

STUDY

BEYOND BORDERS

*International Female Leaders and
Their Way to the Top*



MISSION *FEMALE*

***A Comparative Analysis of Success Factors for and
Barriers of Advancement to Senior Management
Roles for Women in USA, Sweden, Netherlands***

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INTRODUCTION

In the past years, gender diversity in the business context has been a constant topic of conversation. Generally, it is agreed that diversity (whether we are talking about gender or any other diversity factor) is necessary for a company to thrive (Brieger et al., 2019; Catalyst, 2004; Glass & Cook, 2018; Madsen, 2015; Terjesen et al., 2016).

In the past decade we have seen many efforts from companies to make diversity one of their flagship battles with the aim of having a workforce with as many men as women. However, the statistics clearly show that albeit massive improvements, there is still a disparity in gender, especially when we look at senior management roles: Currently, only 13 women are CEOs of the world's largest corporations and they lead just 2,6% of Global 500 businesses (Hinchliffe, 2020).

Women occupy only 20,6% of board director seats worldwide in 2020 (Milhomem, 2020). A review of more than 1100 organizations globally revealed a leaky pipeline for women in leadership positions, with women's participation declining as levels advance (Mercer, 2020): 47% of support staff are women, 42% of professionals, 37% of middle managers, but only 29% of senior managers and only 23% of executives are female. Moreover, the global pay gap between women and men is still existing around the world: Globally, women in formal employment earn just 79% of what men earn in average monthly wages (Catalyst, 2021).

Despite these global trends, the realities of when (or when not) and how female leaders realize their way to the top are very different in the various countries of the world. On the one hand, this means that each country must be considered in a differentiated way, but on the other hand, differences and similarities allow for mutual learning and best practice recommendations.

To understand what are differences but also shared barriers and success factors, Munich Business School and Mission Female have conducted a study to learn about the different ways to the top of female leaders in the three different countries: USA, Sweden and the Netherlands.



THE UNITED STATES

In early 2020, women represent 48% of the total labor force at entry level, 40% at management level, 28% at senior vice president level and 21% when considering the C-Suite level employees (Catalyst, 2020a). The 2020 Fortune 500 list published in May revealed a record high for the number of women CEOs (37). In comparison, men held 463 CEO positions (Catalyst, 2020b). The overwhelming majority of boards in the USA are still dominated by men: only 21,7% are female ("Global Gender Gap Report 2020," 2020). Women in the United States earn approximately 82 Cents for every \$1 earned by men (Fins, 2020). California is the only state that has introduced quotas in the USA, requiring publicly traded companies to include women on their boards of directors (Catalyst, 2020c).



SWEDEN

According to the latest Gender Gap Report published by the World Economic Forum Sweden ranks in 4th position globally ("Global Gender Gap Report 2020," 2020). Sweden is among the world's top 15 countries in terms of labor force participation (81% of women are in the labor market) and income gender gaps (76.9%). 38,6% of managers are women and Sweden is ranked fourth globally for the number of women on boards of directors (36,3% of companies' board members are women). Quotas are not in place in Sweden, however the Corporate Governance Code of 2004 has a voluntary goal of parity for listed companies (Jourová, 2016).



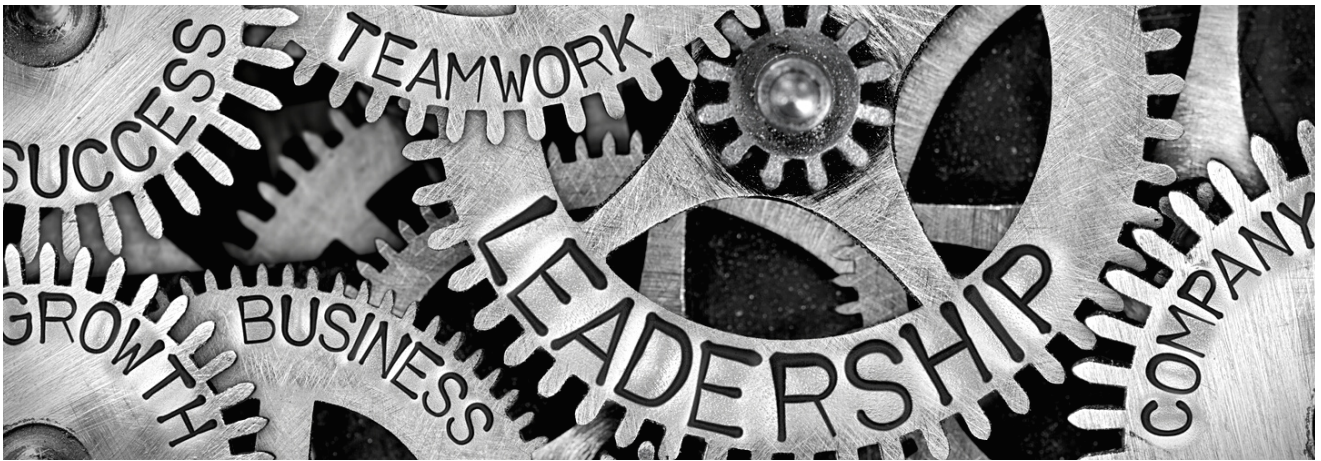
THE NETHERLANDS

The Netherlands is progressing towards gender equality at a slower pace than other EU Member States. Its ranking in the EU Gender Equality Index has dropped by one position since 2005. The employment rate is 74% for women, however only 37% of them work full-time. In comparison the employment rate for men is 84%, 58% of which work full time. The pay gender gap persists: women earn 21% less than men. Between 2005 and 2018, more and more women joined the boards of the largest publicly listed companies (from 7% to 30%) (European Institute for Gender Equality, 2019).

This steep increase is due to quotas being introduced in 2013. The Dutch government enforced a statutory target for the ratio of men to women on the executive and supervisory boards of large public and limited liability companies (approx. 4,900) (Statutory Target Again for Gender Balance on Company Boards, 2016).

THE STUDY

To gain a better understanding of the obstacles and to learn about success factors that helped female leaders on their way to the top, we conducted twelve in-depth qualitative interviews with female senior managers from the US, Sweden and the Netherlands. All of the women interviewed had an upper-level managerial position with team responsibility (C-Suite level, Directors, VPs or Area Manager) and have an average of 25 years of professional experience. The sample covered a variety of industry sectors from technology, consumer products, IP, finance, entertainment, transportation and healthcare.



Advancing to Senior Management Roles - Success Factors and Barriers for Women

Previous research has identified factors on different levels that can pose both barriers as well as success factors (Peus et al., 2015). These are individual (e.g. self-confidence), interpersonal (e.g. business networks and mentorship), organizational (e.g. biases that influence selection criteria), and the societal level (e.g. quotas).


Societal Factors

The societal level analyzes the influence of society on women's careers, how the role of women is balanced between work and family, and how societal stereotypes and interventions from government (quotas or any active legislation that facilitate hiring and promoting female managers to higher roles) influence women's ascension to top management roles.

On worldwide average, women spend 4 hours and 22 minutes of their day in unpaid labor, in comparison men only spend daily 2 hours and 15 minutes in unpaid labor (OECD, 2021). This is just one example of societal inequalities that have an impact on women's careers and their representation in managerial roles and politics. In Sweden, women hold 39,6% of seats on company boards and 47,3% of seats in parliament. In USA women occupy 26,1% of seats on boards and 23,4% of seats in the House of Representatives, whereas in the Netherlands, women on company boards are 34% and occupy 31,3% of seats in parliament (The Glass-Ceiling Index, 2020). Several countries have taken action to reduce the gap of gender representation in managerial roles and politics, for example by introducing policies of equal opportunity strategies, reporting requirements, targets, or quotas. The Netherlands have introduced quotas in 2013 and Sweden implemented a voluntary goal of gender parity policy for listed companies in 2004. (Jourová, 2016)

Every society has certain stereotypes when it comes to men and women. Stereotypes describe the associations that are made when thinking of women and men, i.e. what are the typical qualities of women (often communal qualities such as kindhearted, sympathetic, nurturing and in need of affiliation) and men (often agentic qualities such as career oriented, decisive, dominant and in control).

The unique gender assumptions most important to the leadership domain are those who hold that "women take care" and "men take control". Because the association "think manager, think male" has been the reality for so many decades, the dilemma is that female leaders with communal traits may be criticized for not being agentic enough and not taking charge, and female leaders that do show agentic qualities may be criticized for lack of sympathy and not being sufficiently pleasant (Eagly & Kark, 2010).



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Organizational Factors

The organizational level considers the influence of the company in offering factors for success or barriers to advancement to senior management roles for women. Do organizations have practices in place that enable women to climb the corporate ladder or are there practices that hinder it?

On average, there is a better balance between men and women at the middle levels of the corporate ladder, however senior management roles women are scarcely represented (Berry & Franks, 2010; Rincon et al., 2017). One of the reasons is that many companies provide (on paper) equal advancement opportunities for both women and men, however the social structure, culture, unspoken rules, formal roles and code of conduct pose more invisible challenges to women than to men. Because traditionally more men have taken on leadership roles, the implicit model of a leader fits characteristics, lifestyle and preferences of a man and organizations often support a masculine culture which again, has been traditionally accepted because of the majority of men being appointed for senior positions (Eagly & Kark, 2010).

These invisible challenges are referred to as the glass ceiling. The glass ceiling is such a known and recognized phenomenon that the British newspaper The Guardian issues every year a glass-ceiling index, which ranks 29 OECD countries considering ten factors of equality for women in the workplace: higher education, labor force participation, gender wage gap, representation in senior positions in management, on company boards and in parliament, business-school applications, child-care costs, maternity and paternity rights. In the 2020 classification Sweden ranks second, the US 22nd and the Netherlands 24th.



Next to the glass ceiling, another effect, may pose a barrier for women's advancement: Research has demonstrated that women are put in extremely risky roles, more often than male colleagues, a phenomenon called the glass cliff (Ryan & Haslam, 2005). Senior managers and executives have a reasonably high chance of failure as firms are facing financial downturns. In such situations companies may be more likely to appoint female executives, and women may be more willing to accept these roles because of their lower chances of otherwise acquiring more desirable positions. In the event of glass cliff positions (a woman being appointed as a leader in times of crisis) the scrutiny of the organization and general public is much higher.

In addition, research demonstrated that non-typical leaders such as women tend to be penalized more for mistakes than typical male leaders (Brescoll et al., 2010) and their evaluation is negative when they engage in necessary behaviors to lead effectively, which would be considered normal for a male leader (Glass & Cook, 2016).

Both, this glass cliff and fewer work experiences in development deny women access to good-natured tasks that maximize opportunities to show themselves as a high-potential manager (Eagly & Kark, 2010).

Female leaders
need a strong
network to
succeed

Interpersonal Factors

The interpersonal level considers the relationship we have at the workplace, e.g. with colleagues, team members, mentors and supervisors and the networks that women have. It refers to the "social capital" (Brass, 2001) which describes the relationships and networks between people and the support that develops from them. In business, social capital is crucial to advance one's career: The bigger one's network and social capital is, the more valuable information, access to help, resources and career sponsorship one has (Brass, 2001).

A great deal of research shows that women experience fewer peer and work-related support in male-dominated occupations and have less social capital than men do. Both men and women frequently form their own social networks with women relying more on other women for role modeling and social support but being excluded from informal "boys' networks" and therefore have less visibility on a stream of information and potential opportunities that may arise unofficially only within these networks (Eagly & Carli, 2007; Glass & Cook, 2016).

Individual Factors

The individual level focuses on individual characteristics that may be related to background, personality traits, career aspiration and nonwork roles. A person's history, such as schooling, family composition and other demographic characteristics have shown to have an influence on their career paths and may be one of the reasons for disparities between female and male paths to senior management roles (Ragins & Sundstrom, 1989).

Different personality factors have been related to career success. Just to name two examples: self-confidence is found to have a strong correlation with climbing the corporate ladder. Male managers rate their performance higher than their female peers, whereas women tend to underestimate their own skills and performance which may have a negative impact to their advancement of career. In addition, men tend to associate their success to their abilities, whereas women are more likely to attribute their success to external factors, such as chance, rather than to their ability (Peus & Traut-Mattausch, 2007).

The linguistic style influences the judgement about the speaker's competence and authority, and it differs between male and female managers. When women speak, they tend to use the impersonal form ("we" instead of "I"), downplay their certainty, apologize more, soothen criticism with praise and exchange compliments, whereas the opposite is often true for men (Tannen, 1995).

There is no evidence of one linguistic style being more effective than the other, however as men still hold the most powerful positions within an organization, they are more likely to recognize and reward linguistic styles that are similar to their own and misinterpret and judge negatively those that are different (Peus & Traut-Mattausch, 2007).

Besides personality, our "non-work roles" also differentiate us from each other. Evidence shows that female senior managers are more likely to experience a "work-life balance" barrier to their career advancement and that the female managers that try to balance both a family and a career find it not only very difficult but are often met with negative stereotypes and criticism (Peus & Traut-Mattausch, 2008).

INTERVIEW RESULTS

Overview

The in-depth interviews with female top managers from Sweden, the Netherlands and the USA showed that in all three countries the biggest success factors are related to the interpersonal and individual level. Society and organization play a minimal role for women's advancement to senior management positions in our study. Interestingly, the exact reverse is the case when analyzing what the barriers for advancement to senior management positions are: The biggest barriers for women climbing the corporate ladder are the organization itself and the society. The results have shown that the individual and the interpersonal factors play a minimal role in the experience of the women interviewed.

Success Factors in order of importance	Barriers in order of importance
Interpersonal	Organizational
Individual	Societal
Societal	Individual
Organizational	Interpersonal

Table 1: Success Factors and barriers in order of importance.

To best analyse the results in detail, the answers of the qualitative interviews have been coded following the principle of success factors and barriers. The following table shows how many times the different codes were mentioned within the interviews, divided by country.

Code	USA	Sweden	Netherlands	Total
Success Factors				
Individual	10	7	9	26
Interpersonal	15	16	10	41
Organizational	3	3	3	9
Societal	5	4	4	13
Barriers				
Individual	4	6	3	12
Interpersonal	3	1	1	5
Organizational	22	19	12	53
Societal	10	22	12	44

Table 2: Combined coding frequencies mentioned by interviewees of all three countries.

Note: n=4 for each country. Total N=12. Table displays absolute numbers

Success Factors

When analyzing the success factors, the majority of the interviewees emphasized the interpersonal level (mentioned in 41 occasions). There is a slightly more positive trend within the Swedish managers who were the ones to mostly mention the positive effect that caring about their team and not always putting themselves in the spotlight has on their job.

***"People grow and develop when they work with me, because I allow them to do that."
(Swedish Manager)***

Especially important for the women in our study was their strong network that they could rely on. This was either mentors who have guided them through their professional life, allies who have advocated for them in crucial times or superiors who saw their potential before they did and took a chance on them.

"I'm good at using my network, because quite often I ask for an introduction at a company or advice to help me grow." (Dutch Manager)



Individual factors, especially achievement orientation and willingness to take risks were mentioned as important for their success by the women in every one of the three countries (26 times in total)

"I have been willing to step into roles that I don't necessarily feel really 100% prepared to do"
(U.S. Manager)

Less importance was given to societal factors (mentioned 13 times), and even less so to organizational factors (it came up only 9 times). Interestingly however, not sticking to traditional roles within the family (where the household work and the childcare were not only dependent on the woman) was mentioned by two Swedish managers and one American manager as being the main reason they could pursue their career.

"I have the greatest husband ever and we always discuss when I get offered a new role, if I really like it and want to do. So, he is the one actually overseeing home with the children, getting the children from daycares, schools. And I'm the one who has been working, to us that is suitable to our family." (Swedish Manager)

The topic of quotas was debated by most women in our interviews, even by the ones that believe it can be a success factor for the advancement to senior positions. There seems to be a sense of pride in not wanting to accept that women can access certain positions only because it is mandatory for the companies to do so.

On the other hand, the majority of the women in our interviews saw that it often is the first and only step to establish some sort of balance which can lead to different point of views being taken into consideration and thus giving the opportunity to other female managers to get to certain positions they otherwise would hardly have access to.

"I think if you want to change things, and you want to change them fast, quotas are needed, because otherwise it'll take another 200 years before we're finally equal, which is way too long."
(Dutch Manager)

Barriers

Whereas the success factors for female managers to advance to senior management roles have shown to be mostly individual and interpersonal factors and less organizational and societal, the exact opposite seems to be true for the barriers. Organizational factors have been mentioned 53 times as a barrier by the women interviewed, followed by societal factors (mentioned 44 times). Individual factors are less a barrier (mentioned only 12 times) and even less so interpersonal factors (the subject came up only 5 times).

As one of the most evident organizational barrier, the glass ceiling was mentioned.

"I also definitely lost out on opportunities at certain points in my career because I didn't understand that game well enough, or it didn't feel comfortable with me." (Dutch Manager)

On the societal level, the women in our study mentioned as the main barrier they encountered in their career gender stereotypes and unconscious bias. This has been evident in all countries analyzed.

"There aren't many women in leadership who you can relate to. The environment is built from men for men."(U.S. Manager)

Women across all three countries talked about stereotypes and how they produced deep-rooted prejudice against women and their capabilities.

"My performance was always questioned subtly. At the year-end review my managers commented your numbers this year are great for being the first woman in this role" (U.S. Manager)

Especially the women in Sweden and Netherlands talked about the challenges of balancing a career and a family as a barrier:

"I actually often did get questions: "Don't you love your children? How can you choose to have your husband taking care of you know, the daily routines and you working?" (Swedish Manager)

Although less important than the organizational and societal factors, individual factors such as doubting their capabilities and feel they are not suited for positions in senior management roles were mentioned by women from all three countries.

Conclusion

The results of our interviews suggest that even though one would assume that there are differences between the Netherlands, Sweden and the USA, in fact the barriers and success factors for women advancing to senior leadership positions are very similar. The biggest success factors are related to the interpersonal and individual level. Society and organization play a less important role in this context. The exact reverse – again irrespective of the countries examined – is the case when analyzing what the barriers for advancement to senior management positions are. In this case, the biggest obstacles identified were in the organization itself and the society.

Of course, we need to consider the small sample of women interviewed in this study, which does not allow for generalization of the results. Despite this limitation, our results are encouraging for both individual women and companies, since the success factors identified can be addressed on an individual and organizational level through initiatives such as networks, but also simply by providing and being role models, mutual support and encouraging and seeking mentoring.

Gender stereotypes and unconscious bias are the main societal barrier that female leader face.

Even though the contextual condition in the three countries we focused on are different, our results suggest that the idea “Women in this country have it easier – we cannot compare our situation to theirs” is too simple.

The struggles might be similar, but even more encouraging, especially the success factors on individual and interpersonal levels are things we share across countries and that we can learn from each other.

STUDY AUTHORS

MISSION FEMALE

Mission Female offers successful women an exclusive network of trust and exchange at eye level and actively strengthens them in their personal and professional development. With over 100 events a year, we ensure an active and binding exchange with one another, improve career opportunities, ensure more visibility of successful women and publicly show attitudes in business, society and politics in order to establish more women in decisive positions. Because only diverse companies are optimally geared for the future and for success. Founded by **Frederike Probert**, a digital and technology fempreneur, Mission Female is her passion project to enable women to strive for executive careers.



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MUNICH BUSINESS SCHOOL

Munich Business School (MBS) is a state-recognized private university in Munich that is accredited by the German Council of Science and Humanities. MBS offers business studies programs in the form of Bachelor, Master, MBA and DBA programs as well as executive education programs for professional development for roughly 650 students, 50% of them coming from outside of Germany. Three core terms are at the focus of the MBS vision: innovative, responsible and globally minded. In line with this MBS places great emphasis on responsible leadership approaches, diversity aspects and international perspectives, both in teaching and research. Through the Women in Leadership initiative MBS connects and supports (future) women leaders at MBS within a strong network of students, faculty, professional staff, alumni and supporting companies and organisations.



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The two **MBS Professors Patricia Kraft and Ellen Schmid** are behind the Women in Leadership initiative with the aim to build a strong and authentic community, work towards a more equitable and gender-mindful business world and is passionate about creating a diverse and open workforce. **Giulia De Anna** is an MBA graduate with Italian background. She works in the brand licensing industry and is passionate about the subject of gender diversity.

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