

Chapter 3

Ways Women Lead

Judy B. Rosener

Editors' Introduction While Mary Hartman helped us see the importance of continually rethinking our response to the issues that women face, Judy Rosener frames the problems and opportunities that women encounter in organizations in a very specific way. Her response is one that emphasizes the unique contributions that women leaders make within organizations. In her now classic article on women leaders we find a demonstration that a transformative collaborative model of leading is both more typical of women leaders and actually very effective, particularly in large organizations. As the book progresses, we shall see that the strategy of emphasizing women leaders' "unique" leadership style also has its dangers, as it tends to strengthen gender stereotypes. We however include this perspective here because we want to trace the various possible responses to the changing situation of women within organizations, and consider its costs and benefits before offering new perspectives. Rosener's article does offer us some crucial insights into alternative leadership models that may be more appropriate responses to contemporary organizational dynamics. Although Rosener barely touches on it, a transformational leader is more comfortable in a complex environment of a large multinational corporation, and that style of leadership, in turn, is more conducive to leadership success in global companies.

Women managers who have broken the glass ceiling in medium-sized, nontraditional organizations have proven that effective leaders don't come from one mold. They have demonstrated that using the command-and-control style of managing

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others, a style generally associated with men in large, traditional organizations, is not the only way to succeed.

The first female executives, because they were breaking new ground, adhered to many of the “rules of conduct” that spelled success for men. Now a second wave of women is making its way into top management, not by adopting the style and habits that have proved successful for men but by drawing on the skills and attitudes they developed from their shared experience as women. These second-generation managerial women are drawing on what is unique to their socialization as women and creating a different path to the top. They are seeking and finding opportunities in fast-changing and growing organizations to show that they can achieve results – in a different way. They are succeeding because of – not in spite of – certain characteristics generally considered to be “feminine” and inappropriate in leaders.

The women’s success shows that a nontraditional leadership style is well suited to the conditions of some work environments and can increase an organization’s chances of surviving in an uncertain world. It supports the belief that there is strength in a diversity of leadership styles.

In a recent survey sponsored by the International Women’s Forum, I found a number of unexpected similarities between men and women leaders along with some important differences. (For more on the study and its findings, see “The IWF Survey of Men and Women Leaders.”) Among these similarities are characteristics related to money and children. I found that the men and women respondents earned the same amount of money and the household income of the women is twice that of the men. This finding is contrary to most studies, which find a considerable wage gap between men and women, even at the executive level. I also found that just as many men as women experience work-family conflict (although when there are children at home, the women experience slightly more conflict than men).

But the similarities end when men and women describe their leadership performance and how they usually influence those with whom they work. The men are more likely than the women to describe themselves in ways that characterize what some management experts call “transactional” leadership.¹ That is, they view job performance as a series of transactions with subordinates – exchanging rewards for services rendered or punishment for inadequate performance. The men are also more likely to use power that comes from their organizational position and formal authority.

The women respondents, on the other hand, described themselves in ways that characterize “transformational” leadership – getting subordinates to transform their own self-interest into the interest of the group through concern for a broader goal. Moreover, they ascribe their power to personal characteristics like charisma, interpersonal skills, hard work, or personal contacts rather than to organizational stature.

Intrigued by these differences, I interviewed some of the women respondents who described themselves as transformational. These discussions gave me a better picture of how these women view themselves as leaders and a greater understanding of the important ways in which their leadership style differs from the

traditional command-and-control style. I call their leadership style “interactive leadership” because these women actively work to make their interactions with subordinates positive for everyone involved. More specifically, the women encourage participation, share power and information, enhance other people’s self-worth, and get others excited about their work. All these things reflect their belief that allowing employees to contribute and to feel powerful and important is a win-win situation – good for the employees and the organization.

Interactive Leadership

From my discussions with the women interviewees, several patterns emerged. The women leaders made frequent reference to their efforts to encourage participation and share power and information – two things that are often associated with participative management. But their self-description went beyond the usual definitions of participation. Much of what they described were attempts to enhance other people’s sense of self-worth and to energize followers. In general, these leaders believe that people perform best when they feel good about themselves and their work, and they try to create situations that contribute to that feeling.

Encourage participation. Inclusion is at the core of interactive leadership. In describing nearly every aspect of management, the women interviewees made reference to trying to make people feel part of the organization. They try to instill this group identity in a variety of ways, including encouraging others to have a say in almost every aspect of work, from setting performance goals to determining strategy. To facilitate inclusion, they create mechanisms that get people to participate and they use a conversational style that sends signals inviting people to get involved.

One example of the kinds of mechanisms that encourage participation is the “bridge club” that one interviewee, a group executive in charge of mergers and acquisitions at a large East Coast financial firm, created. The club is an informal gathering of people who have information she needs but over whom she has no direct control. The word bridge describes the effort to bring together these “members” from different functions. The word club captures the relaxed atmosphere.

Despite the fact that attendance at club meetings is voluntary and over and above the usual work demands, the interviewee said that those whose help she needs make the time to come. “They know their contributions are valued, and they appreciate the chance to exchange information across functional boundaries in an informal setting that’s fun.” She finds participation in the club more effective than memos.

Whether or not the women create special forums for people to interact, they try to make people feel included as a matter of course, often by trying to draw them into the conversation or soliciting their opinions. Frieda Caplan, founder and CEO of Frieda’s Finest, a California-based marketer and distributor of unusual fruits and vegetables, described an approach she uses that is typical of the other women

interviewed: “When I face a tough decision, I always ask my employees, “What would you do if you were me?” This approach generates good and introduces my employees to the complexity of management decisions.”

Of course, saying that you include others doesn’t mean others necessarily feel included. The women acknowledge the possibility that their efforts to draw people in may be seen as symbolic, so they try to avoid that perception by acting on the input they receive. They ask for suggestions before they reach their own conclusions, and they test – and sometimes change – particular decisions before they implement them. These women use participation to clarify their own views by thinking things through out loud and to ensure that they haven’t overlooked an important consideration.

The fact that many of the interviewees described their participatory style as coming “naturally” suggests that these leaders do not consciously adopt it for its business value. Yet they realize that encouraging participation has benefits. For one thing, making it easy for people to express their ideas helps ensure that decisions reflect as much information as possible. To some of the women, this point is just common sense. Susan S. Elliott, president and founder of Systems Service Enterprises, a St. Louis computer consulting company, expressed this view: “I can’t come up with a plan and then ask those who manage the accounts to give me their reactions. They’re the ones who really know the accounts. They have information I don’t have. Without their input I’d be operating in an ivory tower.”

Participation also increases support for decisions ultimately reached and reduces the risk that ideas will be undermined by unexpected opposition. Claire Rothman, general manager of the Great Western Forum, a large sports and entertainment arena in Los Angeles, spoke about the value of open disagreement: “When I know ahead of time that someone disagrees with a decision, I can work especially closely with that person to try to get his or her support.”

Getting people involved also reduces the risk associated with having only one person handle a client, project, or investment. For Patricia M. Cloherty, senior vice president and general partner of Alan Patricof Associates, a New York venture capital firm, including people in decision making and planning gives investments longevity. If something happens to one person, others will be familiar enough with the situation to “adopt” the investment. That way, there are no orphans in the portfolio, and a knowledgeable second opinion is always available.

Like most who are familiar with participatory management, these women are aware that being inclusive also has its disadvantages. Soliciting ideas and information from others takes time, often requires giving up some control, opens the door to criticism, and exposes personal and turf conflicts. In addition, asking for ideas and information can be interpreted as not having answers.

Further, it cannot be assumed that everyone wants to participate. Some people prefer being told what to do. When Mary Jane Rynd was a partner in a Big Eight accounting firm in Arizona (she recently left to start her own company – Rynd, Carneal & Associates), she encountered such a person: “We hired this person from an out-of-state CPA firm because he was experienced and smart – and because it’s always fun to hire someone away from another firm. But he was just too

cynical to participate. He was suspicious of everybody. I tried everything to get him involved – including him in discussions and giving him pep talks about how we all work together. Nothing worked. He just didn't want to participate."

Like all those who responded to the survey, these women are comfortable using a variety of leadership styles. So when participation doesn't work, they act unilaterally. "I prefer participation," said Elliott, "but there are situations where time is short and I have to take the bull by the horns."

Share power and information. Soliciting input from other people suggests a flow of information from employees to the "boss." But part of making people feel included is knowing that open communication flows in two directions. These women say they willingly share power and information rather than guard it and they make apparent their reasoning behind decisions. While many leaders see information as power and power as a limited commodity to be coveted, the interviewees seem to be comfortable letting power and information change hands. As Adrienne Hall, vice chairman of Eisaman, Johns & Laws, a large West Coast advertising firm, said: "I know territories shift, so I'm not preoccupied with turf."

One example of power and information sharing is the open strategy sessions held by Debi Coleman, vice president of information systems and technology at Apple Computer. Rather than closeting a small group of key executives in her office to develop a strategy based her own agenda, she holds a series of meetings over several days and allows a larger group to develop and help choose alternatives.

The interviewees believe that sharing power and information accomplishes several things. It creates loyalty by signaling to coworkers and subordinates that they are trusted and their ideas respected. It also sets an example for other people and therefore can enhance the general communication flow. And it increases the odds that leaders will hear about problems before they explode. Sharing power and information also gives employees and coworkers the wherewithal to reach conclusions, solve problems, and see the justification for decisions.

On a more pragmatic level, many employees have come to expect their bosses to be open and frank. They no longer accept being dictated to but want to be treated as individuals with minds of their own. As Elliott said, "I work with lots of people who are bright and intelligent, so I have to deal with them at an intellectual level. They're very logical, and they want to know the reasons for things. They'll buy in only if it makes sense."

In some cases, sharing information means simply being candid about work-related issues. In early 1990, when Elliott hired as employees many of the people she had been using as independent contractors, she knew the transition would be difficult for everyone. The number of employees nearly doubled overnight, and the nature of working relationships changed. "I warned everyone that we were in for some rough times and reminded them that we would be experiencing them together. I admitted that it would also be hard for me, and I made it clear that I wanted them to feel free to talk to me. I was completely candid and encouraged them to be honest with me. I lost some employees who didn't like the new relationships, but I'm convinced that being open helped me understand my employees better, and it gave them a feeling of support."

Like encouraging participation, sharing power and information has its risks. It allows for the possibility that people will reject, criticize, or otherwise challenge what the leader has to say or, more broadly, her authority. Also, employees get frustrated when leaders listen to – but ultimately reject – their ideas. Because information is a source of power, leaders who share it can be seen as naive or needing to be liked. The interviewees have experienced some of these downsides but find the positives overwhelming.

Enhance the self-worth of others. One of the byproducts of sharing information and encouraging participation is that employees feel important. During the interviews, the women leaders discussed other ways they build a feeling of self-worth in coworkers and subordinates. They talked about giving others credit and praise and sending small signals of recognition. Most important, they expressed how they refrain from asserting their own superiority, which asserts the inferiority of others. All those I interviewed expressed clear aversion to behavior that sets them apart from others in the company-reserved parking places, separate dining facilities, pulling rank.

Examples of sharing and giving credit to others abound. Caplan, who has been the subject of scores of media reports hailing her innovation of labeling vegetables so consumers know what they are and how to cook them, originally got the idea from a farmer. She said that whenever someone raises the subject, she credits the farmer and downplays her role. Rothman is among the many note-writers: when someone does something out of the ordinary, she writes them a personal note to tell them she noticed. Like many of the women I interviewed, she said she also makes a point acknowledging good work by talking about it in front of others.

Bolstering coworkers and subordinates is especially important in businesses and jobs that tend to be hard on a person's ego. Investment banking is one example because of the long hours, high pressures, intense competition, and inevitability that some deals will fail. One interviewee in investment banking hosts dinners for her division, gives out gag gifts as party favors, pass out M&Ms at meetings, and throws parties "to celebrate ourselves." These things, she said, balance the anxiety that permeates the environment.

Rynd compensates for the negativity inherent in preparing tax returns: "In my business we have something called a query sheet, where the person who reviews the tax return writes down everything that needs to be corrected. Criticism is built into the system. But at the end of every review, I always include a positive comment – your work paper technique looked good, I appreciate the fact that you got this done on time, or something like that. It seems trivial, but it's one way to remind people that I recognize their good work and not just their shortcomings."

Energize others. The women leaders spoke of their enthusiasm for work and how they spread their enthusiasm around to make work a challenge that is exhilarating and fun. The women leaders talked about it in those terms and claimed to use their enthusiasm to get others excited. As Rothman said, "There is rarely a person I can't motivate."

Enthusiasm was a dominant theme throughout the interviews. In computer consulting: "Because this business is on the forefront of technology, I'm sort of

evangelistic about it, and I want other people to be as excited as I am.” In venture capital: “You have to have a head of steam.” In executive search: “Getting people excited is an important way to influence those you have no control over.” Or in managing sports arenas: “My enthusiasm gets others excited. I infuse them with energy and make them see that even boring jobs contribute to the fun of working in a celebrity business.”

Enthusiasm can sometimes be misunderstood. In conservative professions like investment banking, such an upbeat leadership style can be interpreted as cheerleading and can undermine credibility. In many cases, the women said they won and preserved their credibility by achieving results that could be measured easily. One of the women acknowledged that her colleagues don’t understand or like her leadership style and have called it cheerleading. “But,” she added, “in this business you get credibility from what you produce, and they love the profits I generate.” While energy and enthusiasm can inspire some, it doesn’t work for everyone. Even Rothman conceded, “Not everyone has a flame that can be lit.”

Paths of Least Resistance

Many of the women I interviewed said the behaviors and beliefs that underlie their leadership style come naturally to them. I attribute this to two things: their socialization and the career paths they have chosen. Although socialization patterns and career paths are changing, the average age of the men and women who responded to the survey is 51 - old enough to have had experiences that differed because of gender.

Until the 1960s, men and women received different signals about what was expected of them. To summarize a subject that many experts have explored in depth, women have been expected to be wives, mothers, community volunteers, teachers, and nurses. In all these roles, they are supposed to be cooperative, supportive, understanding, gentle, and to provide service to others. They are to derive satisfaction and a sense of self-esteem from helping others, including their spouses. While men have had to appear to be competitive, strong, tough, decisive, and in control, women have been allowed to be cooperative, emotional, supportive, and vulnerable. This may explain why women today are more likely than men to be interactive leaders.

Men and women have also had different career opportunities. Women were not expected to have careers, or at least not the same kinds of careers as men, so they either pursued different jobs or were simply denied opportunities men had. Women’s career tracks have usually not included long series of organizational positions with formal authority and control of resources. Many women had their first work experiences outside the home as volunteers. While some of the challenges they faced as managers in volunteer organizations are the same as those in any business, in many ways, leading volunteers is different because of the absence of concrete rewards like pay and promotion.

As women entered the business world, they tended to find themselves in positions consistent with the roles they played at home: in staff positions rather than in line

positions, supporting the work of others, and in functions like communications or human resources where they had relatively small budgets and few people reporting directly to them.

The fact that most women have lacked formal authority over others and control over resources means that by default they have had to find other ways to accomplish their work. As it turns out, the behaviors that were natural and/or socially acceptable for them have been highly successful in at least some managerial settings.

What came easily to women turned out to be a survival tactic. Although leaders often begin their careers doing what comes naturally and what fits within the constraints of the job, they also develop their skills and styles over time. The women's use of interactive leadership has its roots in socialization, and the women interviewees firmly believe that it benefits their organizations. Through the course of their careers, they have gained conviction that their style is effective. In fact, for some, it was their own success that caused them to formulate their philosophies about what motivates people, how to make good decisions, and it takes to maximize business performance.

They now have formal authority and control over vast resources, but still they see sharing power and information as an asset rather than a liability. They believe that although pay and promotion are necessary tools of management, what people really want is to feel that they are contributing to a higher purpose and that they have the opportunity as individuals to learn and grow. The women believe that employees and peers perform better when they feel they are part of an organization and can share in its success. Allowing them to get involved and to work to their potential is a way of maximizing their contributions and using human resources most efficiently.

Another Kind of Diversity

The IWF survey shows that a nontraditional leadership style can be effective in organizations that accept it. This lesson comes especially hard to those who think of the corporate world as a game of survival of the fittest, where the fittest is always the strongest, toughest, most decisive, and powerful. Such a workplace seems to favor leaders who control people by controlling resources, and by controlling people, gain control of more resources. Asking for information and sharing decision-making power can be seen as serious disadvantages, but what is a disadvantage under one set of circumstances is an advantage under another. The "best" leadership style depends on the organizational context.

Only one of the women interviewees is in a traditional, large-scale company. More typically, the women's organizations are medium-sized and tend to have experienced fast growth and fast change. They demand performance and/or have a high proportion of professional workers. These organizations seem to create opportunities for women and are hospitable to those who use a nontraditional management style.

The degree of growth or change in an organization is an important factor in creating opportunities for women. When change is rampant, everything is up for

grabs, and crises are frequent. Crises are generally not desirable, but they do create opportunities for people to prove themselves. Many of the women interviewees said they got their first break because their organizations were in turmoil.

Fast-changing environments also play havoc with tradition. Coming up through the ranks and being part of an established network is no longer important. What is important is how you perform. Also, managers in such environments are open to new solutions, new structures, and new ways of leading.

The fact that many of the women respondents are in organizations that have clear performance standards suggests that they have gained credibility and legitimacy by achieving results. In investment banking, venture capital, accounting, and executive placement, for instance, individual performance is easy to measure.

A high proportion of young professional workers – increasingly typical of organizations – is also a factor in some women’s success. Young, educated professionals impose special requirements on their organizations. They demand to participate and contribute. In some cases, they have knowledge or talents their bosses don’t have. If they are good performers, they have many employment options. It is easy to imagine that these professionals will respond to leaders who are inclusive and open, who enhance the self-worth of others, and who create a fun work environment. Interactive leaders are likely to win the cooperation needed to achieve their goals.

Interactive leadership has proved to be effective, perhaps even advantageous, in organizations in which the women I interviewed have succeeded. As the work force increasingly demands participation and the economic environment increasingly requires rapid change, interactive leadership may emerge as the management style of choice for many organizations. For interactive leadership to take root more broadly, however, organizations must be willing to question the notion that the traditional command-and-control leadership style that has brought success in earlier decades is the only way to get results. This may be hard in some organizations, especially those with long histories of male-oriented, command-and-control leadership. Changing these organizations will not be easy. The fact that women are more likely than men to be interactive leaders raises the risk that these companies will perceive interactive leadership as “feminine” and automatically resist it.

Linking interactive leadership directly to being female is a mistake. We know that women are capable of making their way through corporations by adhering to the traditional corporate model and that they can wield power in ways similar to men. Indeed, some women may prefer that style. We also know from the survey findings that some men use the transformational leadership style.

Large, establishing organizations should expand their definition of effective leadership. If they were to do that, several things might happen, including the disappearance of the glass ceiling and the creation of a wider path for all sorts of executives – men and women – to attain positions of leadership. Widening the path will free potential leaders to lead in ways that play to their individual strengths. Then the newly recognized interactive leadership style can be valued and rewarded as highly as the command-and-control style has been for decades.

By valuing a diversity of leadership styles, organizations will find the strength and flexibility to survive in a highly competitive, increasingly diverse economic environment.

The IWF Survey of Men and Women Leaders

The International Women's Forum was founded in 1982 to give prominent women leaders in diverse professions around the world a way to share their knowledge with each other and with their communities and countries. The organization now has some 37 forums in North America, Europe, Asia, Latin America, and the Middle East. To help other women advance and to educate the public about the contributions women can and are making in government, business, and other fields, the IWF created the Leadership Foundation. The Foundation commissioned me to perform the study of men and women leaders on which this article is based. I conducted the study with the help of Daniel McAllister and Gregory Stephens (Ph.D. students at the Graduate School of Management at the University of California, Irvine) in the spring of 1989.

The survey consisted of an eight-page questionnaire sent to all the IWF members. Each respondent was asked to supply the name of a man in a similar organization with similar responsibilities. The men received the same questionnaire as the IWF members. The respondents were similar in age, occupation, and educational level, which suggests that the matching effort was successful. The response rate was 31%.

The respondents were asked questions about their leadership styles, their organizations, work-family issues, and personal characteristics. The following are among the more intriguing findings, some of which contradict data reported in academic journals and the popular press:

- The women earn the same amount of money as their male counterparts. The average yearly income for men is \$136,510; for women it is \$140,573. (Most other studies have shown a wage gap between men and women.)
The men's household income (their own and their spouse's) is much lower than that of the women – \$166,454 versus \$300,892 (only 39% of the men have full-time employed spouses, as opposed to 71% of the women.)
- Both men and women leaders pay their female subordinates roughly \$12,000 less than their male subordinates with similar positions and titles.
- Women are more likely than men to use transformational leadership – motivating others by transforming their self-interest into the goals of the organization.
- Women are much more likely than men to use power based on charisma, work record, and contacts (personal power) as opposed to power based on organizational position, title, and the ability to reward and punish (structural power).
- Most men and women describe themselves as having an equal mix of traits that are considered “feminine” (being excitable, gentle, emotional, submissive,

sentimental, understanding, compassionate, sensitive, dependent), “masculine” (dominant, aggressive, tough, assertive, autocratic, analytical, competitive, independent), and “gender-neutral” (adaptive, tactful, sincere, conscientious, conventional, reliable, predictable, systematic, efficient).

- Women who do describe themselves as predominately “feminine” or “gender-neutral” report a higher level of followership among their female subordinates than women who describe themselves as “masculine.”
- Approximately 67% of the women respondents are married. (Other studies report that only 40–50% of women executives are married.)
- Both married men and married women experience moderate levels of conflict between work and family domains. When there are children at home, women experience only slightly higher levels of conflict than men, even though they shoulder a much greater proportion of the child care – 61% of the care versus 25% for the men.

Note

1. Transactional and transformational leadership were first conceptualized by James McGregor Burns in *Leadership* (New York, NY: Harper & Row, 1978) and later developed by Bernard Bass in *Leadership and Performance Beyond Expectations* (New York, NY: Free Press, 1985).