

Women at the Top

Dr Terrace Fitzsimmons ¹

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Only three percent of CEOs of top Australian companies are women, making one of the lowest rates in the Western world. But surprising data uncovered by UQ Business School's Dr Terrace Fitzsimmons about what it really takes for a woman become a CEO, offer clues as to what needs to be done to raise the numbers of women at the top.

Why so few women are CEOs is an issue that has plagued and embarrassed the Australian corporate sector for years. Rafts of programs and policies have had little effect – a 2010 report from the Equal Opportunity for Women in the Workplace Agency found only six companies listed on the ASX 200 had a woman as their CEO, up one percent from 2008. With 2000 studies related to the causes of gender disparity in peak leadership positions, the reasons for the staggering shortage continue to be debated.

Against this backdrop, Dr Terrace Fitzsimmons set to pondering the problem. There had to be something that people were missing. Using a particular research method developed by the French sociologist Pierre Bourdieu, he spent over three years interviewing male and female CEOs of Australian listed companies. But this, he knew would only tell one part of the story. To get the full picture Dr Fitzsimmons included chairpersons – the people ultimately responsible for making CEO appointments – and executive recruiters experienced at working with company boards to develop candidate shortlists.

In a world first, he discovered what it was the corporate field valued in a CEO, and what had happened to men and women from birth to the time they were appointed in senior roles that allowed them to develop the right marketable qualities.

Incredible patterns

Dr Fitzsimmons – himself a former board member of a mining company and the CEO of his own small business – recalls he was into his ninth interview with the women CEOs when he began to see an incredible pattern to their lives that was to be replicated in virtually all 31 interviews. As he puts it “I turned to my wife and said nobody is going to believe this.”

¹ A chartered accountant, consultant and lecturer. Terry is particularly interested in gender differences in business. His recent research has focused on the different career paths of male and female CEOs.

Extraordinarily, he found that the women had strong similarities in their childhoods. First, nearly all the women had suffered some form of dramatic – even traumatic – childhood event, which interrupted the flow of family life. “Dad died when I was ten”. “Mum contracted TB and I had to put myself through school”. “I ran away after my brother’s suicide, and they couldn’t convince me to come back.” “Dad was a diplomat and we had to travel a lot. The other competing pattern was that the women were almost all from small business families; reared in a world of balancing the books, staffing issues and self resilience. “We grew up living on top of the shop and behind the shop. So my schooling was done against a background of working parents, and they valued education. Mum would always count the money at home and so if we were there..... You know the wages would be done every Thursday and all the money was in piles.”

Dr Fitzsimmons then interviewed 30 male CEOs and discovered they too were part of a unique tribe: their fathers were professionals and their mothers stayed at home; at school they were almost always the captains of their football teams.

Upbringing

With chairpersons and the broader industry repeatedly stating that leadership, strategy, integrity and stewardship were the qualities needed in a CEO, Dr Fitzsimmons came to the conclusion that these sorts of skills weren’t learnt in the workplace – the process started in childhood.

“A lot of the chairmen were talking about women lacking confidence and I think the big difference with the female CEOs that I interviewed was that childhood trauma – while horrific sometimes given some of the things they went through – gave them that self confidence. They were able to process the trauma, deal with it and overcome it.” He believes their small business backgrounds gave them an innate understanding of business, and combined with their confidence, they quickly obtained mentors in the workplace.

“A lot of the men CEOs attributed captaining the football team as ‘skilling’ them up for the workforce – you’ve got a goal, strategy, leadership, teamwork – and they come into the workplace with an understanding of these things,” he says. Meanwhile, most women tended to be involved in the arts or non-team sports, and needed a mentor to teach them leadership in a workplace context.

Having Children

It has long been understood that a number of talented women leave the corporate sector in their late 20s and 30s to have children – often just when their careers are about to take off. Studies show over 85 per cent of high level managers and professional women cited long and inflexible working hours as significant factors in quitting.

Dr Fitzsimmons' interviews again found a stark trend: two thirds of the women CEOs had children either very early, at 18 or 23, or in their late 30s, and all had options, such as grandparents, who could watch the kids when they were at the office. All these women still identified themselves as being the primary care giver.

“What it paints a picture of, is that these women are superwomen,” he says. “Super intelligent, gifted, born into the right small business family, they were challenged as children, and overcoming their challenges gave them confidence. They had supportive husbands, they had mentors, they had all these factors that enabled them to become CEOs. You can see how the pool narrows considerable if you don't have those things.

A Male Interviewer

The full impact of Dr Fitzsimmons' thesis is that he combines an exploration of who makes it across the CEO finish line with an examination of the decision making process behind it. The outcome is a startling dissection on just how disadvantaged senior women are in the private sector 0 outlining discrimination, the myth that men and women 'lead differently', how women CEOs have to apply for more roles and how they are more likely to have to leave their industry to get a promotion.

Dr Fitzsimmons believed that being a male CEO – coming from the same “habitus” as the people he spoke to – it gave him an advantage in drawing out honest opinions. I know for a fact that I was given feedback that would never be said to a women,” he says, adding that some of the chairpersons were openly prejudiced against women and would never hire them for the top job.

What next?

Dr Fitzsimmons says many of the CEOs interviewed were eager to hear his thoughts on how to increase female representation. He had the same answer for them all: there is no silver bullet.

“There is nothing you can do right now to fix the problem, no matter how much legislation you ram through, because you are talking about a deep-seated cultural issue.”

“As parents we make decisions for our children based on their gender. We allow our sons to do things that we will not allow our daughters to do at the same age at the same time. My research shows that boys have careers relevant experiences that girls have missed out on. This is a societal problem. That is not about the elite.”

Schools are also part of the problem. As someone who runs a business bringing historical performances to schools, Dr Fitzsimmons is well-placed to remark.

“When schools implement a curriculum, do they do it in a non-gendered way? And I’d be inclined to say that they don’t.” He is particularly concerned about career guidance in schools, which he believes continues to steer girls towards more traditional roles.

In the short-term, he argues the government needs to support expanding childcare hours beyond the normal 7am to 6pm routine (Indeed in late March – perhaps identifying a popular policy – Tony Abbott reportedly asked the Productivity Commission to look at subsidising in-home childcare from nannies.)

Dr Fitzsimmons also believes that women need to work more in line roles in organisations to develop the depth and breadth of experience that simply has to be on a CEO’s CV. “Firms need to concentrate on the development of new female talent through leadership and mentoring. The reward for investing in staff is not at the middle end of careers, it’s nearly all at the front end.”

He appears ambivalent about tackling the issue through quotas, which he sees as a “double-edged sword”. While countries like Norway and Spain have quota systems for women on boards, his research suggests that quotas for CEOs would create massive credibility problems for women candidates.

Flexibility: the kiss of career death?

And while government policies around childcare and workplace flexibility have promoted participation rates of women, executive recruiters and chairpersons consistently told Dr Fitzsimmons that ‘flexible options’ on a CV were the ‘kiss of death’. “When they saw that a woman has had a part time role or a flexible role, they are considered ‘not serious’ about their career”.

Dr Fitzsimmons says there are lessons to be learnt. Since promoting the data to large companies around Australia, countless successful women have confessed that they

come from similar backgrounds. “You hear it over and over again from women in all sorts of industries in senior roles. They tend to be cut from the same cloth. I think the lesson is how do we provide that cloth to everyone?”

Helen Conway, Director, Equal Opportunity for women in the workplace Agency, says

Dr Fitzsimmon’s thesis is a valuable contribution to the debate about why so few women are making it to the top in Corporate Australia. His findings around the critical importance of early life experiences reinforce the need to challenge societal norms around gender. This is a big undertaking, but without societal change, we will see little change in our workplaces. Gender stereotyping starts from childhood and inhibits girls in having experiences which would equip them to undertake a full range of roles in the workplace. This is unacceptable. Our society, which is male dominated in significant respects, needs to adjust to afford women and men equal opportunities unencumbered by considerations of gender. This must be complimented by efforts by employers, and there is a good business case for doing so. Organisations which have a competitive edge in the talent game recognise the value of providing broad experiences to women as early as possible in their careers, and facilitating flexible work options and other support to ensure women’s careers progress and are sustainable.