

**THE IMPACT OF RESTRUCTURING AND THE GLASS CEILING  
ON MINORITIES AND WOMEN**

By:

Lois B. Shaw, Dell P. Champlin,  
Heidi I. Hartmann, and Roberta M. Spalter-Roth

December 15, 1993

*This report was funded under purchase order number B9434080 for the U.S. Department of Labor, Glass Ceiling Commission. Opinions stated in this document do not necessarily represent the official position or policy of the U.S. Department of Labor.*

## EXECUTIVE SUMMARY

### *The Impact of the Glass Ceiling and Structural Change on Women and Minorities*

Throughout the 1970s and 1980s, the need for corporate restructuring to compete in the new global marketplace was a much discussed topic. Factors leading to corporate restructuring included: an increase in global competition as Europe and Japan caught up in technology and productivity and newly industrializing nations became increasingly competitive and an increased need for flexibility to allow for quick responses to changing markets and new technology. Also important were changes in the political and economic climate, including deregulation and lax enforcement of remaining regulatory laws, over-valuation of the dollar, and an increased pressure for short-term profits.

Many problems for minorities and women may arise out of restructuring. These include:

- the loss of supervisory and low-level managerial positions that were formerly routes into management;
- career ladders that are less well-defined and may require impressing upper management with one's "star status", which may be particularly difficult for minorities and women;
- the use of independent contractors instead of permanent staff;
- high pressures on managers due to downsizing and intensified expectations, which make combining career with family life difficult; and
- increased emphasis on geographical mobility, including foreign experience for operating in the global marketplace.

In spite of the problems that restructuring may entail, minorities and women made gains at the managerial level during the 1980s. Women's share of managerial positions increased substantially, but the increase was much smaller for minority men. Black and Hispanics of both sexes continue to be seriously under-represented in management. Once they do become managers, however, minority men are only slightly under-represented in the top 20 percent of salaried managers. This represents a substantial improvement from 1980. Women made progress at this level also, but only 6 percent of white women and 3 percent of minority women had earnings in the top 20 percent of full-time salaried managers.

From what we learned in our review, we would suggest the following areas for consideration by policy makers:

- continuing attention to enforcement of equal opportunities legislation and regulations;
- improving access to higher education for disadvantaged Americans;
- monitoring the use of independent contractors;
- consideration of ways to encourage corporations to take a long-term perspective rather than to focus too narrowly on short-term profits; and
- consideration of new "family friendly" workplace policies.

## **PURPOSE**

Dramatic large-scale changes in the U.S. economy are affecting individuals at all levels. Employees from the shop floor to the board room increasingly face economic insecurity as they adjust to a changing environment in the marketplace and consequent restructuring in the workplace. The purpose of this report is to take a closer look at these changes and how they affect the prospects that minorities and women can overcome barriers to entering and advancing beyond entry-level positions in management and the professions. Specifically we address the following questions:

- (1) What changes in the business environment are leading to restructuring within corporations and to shifts in employment opportunities in the economy?
- (2) What impact can these changes be expected to have on the advancement of minorities and women in management and the professions?
- (3) To what extent is there evidence that the suggested positive or negative effects of structural change on minorities and women are occurring?

We consider the structural changes that are occurring under two broad categories: first, corporate restructuring, by which we mean the reorganization that is occurring within companies as they respond to competitive pressures and new technologies; and second, industrial restructuring, the shift from an economy primarily employed in the production of goods toward an economy in which employment in the service-producing industries predominates.

## **METHODOLOGY**

We have reviewed the literature on restructuring through the use of on-line library data bases at American University, the University of Maryland, and the Library of Congress. In addition, we have interviewed researchers who are familiar with management and restructuring literature and obtained suggestions about other research being done. We have also made use of published and unpublished data on minorities and women in management and the professions.

There is a considerable literature, based primarily on non-random surveys and case studies, on the effects of restructuring on corporate management. With a few exceptions, this research does not directly address the question of how restructuring and the resulting changes in management are effecting or will effect the opportunities of minorities and women for entering management and advancing beyond lower level management positions. In

some cases, research focused on minorities or women in management suggests positive or negative changes that restructuring may entail. Where little research exists, we present reasons for expecting favorable or unfavorable outcomes for minorities and women.

## **THE CHANGING BUSINESS ENVIRONMENT AND RESTRUCTURING**

Throughout the late 1970s and 1980s, the need for corporate restructuring to compete in the new global marketplace was a much-discussed topic. The view that market conditions have changed radically from the early postwar period is widely shared. Bluestone and Harrison (1988) characterize changing market conditions as the end of the "Pax Americana," the quarter century of American economic expansion following World War II. This view is echoed by Robert Lawrence (1990), who claims that the U.S. is simply facing the end of its domination of world markets and is moving to a position of "one among equals." The U.S. no longer enjoys productivity and technological advantages over other industrial economies such as Europe and Japan and is facing increasing competition from newly industrializing countries such as South Korea, Taiwan, Singapore, and Hong Kong.

Along with intensified competition over market share both at home and abroad, U.S. corporations are said to face increasingly fragmented and unpredictable levels of demand, as consumers come to want a greater variety of more differentiated products (Senenberger, 1992). New computer technologies, in turn, often make possible more rapid adjustment of production levels and product types, allowing for "flexible specialization." Piore and Sabel (1984) and others foresee a decline in mass production and obsolescence of the conventional assembly line. Hirst and Zeitlin (1991) also describe the impact of new technologies in epic terms. We have reached the limits of productivity gains from finely divided tasks and standardized mass production, and these methods are increasingly counter-productive, they argue. While other observers of the new technologies do not go as far as to announce the end of mass production, many do share the view that new technologies have the potential to revolutionize work processes (Zuboff, 1988).

The common thread in most views of new technologies is that work processes need to become more flexible both to respond to changing market conditions and to take advantage of the potential of computer technologies. The greater flexibility of new technologies, in turn, requires more flexible workers. The new technology is more fully utilized by workers who understand different aspects of the production process, are able to analyze problems, and can respond quickly to changing requirements (Zuboff, 1988). This view of new

technologies reflects what Kochan and Tamir (1989) call the "emerging consensus" on the impact of technologies on work.

In addition to increasing international competition, changing technologies, and more rapidly shifting demand for a variety of goods and services, changes in the political environment in the 1980s contributed to corporate restructuring by increasing competition and pressures for quick profits. Deregulation increased competition in some industries (Ulrich and Wiersema, 1989). The rise of the value of the dollar due to high U.S. interest rates caused foreign-made goods to become cheaper than many goods produced in the U.S. (Dertouzos et al., 1989). Lax enforcement of anti-trust laws and other forms of regulation may have contributed to "merger mania" (Bluestone and Harrison, 1982). Increased corporate debt following mergers often led to pressure to cut costs. According to some observers, another factor promoting corporate change was the increasing pressure for short-term profits from large institutional investors such as pension funds (Frohman and Johnson, 1993).

## **ASPECTS OF CORPORATE RESTRUCTURING**

Companies have responded in a variety of ways to the institutional and market changes of the last twenty years. Some have sought to reduce labor costs through pay reductions or moving operations to low-wage countries. Others have followed a strategy of reorganizing the workplace in a variety of ways designed to reduce costs. Still others have abandoned whole product lines as unprofitable.

As previously mentioned, reorganization has often involved an attempt to increase flexibility in order to take advantage of new technologies and to respond more quickly to changes in demand. One aspect of flexibility requires workers who are highly trained so they can perform a variety of tasks, often as part of self-managed teams. These new forms of production are often designed to require fewer workers than before.

Another aspect of flexibility refers not to the individual worker, but to managerial flexibility to adjust the number of workers and their assignments. Instead of life-long corporate jobs, companies are increasingly making use of temporary or contingent workers to meet peak demands and other short-term needs. Thus the company may have a "core" of permanent, full-time workers receiving full benefits and a degree of job security and a "periphery" of part-time workers, sub-contractors, and temporary workers hired either from temporary agencies or directly (Doeringer, 1991; Belous, 1989).

Mergers, acquisitions, and divestitures, although sometimes undertaken for speculative purposes, have also been part of the response to pressures for cutting costs. Mergers and acquisitions may be undertaken to increase "operational synergy": economies of scale, scope, or coordination (Weston and Chung, 1990). Divestitures, on the other hand often involve unprofitable operations or those that will not strengthen the "core business" (Business International, 1987).

## **INDUSTRIAL RESTRUCTURING**

Although the percentage of workers employed in manufacturing has been declining since World War II, the significance of this shift has been the subject of considerable debate. One view is that the shift from manufacturing to services reflects a "natural" shift attendant on the maturing of an industrial economy (Urquhart, 1984). Bolstering this view is the fact that the percentage of workers employed in manufacturing has declined in all industrial countries in the past 20 years (Godbout, 1993).

A more pessimistic view is that the shift to services is due in part to failures on the part of management and government. In particular, managers in manufacturing have been accused of over-emphasizing short-run profits to the detriment of making sufficient investments in new technology (Magaziner and Reich, 1982). At the same time government policies have allowed unfair competition from countries that subsidize industry (Tyson, 1992). Dertouzos et al. (1989) point out that maintaining a healthy manufacturing sector remains important for the country's economic well-being. Services alone cannot be expected to maintain current living standards because of the difficulty of increasing service exports sufficiently to pay for increasing imports of manufactured goods. In addition, industries on the technological frontier are particularly important as sources of new inventions and improvements in production processes that have the potential to affect a wide array of industries, including services.

In the recession of the early 1980s, over two and one-half million jobs were lost in manufacturing. About one million manufacturing jobs were regained during the subsequent recovery, but the recession since 1988 has led to the loss of another million jobs (see Figure 1). Some, but not all, of these most-recent job losses may be regained, as was the case after the recession of the early 1980s. Well-publicized losses in basic, high-wage industries, such as automobiles and steel characterized the earlier recession, but in the recent recession high-tech industries, particularly

electronics and electrical equipment, contributed a major share of the job loss.<sup>1</sup> The movement of labor-intensive assembly operations to low-wage countries as well as the loss of U.S. technological lead to Japan in several key industries (Tyson, 1992) accounted for much of the loss in electronics and electrical equipment.

In contrast to many manufacturing industries, retail trade and all major service industries grew rapidly between 1979 and 1988 and continued to grow in most cases, although often at a slower pace, during the recession of the past few years (see Figure 2). One of the most rapidly growing service industries, business services, owes part of its growth to corporate decisions to contract out functions ranging from public relations to building maintenance that were formerly performed by corporate employees. Since some of these business services are purchased by manufacturing companies, employment figures by industry may, to some extent, exaggerate the decline in the importance of manufacturing as the ultimate source of jobs.

Social services (including day care services), and high-tech services including computer, engineering, and research services are other rapidly growing areas.<sup>2</sup> In terms of numbers of jobs created, business services (other than high-tech services) added about two million jobs since 1983, health and hospital services nearly two million, education over one million, and high-tech services nearly 800 thousand out of a total of 9 million jobs created. In later sections, we discuss the implications of the declining employment in manufacturing and the shift into services for the advancement opportunities of minorities and women.

## **IMPACT ON MANAGEMENT**

Up to this point we have considered some of the responses of corporations to increased global competition, new technologies that change the way jobs can be accomplished, and demand shifts toward more customized products rather than mass-produced goods. We have also noted how some of the changes have contributed to the relative decline in manufacturing jobs. We next consider what effects corporate restructuring has had on corporate management.

---

<sup>1</sup>Tyson (1992) and others define high-tech industries as those that invest disproportionately in research and development. High-tech industries have also been defined as those with disproportionate numbers of scientific and technical employees (Hall and Markusen, 1985).

<sup>2</sup>In Figure 2, employment is shown for 1991 instead of 1992, because the classification of several service industries was changed from the business to the professional category in 1992. The high-tech services include commercial research, development and testing, computer and data processing, which have been subtracted from business services; as well as non-commercial research and engineering, which are classified as professional services.

Although much of the burden of corporate restructuring has fallen on blue collar and clerical workers, changes in management have also been widespread. Downsizing of management has often occurred as the result of mergers. Recent mergers have often been of the horizontal type (i.e. between companies producing the same or similar products or services). In this kind of merger, duplication of functions and redundancy of some of the managerial staff is likely to occur (Cartwright and Cooper, 1992).

Reorganizing or downsizing management has also been undertaken as a result of pressures to cut costs and achieve greater efficiency. Widespread criticism of U.S. management and unfavorable comparisons with Japanese companies (Magaziner and Reich, 1982) added to pressures to rethink management structures. Reports that management made up a higher percentage of employees in U.S. corporations (10 percent) than in Japan (4 percent) or in Germany (3 percent), contributed to the view that the number of managers should be reduced and their functions changed (Tomasko, 1990).

We discuss these and other kinds of management change in greater detail below. Under each type of change we discuss the probable impact on minorities and women. The kinds of changes we consider are:

- (1) more external recruiting and the elimination of internal promotion ladders;
- (2) elimination of layers of management, often middle management and staff positions;
- (3) hiring of temporary workers, independent contractors, or smaller businesses to perform some staff functions;
- (4) more performance pressure on managers that are left after downsizing or reorganization -- greater dedication, longer hours required;
- (5) more geographic mobility required of managers, often including experience abroad for multinationals and companies depending heavily on exports;
- (6) people skills more important than authoritarian management skills as more participatory workplace becomes important; and
- (7) the shift of employment from manufacturing into services.

Not all of the above changes are equally well documented; some have been widely discussed, but are still speculative. The exact extent of the changes throughout the economy is also unknown, a point we discuss at greater length in the section on evidence for managerial changes.

### **1. More external recruiting and the elimination of internal promotion ladders**



In companies where work has been reorganized away from routine assembly work into work teams requiring more skill and greater knowledge of all aspects of the work, the need for supervisors and other lower-level managers has been reduced. To the extent that promotion ladders in these companies formerly allowed workers to move up from production work to supervisory and then higher level management jobs, opportunities for promotion are reduced (Ginzberg et al., 1986; Noyelle, 1987).

Clerical and sales jobs in such industries as insurance, banking, and retail sales were also formerly routes into management for white males and were opened to women and minorities through affirmative action (Applebaum, 1987). Now because of technological change this route is being eliminated in many cases. In insurance, for example, sales can now be entered on-line and policies prepared by computer. As a result many low-level clerical jobs have been eliminated and clerical supervisory jobs drastically cut (Applebaum, 1987). Routine underwriting has been computerized and can now be done by clerical workers with upgraded skills. Underwriting and clerical supervision were formerly routes into management, but now the remaining commercial and high-risk underwriting requires a college degree and specialized training. These positions are therefore filled from external hiring rather than internal promotion.

Adequate preparation for technical and higher education will thus be necessary if minorities and women are to continue to move into management in fields such as insurance and banking. This requirement blocks routes to advancement for those who for any reason cannot attend college. As a result, Blacks, Hispanics, and other minorities with fewer resources to make college attendance possible are likely to be at a disadvantage.

On the other hand, for those who do manage to achieve the proper credentials, discrimination may be less likely because credentials are more visible than "management potential" that has to be identified on the job. Brown (1988) suggests that women have made more progress in entering management in the United States than in Europe because European companies tend to train their own managers rather than hiring M.B.A.'s. Because of this, European women must overcome two barriers -- being hired in the first place and then being chosen as suitable management trainees.

## **2. Eliminating layers of management, often middle management and staff positions**

With the goals of reducing overhead cost and the numbers of management layers and achieving shorter lines of communication between the top and bottom of the management hierarchy, middle managers have often been

the main target of reorganization (Frohman and Johnson, 1993; Smith, 1990). The role of middle management has traditionally been to collect, analyze, and disseminate information (Zuboff, 1988). This role is eroded when much of the information that was, in the past, gathered informally through personal contacts is now available from computerized operations. Computers can communicate faster than layers of middle managers (Drucker, 1988).

Another strand of management literature predicts that managers will become corporate entrepreneurs; middle managers will be in charge of cross-functional operations or assembling task forces of specialists that will gain or lose according to the profitability of the units they manage (Drucker, 1988; Kanter, 1989; Fulop, 1991). How widespread such changes will be is not clear. A recent *Washington Post* article (Oct. 23, 1993) details the difficulties General Motors is experiencing in changing its corporate culture to promote teamwork among middle managers who were formerly rivals.

A second group of managers adversely affected by reorganization may be corporate staff. A reduction in corporate staff often accompanies reorganization into smaller independent units undertaken in order to decentralize decision making, emphasize entrepreneurial values, and make each unit responsible for profits.

A survey of corporations by Business International (1987) found frequent sharp reductions in the size of staff at corporate headquarters in these kinds of reorganizations. Sometimes corporate staff were reassigned to the operating units; in other cases their services were instead purchased from specialized business service companies. For example, one company in the survey eliminated its public affairs staff entirely and purchased some of its previously provided services from specialized service companies. Many of its staff found employment with these companies, according to this survey. In still other cases, the number of staff employees was reduced without reassigning their former functions, and workloads of retained staff were increased.

The overall effect of these kinds of management restructuring on minorities and women is not clear. The level at which the downsizing occurs is important. Downsizing that is concentrated at the lower and middle management levels is likely to be harmful to minorities and women who have only recently attained these positions (Smith, 1990). For example, in the case of bank mergers, branch banks are likely to be closed, and women managers are disproportionately located in branch banks (Bird, 1990; Koenig, 1991). If there are fewer middle-management positions overall, competition may become more intense as large numbers of middle managers are displaced. With a large pool of experienced unemployed managers to choose from, corporations may have little incentive to hire more minorities and women.

Because women tend to be over-represented in corporate staff positions, staff reductions may affect them disproportionately. For example, minorities and women have usually been chosen for public relations and EEO positions, which are now frequently targeted for elimination because they do not contribute directly to profits (Smith, 1990).

On the other hand, management downsizing that depends heavily on incentives for managers to take early retirement may affect white males more than minorities and women because those with enough service to be eligible are usually white males. In a survey of over 1,000 companies undertaken by the American Management Association in 1987, early retirement was the preferred option among most large companies that had downsized or expected to do so, while smaller companies were about equally likely to use early retirement or "selective out-placement," i.e. termination (Useem, 1991).

Reasons for corporate preference for encouraging early retirement may include the desire to cut cost by replacing older, more highly paid managers and a belief that younger managers may find it easier to adapt to new organizational work styles than would older men with longer corporate experience. Younger minorities and women might benefit from these factors. In a small survey of women general managers at 25 Fortune 100 firms, about one quarter mentioned company reorganization as opening up career opportunities; a smaller number mentioned setbacks due to reorganization (Morrison et al., 1992). However, these numbers, based on a sample of relatively successful women, do not show how women managers fare overall in reorganizations.

Finally, the entrepreneurial view of management often includes the idea that stable career ladders will disappear. Managers will move up in their own or other companies by becoming "stars" who have the reputation of being unusually innovative (Kanter, *New York Times*, 17 August 1987, quoted in Smith, 1990; see also Kanter, 1989). Career paths of this kind would probably make moving up in management even more difficult than at present for minorities and women, who have often had to work hard to gain acceptance, to say nothing of "star" status.

### **3. Hiring temporary workers and independent contractors**

The use of temporary workers and independent contractors is attractive to companies to meet fluctuating work loads, to cut costs by reducing fringe benefits, and to hire temporary expert help for short-term projects that would not justify a permanent addition to staff. Managers may also bring in temporary or contract workers to

circumvent "head count" limitations when top management does not allow a sufficient number of regular workers to handle the work load (Christensen, 1991).

A survey of 521 corporations undertaken for the Conference Board in 1988 found frequent use of independent contractors but little use of temporary agencies for managerial, professional, or technical positions (Christensen, 1991). Independent contractors were typically hired for specialized skills not available within the firm. The number of contractors hired was usually small -- less than 20 in 75 percent of the firms. Of the companies surveyed, about one third expected to make more use of independent contractors in the future, but one-half expected no change, and the rest expected to make less use of them than previously (Christensen, 1989). Sometimes former employees who have retired or been laid off are hired as independent contractors. Because firms often do not keep centralized records on those hired as independent contractors, it is difficult to tell how widespread such practices are (Christensen, 1991).

One source of data on temporary employment is the temporary help services industry, which has grown much faster than overall employment (Callaghan and Hartmann, 1991). However, professional and managerial workers are under-represented here; they were 11 percent of all temporary help service employees compared with 24 percent of all workers. Moreover, medical professionals, especially nurses, must make up a considerable fraction of total professional temporaries, but are typically employed by hospitals and private households rather than corporations. Only 5 percent of employees hired from temporary agencies by companies in the Conference Board survey were professional, technical, or managerial employees (Christensen, 1991).

Smith (1993) quotes a 1987 *Wall Street Journal* article predicting a two-tiered management structure in the future that would consist of a core of permanent managers and a periphery of temporary and independent contractors hired only as needed. However, there appears to be little evidence of a major trend in this direction at present. Smith cites research showing that at present there is considerable hiring of professionals as independent contractors and temporary workers, but much less evidence for managers. (The survey reported by Christensen (1991) includes managers, professionals, and technicians as a single category.) Some temporary agencies do specialize in placing professional workers such as engineers, accountants, computer programmers, or systems analysts. There are apparently a few temporary agencies that supply managers, typically for special projects such as setting up training programs or to advise on new compensation and benefits packages (*New York Times*, Sept. 12, 1993; *Wall Street Journal* articles cited in Christensen, 1991).

Companies also hire temporary workers independently rather than through service companies, but the number and occupational composition of these temporary hires are not known. The Conference Board survey reported on the use of internal temporary pools; these are lists of on-call workers maintained by companies. Only 4 percent of employees hired as temporaries through internal pools were professionals, managers, or technicians (Christensen, 1991). Employees in these occupations were also infrequently hired on a part-time basis.

Should more high-level jobs become temporary, the effects may well be detrimental for minorities and women. While some independent contractor and temporary employment is probably voluntary, either undertaken because it provides more flexible work, more independence, or in cases of very specialized skills, higher pay, there is cause for concern that women and minorities will be involuntarily over-represented in these positions. As pointed out by Barbara Reskin (cited in Smith, 1993), having to seek new employment repeatedly would expose minorities and women to more potentially discriminatory situations than would permanent employment. In addition, to the extent that women would disproportionately fill these positions, they might become stereotyped as "women's work," particularly suitable for women raising children (Smith, 1993). Finally, to the extent that these jobs represent reductions in what would otherwise have been permanent positions with opportunities for advancement, both minorities and women would be adversely affected.

#### **4. More performance pressure on managers who are left after reorganization or downsizing**

An often-noted result of reorganization or downsizing is the greater work load and pressure for performance for those who are left. In a cost-cutting environment, many companies put pressure on managers to stay late, work weekends, and take work home (Hall, 1990). Extremely long work hours and high-pressure environments also characterize many new high-tech companies (Rogers and Larsen, 1986).

In her recent book on management reorganization, Kanter (1989) states that leaner hierarchies will mean more responsibilities for managers, and that the more competitive business environment will lead to longer hours. Projects will tend to require intense work effort, and payment by results will add pressure for long hours and complete dedication to the job. She believes this may make advancement more difficult for women with children as well as for men who want to spend more time with their families. To partially alleviate this problem, she suggests time off between completed projects that have required intense effort. However, it appears doubtful that such released time would make the combination of childrearing and high-level management careers substantially easier.

Children's illnesses or school problems, babysitter crises, and other time-consuming family problems are unlikely to coincide with infrequent spells of relaxation from demanding work.

In a study based on interviews with 902 women graduates of Harvard Business School, Harvard Law School and Harvard Medical School (Swiss and Walker, 1993), the authors found that most women believed having children had been detrimental to their career prospects. In many places pregnancy was seen as a lack of seriousness about work. Although 85 percent thought reducing hours of work would have a negative impact on their careers, about 70 percent had in fact opted for shorter hours after having children. Since many of these women had previously worked 60-80 hours per week, shorter hours often still meant full time by the usual definition of 35 hours or more. Many women cited the importance of "face time," that is, being visibly on the job for long hours. Some women dropped out of the labor force, ranging from 4 percent of MD's to 25 percent of M.B.A.'s. Self employment was another option followed by some.

Work/family conflicts are not exclusively an issue for women with children. As Hall (1990) points out, men with working wives may also be at a disadvantage compared to those with wives at home; he suggest that there may be a "daddy track" as well as a "mommy track." According to some recent research, the finding that married men have higher earnings than single men applies only to married men with non-employed wives (Scheer and Rutman, 1993). Because so many Black wives are employed, lack of a stay-at-home wife to take care of all home and family work may put Black males at a disadvantage compared with many white males.

That the long hours and intense pressures of the new managerial workplace are truly productive is not certain. Hall (1990) points out that such pressures can lead to burnout and high turnover. In a recent case reported in the *Harvard Business Review* (Loveman, 1990), a law firm decided not to offer partnership to a woman who was working a four-day week even though her work was rated exemplary and she had brought in considerable new business; apparently face time rather than productivity was deemed important by this firm.

## **5. More geographical mobility required of managers, including more experience abroad in multinationals**

Acquiring the varieties of managerial experience needed for moving up in corporations often requires frequent relocation. In a period of rapid corporate change, a managerial career may require even more mobility than formerly. Corporate restructuring may result in the transfer of managers to other locations. For example, corporate headquarters staff may be reassigned to branch offices (Business International, 1987; Useem, 1991). If a job is lost

due to downsizing, moving to a new location to find a job may also be required. Relocation has been called the "real cruncher" for women managers with families (Markham, 1987).

Increasing globalization is seen by many to require foreign as well as domestic experience. In a survey of 130 multinational corporations, foreign experience was expected to become a more important part of the experience required of senior managers (Weeks, 1992). In this survey, 42 percent of CEO's and 70 percent of division heads and functional executives had foreign experience. Women were not represented proportionally in the expatriate executive corps in these companies. (Representation of minorities was not discussed).

Reasons that only small percentages of women are being sent abroad include: the belief that other countries are not used to women managers, the belief that women will not want to work abroad for family reasons, and the fact that senior managers are more likely to be sent than junior managers, so that fewer women are at the proper level to be considered (Antal and Izraeli, 1993). Race prejudice in some countries, in addition to the other reasons mentioned, is likely to impair the chances for minority men and women to receive foreign assignments. On the other hand, it is possible that increased investment in and trade with Asian, Latin American, and African countries would open up new possibilities for some minority managers, especially those who are bilingual.

## **6. More participatory management style required**

One of the most debated propositions about the new ways of management said to be evolving to meet global competition is whether women will be more suited to them than men. The women's advantage view is well summarized in the following quote: "As we rush into the 90s, there is little disagreement about what business must become: less hierarchical, more flexible and team-oriented, faster and more fluid. In my opinion, one group of people has an enormous advantage in realizing this necessary vision: women." (Peters, 1990, quoted in Calas and Smircich, 1993). This view has been propounded at greater length by Loden (1985) and others.

Some researchers have, in fact, found that this new managerial style characterizes women as opposed to male managers. Rosener (1990) found that women tend to encourage participation, share power and information, and practice interactive leadership, whereas men rely on formal organizational authority and exchanging rewards for services performed. Other researchers have not always found these differences (Cann and Siegfried, 1990). Eagly and Johnson (1990), in a review of 162 studies, found some (but not strong) evidence that women managers are more democratic and participative while men are more autocratic or directive.

Even if such differences exist, it is not at all clear whether women will benefit. If certain managerial jobs are seen to require stereotypically female traits such as empathy, there is a danger that these jobs will become a female ghetto with no opportunities for advancement (Smith, 1990). Whether many companies are quickly turning to new ways of managing is also open to question. (See, for example, the General Motors case described above.) Furthermore, as pointed out by Calas and Smircich (1993), the management literature appears rather inconsistent. Although teamwork and participation are much admired in theory, a corporate environment where managerial jobs are insecure and the pace is "fast and fluid" seems more likely to promote competition than teamwork. Therefore, it is probably best to regard the possible advantage for women of new managerial styles as not yet proven.

## **7. Shift of employment from manufacturing to services**

Managerial positions in manufacturing have been predicted to increase at a much slower rate than those in finance, insurance, real estate, and services by the year 2000 (Silvestri and Lukasiewicz, 1989). Compared with manufacturing, these higher-growth industries are ones in which women and Blacks tend to be better represented in management. For example, Blacks represent 5-7 percent of all managers in finance, insurance, real estate, and professional services, compared with about 2 percent in manufacturing, while women constitute over half of the managers in these high-growth industries as compared with 28 percent in manufacturing (calculated from U.S. Department of Labor, Employment and Earnings, January 1993, Table 25).

On a less optimistic note, many of the managerial jobs in the professional services are positions such as managers of day care centers and nursing homes, directors of nursing in hospitals, and elementary or secondary school principals. Although these are important jobs, they usually do not provide high salaries or much opportunity for advancement. In addition, below-average growth in managerial jobs is expected in government, which has been a major source of managerial jobs for Blacks. While only 12 percent of white men and 15 percent of white women managers worked for federal, state, or local governments, approximately 35 percent of Black managers, both men and women were government employees (IWPR calculations based on unpublished CPS data for 1990). The projected downsizing of the federal workforce in which management is often singled out as overstaffed is particularly relevant here. Federal employment accounts for 15 percent of the managerial jobs of Black women and 12 percent of the jobs of Black men managers.



Other service industries in which above average growth of managerial positions is expected include business services and engineering, scientific, and management services (Silvestri and Lukasiewicz, 1991; Braddock, 1992). In contrast to high-tech manufacturing, high-tech service industries (including computer and data-processing services; research, development, and testing services; and engineering and surveying services) grew faster than most other service industries in recent years (see Figure 2). These are industries in which minorities and women are under-represented among total employees (Employment and Earnings, 1993, Table 28), and undoubtedly even less well represented at the professional and managerial level.

Data from the decennial Census show slight increases in the representation of minorities and women in high-tech professions between 1980 and 1990. Nevertheless, in 1990 nearly 80 percent of engineers were white males; 12 percent were minority males, 7 percent white females, and less than 2 percent minority females (see Figure 3). Approximately half of minority males were Asians; the rest consisted of approximately equal numbers of Blacks and Hispanics. Thus white and Asian males are over-represented and all other groups are under-represented.

Among computer systems analysts white and minority women are somewhat better represented. In 1990 white women held 25 percent of these positions and minority women, 6 percent; white men and minority men held 59 percent and 10 percent, respectively (IWPR calculations based on 1990 Census). Women of each race/ethnicity group are less likely than men of their group to work in these high-level computer jobs.

Strober and Arnold (1987) believe that women tend to find the macho environment in engineering and high-tech computer companies unattractive. Some research suggests that women in these high-tech occupations are more likely to work in lower-paying industries, such as real estate and services, rather than in the high-tech industries themselves (Reskin and Roos, 1987). Therefore, women may be less likely than men to utilize high-tech occupations as a route into management.

## **EVIDENCE FOR MANAGERIAL CHANGES IN THE 1980S**

Although many individual firms appear to be making changes in the ways their companies are managed, the impact of these changes on opportunities for managers in the economy as a whole is difficult to ascertain. Frohman and Johnson (1993) claim that between 1987 and 1991, three-quarters of Fortune 1000 firms reduced the number of middle managers employed. Estimates of the total loss of middle management positions have ranged from half a million to several millions (Smith, 1993). Yet in the face of these reported reductions, the total number

of managers counted in the Current Population Survey (CPS) increased by 3.4 million between 1983 and 1988, and gained another half million even during the recession of the early 1990s (IWPR calculations based on U.S. Department of Labor, Employment and Earnings, 1984, 1989 and 1992).

One reason for this discrepancy is undoubtedly that companies that are downsizing are news, whereas companies that are making few changes or even hiring new employees are not. Of course, the CPS figures show only net gains and do not preclude the loss of many specific jobs. In fact, unemployment rates for managers did increase between 1988 and 1992, going from 2 percent to 3.6 percent for men and from 2.3 percent to 4 percent for women (U.S. Department of Labor, Employment and Earnings, January 1990 and 1993). It is also quite possible that managerial employment has shifted toward smaller companies and larger numbers of self-employed consultants, but information on any such trend would require original analysis of Census or CPS data beyond the scope of this report. We can, however, look at a few general indicators of how well minorities and women are faring at this time of rapid change. Between 1980 and 1990, managerial occupations increased from 10.4 to 11.8 percent of the labor force, indicating a more rapid growth in management than in the labor force as a whole. Figure 4 shows the composition of the managerial labor force by sex and minority status in 1980 and 1990. In 1980, about 65 percent of all managers were white males, as compared with about one-half by 1990. White women were 27 percent of the managerial labor force in 1980, but 35 percent in 1990. Among minorities, women generally entered the managerial ranks at a faster pace than men; minority women's share of the managerial work force increased from 4 to 7 percent, while that of minority men increased from 6 to 7 percent.

Another way of looking at changes in managerial employment for minorities and women is to ask what percentage of all workers in a particular sex and race/ethnicity category worked in managerial occupations. This measure shows how well each group is represented in management, given its size. The percentage of workers who were managers increased in all categories except Hispanic and Asian men (see Figure 5). In fact, the numbers of Hispanic and Asian male managers increased fairly rapidly, but probably because of rapid immigration, which added to the number of less skilled workers, the percentage of the labor force in these ethnic groups that were managers failed to keep pace.

The percentage of the work force employed as managers increased more rapidly for women than for men in all race/ethnicity categories. At the end of the decade, white and Asian women had advanced to managerial representation approximately proportional to their representation in the labor force, but Blacks and Hispanics of both

sexes continued to be under-represented, and white and Asian men continued to be over-represented in management. Because about 40 percent of Asian men were self-employed, however, they were not over-represented in the ranks of salaried management (IWPR calculation based on unpublished CPS data for 1990).

Figures showing women making greater strides than men in entering management have been questioned by researchers who suggest that much of the change for women may be illusory. In one view companies may have been upgrading job titles without corresponding increases in authority and pay (Miller, 1980). Another view is that women are mainly entering managerial fields that are being deskilled (Reskin and Roos, 1987). More optimistically, Jacobs (1992) found that the sex gap in earnings for managers had narrowed slightly between 1970 and 1988, and the gap in authority between male and female managers had not grown as would be expected if positions had been reclassified as managerial with no change in authority.

Even if more women are managers than previously and if their earnings are on average gaining slightly on those of men, the further question is whether both minorities and women are moving up in the management ranks of corporations. Data on this question is difficult to obtain. Census data on managers do not identify corporate managers separately, much less identify their rank. Private data on corporations tend to show very low percentages of minorities and women at high levels (Morrison and Von Glinow, 1990).

One indication of advancement, shown in Table 1, is the percentage of salaried managers in each sex-ethnicity category who had earnings that placed them in the top 10 or 20 percent of all managers (data are for managers working full-time, full year).<sup>3</sup> As expected, white male managers were the most likely to have high earnings in both 1982 and 1992, but minority males as a group made impressive gains in moving into high-paying managerial jobs during the 1980s. By 1992, over 20 percent of minority males had earnings in the top quintile of all managers, and about 10 percent were in the top decile, indicating that minority males as a group were not under-represented at these levels. Looking at the top quintile, where numbers are large enough to show the minority groups separately, we see that minorities in the "other" category (primarily Asians) are slightly over-represented, while Blacks and Hispanics are still somewhat under-represented at this level. As we saw previously, Blacks and Hispanic males are also under-represented in management overall, but according to our data, once they become

---

<sup>3</sup>The top decile included those with earnings of \$50,000 or more in 1982 (in 1982 dollars), and \$75,000 or more in 1992 (in 1992 dollars); the cutoff points for the top quintile were \$39,000 in 1980 and \$50,000 in 1990. The median earnings of all salaried managers were \$24,000 in 1982 and \$34,000 in 1992.

managers their chances of achieving high-paying jobs have become much more favorable. One caveat is that Black male managers are under-represented in private sector employment and over-represented in government jobs. If government jobs decline as much as expected, their share of high-paying jobs may be jeopardized.

The position of women managers is quite different. Although there has been some improvement in the prospects for white women moving into high-paying jobs, for minority women the gain was much smaller. Both groups are badly under-represented at the top. It is possible that the rapid increase in the number of women in managerial occupations has increased the ranks of those in entry-level positions disproportionately and that more progress will be seen in the future. However, the situation deserves continuing attention and for minority women especially is a cause for concern.

## **CONCLUSIONS AND POLICY IMPLICATIONS**

Restructuring that is occurring in industries and companies appears to present both problems and opportunities for minorities and women in management. On the plus side, the long-term shift of employment from manufacturing to services may open up new managerial jobs for minorities and women, who tend to be better represented at the managerial level in services than in manufacturing. To the extent that restructuring occurs through encouraging early retirement, middle and upper level positions will tend to be most affected, and some higher level positions may become available. Competition for these positions may be strong, however, and it is not certain how well minorities and women will fare. There has also been speculation that new ways of managing in a more participative workplace might favor women who would be more comfortable than men with this new style. We conclude, however, that any such advantage is as yet unproven.

On the negative side, many problems for minorities and women may arise out of restructuring. These include:

- the loss of supervisory and low-level managerial positions that were formerly routes into management;
- career ladders that are less well-defined and may require impressing upper management with one's "star status," which may be particularly difficult for minorities and women;
- use of independent contractors instead of permanent staff;
- high pressures on managers who remain after downsizing or are subject to intense entrepreneurial expectations, which make combining career with family life difficult; and

■ increased emphasis on geographical mobility, including foreign experience for operating in the global marketplace.

In spite of these possible disadvantages, minorities and women made considerable progress during the 1980s. Women's share of managerial positions increased substantially, but the increase was smaller for minority men, and Black and Hispanics of both sexes continued to be seriously under-represented in management. Once they do become managers, however, minority men are only slightly under-represented in the top 20 percent of salaried managers, in terms of annual earnings. This represents a substantial improvement from 1982. Women made progress at this level also, but only 6 percent of white women and 3 percent of minority women had earnings in the top 20 percent of full-time salaried managers.

From what we learned in our review, we would suggest the following actions to be taken by policy makers:

(1) Continue to improve enforcement of equal opportunities legislation and regulation. Available studies show that stronger enforcement brings gains (Reskin and Hartmann, 1986; Bielby and Baron, 1987).

Adequate funding to hire sufficient staff for enforcing the Civil Rights Act of 1991 and the executive order affecting federal contractors is essential. Effects of layoffs might be monitored by requiring reports on sex and race/ethnicity of managers and professionals (as well as other workers) who are laid off.

(2) Improve access to higher education for disadvantaged Americans. If credentials, rather than firm experience, are becoming increasingly necessary for entering management, better preparation for entering college and better funding for those who could not otherwise afford to go to college are both important. Better preparation should include attention to encouraging women, Blacks, and Hispanics to acquire the mathematics and science backgrounds that will broaden the range of choices available to them later. Returning to school for retraining should also be encouraged at later stages in the life cycle.

(3) Monitor the use of independent contractors. Contractors working for a single employer are especially likely to be actual employees under legal definitions. Better data on the extent and circumstances of independent contractors and other temporary workers would be useful.

(4) Consider new ways to encourage corporations to take a long-term perspective rather than to focus too narrowly on short-term profits. Although restructuring has been partly due to new technologies and changes in the global economy, some restructuring appears to have resulted from speculative takeovers and pressures for short-term profits. Expected gains from mergers and downsizing have not always been

realized (Cascio, 1993), and the costs in insecurity to employees, including managers, have been unjustified. Possible policies might include examination and reduction of the incentives that have encouraged speculative takeovers, and consideration of a requirement that large companies include persons representing the public interest and the interests of employees on boards of directors as is common in European countries.

(5) Adopt new "family friendly" workplace policies, including elimination of the clause in the Family and Medical Leave Act of 1993 that allows employers to exclude the top 10 percent of their employees (based on earnings) from the requirements of the Act. Exempting high-earning employees reinforces the view that managers and professionals should not take time out for family needs and that only women (who are less likely to be exempt) have such concerns.

### Annotated Bibliography

Antal, Ariane Berthoin and Dafna N. Izraeli. 1993. "A Global Comparison of Women in Management: Women Managers in their Homelands and as Expatriates," in Women in Management, Vol.4, Women and Work, Ellen A. Fagenson, ed. Newbury Park, CA: Sage Publications.

*Article offers explanations for why only small percentages of women working for multinationals are sent abroad.*

Applebaum, Eileen. 1987. "Technology and the Redesign of Work in the Insurance Industry," in Women, Work, and Technology, Margaret Drygalski Wright, et al., eds. Ann Arbor, MI: University of Michigan Press.

*Office automation in the insurance industry has eliminated routine clerical jobs and upgraded others leading to a gap in the job ladder.*

Belous, Richard S. 1989. The Contingent Economy: The Growth of the Temporary, Part-Time, and Subcontracted Workforce, National Planning Association, Report 239. Washington, DC: National Planning Association.

*Presents results of a study of the kinds of policies that lead firms to hire temporary workers. In some cases, the growth of temporary workers appears to have been ad hoc rather than the result of a strategic plan.*

Bielby, William T. and James N. Baron. 1987. "Undoing Discrimination: Job Integration and Comparable Worth," in Ingredients for Women's Employment Policy, Christine Bose and Glenna Spitze, eds. Albany: State University of New York Press.

*Segregated job assignments are pervasive in the absence of deliberate efforts to undo sex segregation. Personnel policies will not change unless support for change comes from top management. Has examples of changes in practices from EEO pressures in private firms and public administration.*

Bird, Chloe E. 1990. "High Income, Small Change: Women's Increased Representation in Bank Management," in Job Queues, Gender Queues, Barbara Reskin and Patricia Roos, eds. Philadelphia, PA: Temple University Press.

*Woman managers tend to be employed in branch banks rather than commercial lending; the latter being necessary for advancement. Mergers often lead to staff cutbacks as branches are closed.*

Bluestone, Barry and Bennett Harrison. 1982. Deindustrialization of America. New York: Basic Books, Inc.

*The authors present the argument that the decline in the manufacturing sector has been the result of unproductive investment or "mergermania" on the part of corporations.*

Bluestone, Barry and Bennett Harrison. 1988. The Great U-Turn: Corporate Restructuring and the Polarizing of America. New York: Basic Books.

*The authors discuss the increasing polarization in income distribution in the U.S. with emphasis on events during the 1980s.*

Braddock, Douglas J. 1992. "Scientific and Technical Employment, 1990-2005," *Monthly Labor Review*, 115(2): 28-41.

*Projected employment of scientists, engineers, and technicians varies widely according to alternative scenarios. Growth projections vary from 9% to 59% between 1990 and 2005.*

Brown, Linda Keller. 1988. "Female Managers in the United States and Europe: Corporate Boards, M.B.A. Credentials, and the Image/Illusion of Progress," in *Women in Management Worldwide*, Nancy J. Adler and Dafna Izraeli, eds. Armonk, NY: M.E. Sharpe.

*Requiring credentials for managers makes entry into management easier in the U.S. than in Europe where women must first be employed by the company and then chosen for executive training.*

Business International. 1987. Restructuring and Turnaround: Experiences in Corporate Renewal. Geneva, Switzerland: Business International, S.A.

*Discusses the forms restructuring may take and the impacts on numbers of managers and organizational structures. Has many case studies of corporate restructuring.*

Calas, Marta B. and Linda Smircich. 1993. "Dangerous Liaisons: The 'Feminine-in-Management' meets 'Globalization'," *Business Horizons*, 36(2): 71-81.

*The authors explore the connection between feminine-in-management (FIM) and "globalization." FIM reinforces existing power structure.*

Callaghan, Polly and Heidi Hartmann. 1991. Contingent Work: A Chart Book on Part-Time and Temporary Employment. Washington, DC: Economic Policy Institute.

*This pamphlet contains figures on part-time employment growth, voluntary and involuntary, and on temporary workers.*

Cann, Arnie and William D. Siegfried. 1990. "Gender Stereotypes and Dimensions of Effective Leader Behavior," *Sex Roles*, 23(7/8): 413-419.

*Effective leadership requires "consideration" (feminine) and "structuring" (masculine) behaviors. A recognition of the "androgynous" nature of leadership might reduce the bias toward male leaders.*

Cartwright, Sue and Cary L. Cooper. 1982. Mergers and Acquisitions: The Human Factor. Oxford, England: Bullerworth/Heinemann.

*This book discusses policies and effects of mergers on personnel in both the acquired and acquiring company. In many cases, the lack of appropriate policies have reduced expected benefits from restructuring.*

Cascio, Wayne F. 1993. "Downsizing: What do we Know? What have we Learned?" *Academy of Management Executive*, 7(1): 95-104.

*The author argues that the expected benefits from downsizing have not materialized largely as a result of a failure of management to change methods and organizational structure along with reducing the workforce.*

Christensen, Kathleen. 1991. "The Two-Tiered Workforce in U.S. Corporations," in Turbulence in the American Workplace, Peter Doeringer, ed. New York: Oxford University Press.

*This chapter is based on Conference Board survey. Presents data on contingent workers in four categories, temporary agency hires, regular part-time employees, independent contractors, and internal temporary pools.*

Christensen, Kathleen. 1989. Flexible Staffing and Scheduling in U.S. Corporations, Research Bulletin No. 240. New York: The Conference Board.

*This report is based on a survey of contingent work and flexible work schedules in 521 corporations in 1985-87.*



- Dertouzos, Michael L., Richard K. Lester, and Robert H. Solow and the MIT Commission on Industrial Productivity. 1989. Made in America. Cambridge, MA: MIT Press.  
*Case studies of eight industries in the U.S. The authors argue that the fate of manufacturing is crucial for maintaining living standards and describe problems in business practices and government policies that have led to a decline in some industries.*
- Doeringer, Peter. 1991. Turbulence in the American Economy. New York: Oxford University Press.  
*Restructuring has led to the collapse of career ladders and the opportunity to move to higher paid, higher skill work.*
- Drucker, Peter. 1988. "The Coming of the New Organization," *Harvard Business Review*, 66(1): 45-53.  
*In 20 years, the typical large business will have half the levels of management and one third the managers. Work will be done by task forces.*
- Eagly, Alice and Blair T. Johnson. 1990. "Gender and Leadership Style," *Psychological Bulletin*, 108: 233-256.  
*Addresses the question of whether there are sex differences in leadership styles. The authors find that women are more interpersonally oriented and more democratic; men are task-oriented and autocratic.*
- Frohman, Alan L. and Leonard W. Johnson. 1993. The Middle Management Challenge, New York: McGraw-Hill.  
*Between 1987 and 1991, three-fourths of Fortune 1000 firms reduced the number of middle managers in their companies and increased the responsibilities of those who remained.*
- Fulop, Liz. 1991. "Middle Managers: Victims or Vanguard of the Entrepreneurial Movement?" *Journal of Management Studies*, 28(1): 25-44.  
*The article discusses three approaches in the literature on corporate entrepreneurship: 1) the "excellence" literature; 2) the innovation process model; and the 3) resource mobilization approach.*
- Ginzberg, Eli, Thierry Noyelle and Thomas Stanback, Jr. 1986. Technology and Employment. Boulder, Colorado: Westview Press.  
*New technology is leading to declining internal labor markets. This trend forces women and minorities to enter management through higher education.*
- Godbout, Todd M. 1993. "Employment Change and Sectoral Distribution in 10 Countries, 1970-90." *Monthly Labor Review*, 116(10): 3-20.  
*A comparison of employment by industry in the U.S., Canada, Australia, Japan, and European countries from 1970 to 1990. The shift toward employment in services occurred in all countries.*
- Hall, Douglas T. 1990. "Promoting Work/Family Balance: An Organizational Change Approach," *Organizational Dynamics*, 18: 5-18.  
*Discusses mommy track and possible daddy track and the implications of pressures to increase the amount of time devoted to work.*
- Hirst, Paul and Jonathan Zeitlin. 1991. "Flexible Specialization Versus Post-Fordism: Theory, Evidence and Policy Implications," *Economy and Society*, 20(1): 1-56.  
*These authors argue that new technology has fundamentally altered the organization of the work process in manufacturing in favor of small batch, specialized production.*
- Jacobs, Jerry A. 1992. "Women's Entry into Management: Trends in Earnings, Authority, and Values Among Salaried Managers," *Administrative Science Quarterly*, 37: 282-301.  
*Examines whether recent increases in women in management are real or title inflation without more pay or responsibility.*
- Kanter, Rosabeth Moss. 1989. When Giants Learn to Dance. New York: Simon and Schuster.  
*This book has several chapters on the effects of reorganization on managers. Leaner hierarchies will mean more responsibilities for managers and longer hours.*

Kochan, Thomas A. and Boaz Tamir. 1989. "Collective Bargaining and New Technology: Some Preliminary Propositions," in New Technology: International Perspective on Human Resources and Industrial Relations, Greg J. Bamber and Russell D. Lansbury, eds. London: Unwin Hyman, 1989.

*These authors argue that the nature of industrial relations in the United States is in the process of moving away from a focus on job control. New technologies and market characteristics require greater flexibility on the part of workers to perform a variety of tasks.*

Koenig, Kathryn K. 1991. "Reduced Staffing Ratios Reflect Productivity Gains," *Bank Management*, 67(5): 51-55. *The 1990 Bank Personnel Policies and Practices Survey reports a declining ratio of employees to assets and widespread restructuring in larger banks.*

Lawrence, Robert Z. 1990. "American Manufacturing in the 1990s: The Adjustment Challenge," in American Manufacturing in a Global Market, Kenneth W. Chilton, Melinda E. Warren, and Murray L. Weidenbaum, eds. Boston: Kluwer Academic Publishers.

*Strong convergence in foreign manufacturing capabilities has reduced US preeminence. The US does not have a competitiveness problem.*

Loden, Marilyn. 1985. Feminine Leadership. New York: Times Books.

*Believes that old hierarchical structures are outmoded and that more teamwork and participative management will be required.*

Loveman, Gary W. 1990. "The Case of the Part-time Partner," *Harvard Business Review*, 68(5): 12-29.

*This article features a case study of a law firm in which a man working long hours was offered partnership, while a part-time woman in the firm was not, even though the woman had brought in more new business.*

Magaziner, Ira and Robert B. Reich. 1982. Minding America's Business, New York: Vantage Books.

*This book makes the argument that the relative decline in manufacturing in the United States has been the result of outdated, short-sighted, and inflexible management rather than due to external factors such as international competition or the move to a post-industrial society.*

Markham, William T. 1987. "Sex, Relocation, and Occupational Advancement: the 'Real Cruncher' for Women," in Women and Work: An Annual Review, Vol. 2, Ann H. Stromberg, Laurie Larwood, and Barbara A. Gutek, eds. Newbury Park, CA: Sage Publications.

*This chapter addresses the effect of migration on job advancement and the factors that account for sex differences in willingness to migrate and other related topics.*

Miller, Ann R. 1980. "Occupational Statistics and Labor Force Analysis," Proceedings for the American Statistical Association," Social Statistics Section: 108-115.

Morrison, Ann M., Randall P. White, and Ellen Van Velsor. 1992. Breaking the Glass Ceiling. New York: Addison-Wesley.

*The book is based on interviews with 76 women in or just below general manager level in 25 Fortune 100 sized companies.*

Morrison, Ann. M. and Mary Ann Von Glenow. 1990. "Women and Minorities in Management," *American Psychologist*, 45: 200-208.

*Extensive review of literature on the glass ceiling. Cites current data on the status of women and minorities in management.*

Noyelle, Thierry J. 1987. "The New Technology and the New Economy: Some Implications for Equal Employment Opportunities," in Computer Chips and Paper Clips, Heidi Hartmann, ed. Washington, DC: National Academy Press.

*This article also makes the point that there are fewer internal ladders that lead to management. Hiring from the outside may be advantageous to minorities and women with academic credentials.*

Piore, Michael and Charles Sabel. 1984. Second Industrial Divide. New York: Basic Books, Inc.  
*The authors assert that the nature of manufacturing in the future will be small scale, batch production in small companies located in geographic proximity to one another rather than the large, scale, integrated corporation and mass production. Instead of the tendency toward unskilled work characteristic of manufacturing, future production will approach skilled, craft work.*

Reskin, Barbara F. and Heidi I. Hartmann, eds. 1986. Women's Work, Men's Work: Sex Segregation on the Job, Washington, D.C.: National Academy Press.

*The report reviews evidence that occupational segregation has grave consequences. Offers evidence from case studies and statistical analyses that enforcement is effective in increasing women's opportunities.*

Reskin, Barbara F. and Patricia A. Roos. 1987. "Status Hierarchies and Sex Segregation," in Ingredients for Women's Employment Policy, Christine Bose and Glenna Spitze, eds. Albany: State University of New York Press.  
*Discusses occupational segregation as a function of the gender hierarchy in American society. Presents cases in which male-dominated occupations are deskilled when women enter; includes management jobs in banking and several professional positions.*

Rogers, Everett M. and Judith K. Larsen. 1986. Silicon Valley Fever. New York: Basic Books.  
*A journalistic account of Silicon Valley companies, work, and lifestyles.*

Rosener, Judy B. 1990. "Ways Women Lead", *Harvard Business Review*, 68(6): 119-25.  
*According to a survey of men and women leaders, men describe leadership as at transactions in which rewards are exchanged for services rendered. Women lead by getting subordinates to transform their self-interest into the interest of the group.*

Scheer, Joy A. and Frieda Rutman. 1993. "Effects of Alternative Family Structures on Managerial Career Paths," *Academy of Management Journal*, 36(4): 830-43.  
*In the past research suggests that married men earn more than single men, but this paper shows that only married men with non-employed wives earn more.*

Senenberger, Werner. 1992. "Intensified competition, industrial restructuring and industrial relations," *International Labour Review*, 131(2): 139-54.  
*This article reviews changes in the economic environment that have lead to restructuring. Companies follow different strategies to cope with these changes.*

Silvestri, George and John Lukasiewicz. 1989. "Projections of Occupational Employment, 1988-2000," *Monthly Labor Review*, 112(11): 42-65.  
*The growth industries for managers are services, finance, insurance, and retail trade. However, government managerial jobs, another good source for minorities and women, are projected to grow slowly.*

Silvestri, George and John Lukasiewicz. 1991. "Occupational Employment Projections," *Monthly Labor Review*, 114(11): 64-94.  
*Total employment is projected to grow by 20% between 1990 and 2005. Faster employment growth is expected for occupations requiring higher levels of education or training.*

Smith, Vicki. 1993. "Flexibility in Work and Employment: the Impact on Women," *Research in the Sociology of Organizations*, 2: 195-216.  
*She believes the move to a more flexible workforce will have a greater impact in professional than management work which could disproportionately affect women.*

Smith, Vicki. 1990. Managing in the Corporate Interest. Berkeley: University of California Press.

*Description of restructuring in a large bank with special attention to the effects on managers. Details the difficulties encountered. Has a small section on the implications for women and minorities, pp. 185-191.*

Strober, Myra H. and Carolyn L. Arnold. 1987. "Women in Computer-Related Occupations and High-Tech Industries," in Computer Chips and Paper Clips, Heidi Hartmann, ed. Washington, DC: National Academy Press.

*This chapter has data (as of 1980) on computer-related professions in high-tech industries. Women tend to be under-represented at higher level occupations such as engineering and systems analysis.*

Swiss, Deborah J. and Judith P. Walker. 1993. Women and the Work/Family Dilemma. New York: John Wiley and Sons.

*The authors interview women graduates of Harvard Business School, Harvard Law School, and Harvard Medical School (classes of 1971-1981) about the effects of having children on careers.*

Tomasko, Robert M. 1990. Downsizing: Reshaping the Corporation for the Future, American Management Association.

*The author begins with the premise that downsizing is beneficial in that it reduces the "bulge in the corporate pyramid." Lists various trends contributing to need for downsizing.*

Tyson, Laura D'Andrea. 1992. Who's Bashing Whom? Trade Conflict in High Technology Industries. Washington, DC: Institute for International Economics.

*This book explores the concept of managed or strategic trade policy.*

Ulrich, David, and Margarethe F. Wiersema. 1989. "Gaining Strategic and Organizational Capability in a Turbulent Business Environment," *The Academy of Management Executive*, 3(2): 115-122.

*Managers face greater challenges due to: 1) increased global competitiveness; 2) social and demographic changes; 3) deregulation or relaxing of regulation; 4) rapid technological changes.*

Urquhart, M. 1984. "The Employment Shift to Services: Where Did It Come From?" *Monthly Labor Review*, 107(4): 15-22.

*This article discusses trends and changes in the relative shares of employment accounted for by agriculture, manufacturing and services.*

Useem, Michael. 1991. "Restructuring Managerial and Professional Work in Large Corporations," in Turbulence in the American Workplace, Peter Doeringer, ed. New York: Oxford University Press.

*Restructuring affects managers and professionals by reducing opportunities for upward mobility, increasing horizontal career, and increasing responsibilities.*

Weeks, David A. 1992. Recruiting and Selecting International Managers. New York: The Conference Board.

*A survey of multinational corporations indicates that foreign experience is expected to become more important in the experience required of senior managers.*

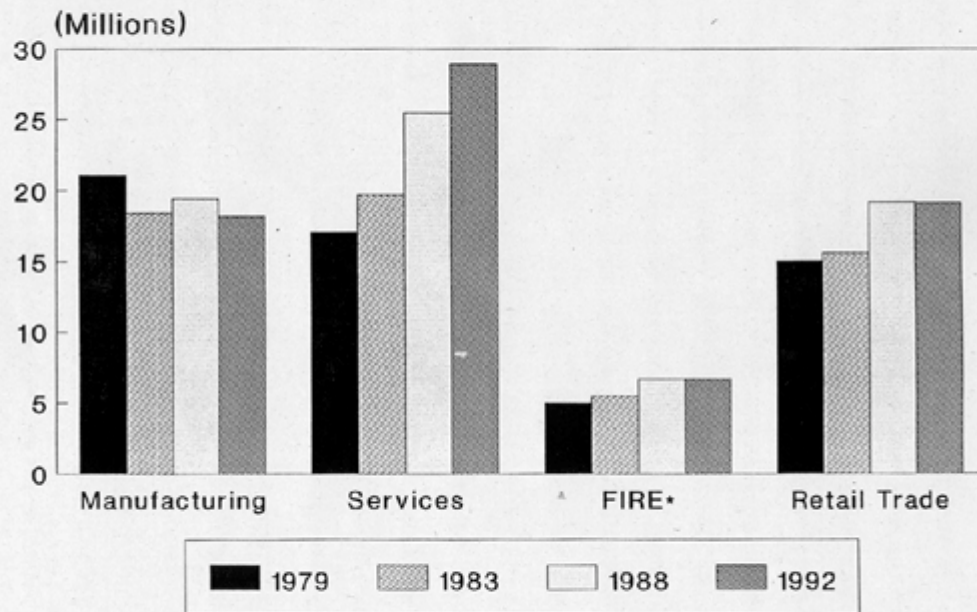
Weston, J. Fred and Kwang S. Chung. 1990. "Takeovers and Corporate Restructuring: An Overview," *Business Economics*, 25(2): 6-11. *Management adjustments to restructuring include: changing management systems, ways of selecting product markets, and manufacturing methods.*

Zuboff, Shoshana. 1988. In the Age of the Smart Machine. New York: Basic Books.

*Discusses the effects of new computer technologies on work. Believes that management is tempted not to take full advantage of technology because this requires workers to understand the operation and undermines the distinction between workers and management.*

## CHARTS & TABLES

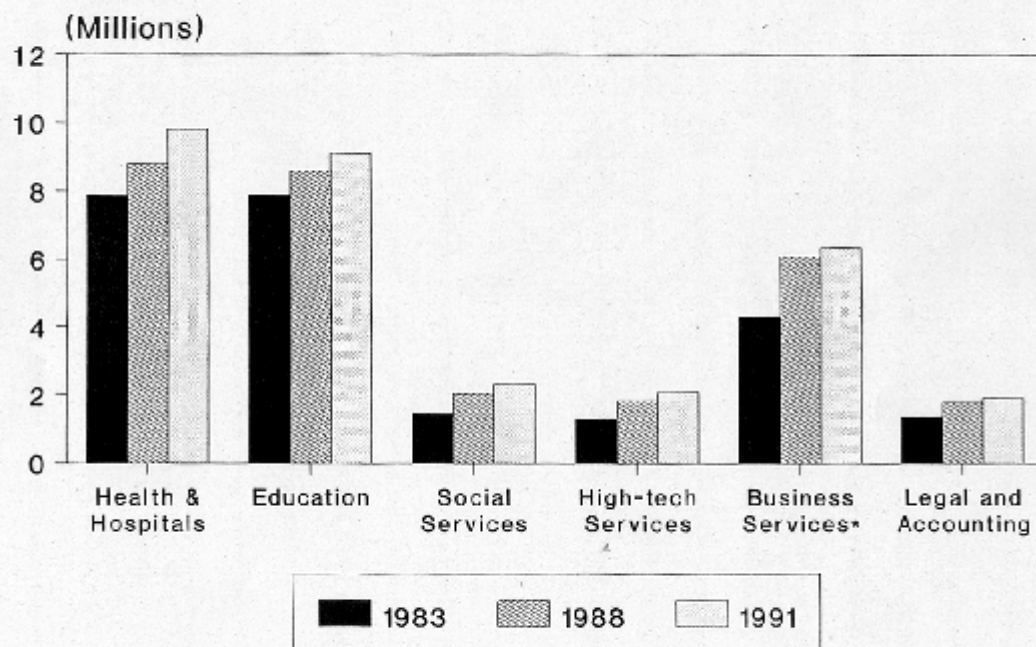
Figure 1:  
Total Employment on Nonfarm Payrolls  
1979, 1983, 1988, and 1992



\* Finance, Insurance, and Real Estate.

Sources: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics, Bulletin No. 2340, August 1989, Table 68, and Employment and Earnings, January 1993, Table 65.

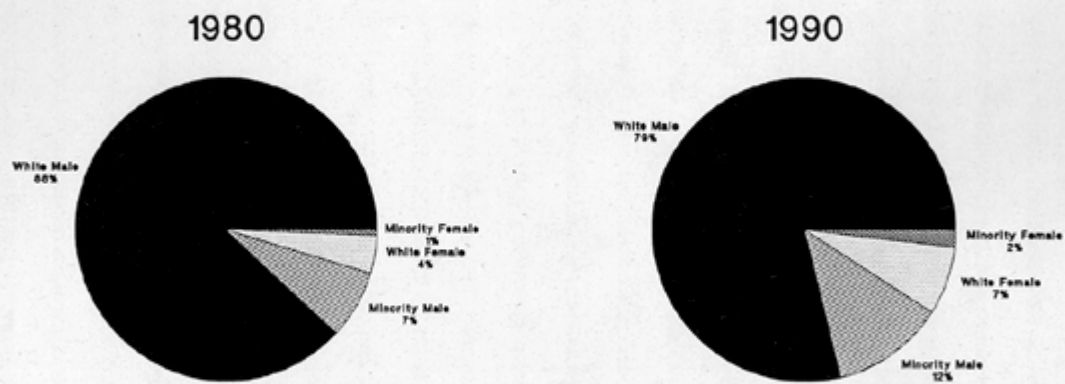
**Figure 2: Total Employment  
in Selected Service Industries  
1983, 1988, and 1991**



\* Excluding High-Tech.

Sources: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics, Bulletin No. 2340, August 1989, Table 19, and Employment and Earnings, January 1992, Table 26.

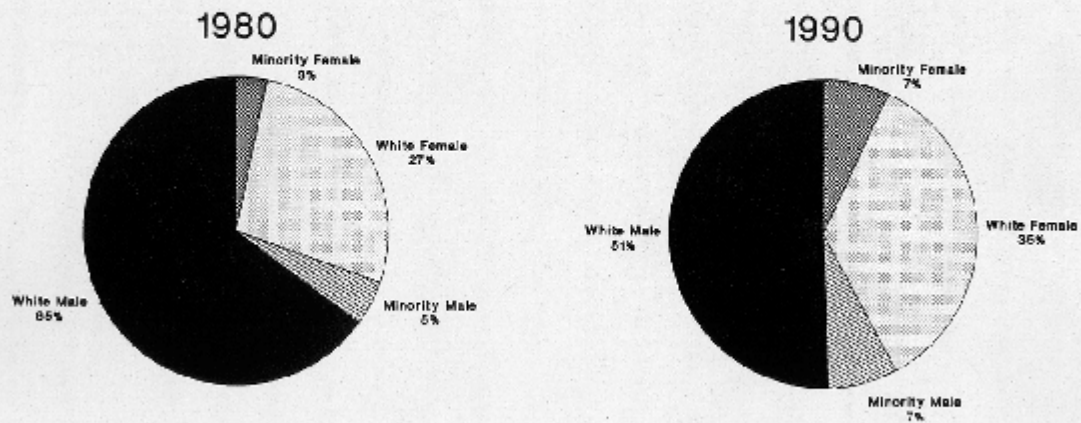
Figure 3:  
Distribution of Engineers by Race/Ethnicity and Sex



Source: IWPR calculations based on the U.S. Bureau of the Census, Census of Population, 1980 and 1990.

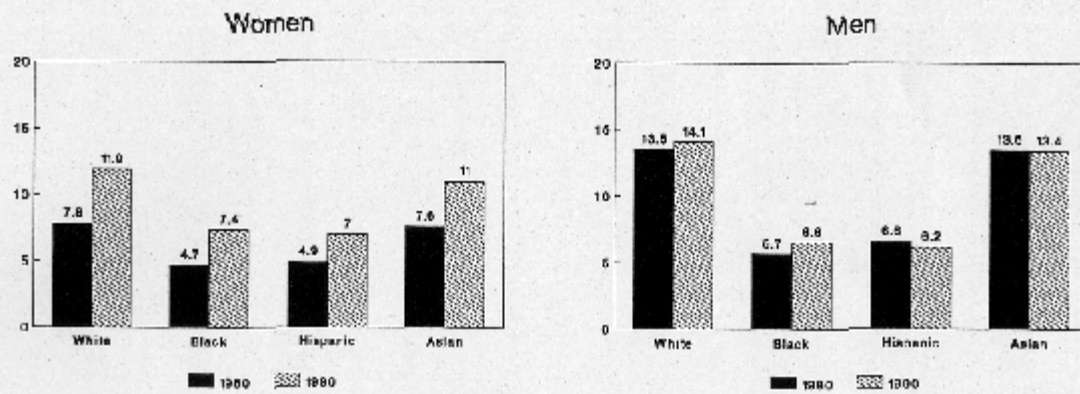


Figure 4:  
Distribution of Managers by Race/Ethnicity and Sex



Source: IWPR calculations based on the U.S. Bureau of the Census, Census of Population, 1980 and 1990.

**Figure 5:**  
**Managers as a Percentage of the Labor Force by**  
**Race/Ethnicity and Sex**



Source: IWPR calculations based on the U.S. Bureau of the Census, Census of Population, 1980 and 1990.

**TABLE 1**  
**Percentage of Managers with Earnings in the**  
**Top Decile and Quintile by Race/Ethnicity and Sex**

	TOP DECILE		TOP QUINTILE	
	1982	1992	1982	1992
<b>WOMEN</b>				
White	1.4	2.4	3.2	6.3
Minority Total (a)	(b)	(b)	2.8	3.6
<b>MEN</b>				
White	14.4	15.7	28.4	30.5
Minority Total	4.8	10.1	11.0	21.2
Black	(b)	9.8	8.2	18.4
Hispanic	(b)	8.0	9.8	16.3
Other	(b)	12.6	16.7	30.1

(a) = Number of minority women in specific racial and ethnic groups too small to tabulate separately.

(b) = Numbers too small to provide reliable information.

Source: IWPR calculations based on unpublished data from the March 1983 and March 1993 Current Population Surveys.

