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#### Gender

# **Stop Undervaluing Exceptional Women**

by Elizabeth L. Campbell and Oliver Hahl

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**Summary.** Despite progress toward gender equality at work, it still takes women longer to get promoted than men, and few make it to the top of the corporate ladder. The authors' research suggests that the reason why comes down to gender-biased assumptions about how... **more** 

Progress toward gender equality has stalled. Women are doing what conventional wisdom says is necessary for success: They're earning advanced degrees, entering high-paying industries, and acquiring impressive qualifications at rates equal to or higher than men. But it still takes women longer to get promoted, and few make it to the top of the corporate ladder. Many women feel like they must be twice as good to get half as far.

They have good reason to feel this way — the findings of our peer-reviewed research suggest that exceptionally qualified women are undervalued and taken for granted by organizations.

To understand what happens when people are exceptionally qualified at work, we ran several experiments asking people with hiring experience to evaluate overqualified job candidates: those with more qualifications than what is necessary for a job. Organizations often don't systematically document why they decide *not* to promote an employee or hire a job candidate, and even fewer would willingly share that information with researchers. As such, our experimental methodology provides the opportunity to study this phenomenon, which cannot easily be examined using field data from organizations.

We find that gender matters a lot — our results suggest that people are more comfortable hiring women for jobs they're overqualified for than men. The reason why comes down to gender-biased assumptions about how challenging it will be to retain them.

#### What People Assume About Who Will Stay at a Company

People assume that men prioritize career advancement above loyalty to a single firm. Men with exceptional qualifications were seen as 19% more likely to jump ship at the next, better opportunity compared to those with fewer but sufficient qualifications for the job, on average. Exceptionally qualified men are perceived to be flight risks and aren't expected to be loyal to one firm when they could decamp to advance elsewhere. Because hiring and training employees takes time and resources, people don't see the point of hiring someone who they think will only be using the firm as a springboard for their next job. These assumptions are consequential for hiring decisions: Overqualified male job candidates are, on average, 25% less likely to be hired than men with fewer but sufficient qualifications.

But the opposite is true for women: People aren't worried about them leaving a firm for better opportunities. It's not that they think exceptional women aren't committed to advancing in their careers. In fact, we found that exceptional qualifications are taken as a strong signal of women's career commitment. Rather, it's that people make a different set of assumptions about what matters to exceptional women. While it's assumed that exceptional men will job hop to get a promotion, it's assumed that exceptional women will stay loyal to their firm because they value their relationships with their coworkers. The assumption that women value these relationships is so strong that people continue to believe exceptional women will choose to stay even in the face of better, outside career opportunities. Our results show exceptional women, on average, are seen as 20% less likely to leave the firm and 26% more likely to be hired as a result, compared to men with equivalent exceptional qualifications.

Our findings illuminate how standout women employees can be taken for granted by firms because of gendered beliefs about who is and who isn't a flight risk. Moreover, such gendered dynamics likely contribute to the glass ceiling and gender gaps in earnings. If firms assume women will place loyalty to the firm over advancing in their careers through outside opportunities, they won't engage in preemptive retention efforts like bonuses, raises, promotions, or increased responsibility like they will for men.

To be sure, individuals have agency in their own careers and can advocate for themselves when they'd like advancement opportunities. But there is mounting evidence that women hesitate to advocate for raises, more responsibility, or rewards for their work out of a concern that they'll be labeled bossy or arrogant when they do, and these concerns have merit. These labels have consequences because women face additional barriers to their career advancement when they're seen as unlikable, something that isn't true for men.

## **How to Combat Assumptions About Retention**

So, what can be done? Armed with this knowledge, women should compare their qualifications and experience to those held by their male peers to determine if they might be qualified for a higher-ranking or higher-paying position. Women can also proactively get outside offers as leverage to improve their benefits and salary.

But fixing this inequity shouldn't rest only on women's shoulders. Putting the onus on women to fix this problem isn't a fair or sustainable solution, and it means they must spend more time and put forth more effort than their male peers to get the same jobs with the same compensation.

Women also face gender biases in the hiring process, which makes getting outside offers that accurately reflect their value more difficult than it is for men. What's worse, our results also show that people think they're helping when they offer exceptionally qualified women relatively lower-ranking positions in hiring decisions. We found that, unlike men, people assume women might apply for a job they're overqualified for to get away from a firm with a glass ceiling, or where gender bias is keeping them from advancing. In these decision makers' minds, offering women lower-ranking positions gives them a way out of those organizations that are holding them back. But if the "help" or "way out" being provided ultimately reduces women's earnings and stalls their career trajectories, it's discrimination by another name.

Company leaders should take a hard look at their retention practices, which are often not standardized and left up to the discretion of individual managers. These types of informal evaluation processes require managers to make assessments without all the information they might need or want about an employee or job candidate. For instance, managers tend to have information about an employee's qualifications and prior performance, but will lack information about that employee's goals, motivations, and commitment to continuing to work at the firm. As a result, managers frequently make assumptions about these unknowns based on the information they do have. Problematically, these assumptions tend to be where gender biases can take hold of decision processes.

As a manager, be careful about the assumptions you make about employees' and job candidates' goals and motivations. It's common to make assumptions when you don't have all the information. But it's problematic to base consequential, career-

advancing decisions on these preconceived notions. Instead, be direct and ask questions. Talk to your employees and job candidates about their career goals and what they want and expect and listen to what they have to say.

Hiring decisions should be based on merit, but our research shows they often aren't. To stop taking talented women for granted and to avoid losing them to other firms, companies need to do more to recognize and address these biases. In fact, a true commitment to having a fair and equitable workplace depends upon companies doing just that.

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