years. The number of women employed in this field grew by 39 percent between 1988 and 1996, while the number of men grew by only 16 percent.

**Table 1: Persons employed in executive, administrative, and managerial occupations, by sex, 1988, 1994 and 1996 annual averages (In thousands)**

<u>Year</u>	<u>Total</u>	<u>Women</u>	<u>Men</u>
1988	14,216	5,590	8,626
1994	16,312	7,014	9,298
1996	17,746	7,773	9,973

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1989, January 1995 and January 1996.

Women are still most likely to be managers in the same fields in which there are also proportionately more of them employed below the managerial level. Women held three-fourths (75 percent) of all managerial positions in medicine and health. They held over half of the managerial jobs in finance, personnel and labor relations, accounting and auditing, and buying. In addition, they held over 60 percent of the managerial jobs as personnel, training and labor relations specialists, as well as underwriters. In contrast, women still are substantially underrepresented among inspectors, funeral directors, and administrators in protective services. (See Table 2).

### Middle-to-Upper Management Level Positions

The Glass Ceiling Commission was established in 1991 to study and make recommendations about the barriers that prevent women and minorities from rising to the upper rungs of the corporate ladder. According to their fact finding report, the U.S. labor force is gender and race segregated--white men fill most top management positions in corporations.<sup>1</sup> Although women are 43 percent of the executive, administrative and managerial occupations, they account for less than 3 percent to 5 percent of top executive positions. Surveys of Fortune 1500 companies conducted by Korn/Ferry International and Catalyst over the last decade, found that 95 to 97 percent of senior managers--vice presidents and above--were men. A 1989 survey found that 97 percent of top male executives were white. A 1992 survey of Fortune 1500 companies found that 95 percent of the 3 percent to 5 percent of top managers who were women were white, non-Hispanic women.



Table 2: Persons employed as executives, administrators, and managers, 1996 annual averages  
(In thousands)

Occupations	Total persons employed	Women as percent of total
<u>Total, 16 years and over</u>	<u>126,708</u>	<u>46.2</u>
<b>Executive, administrative and managerial</b>	17,746	43.8
Officials & administrators, public administration.	636	47.7
Administrators, protective services	55	31.3
Financial managers	621	54.0
Personnel & labor-relations managers	122	51.6
Purchasing managers	121	45.7
Managers, marketing, advertising & public relations	655	37.8
Administrators, education & related fields	668	56.9
Managers, medicine & health	713	75.3
Managers, food service & lodging establishments	1,383	45.9
Managers, properties & real estate	530	48.0
Funeral directors	55	11.6
Management related occupations	4,374	56.7
Accountants and auditors	1,538	56.0
Underwriters	95	69.0
Other financial sources	726	53.4
Management analysts	329	41.1
Personnel, training, and labor relations specialist	416	65.7
Buyers, wholesale and retail trade, except farm products	205	58.1
Construction inspectors	69	7.4
Inspectors and compliance officers, except construction	241	33.4

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1997.

Note: Generally, data for occupations with fewer than 50,000 employed are not published separately but are included in totals for the appropriate categories shown.

### Corporate Board Positions

According to Korn/Ferry International, 60 percent of the Fortune 1,000 companies had women on their board of directors in 1992. This figure was up from 36 percent in 1979 and 11 percent in 1973.<sup>2</sup> Another study of public Fortune 500 industrial and Fortune 500 service companies found that women and minorities (men and women) held 9 percent of the 9,707 total board seats in 1992. Minorities held 3.5 percent of the board seats.<sup>3</sup> About two-thirds (65 percent) of service companies and half (54 percent) of industrial companies had at least one woman and/or minority director.

### Minorities

Black, white and Hispanic women all increased their representation in executive, administrative and managerial occupations between 1988 and 1996 (see Table 3). Although black and Hispanic women are not as well represented in the managerial ranks compared to white women, some occupational progress has been made since 1988. This occupational group made up a growing share of jobs held by women (minority and white) and to a lesser extent, men (minority and white) between 1988 and 1996. About 10 percent of employed black women were in executive, administrative and managerial jobs--an increase from 7 percent over the nine year period. In contrast, Hispanic males share of managerial employment declined over this period.

**Table 3: Percentage of employed persons in executive, administrative and managerial occupations by race, Hispanic origin and sex, annual averages 1988, 1995 and 1996**

<u>Race and origin</u>	<u>1988</u>	<u>1995</u>	<u>1996</u>
<b>Black:</b>			
Women	7.0	9.4	9.6
Men	6.6	9.2	8.3
<b>Hispanic:</b>			
Women	6.7	8.4	8.5
Men	7.0	6.7	6.6
<b>White:</b>			
Women	11.4	13.3	13.9
Men	14.4	15.4	15.3

Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished data, 1988, 1995 and 1996.

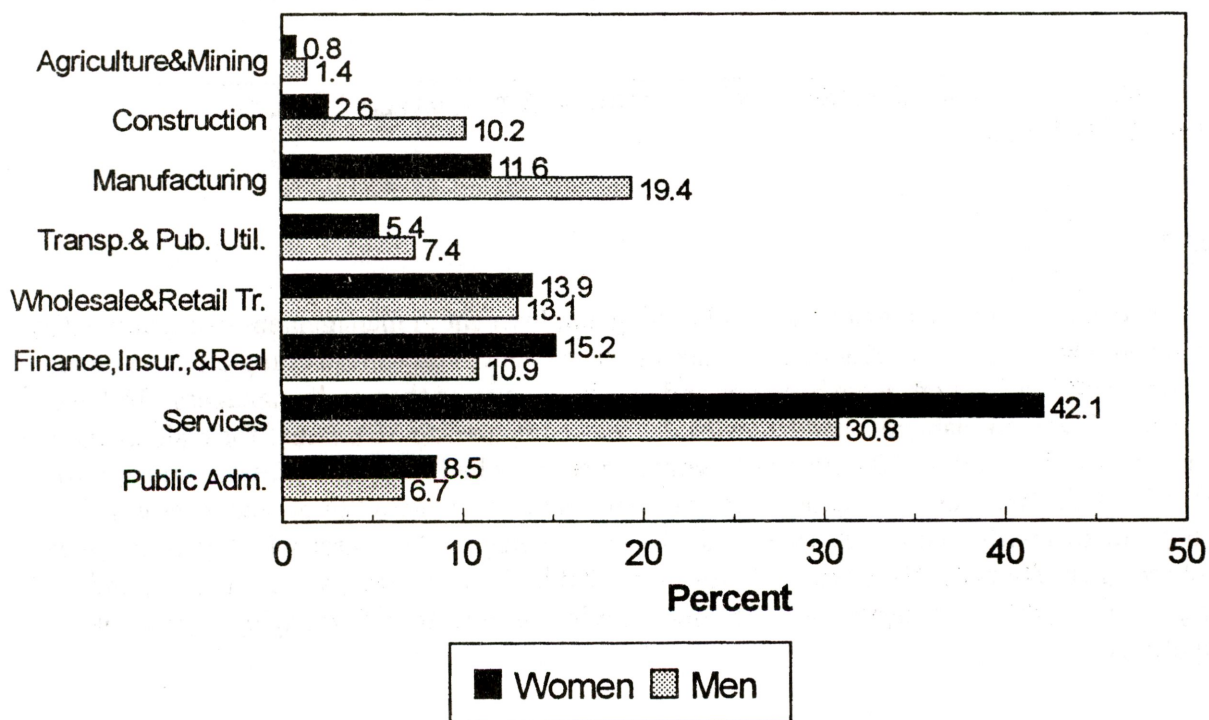


## INDUSTRIES

Women employed in the executive, administrative and managerial occupations are more likely to be employed in services, public administration and finance, insurance and real estate industries than male managers. In 1996, 42 percent of women in that occupational group were employed in the service industry compared to 31 percent for men. (See figure 2). The service industry includes workers in private households, professional services and other services.

Women managers are less likely to be employed in manufacturing, construction, transportation and public utilities than men. Between 1988 and 1996 women managers exhibited strong growth rates in public administration, services, and transportation and public utilities. For example, in 1996 women managers were 50 percent of total employed in public administration, up from 43 percent in 1988. (See table 4).

**Figure 2: Percentage of Persons Employed in Managerial Occupations by Industry and Sex, 1996**



Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1997.

**Table 4: Women employed as executives, administrators and managers by industry, 1988 and 1996**  
(In thousands)

	Total 1996	Women as percent of total	Total 1988	Women as percent of total
Agriculture	108	36.1	78	29.5
Mining	90	24.4	112	25.0
Construction	1,221	16.3	998	12.9
Manufacturing	2,840	31.8	2,461	26.3
Durable	1,690	30.2	1,501	24.3
Nondurable	1,150	34.2	960	29.4
Transportation & Public Utili.	1,159	36.2	915	29.9
Wholesale & Retail Trade	2,381	45.2	2,034	42.5
Wholesale trade	563	37.5	514	32.5
Retail Trade	1,818	47.6	1,520	45.9
Finance, Insur. & Real Estate	2,274	52.0	1,999	50.7
Services	6,347	51.5	4,461	47.4
Public Administration	1,325	49.7	1,158	42.8

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Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings,  
January 1997 and January 1989.

### Education

A college education plays a major role in obtaining employment in management occupations for women and men. However, gender differences were evident in education completed. Women managers were less likely to have bachelor and graduate degrees than male managers. In 1996, 30 percent of women managers had bachelor degrees compared to 36 percent for male managers. (See figure 3). In addition, 10 percent of women managers had masters degrees compared to 14 percent for male managers. A higher proportion of women managers (24 percent) were high school graduates with no college, compared with male managers (18 percent). Again, this may reflect the great diversity of the types of work included in the executive, administrative, and managerial occupational category and the concentration of women in low paying managerial occupations.

### Age

The age distribution for women managers differs from men. At ages 25-34 women (27 percent) are more likely than men (22 percent) to be employed in executive, administrative and managerial occupations. At ages 35-44 there is virtually no difference in their age distribution, but at ages 45



and over, women (36 percent) are less likely than men (42 percent) to be employed in managerial occupations. Differences in the age distribution between young women and men managers may reflect changes in industry structure--the shift towards service producing industries. For older managers the sex difference in age may be generational, reflecting changes in women's labor force participation.

## **EARNINGS**

Median weekly earnings of female managers continue to be well below those of male managers. In 1996, females employed full-time in executive, administrative and managerial occupations, on average, earned only 67 percent as much as their male counterparts (see table 5). There is some variation within this occupational group. For example, the women's to men's earnings ratios were closer to parity for management-related occupations such as inspectors and compliance officers, except construction (81 percent) and personnel, training and labor relations specialist (84 percent).<sup>4</sup> Conversely, female managers in medicine and health, on average, earned 62 percent of what male managers earned. Women's lower median weekly earnings in this occupational group may be due to seniority, or job experience, industry, and the concentration of women in managerial subgroups that may be low paying.

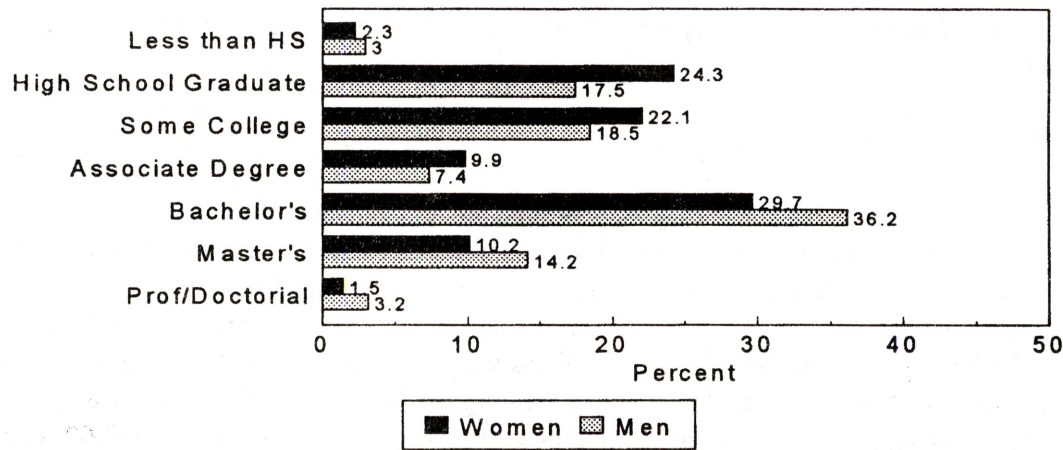
The earnings of women and minority managers differed substantially from white male managers. White female managers earned 68 percent of what white men earned. Both Hispanic (61 percent) and black (60 percent) women managers earned a similar low proportion of their white male counterparts' earnings. Black and Hispanic male managers earned 70 percent and 73 percent, respectively, of what white male managers earned.

## **BARRIERS TO WOMEN IN MANAGEMENT**

Some studies suggest that beliefs and attitudes individual organization members hold about appropriate roles and job assignments for women are frequently described as primary barriers to women's careers in management. Other studies suggest that contextual aspects of organizations, such as their existing social structures, personnel and compensation practices, and industry type are also associated with gender stratification across firms.<sup>5 6</sup>

Mentoring and networking are often mentioned as ways for women to break the barriers or glass ceilings in management. Many women who have secured high-level positions have been aided by a mentor. Many studies have reported that women have been largely excluded from old boy networks. In response to these exclusions women have formed their own networks as well as participating in other activities (i.e., playing golf) to help penetrate the glass ceiling. One of the recommendations from the Glass Ceiling Commission report cites the need for educating the corporate ranks. Companies should provide formal training at regular intervals to sensitize all employees about the strengths and challenges of gender, racial, ethnic and cultural differences.<sup>7</sup>

**Figure 3: Employed managers by years of school completed and sex, 1996, age 25 to 64**



Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished data, 1996.

**Table 5: Median Weekly Earnings of Persons Employed Full-time in Executive, Administrative and Managerial Occupations by Sex, Race and Hispanic Origin, 1996**

	Median Weekly Earnings	Women's to Men's Earnings Ratio
<u>Total</u>	<u>\$699</u>	
Women	\$565	66.8
Men	\$846	
<u>Black</u>	<u>\$582</u>	
Women	\$524	81.5
Men	\$643	
<u>Hispanic</u>	<u>\$585</u>	
Women	\$534	85.3
Men	\$626	
<u>White</u>	<u>\$720</u>	
Women	\$589	67.6
Men	\$871	

Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished data, 1996.



### Discrimination

According to the Working Women Count! survey, only 34 percent of women in management and professional occupations thought that they were paid well.<sup>8</sup> Reasons for this perception of inadequate pay among these women may be explained by gender differences in education completed, experience, seniority, type of occupation and/or discrimination.<sup>9</sup>

Women in management can fight sex discrimination through Federal and state laws.<sup>10</sup> Federal protection from sex discrimination in employment is covered by the Title VII of the Civil Rights Act of 1964 and Executive Order 11246. Title VII protects women from discrimination in hiring, job assignments, transfers and promotions. Federal contractors are prohibited by Executive Order 11246 from discriminating against women in employment and are required to take affirmative action to ensure that all employees are treated without regard to race, sex, national origin, or ethnicity. The Equal Pay Act of 1963 requires employers to pay women and men equally for the same work.

### Work and Family Issues

Women managers have not achieved equity in terms of balancing work and family. In 1996, most managers were married with spouse present. However, a higher proportion of men were married (74 percent) compared to women (61 percent). Women managers were nearly twice as likely as their male counterparts to be divorced. They were more likely to be single (never married) than male managers. The Glass Ceiling Commission recommended that organizations initiate work/life and family friendly policies to help all employees accommodate the balance between work and family responsibilities.

**Table 6: Percentage of persons employed in the executive, administrative and managerial occupations by marital status, 1996**

<u>Marital Status</u>	<u>Women</u>	<u>Men</u>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>
Never married	18.5	15.4
Married, spouse present	61.3	74.0
Other ever-married	20.2	10.6
Separated	3.4	2.3
Widowed	2.4	0.7
Divorced	14.4	7.6

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Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished data.

## PROJECTIONS

Executive, administrative, and managerial occupations are projected to have faster than average employment growth. The number of executive, administrative and managerial workers is expected to increase by 2.2 million from 1994 to 2005, or 17 percent, well above the 14 percent for all occupations.<sup>11</sup>

In industries other than manufacturing, the overall occupational category of executive, administrative and managerial workers is expected to grow substantially. The services industry division, where women managers have exhibited strong employment growth in the past, is expected to account for more than 6 out of 10 of the additional jobs for managers, with very large gains registered in engineering and management services and in business services. Other industries with significant projected employment increases for managers are wholesale and retail trade and finance, insurance and real estate.

Due to the growth in the number of people seeking these occupations, and increasing educational and technical requirements, women and men with work experience, specialized training, or graduate study will have an advantage in competition for jobs. Furthermore, computer skills will continue to be an asset as more managers rely on computerized information systems to help direct their organizations.



## ENDNOTES

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11. Silvestri, George, " Occupational employment to 2005," **Monthly Labor Review**, November 1995 Vol. 118, No. 11.

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