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# Building diversity in the pipeline to corporate leadership

Building  
diversity in  
the pipeline

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## Abstract

**Purpose** – Interventions that have been successful in removing barriers to the success of women and people of color in corporate environments have not been afforded the same attention as the barriers themselves. This paper goes beyond the barriers to focus on successful interventions.

**Design/methodology/approach** – Research on leadership issues is reviewed to determine the skills needed to pursue diversity in executive development successfully. Practical application is discussed.

**Findings** – Common barriers to minority advancement include stereotypes about roles and abilities, the scarcity of mentors and personal networks, the lack of significant line experience and visible assignments, and, particularly for women, family responsibilities. Successful intervention methods include holding managers accountable for progress on diversity metrics, and training about diversity and associated attitudes and behaviors. Formal networks, mentoring programs, high potential talent identification and development, and work-life supports can also help an organization's diversity efforts. The creation of a strong business case linking the desired managerial changes to business outcomes is necessary, but research indicates that this may not be enough. A sense of social responsibility and distributive justice – eliminating inequities and stereotypes as the *right thing to do* – may also have to play a role.

**Originality/value** – Although the number of women and people of color are increasing in the executive ranks of corporate America, the numbers are quite small. Senior leadership and anyone charged with developing executive talent will benefit from comparing their current practices with those discussed in this paper. Without active leadership from senior executives, existing cultural norms and managerial attitudes will not change.

**Keywords** Diversity, Leadership, Executive development, Mentors, United States of America

**Paper type** General review

As the workforce of the United States has steadily increased in diversity over the last few decades, many organizations assumed that their executive ranks would naturally diversify as the entry pool of diverse workers rose up the corporate ladder. Yet in many companies diversity in the lower ranks of the corporation has not translated over time into equal representation at the top levels of the corporation. Why not? This paper provides an overview of the factors identified as primary barriers to advancement and will review some of the best practice approaches that companies have implemented to increase the representation of women and people of color in the senior ranks.

## Background

While companies are seeing an increasing trend in representation of women and minorities in management and other positions, inequalities persist. Women hold



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44 percent of executive, administrative and managerial jobs, but account for only 5 percent of top executive positions nationwide and only 6 percent of line positions (Corporate Leadership Council (CLC), 2002a). Only 4 percent of the top earners at Fortune 500 companies are women (Heffernan, 2002). Women are leaving corporate America at ever increasing rates. By 2005, there will be 4.7 million self-employed women in the United States, up 77 percent since 1983 (versus a 6 percent increase in self-employed men) (Heffernan, 2002). The number of women-owned firms grew by 37 percent from 1997 to 2002, four times the growth rate of all employer firms (Center for Women's Business Research, 2001). The number of companies owned by women of color is growing four times faster than any other market sector (Zeilberger, 2002). The exodus of women and people of color from middle and senior level positions is clearly contributing to the slow increase in diversity at the top.

### **Barriers to the top**

Both women and people of color report barriers to job satisfaction and organizational advancement (Catalyst, 2001). The major barriers to upward career mobility are no longer at the recruitment and job entry stage but at the advancement stages (Giscombe and Mattis, 2002). Researchers have also pointed out the "double marginalization" which professional women of color face because of gender and minority status (Giscombe and Mattis, 2002). Research by Catalyst (2001) and the CLC (2001) has demonstrated that the primary barriers to the advancement of non-white leaders include:

- lack of mentors and role models;
- exclusion from informal networks of communication;
- stereotyping and preconceptions of roles and abilities;
- lack of significant line experience, visible and/or challenging assignments; and
- commitment to personal and family responsibilities (primarily for women).

Each of these barriers will be discussed.

#### *Lack of mentors/personal networks of communication*

As De Janasz *et al.* (2003) state, "simply put, mentors matter". They are important to every professional, but executive women and people of color both report that having a mentor has been a particularly important factor in their career development. A joint study by Korn/Ferry and Columbia University found that 48 percent of minority executives said a mentor was important in their career development, with 22 percent reporting a formal relationship and 71 percent reporting informal mentors (CLC, 2002c). Having multiple mentors is highly correlated with high promotion rates (Catalyst, 2002; De Janasz *et al.*, 2003). Yet not having a mentor remains a top barrier for minority employees (Catalyst, 2002; Ragins and Cotton, 1996). Since managerial ranks tend to be segregated by race and gender, resulting in fewer diverse role models and leaders in influential positions, this invariably leads to a lack of mentorship or sponsorship (Giscombe and Mattis, 2002). Similarly, membership in informal groups or networks is often based on racial and gender lines (Giscombe and Mattis, 2002; Catalyst, 1999; Thomas and Gabarro, 1999) thus perpetuating the segregation.

Women face some unique barriers to initiating mentoring relationships, including a shortage of women at the top, the fear that an approach to a potential male mentor

might be misconstrued as a sexual advance, fear of being perceived as too aggressive, and fewer opportunities to meet powerful mentors due to placement in the organization and lack of access to social settings (Ragins and Cotton, 1996). Women of color report lack of access to mentors in much greater numbers than white women (Giscombe and Mattis, 2002). When women do have a mentor, they are twice as likely as men to have mentors of the opposite gender (Ragins and Cotton, 1996).

In these turbulent times of layoffs, career plateaus, and limited promotion opportunities, *multiple* mentors are a necessity in developing the competencies needed for career success and satisfaction (De Janasz *et al.*, 2003). It is likely to become more difficult for women and people of color to compete for mentors, as the demand is likely to outpace the supply.

Research also shows that cross-race mentoring has difficulties as well (Thomas, 2001). To develop good cross-race relationships, mentors must be willing to suspend negative stereotypes that require inordinate levels of proof that a minority protégé is worthy (Thomas, 2001). Cross-race relationships also require that the parties include race as a topic for open discussion. "[M]inorities tend to advance further when their white mentors understand and acknowledge race as a potential barrier" (Thomas, 2001, p. 9). In addition, the mentor needs to be aware that race (or gender) may make a difference in whether the advice fits for the protégé, and not be offended or turned off from the relationship if not all of their advice is adopted.

#### *Stereotyping and preconceptions of roles and abilities*

Discrimination due to stereotypes and preconceptions remains alive and well (Catalyst, 2001; Cheng, 2002), evidenced by a steep increase in legal activity attempting to redress perceived wrongs in the courts. Between 1992 and 2000, the number of sexual harassment claims increased by 50 percent (Heffernan, 2002). Lawsuits alleging discrimination in the workplace more than tripled in the 1990s and an employee's chances of winning increased from 45 percent in 1994 to 72 percent in 1999 (Gresing-Pophal, 2001). A recent study by professors at the University of Chicago Graduate School of Business and the Massachusetts Institute of Technology found that résumés with white-sounding first names elicited 50 percent more responses than ones with African-American-sounding names (Bertrand and Mullainathan, 2002).

With regard to race, one researcher posits two primary sources of resistance to or outright discrimination against a minority leader: *the question (rather than presumption) of competence*, and *the subordinate's perception of leader-follower "fit"* (Waters, 1992). Minority managers, particularly African-American and Hispanic managers, may have their competency questioned by others in the organization who may assume that they were selected based on "special" or "unfair" criteria (e.g. the "affirmative action hire"). Waters (1992) believes this may translate into a (potentially valid) concern about a minority manager's ability to secure necessary organizational resources (through informal networks for example) as well as their ability to provide appropriate rewards. In addition, their acceptance period may be longer and every behavior is likely to be scrutinized. The second primary barrier is the relationship with subordinates. Since interpersonal attraction is a basis for perceived competence, subordinates of a potential race may translate the difference into a perception of the minority manager as a potential source of conflict, threat, or stress. Same-race subordinates in contrast may expect special treatment based on the racial similarity (Waters, 1992).

It may be harder for women and people of color to "fit in" as well. Adoption of organizational norms can be harder for women and people of color since "corporate cultures of large companies promote a 'lukewarm, reserved and impersonal' interpersonal bearing among its members, which in many cases is not shared by non-white 'others'" (Giscombe and Mattis, 2002, p. 104).

*Lack of line experience, visible and/or challenging assignments*

Women of color have consistently identified high-visibility assignments as a critical success factor (Catalyst, 2002). This can be a self-fulfilling prophecy as both minorities and women are more likely than white men to look outside their current employer for a better job rather than fighting for opportunities if they perceive promotion disparities (Wells, 2001a). Interestingly, the flip side can also be a career killer. Women of color in particular report that one mistake in a visible role will hurt their career permanently (Catalyst, 1999). Thomas (2001) also suggests that a person of color may not take risks "for fear that if he fails, he will be punished disproportionately". Another study found that the longer managers spent in a line position or any one department, the less likely they were to be promoted to the top management level (Hurley *et al.*, 1997).

*Commitment to personal and family responsibilities*

In the United States, 80 percent of women become mothers (Wells, 2001a). As a result, women leave and re-enter the work force more than men do, and work part-time at double the rate (Wells, 2001a). "The outcome, according to the Women's Bureau: some employers may hire women for less-important, lower paying jobs to limit the impact of a future decision to leave. For the same reason, employers might be less willing to invest in on-the-job training for women who leave, then return to the labor force" (Wells, 2001a, p. 45). Women may also self-select out of the tracks that lead to the top (Wells, 2001a).

Family responsibilities can be a restriction on employees' advancement through an organisation, either if they actually inhibit time available to an employee for work-related tasks and activities, or if they are perceived by decision-makers to inhibit employees' commitment to their work. These forces apply to men as well as women, but since women are still commonly expected to bear the larger burden with respect to family responsibilities, female employees tend to be at a greater disadvantage (CLC, 1999, p. 23).

Even policies that appear to be family-friendly are often not implemented as designed at the middle management level sending the message that flextime and parental leave are not practical options in the workplace (Hochschild, 1997).

**Successful interventions**

Organizations recognized for successful diversity efforts (e.g. listing in Fortune's "50 Best Companies for Minorities") "exhibit strikingly similar tactics and goals" (CLC, 2002c, p. 2). Most of these companies report that over 25 percent of their managerial-level employees are minorities and almost 30 percent are women (see <http://www.fortune.com> for more information). For the most part, the programs are open to all employees, not only women and people of color (CLC, 2002c).

Successful interventions fall into two broad categories:

- (1) programs to change organizational culture to be more accepting and embracing of difference; and
- (2) programs to support individuals within the system.

In essence, the goal is to create organizational demand for diversity while simultaneously giving individuals the tools they need to succeed.

### *Creating organizational acceptance*

*Senior management commitment.* The sustained, coordinated commitment of senior leadership, the “macro change agents”, is a critical element of a successful effort to increase diversity at the top (Mattis, 2001, p. 373). At the majority of companies with successful track records in developing diverse talent, the CEO is directly involved, either formally or informally in promoting events, holding diversity reviews with senior executives and linking the diversity strategy to the overall business strategy (CLC, 2002b). The perception of commitment is important too. Less than 20 percent of women of color in executive positions believed that senior leaders were rewarded for achieving diversity goals or were held accountable (Catalyst, 1999).

Senior management typically creates a diversity strategy and message based on an articulation of how diversity will help the company succeed. Every business case should be tailored to the needs of the particular organization and its diversity strategy and can include factors such as:

- (1) demographic changes in the workforce;
- (2) the need for visible role models;
- (3) indicators of an open, inclusive environment;
- (4) employees’ perceptions of the culture and managerial competency around diversity;
- (5) the diversity of related stakeholders (customers, suppliers, shareholders); and
- (6) the benefits of improved creativity, productivity, and resilience derived from a diverse workforce at all levels.

This is most effectively done through top down commitment and support. Senior leaders also need to help others manage their discomfort dealing across lines of difference (Thomas, 2001), ideally overtly, and “walk their talk”.

Effective committed CEOs also express a desire to achieve social justice, though these arguments are often tagged on to the end of a bottom-line driven business case (Giscombe and Mattis, 2002). Effective leaders should display a “strong ethical commitment to fairness ... [embracing the] profound ... notion that if inequities do exist in the organization, they must be eradicated as effectively as possible because it is *the right thing to do*” (Davidson, 2000, p. 2). Yet, “a survey of the literature ... [and study of diversity leaders] shows that today most corporate communications about diversity are almost entirely devoid of references to social responsibility, moral obligations or distributive justice” (Giscombe and Mattis, 2002).

To be effective, senior management needs to agree on and hold people accountable for the measures of success. A study done by the CLC (2002b) found that candidate and top talent tracking and employee surveys are the most commonly used measures, and

companies are starting to look at tracking hiring, retention and promotion statistics over time (diversity scorecards) as a measure of success, looking either for continuous improvement or progress toward articulated goals. Managers should also be held accountable for making sure that women and people of color are compensated at the same level as their white male peers. Embracing diversity should be made everyone's challenge, and in everyone's best interest. It is senior management who can make this state a reality.

Leadership guru Warren Bennis has recently found evidence that a CEO's personal experience with overcoming adversity – what he terms a *transformational crucible* – is a factor in great leadership (Bennis and Thomas, 2002; Davidson, 2000). Top leaders in business and the public sector “told us again and again how certain experiences inspired them, shaped them, and, indeed, taught them to lead” (Bennis and Thomas, 2002, p. 46). One of the most common types of crucibles involved a personal experience of prejudice. The leader who is an effective, committed champion of diversity may need the skills of great leadership, defined as:

- (1) the ability to engage others in shared meaning;
- (2) a distinctive and compelling voice;
- (3) a sense of integrity; and
- (4) adaptive capacity, an ability to conquer a negative situation and emerge stronger (Bennis and Thomas, 2002).

While exploring the relationship between the findings of this new leadership research and diversity efforts is beyond the scope of the current paper, it is mentioned as a possibly significant addition to the arsenal of effective responses.

In addition, it is likely that many senior leaders will have to consciously reconcile the discord they perceive in competing cultural objectives and embrace the belief that “cohesive cultures do not actually require homogeneous behavioral styles; rather they require an inclusive vision, an inspiring purpose, and values that create unity amidst diversity – the organization's fundamental reasons for existing beyond just making money” (Shelton *et al.*, 2002) – a tall order indeed. These aspects of a successful diversity effort – the personal diversity experiences of the leaders and a reconciliation of apparently competing cultural objectives – deserve more research and attention by practitioners.

*Manager accountability.* An employee's relationship with their manager is key to retention in general. For women and people of color who have less access to mentors and sponsors, the supervisory relationship is even more important (Dixon-Kheir, 2001; Mattis, 2001). Managers “are the gatekeepers who can create or deny opportunities to their direct reports and who wield incredible influence over whether the corporate culture and immediate work environment is perceived by those employees as inclusive or exclusionary” (Mattis, 2001, p. 385). Managers need to understand that part of their role is developmental (Thomas, 2001).

To young, minority employees, a quality supervisory relationship means:

- effective introduction to the organization, such as introductions to co-workers and other managers with whom they would come in contact, as well as information on the organization's culture and “unwritten rules”;
- recognition and support for career aspirations and contributions;

- facilitation of acceptance and inclusion in the organization and in professional groups and informal networks;
- advancement of their ideas and proposals to benefit the organization; and
- support in difficult situations and helping them in battles they cannot win on their own (Dixon-Kheir, 2001).

Managers identified as having sustained quality relationships with young, diverse workers engage in practices that explicitly address these supervisory dimensions (Dixon-Kheir, 2001). Particularly with people of color, managers need to focus not only on current performance, but what they need to do to move to another desirable position, feedback on career pathing and corporate politics (Mattis, 2001).

While the methods of holding managers accountable for developing diverse talent are varied, there is widespread belief that without goals, metrics and reinforcers, the necessary changes will not occur. "Organizations that are most successful in achieving managerial diversity clearly have human resources systems and practices that hold managers and executives accountable for achieving diversity objectives and encourage them to actively develop women [and people of color]" (CLC, 2002b, p. 12). "Measurement tools used ... range from 360° feedback to peer reviews, employee attitude surveys, performance reviews that incorporate diversity objectives, and periodic reviews of workforce demographics. About three-quarters of the companies [studied] report that they directly or indirectly link diversity to management bonuses and incentives" (Giscombe and Mattis, 2002). These types of relatively objective changes have been perceived by women of color to be the most effective interventions (Giscombe and Mattis, 2002).

Some companies use policy to increase manager attention and accountability, particularly in the selection and promotion process. One such policy requires a diverse slate of candidates for managerial positions. At Motorola, for example, leadership requires a list of three possible successor candidates for each top job, at least one of whom must be a qualified woman or minority. As a result, the number of female and/or minority managers rose from 2 to 32 (CLC, 1999). Another company sets its promotion rates based on the internal representation of qualified women and people of color in the feeder-job levels where the promotion rate must be no less than the available pool (Giscombe and Mattis, 2002). Others use performance reviews and incentive pay and bonus compensation (CLC, 2002c). The level of incentive may need to be significant to be effective, however. In performance review systems where diversity has a minimal financial impact or can be outweighed by achievement of "hard" business goals, diversity may be perceived as discretionary rather than as a core business goal (Giscombe and Mattis, 2002).

*Training and education about gender/race equity.* Failure to acknowledge that there is discrimination in the workplace fails to address one of the core barriers: stereotyping and preconceptions. While discussing workplace equality can be painful, everyone in the workplace needs an understanding of stereotypes at work, a common language for discussing the issues, and permission to speak up when inequalities surface. Many companies have addressed these objectives through targeted diversity training. Interestingly, companies who rated their leadership development efforts as "good" were also more likely to teach diversity and to select diverse candidates into the leadership pool (Barrett and Beeson, 2002).

Diversity training generally aims to increase employees' awareness of the demographic profile of the organization, and to challenge any negative preconceptions they may have regarding minority groups (CLC, 1999). A focused effort should emphasize that all employees need to understand and are involved in the diversity initiative, that its objectives are tied to the business' success, and that behavior outside desired norms will not be tolerated. Successful efforts are often mandatory (CLC, 2002c).

Segregated training (women-only management programs) has no proven benefit other than functioning as a support group that can be accomplished in other ways (Lewis and Fagenson, 1995). Rather, such training may serve to further isolate women from senior leaders and lessens the likelihood of resulting culture change since men will not have received the same information (Lewis and Fagenson, 1995). In addition, "women-only management training programs tend to reinforce gender segregation, thus possibly increasing the prejudice against women and hindering them from advancing into and through the ranks of management" (Lewis and Fagenson, 1995). Mixed classes by contrast, can serve to reduce negative stereotyping and bias by providing interaction between different groups (Lewis and Fagenson, 1995).

Recent research has also revealed that diversity itself does not drive productivity. Rather, network density (the frequency of team member communication) and network heterogeneity (the proportion of that communication that occurs among diverse members of the team) are associated with productivity (Reagans and Zuckerman, 2001). To achieve the goal of diverse perspectives, therefore, takes more than bringing diverse groups together. Managers must find ways to help them communicate and diversity training is a likely first step.

*Criticisms of diversity efforts.* Some observers argue that the increasing trend to shy away from discrimination, social justice, ethics and institutional barriers in favor of less confrontational, more comfortable, inclusive approaches may be counter-productive (Davis, 1996). Diversity training "that seeks to use diversity for competitive advantage and for building consensus does little to challenge institutional oppression ... since they 'do not indicate the ways structural conflict occurs and is used, nor how power must be shared with (or taken by) minority groups – processes that threaten established privilege and harmony in any organizational setting'", but are necessary to effect systemic change of organizational norms and individual behaviors (Giscombe and Mattis, 2002). The failure of diversity programs in the eyes of their purported benefactors may be a result of this inadequate attention to racial and gender bias (Giscombe and Mattis, 2002).

#### *Tools for individuals*

*Networks.* Thomas' (2001) research has found that the most effective network is heterogeneous along three dimensions:

- functional (mentors, sponsors, colleagues);
- position (senior executives, peers and juniors) and location (department, internal and external); and
- demography (mixed race, gender, age and culture).

Companies can encourage the formation of effective individual networks by providing education and training on the importance and efficacy of networks, and supporting networks within (such as a women's network, an African-American



network or a new employee network) and outside the organization. These networks provide social support, professional development and access to mentors and role models of the same race/ethnicity or gender (Giscombe and Mattis, 2002). While networks can provide sources of support for the individuals in them, they also allow women and/or minorities to act in concert, lessening the risk to any one individual of pointing out systemic issues, requesting resources to address equity issues or taking other proactive steps to change organizational culture (Giscombe and Mattis, 2002; Zane, 1999). The importance and interest in building effective networks – whether individual, organizational, or digital – is illustrated by the publication of an entire *Academy of Management Executive* (November 2003) and the Academy's 2002 conference entirely dedicated to this theme.

*Mentoring programs.* While there is agreement that informal mentoring relationships are very effective in developing and retaining talented minority and female employees (Lewis and Fagenson, 1995; Tharenou, 2001), there is less agreement about the types of mentoring programs that are most effective. Most formal programs include:

- conducting a needs assessment;
- establishing success criteria;
- providing mentor and protégé role descriptions and training; and
- providing clear measurements upon which to measure success and base improvements (Lewis and Fagenson, 1995).

The primary advantage of formal mentoring of women is the lessening or removal of such cross-gender relationship barriers as sexual tension. In group mentoring, this barrier may disappear altogether (Lewis and Fagenson, 1995). Formal mentoring programs also provide opportunities to address sexual concerns in cross-gender relationships and how gender-role stereotypes influence expectations about mentor-protégé roles directly, through shared personal experience, case studies or other training (Ragins and Cotton, 1996).

On the other hand, formal mentoring relationships rarely result in the type of intensity and level of commitment found in naturally-forming informal mentor relationships (Lewis and Fagenson, 1995; Thomas, 2001) and have a narrower, more time-limited focus. By acknowledging the limitations of formal mentoring, however, and using the program as a vehicle to promote mentoring in general (such as providing leadership support for mentoring and social situations in which informal relationships can form), formal mentoring programs can be the seeds of a mentoring culture. Modifying work design to create cross-functional teams and rewarding those who develop others can also support the goal of creating an environment conducive to naturally forming mentor relationships (Lewis and Fagenson, 1995; Ragins and Cotton, 1996).

Reverse mentoring programs are another interesting alternative. In these programs, senior executives are paired with a diverse mentor to help the executive learn more about the diversity issues experienced by women and people of color. The approach encourages the executives to become more aware of diversity and to explore their own filters and schemas they may have regarding various aspects of diversity (CLC, 2002b).

*Identification and development of diverse top talent.* Career development programs often include succession planning, high potential identification, mentoring, network

groups, and individual career planning or pathing. One root cause of poor results in diverse leadership development is the ineffective state of leadership development in general. Hewitt Associates recently surveyed CEOs and HR executives representing 240 major multinational companies and found that while 77 percent have formal leadership development programs, only 32 percent believe their objectives are being achieved (CEO Survey, 2002). Tellingly, only 42 percent use their own leadership criteria when hiring talent and only 55 percent report significant pay differential between high and average performers in leadership roles (CEO Survey, 2002). This is despite the fact that a majority of executives believe that leadership development is a major priority for their organization (Barrington, 2002). In fact, the more a CEO provides the necessary resources, time and money, the more successful the leadership effort (CEO Survey, 2002).

Best practices in development of top talent suggest that a targeted focus on women and people of color is necessary.

The identification and development of high-potential employees is a crucial element of organisational development at any company intent on maximising performance. In order to leverage the intellectual capital of the entire workforce, it is essential that these processes are inclusive of female [and minority] talent. This is not to suggest that women [and people of color] are excluded explicitly, but it is essential that talent identification processes do not discriminate against differing work styles and work experiences, and instead concentrate on identifying talent in all its forms (CLC, 1999, p. 14).

This involves some level of risk – risk of backlash from white males and the risk of placing diverse executives in highly visible roles. “Company leaders must ensure that women [and people of color] have ... equal shots at ‘stretch’ assignments such as serving on company-wide taskforces, being part of a start-up or turnaround operation, and gaining international experience” (CLC, 1999, p. 21). In addition, leaders must emphasize diversity in succession planning efforts, typically by requiring diverse slates (even if it requires going to external sources), and then appointing qualified women and minorities whenever possible. There is evidence that such a targeted focus gets better results. “Ensuring a diverse slate of job candidates and conducting a rigorous talent review to retain high-performers helped increase the number of senior-level women [at American Express] from 19 percent in 1990 to 31 percent [in 2000 with women now making up] 17.6 percent of the company’s corporate officers, compared to an average of 12.5 percent at the nation’s largest companies” (Wells, 2001b, pp. 57-8). The laser beam focus on high potentials also involves risk, however. Given the evidence that people of color have different career paths (Thomas and Gabarro, 1999), if high potential people of color or women are missed at the lower levels, they may be missed altogether and eventually leave the organization.

Development opportunities are also associated with employee retention in general and with women’s advancement in particular (Lewis and Fagenson, 1995). To achieve this goal, the qualifications for training and development programs should be clear and unambiguous so as to be equally available to all (Lewis and Fagenson, 1995).

*Work-life balance.* The relationship between diversity in leadership and the presence of work-family programs is dramatic. In companies where women held half or more of the top jobs, 82 percent provided flextime and 19 percent provided child care, versus 56 percent and 3 percent, respectively, in companies where there were no female executives (Galinsky and Bond, 1998, p. XII). The same was true for companies with

people of color in the executive suite (Galinsky and Bond, 1998, p. XII). While further research is needed to determine if one may be causative of the other, it seems unlikely the correlations are a coincidence. Notably, work-life balance is increasingly a priority for men as well as women (Towers Perrin, 2002; Catalyst, 2001; Wells, 2001a, b).

Organizations can provide programmatic, benefit, policy and work practice supports to help individuals find an acceptable balance between work and outside life. Companies offer paid and unpaid leave, employee assistance programs, resource and referral services, on or near site child care centers, child care subsidies, elder care interventions, and many others initiatives designed to give employees tools to structure work-life balance. The programs and policies must be communicated effectively, tracked and promoted to overcome any unwritten or unexpressed rules that punish people from taking advantage of them (CLC, 1999).

The other primary focus of work-life balance is flexibility – allowing individuals more control over where, when and how the work is done. A desire for greater flexibility is one of the three main reasons that women leave the corporate world (Mattis, 1998). Women thinking of leaving their organizations are significantly more likely than their male peers to report flexibility issues as a dissatisfaction driver (Catalyst, 2001). Effective responses range from formal flexible work arrangements to work redesign, all emphasizing results, not process. An effort to improve the flexibility of the workplace can be a strong tool to develop diverse leaders. At Baxter International, for example, when an increase in employees using alternative work arrangements doubled from 7 to 15 percent, women's representation in management rose dramatically (up 18 percent at the director level and almost 30 percent at the vice-president level) (Wells, 2001b).

## Conclusion

The barriers to top tier jobs in corporate America are well documented. Mentoring and sponsorship opportunities are harder for women and people of color to secure, as are effective personal networks. There is also evidence that discrimination, stereotyping and preconceptions of female and minority roles and abilities continue to be a barrier to the types of career paths that lead to the top. By not being considered for significant line positions, high visibility assignments or challenging growth opportunities, both women's and people of color's career paths may be unduly limited. Finally, family responsibilities, real or perceived through stereotypes and values, continue to factor in women's decisions in career paths and the viability and desirability of assuming executive responsibilities.

As the continued exodus of both women and people of color at middle and even upper ranks of corporate America evidences, most companies have not created a culture or managerial practices that overcome these barriers. Many have tried, however, and certain interventions have proven to be effective. Companies who have seen the greatest increase in diversity at the top have typically had active, effective support from the top. The critical role of senior management commitment, and how it needs to be expressed to the troops, cannot be overstated and should be the starting point for any new or re-energized diversity effort. Senior executives must create the message that diversity is to be encouraged, and actively reinforce the message at every opportunity. Each subsequent initiative needs to fit the strategy and continue to reinforce the message. A particularly effective tool executives can use to motivate

progress, at a level that has a direct impact on retention and promotion, is managerial accountability. Clear articulations of expected behaviors and results, rewarded appropriately, drive success.

Tackling discriminatory attitudes is also a key component. While much more difficult than changing objective requirements such as hiring or promotion ratios, research supports the need for attitudinal changes in manager behavior and cultural norms to fully open the corporate environment to women and people of color. There is growing evidence that the social responsibility component – tackling systemic inequities and addressing stereotypes – should not be overlooked. While the business case is necessary, it alone may not be enough. If not, the personal commitment of senior executives and the quality of their leadership skills become all the more important.

Targeted interventions at the individual level can also be effective. Formal networks and mentoring programs are put in place to help level the playing field. Talent reviews and succession planning that incorporate diversity directly can also help to make sure that high potential women and people of color are not lost unnecessarily because the system failed to recognize and appropriately reward their contributions. Finally, work-life balance and flexibility initiatives can provide supports and changes in individual work requirements that can make the difference between staying on the corporate track or opting out for an alternative scenario. Companies should review each of the identified interventions and consider adopting or integrating them into their existing human resources efforts to enhance the chances that more women and people of color will find their environments inclusive and fair and be willing to stay for the strenuous trek to the top.

Finally, perhaps as more research is done showing a positive relationship between diversity in executive ranks and financial performance (such as that done by Catalyst), renewed attention and effort will be placed on this very important issue (Weisul, 2004).

#### Note

1. See <http://www.fortune.com> for more information.

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