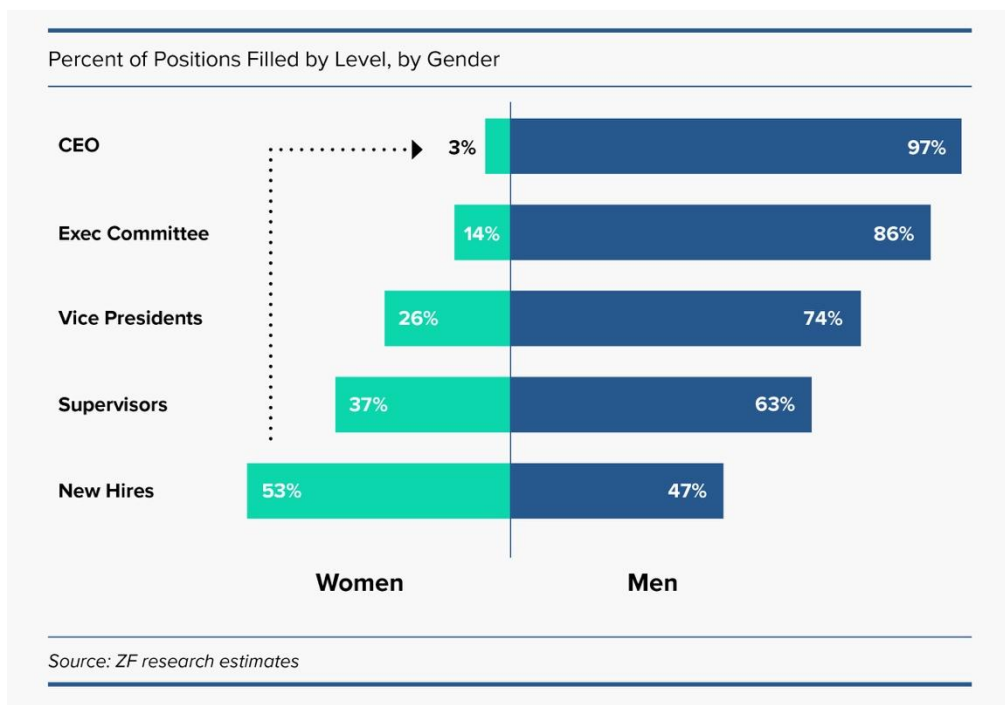


Women and Men in Leadership: Are the differences real?

Joe Folkman, Joyce Palevitz and Jack Zenger

Much has been written about the glass ceiling that appears to limit how high women can go in large organizations. Vikram Malhora, Senior Partner at McKinsey and Company, indicates that more women than men enter the corporate pipeline as new hires (53% Women and 47% Men). But, by the time they become supervisors, the percentages change to 37% Women and 63% Men. At the CEO level only 3% are Women and 97% Men. One might think that given the staggering difference between the numbers of men and women at the executive and CEO levels, men would be significantly more qualified for these jobs than women.

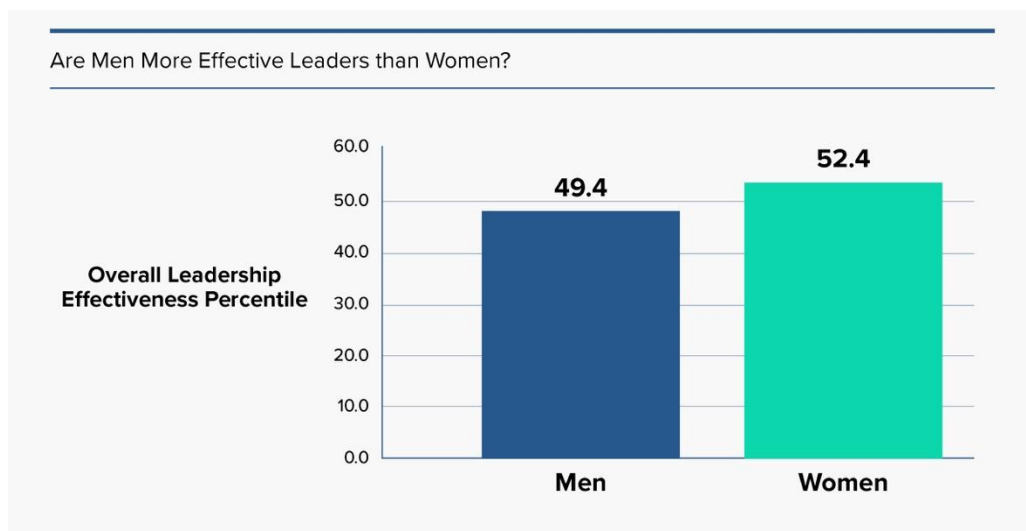


We wanted to test that assumption using data we have gathered over the last 6 years on the leadership effectiveness of men and women. To assess each group's leadership effectiveness, we went to the people who knew them best: their managers, peers, direct reports, and others with whom they worked. Our assessment was built on our original research that included data from over 200,000 assessments of 20,000 leaders. We analyzed results on 1,900 behaviors, which helped us to identify the 49 behaviors that most effectively differentiated the best and worst leaders. High scores on these behaviors have been shown to predict a variety of outcomes, such as turnover, customer satisfaction, profitability, sales, engagement, and discretionary effort of direct reports.

In this gender study we analyzed data from 336,923 raters who evaluated 24,634 leaders. Of these, 65% were males and 35% females. Geographically, 64% of leaders were based in the US, 36% outside the US. In terms of their positions in their respective company hierarchies, 12% of the leaders in our dataset were executives, 23% senior management, 30% middle management, and 26% were supervisors or individual contributors.

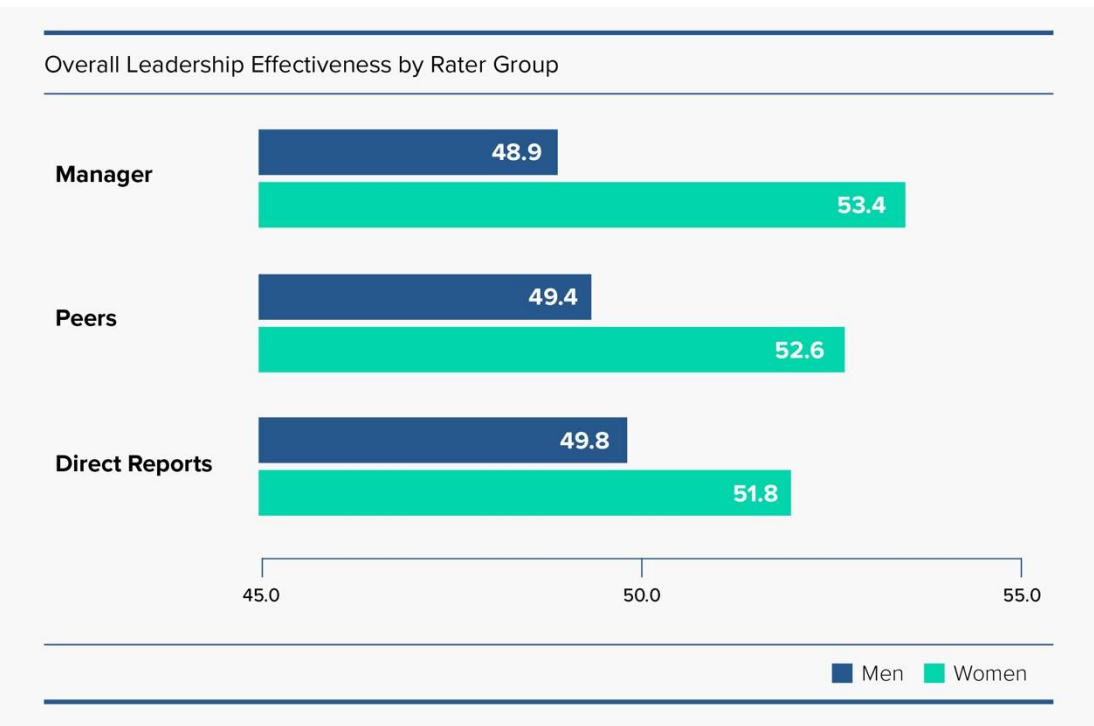
Our goal in this research was simply to determine if men were perceived by their colleagues as being more effective leaders than women, or vice versa. We measured overall leadership effectiveness by creating an index composed of the 49 items that best separated great and poor leaders and then examined these overall rating from all rater groups. On average, the leaders were rated by 13 respondents.

As can be seen on the graph below, women in fact were rated more highly in their leadership effectiveness than men (e.g., 52.4 percentile for women versus 49.4 percentile for men). This is a small absolute difference but in fact it is statistically significant (T Value = -10.678, Significance [2-tailed]= 0.00) because of the relatively large sample size.



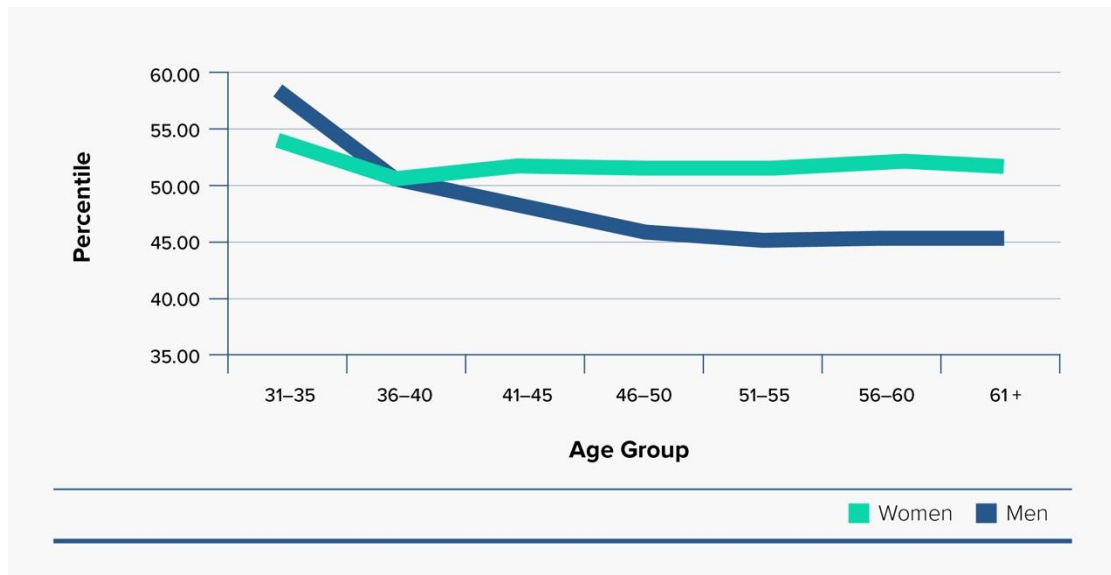
Differences by Rater Groups

After we found this overall difference we wondered whether some rater groups favored women over men. Perhaps direct reports would like working for a female leader more than a male. In fact, what we found was that it was the managers and peers (often the most critical raters) who evaluated women more positively than men. While the results for all three rater groups are statistically significant, the difference in the way women and men leaders are perceived is much wider for managers and peers and for their direct reports.



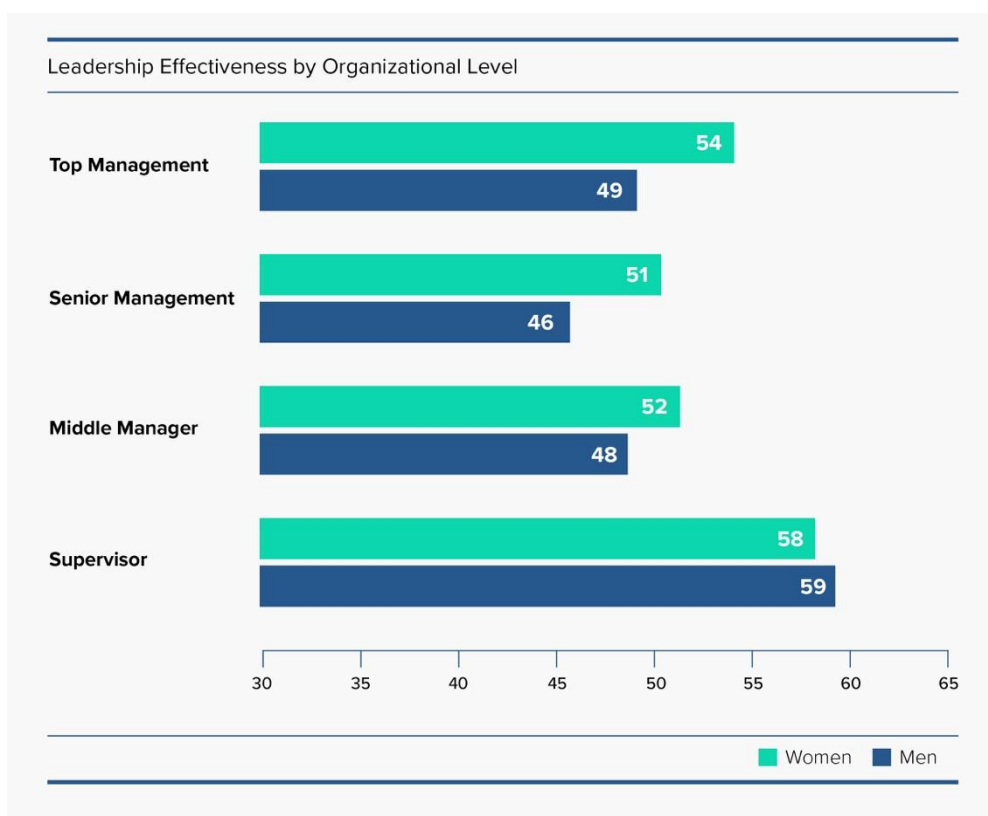
Leadership Effectiveness by Age

The next question to emerge was whether these perceptions held steady as women and men progressed through their careers. That data was very insightful. At 31 to 35 years of age men were rated as more effective than their female counterparts. The group we studied consisted primarily of high potential leaders who were selected for leadership development activities early in their careers. As shown in the graph below, the differences in effectiveness disappear at 36 to 40, and from then on we see a steady decline in the effectiveness of men and a slight improvement in women.



Leadership Effectiveness by Organizational Level

As leaders are promoted expectations increase. We expect more from senior executives than our managers. As we noted earlier in this article, at higher organizational levels the percentage of males increases while the percentage of females decreases. Would leadership effectiveness follow these percentages? As illustrated in the graph below, the difference in perceptions of effectiveness between men and women in the executive and senior manager ranks is 5 percentile points in favor of women. The difference is 4 percentile points for middle managers, and for supervisors, men are rated slightly more positively than women. What this data clearly points out is that, in general, women at senior levels are perceived to be more effective than their male counterparts.



Which Competencies Best Separate Men and Women?

Over 10 years ago we performed this same analysis on data from one organization. In this organization the number of men and women were approximately equal. Our results from that study were practically identical to what we have presented here. Women were significantly more effective, although at that time there were no female executives. After presenting these results to the executive leaders we got a reaction of, "That's extremely interesting; we wonder if this is just an anomaly or if this is real."

Since then we have replicated this study over and over again. Each time we have found the same consistent results. When discussing the results with others, we often hear the rationale for the difference being explained by, “Well, women are probably more nurturing than men and that explains the difference. That’s why they are held in such high regard.”

That is not what the data indicates. In our assessment of 49 items we measured 16 competencies. We compared the results for both men and women on these 16 competencies to understand where the largest differences existed. In the table below we show the competencies sorted by t-value demonstrating the differences between males and females. We found that women were rated significantly more positively on 13 of the 16 competencies. While women were rated more positively on the so-called “nurturing” competencies, such as “develops others” and “builds relationships,” the competencies with the largest differences were “takes initiative” and “drives for results.” “Taking initiative” and “driving for results” are not nurturing competencies but rather those focused on execution. Evidently women were more effective at getting critical projects started and achieving

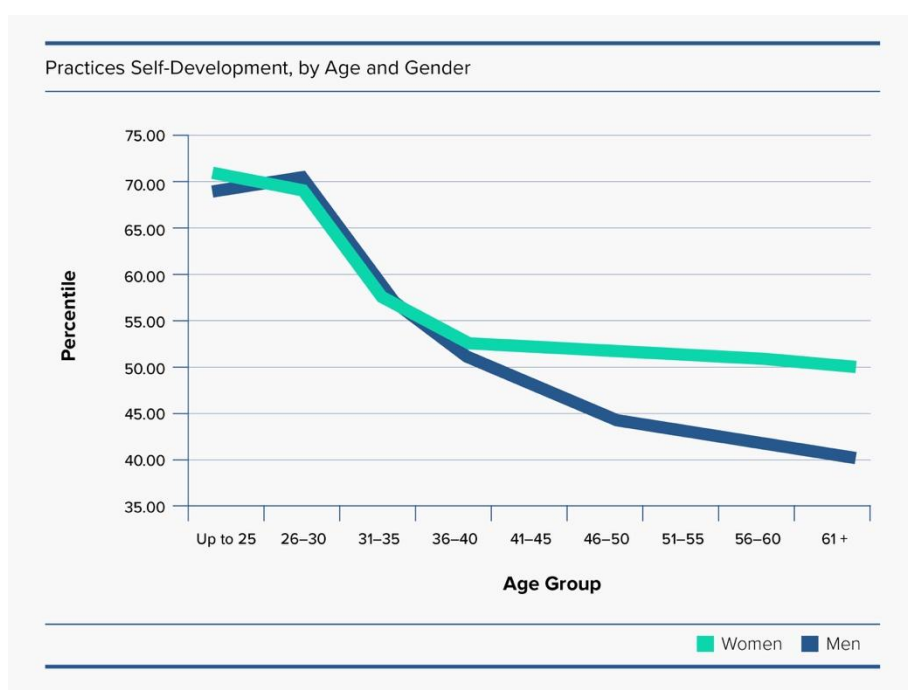
Leadership Competencies	Male	Female	t	Sig.
Takes Initiative	48.1	54.9	-24.96	0.00
Drives for Results	48.7	53.4	-16.78	0.00
Practices Self-Development	49.0	53.6	-16.53	0.00
Displays High Integrity and Honesty	48.9	53.3	-15.95	0.00
Develops Others	49.2	53.0	-13.73	0.00
Inspires and Motivates Others	49.2	53.0	-13.69	0.00
Champions Change	49.4	52.5	-11.08	0.00
Builds Relationships	49.5	52.4	-10.63	0.00
Establishes Stretch Goals	49.5	52.1	-9.17	0.00
Collaboration and Teamwork	49.8	51.8	-7.29	0.00
Connects to the Outside World	50.1	51.1	-3.69	0.00
Solves Problems and Analyzes Issues	50.0	51.0	-3.36	0.00
Communicates Powerfully	50.2	51.0	-2.66	0.01
Innovates	50.4	50.7	-0.99	0.32
Technical/Professional Expertise	50.9	49.7	4.22	0.00
Develops Strategic Perspective	50.9	49.4	5.18	0.00

superior results.

As can be seen in the table, men were rated more positively on two competencies, “technical/professional expertise” and “develops strategic perspective.” While these differences are not large they are statistically significant. Perhaps these may be areas where women in general need improvement. Clearly having a “strategic perspective” is a critical gate that people must pass in order to be promoted to an executive position, and this may be part of the explanation for the lack of women in the most senior positions.

Asking for and Acting on Feedback

We found one competency that sheds a great deal of light on why women tend to improve as they age, while men decline. The third competency showing the largest difference between men and women was “practices self-development.” This competency basically measures a leader’s willingness to ask others for feedback and then to have the willingness to change based on that feedback. We know that young leaders are more willing to ask for feedback and to try hard to change. Higher positive ratings of effectiveness for younger employees is often based on their openness to feedback and willingness to change. While the effectiveness on this competency does decline for both men and women between ages 25 and 35, at the magic age of 40 women stop their decline and maintain significantly higher performance on this skill than men. We are not sure why this occurs. However, often in our discussions with women about their careers, we hear an attitude expressed such as, “I’ve got to work harder, and perform better to get the same rewards as a man in this company.” Perhaps that attitude opens them up to more feedback and a willingness to continue to grow and develop. In contrast, an attitude we sometimes hear from men is a sense of entitlement that they are the chosen successor and will



eventually be promoted to a position worthy of their talent and intelligence.

Observations

1. We know that our measures of leadership effectiveness predict success on a variety of outcomes, from profitability to employee engagement. Women might be the secret weapon that organizations have been looking for to help them to succeed. Our research suggests that many women possess exceptional leadership capability. Your organization may be much more successful if you promote more women with exceptional leadership capability.
2. When we examine how women rate themselves relative to how others rate them, we see that they are more likely than men to underrate themselves relative to their managers, peers, and direct reports. We believe that when women have access to this research data, they may be more likely to confidently step into senior leadership roles, knowing that they are very likely to perform well in those roles.
3. Perhaps promoting managers should use this research to challenge their assumptions about who might be ready for a promotion. Armed with this level of gender intelligence, they will be more likely to sponsor women in equal numbers relative to men.
4. There are undoubtedly several reasons for fewer women being at the top of organizations. We fear that one may be the wariness on the part of some senior executives or Boards of Directors, believing that promoting a woman into a senior role is riskier. The data presented above should affirm that such worries are not supported by the data. In Japan, approximately one-half of companies have no women in any managerial position. That's where the United States and Europe were in the mid-1900's. We have clearly come a long distance and we still have further room for improvement in utilizing the talents of all of our citizens.
5. Finally, women might consider ways that they can make their strengths more visible in the areas of technical expertise and strategic perspective (the two competencies where men appear to have an advantage). Our research can provide additional insights into how women might accomplish this through powerful behavior combinations that we call "competency companions." Some of these include areas where women are already displaying strengths, so the potential is certainly there.
6. While the focus of this article has been on gender differences, we would emphasize that the important difference was the behavioral difference of the two groups. For example, our analysis of men who asked for feedback from colleagues showed that they were equally effective as their female counterparts. Bottom line, the effectiveness of leaders is driven by their overall behavior, not their gender.