The Glass Ceiling:
Domestic and
International Perspectives

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Worldwide, individual women have been breaking through the glass ceiling. Since the year 2000, New Zealand has appointed its first woman prime minister; the first woman became president of Central Bank in Finland; the former president of Ireland became the first woman Commissioner of Human Rights in the United Nations; and the World Health Organization has its first woman Director-General, the former prime minister of Norway.


Yet, newspaper headlines today highlight the glass ceiling which continues to affect women in the workplace. This issue of Research Quarterly explores facets of the glass ceiling focusing on domestic and international research regarding personal, institutional and societal barriers that affect women’s advancement—and how human resource professionals and organizations can address these issues.

Definition of the Glass Ceiling
The term “glass ceiling” was coined in a 1986 Wall Street Journal report on corporate women by Hymowitz and Schellhardt. The glass ceiling is a concept that most frequently refers to barriers faced by women who attempt, or aspire, to attain senior positions (as well as higher salary levels) in corporations, government, education and nonprofit organizations. It can also refer to racial and ethnic minorities and men when they experience barriers to advancement. For the purpose of this article, the glass ceiling is discussed regarding women in business with a focus on advancement to senior positions.

Why HR Professionals Need to Understand the Concept of the Glass Ceiling
Human resource professionals are often in leadership positions that allow them to have a broad impact on organizations. As a result, it is important that they are knowledgeable about how the glass-ceiling phenomenon may directly or indirectly impact an organization’s reputation, customer loyalty, diversity of skill sets, growth potential and even its bottom line. Oftentimes, the CEO or president of an organization may tap HR professionals for their advice and expertise on the strategic organizational changes that are necessary to reduce the existence of a glass ceiling in order to maximize an organization’s performance and reputation.

HR professionals are also required to be knowledgeable of employment laws, programs and practices for their organization. Because the law provides protection for certain demographic groups, such as women, in the labor market, HR professionals need to understand the potential impact of glass-ceiling barriers (e.g., discrimination) on women—including women of color—regarding advancement in the workplace.

In the United States, discrimination in the workplace is illegal (see Figure 1). Yet discrimination exists in many forms. For women, for example, discrimination can result in lower pay and fewer advances in salary when compared with men. It may also manifest in hiring practices, training and development, and promotional opportunities that are disproportionately in favor of men.

Workplace changes that are facilitated and implemented by HR professionals—such as hiring, transfers, training and development, promotions,
succession planning, and terminations—have the potential to either positively or negatively impact glass-ceiling barriers. For example, many organizations are required to develop affirmative action plans (AAP), complete EEO reports and undergo audits. A critical section of the AAP is the utilization analysis, which compares the number of women and minorities available in the labor market to those employed in the organization. Corporate management reviews, sometimes called glass-ceiling audits, are another compliance requirement, usually conducted during the overall AAP audit and focused primarily on the decision-making process of senior executives and CEOs. For AAP noncompliance, companies can be severely fined. Further, companies who do not comply with Title VII of the Civil Rights Act of 1964 and other U.S. employment laws risk large court-imposed fines and unfavorable publicity.

At the end of this article, recommendations are presented for HR professionals to help prevent and/or eliminate glass-ceiling barriers.

**Signs of the Glass Ceiling in the Workplace**

Evidence of the glass ceiling has been described as invisible, covert and overt. At the root of the glass ceiling are gender-based barriers, commonly cited in the literature and noted anecdotally. These barriers run the gamut from gender stereotypes to preferred leadership styles to tokenism in the high managerial ranks (see Figure 2).

A major sign of the effect of the glass ceiling is gender-biased compensation. Countless studies and anecdotal reports have shown huge discrepancies in salary in favor of men, even for similar positions in similar organizations. For example, in 2002 the median total compensation of male CEOs in nonprofit organizations was $147,085, approximately 50% higher than the median total of female CEOs ($98,108) in similar settings. Discrepancies in favor of men still existed even when organizational revenue sizes were compared. Also, women who do not have opportunities to gain additional competencies are not likely to have the skills, such as specific managerial experience, required to compete for and be awarded equal positions as men and close the pay gap.

Another indicator of the glass ceiling is when women’s advancement is hampered by well-ingrained corporate cultures. For example, corporate policies and practices can subtly maintain the status quo by keeping men in positions of corporate power. Boards of directors, which are mostly comprised of men, sometimes perpetuate the status quo by selecting CEOs who look like them. Other gender-based barriers include behavioral and communication styles that differ vastly from the company’s norms and women’s lack of opportunity to gain general management/line experience.

Work/life balance challenges can impact women’s advancement and, if not dealt with, may contribute to the glass-ceiling phenomenon. Women are typically the primary family caregivers for children and/or the elderly. Assumptions are often made regarding women’s availability to do a job without interference from family responsibilities. Further, some organizations may not offer work/life programs that support outside commitments, particularly for senior-level positions. Therefore, many women are at a disadvantage to take steps that would increase the likelihood of advancing up the corporate ladder.

Finally, opportunities for promotion often favor men due to developmental prospects, such as mentoring and networks. Women may not have full access to informal networks men use to develop work relationships in the company, and these networks often tend to exclude women due to the nature of their activities or the perception that these are “male activities” (e.g., golf), thus contributing to gender barriers in the workplace.

**Studies About the Glass Ceiling in the United States**

Several groundbreaking studies address the glass ceiling on the domestic front:

- In the early 1990s, the Center for Creative Leadership conducted studies on the glass ceiling. Their 1995 study surveyed human resource managers, which included an end-of-year survey of CEOs.

- In 2003, Catalyst, a research and education organization, released a report titled “Breaking the Glass Ceiling: What Women Need to Succeed at the Highest Levels of Corporate America.”

- In 2003, the American Society of Association Executives (ASAE) conducted a study on association executive compensation.

- In 2003, the Center for Creative Leadership conducted a study on the glass ceiling.

**Figure 2 Gender-Based Barriers**

- Corporate policies and practices
- Training and career development
- Promotion policies
- Compensation practices
- Behavioral and cultural explanations
- Behavioral double binds
- Communication styles
- Stereotypes
- Preferred leadership styles
- Power in corporate culture
- Maintaining the status quo ("old boy" networks)
- Tokenism in top management circles

managers from 304 large industrial and service firms from Fortune 1000, 500 and 50 companies. Two key findings that create and perpetuate the glass ceiling were revealed:
1. The discomfort of white male managers with those unlike themselves (e.g., women and women of color).
2. The lack of accountability or incentives in organizations to develop diversity.

• In 1996 Catalyst, one of the leading nonprofit research organizations for women in business, conducted a pioneering study to examine perceptions and experiences of the Fortune 1000’s most senior-level women and CEOs. (However, the study did not indicate the gender of the CEOs.) Comparison of this study with their 2003 study on women in corporate leadership roles reveals valuable information regarding the state of the workplace for executive women, as well as CEOs’ perspectives on the glass ceiling. Overall, women’s views about advancement opportunities indicate that the glass ceiling remains well intact.
1. Compared with 23% of women in 1996, in 2003 only 30% of women believed the opportunities for senior positions in their own organizations have greatly improved in the past five years.
2. Only 11% of women believed opportunities in the United States have improved in general.

• CEOs’ views regarding women’s advancement are critical to supporting women’s talents in high-ranking positions. In 2003 Catalyst surveyed CEOs (who were not identified by gender) from the Fortune 1000 companies and compared their views with those of senior-level female employees:
1. Women and CEOs agreed that the lack of general management or line experience was the top barrier to women’s advancement to senior leadership roles.
2. Nearly two-thirds (64%) of CEOs believed it was the organization’s responsibility to change to meet the needs of women in management.
3. Forty-seven percent of women said that exclusion from informal networks was a barrier to advancement, in contrast to 18% of CEOs.
4. Lack of mentoring was noted by 16% of women, in comparison with 21% of CEOs.

• The glass-ceiling literature discusses differences in management/leadership styles between men and women. For example, communication styles of management and leadership in the corporate world that are typically most valued are those often used by men (e.g., being direct and factual), rather than the interpersonal style women often use. Therefore, women who use the more direct communication style may be more likely to advance in the corporate world than women who do not. However, a recent study shows that women tend to be more flexible in their leadership styles than men and engage different styles and approaches. This report compared highly successful women executives in senior leadership positions with successful men executives and less successful women from large Fortune 400 companies, including PepsiCo, IBM, Unilever and Prudential.
1. The key findings note that successful women executives are twice as likely to use a more interpersonal style than men.
2. Women also use leadership styles that men typically use, such as directive and authoritative.
3. The study suggests that the best leaders—men or women—do not use the style they are most comfortable with, but rather use the style best suited to the situation/people.

• A 2004 study shows that those companies that have managed to “break through” the glass-ceiling have prospered financially. Of 353 Fortune 500 companies, those with the highest representation of women on their top management teams had better financial performance than did the group with the lowest women’s representation: the Return on Equity (ROE) was 35% higher and the Total Return to Shareholders (TRS) was 34% higher.

Statistics Don’t Explain Earnings Differences
The number of women in the labor force is growing. In the United States in 1998, women represented 45% of the labor force and men 55%. It is predicted that by 2008 women will comprise 48% of the labor force and men 52%. Yet in spite of women’s large share in the labor force, pay inequities continue to exist. In the discussion of the glass ceiling, one of the foremost topics is pay equality.

Based on a U.S. General Accounting Office (GAO) report, research on equal pay and career advancement does not explain the magnitude of earnings differences between men and women, nor why these differences exist. The GAO investigated factors that...
contribute to earnings differences. Taking into account differences between work patterns of men and women, as well as other key factors, women earned, on average, 80% of men’s earnings in 2000. However, the GAO earnings model cannot account for the remaining earnings difference. The report suggests that pay differences may be the result of managing work and family responsibilities differently.\textsuperscript{11}

According to the Institute for Women’s Policy Research (IWPR), factors that explain these differences include work experience, education, and lack of opportunities. Historically, women’s wages lag behind men’s.\textsuperscript{12} In addition, the gap between women’s and men’s earnings increases with age. The U.S. Bureau of Labor Statistics shows that in 2002 the difference between women’s and men’s earnings was much greater among workers aged 45 to 54: women in this age range earned 75% as much as men. In contrast, women aged 16 to 24 earned 93% of men’s wages.\textsuperscript{13} Young women are closing the wage gap; in 2000 they earned 82% of young men’s earnings, compared with 68% in 1979.\textsuperscript{14} HR professionals can play a large role in closing the salary gender gap.

Women of Color

Women of color often face additional challenges in regard to the impact of the glass ceiling. Not only do they have to contend with gender-based barriers, but they sometimes have to overcome racial and ethnic obstacles to move up the corporate ladder.

A 2004 research report of African-American women notes exclusion from informal networks and even conflicting relationships with white women. Although 75% of Fortune 500 companies have formal diversity programs, 37% of African-American women state that opportunities to advance to senior positions are declining. The primary barriers for African-American women are:

1. Negative race-based stereotypes.
2. Lack of institutional support.
3. Frequent questioning of African-American women’s authority and credibility.

To combat these barriers, African-American women recommend three proactive success factors: communicating effectively, exceeding performance expectations, and building positive relationships with managers and colleagues.\textsuperscript{15}

Catalyst conducted research on women of color and the glass ceiling that yielded slightly more optimistic findings. Overall, they found that women of color experienced positive career growth—for example, 57% were promoted at least once (data consistent with other studies of white women and women of color). While this research shows women of color employ several strategies for advancement and place great emphasis on networking and mentoring, it also reports that women of color are less hopeful about their career prospects since the same barriers from the past remain today.\textsuperscript{16}

The Glass Ceiling and International Implications for HR Professionals

The glass ceiling is not a U.S. phenomenon. Glass-ceiling barriers are evidenced worldwide, often compounded by cultural values and traditional gender roles. With the expansion of globalization, HR professionals who work in the United States or abroad—in U.S.-owned or foreign-owned operations—must be educated regarding the U.S. and international employment laws that affect their organizations (see below).

Extraterritorial laws that apply to U.S. firms conducting business outside the United States:

- Title VII of the Civil Rights Act of 1964
- Age Discrimination in Employment Act (ADEA)
- Americans With Disabilities Act (ADA)

International laws that require nondiscrimination in employment:

- European Union (EU) – Equal Pay Directive
- International Labour Organization (ILO) – Equal Remuneration Convention No. 100
- Organization for Economic Cooperation and Development (OECD) – Guidelines for Multinational Enterprises
- United Nations – Global Compact

An emerging issue of the aging workforce is the lack of global talent. Where will HR professionals find the right people for their organizations as the baby-boomer generation retires? One of the missing key ingredients is female global managers. Women employees offer a wide range of talent and potential but are largely underdeveloped in the global manage-


The Glass Ceiling: Domestic and International Perspectives

Developing global leaders requires experience outside the home country, and, increasingly, international experience is a requirement for global senior leadership positions.

**International Studies on the Glass Ceiling**

A number of studies regarding the glass ceiling point to issues in the international arena:

1. Many of the respondents—men and women in senior positions at large corporations across 20 European countries—reported that opportunities for women’s advancement have greatly improved in the past five years.
2. Nearly 25% of women stated there had been no change: 9% of men agreed.
3. For women who want to advance in the global arena, the barriers of tokenism, exclusion and isolation remain unchanged.

**A study of women expatriate managers representing a wide range of industry and service sectors in Europe** found that they are disadvantaged due to the lack of organizational support which is readily available to their male counterparts. These findings suggest that few organizations have developed career models for women expatriates.

1. All women managers in the study stated they hit the glass ceiling in their organizations early in their careers and affirmed the glass ceiling is very real in Europe.
2. Only 25% believed they could make it to the top of their professions.

**Women in Senior Positions in the United States and Abroad**

According to research, the advancement of women to senior positions is paradoxical at best. While there has been some movement, much remains unchanged. Advancement continues to be a challenge due to the lack of support at the organizational level from organizational culture, policies and practices, insufficient training opportunities to develop new competencies, lack of role models and mentors, and few opportunities for advancement abroad, often due to cultural values and norms.

With many barriers remaining in place, women are not gaining the required experience to compete with men (see Figure 4). For example, in 2002 women held only 10% of the 6,428 total line corporate officer positions in the Fortune 50. Women who have successfully attained senior positions recommend a

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number of career strategies, such as consistently exceeding performance expectations (see Figure 5). One of the critical measures of women in senior positions is the number of women who hold corporate directorships. For example, in the United States in 1995, women represented 10% of board directors, increasing to 16% in 2002. In Canada, women held about 11% of board positions in 2001 and 2003. In the United Kingdom in 2003, women passed a milestone with 101 directorships on FTSE 100 boards when the number of companies with female directors increased from 61 to 68. However, in other high-ranking positions, women representation is much lower than in directorships. In 1995, the Fortune 500 had one woman CEO. Today, there are seven female CEOs (an increase from 0.2% to 1.4%).

Women Entrepreneurs
As a path around the glass ceiling, there is a movement of women toward entrepreneurship. Key factors in business ownership are leadership recognition and the authority to make decisions. Women's decisions to leave corporations include a mix of personal and professional reasons—from lack of work/life balance to gender discrimination to the opportunity to pursue new challenges (see Figure 6).

In the United States the growing number of women-owned or majority-owned businesses demonstrates that women entrepreneurs are breaking through the glass ceiling. According to the U.S. Department of Labor, the Census Bureau's latest Survey of Women-Owned Business Enterprises reported that women owned 51% or more of 5,417,034 firms in 1997. The four industries with the largest total revenues for women-owned businesses were wholesale trade, service, retail trade and manufacturing.

Women of color are also making significant inroads as entrepreneurs. Between 1997 and 2002, the number of minority women-owned firms increased by 32%. In terms of the proportion, in 2002 one in five women-owned businesses in the United States was owned by a woman of color.

Increasingly, women entrepreneurs are being recognized for their work and for their growing companies. For example, according to a new study, a number of women entrepreneurs own million-dollar firms. In addition, the Veuve Clicquot Business Woman of the Year Award acknowledges women at the leading edge of entrepreneurship.

The Other Side of the Coin—Is There Really a Glass Ceiling?
To complete the discussion of the glass ceiling, it is essential to mention three primary divergent views against the glass-ceiling concept. The first argument is that women can get to senior-level positions on their own merit, through hard work, ambition and adding value to the bottom line—if they want to. That is, some women choose not to pursue more ambitious career goals.

Figure 4
Overt and Covert Barriers for Women to Domestic and International Senior Positions
- Balancing home life and career
- Isolation and loneliness
- Constant awareness of being a woman in a man's world
- Lack of access to male networks
- Having to prove oneself to others
- Having to work harder and be better than male counterparts
- Having to ask for promotions
- Having to ask for international assignments
- Less time available for networking due to domestic commitments


Figure 5
Critical Career Strategies for Women to Attain Senior Positions
1. Consistently exceed performance expectations
2. Develop a style with which male managers feel comfortable
3. Seek out challenging and visible assignments
4. Obtain the support of an influential mentor

The second argument states that it is work/family challenges that get in the way of women’s advancement, as opposed to obstacles within the organization or those set by top management. As they climb the corporate ladder or earn the corner office, many women discover that family is more important to them, and they risk missing out on special moments in their children’s lives. Fast Company recently interviewed a number of high-level women who had chosen to step down from their positions. As a woman who had been a vice president of an international bank commented, “There’s a different quality of what men give up versus what women give up.” She explained, “The sacrifices for women are deeper, and you must weigh them very consciously if you want to continue.”

Finally, the third viewpoint is that glass-ceiling literature tends to ignore smaller companies, and women’s entrepreneurial success in smaller companies appears to carry less value in comparison with senior roles in traditional and larger corporate settings.

Recommendations: What HR Can Do to Help Break the Glass Ceiling

HR professionals should take a proactive role to identify whether the glass-ceiling phenomenon is operating within their organization and should lead the way to find solutions to overcome it. Below are a number of actions that HR professionals can take to break the glass-ceiling barriers. By no means is this an exhaustive list, but instead it serves as a starting place.

Understanding the organization’s culture, values and norms is the first step. Change, however, will only successfully occur with the commitment of the organization’s top management. Key to organizational change is education—of management, women and the overall workforce. Finally, measurement is critical to map the path for change and chart the results.

Examine the Organizational Culture

- Review HR policies and practices to determine if they are fair and inclusive (e.g., pay differences, hiring practices, history of promotions to senior positions, affirmative action plans).
- Examine the organization’s informal culture: look at subtle behaviors, traditions and norms that may work against women.
- Through surveys and focus groups, discover men’s and women’s perceptions about the organization’s culture, their career expectations and what drives their intentions to stay or leave.
- Identify the organization’s best practices that support women’s advancement.
- Map the strengths and weaknesses of policies and programs.

Drive Change Through Management Commitment

- Support top-management commitment to talent management, including women in senior positions.
- Ensure that diversity (including women in senior positions) is a key business measurement for success that is communicated to all employees by top management.
- Require line management accountability for advancement of women by incorporating it in performance goals.
- Train line managers to raise awareness and understand barriers to women’s advancement.

Foster Inclusion

- Establish and lead a change-management diversity program for managers and employees.
- Affirm diversity inclusion in all employment brand communications.
- Develop a list of women for succession planning.
- Develop and implement retention programs for women.

Educate and Support Women in Career Development

- Emphasize the importance of women acquiring line management experience.
- Encourage mentoring via informal and formal programs.
- Acknowledge successful senior-level women as role models.
- Support the development and utilization of women’s networks inside and outside the organization.
- Create and implement leadership development programs for women, including international assignments, if applicable.
Measure for Change

- Monitor the impact of recruiting strategies designed to attract women to senior levels of the organization.
- Track women’s advancement in the organization (hiring, job rotation, transfers, international assignments, promotions).
- Determine who gets access to leadership and management training and development opportunities.
- Evaluate differences between salary of men and women at parallel levels within the organization.
- Measure women’s turnover against men’s.
- Explore reasons why women leave the organization.

Conclusion

Both domestically and globally, women represent a relatively untapped source of talent for leadership in the workplace. While progress has been made across the globe, barriers to women’s advancement continue to exist, including cultural norms, stereotypes, and employer policies and practices. As the renowned economist Lester Thurow, Lemelson Professor of Management and Economics at the Massachusetts Institute of Technology, recently said, “Great challenges lay ahead and our economic future is at stake. Organizations cannot compete in a global environment without using women.” Human resource professionals have a significant part to play—through organizational culture, workplace policies and practices, change management and workforce education—to develop women leaders at home and abroad.

Below are resources and tools that human resource professionals may use in their role to help shatter the impact of the glass ceiling.

Resources

Catalyst: www.catalystwomen.org


Center for Women’s Business Research: www.nfwbo.org/

Cranfield School of Management – Centre for Developing Women Business Leaders: www.som.cranfield.ac.uk/som/research/centres/cdwbl

Eurostat: http://europa.eu.int/comm/comm/eurostat/

Institute for Women’s Policy Research: www.iwpr.org

International Labour Organization: www.ilo.org

OECD: Guidelines for Multinational Enterprises: www.oecd.org/department/0,2688,en_2649_34889_1_1_1_1_1,00.html

Online Women’s Business Center: www.onlinewbc.gov/

Promotion of Women Entrepreneurship: http://newcome.de/prowomen/english/index.php


Women & Equality Unit – EU and International Work: www.womenandequalityunit.gov.uk/eu_int/index.htm


Women’s Research and Education Institute: www.wrei.org

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