

Behind Closed Doors: Sex Bias at Professional and Managerial Levels

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U.S. companies have made important strides in combating sex discrimination in the workplace over the last two decades, but more subtle forms of sex bias still exist, often in decisions and behaviors that occur behind closed doors. This paper focuses on sex bias at professional and managerial levels. It explores sources of sex bias in the informal culture, selection and recruitment, task assignment, performance appraisal, promotion, and salary allocation, and then suggests action steps to help reduce sex bias in each of these areas.

KEY WORDS: sources of sex bias; women and work; sex bias reduction; sexist treatment in organizations.

In a recent Gallop Poll, 71 percent of women surveyed said they did not have the same chance for promotions to top executive positions as did men with equal ability. (Loden, 1986)

The 23-member panel—set up in May 1984 by Lawrence H. Cooke, then the State's [New York] Chief Judge—concluded that female lawyers were “routinely” demeaned and treated patronizingly by male judges and attorneys. (Pervasive sex bias found in courts, 1986)

Only 2 percent of 1,362 top executives surveyed by Korn/Ferry International last year were women. Just one woman heads a Fortune 500 company and she acknowledges that she got the job because her family owns a controlling share of the corporation. (Hymowitz & Schellhardt, 1986)

Of some 600 investment banking partners or managing directors at the major houses, just seven are women—a miniscule 1 percent. (McGoldrick & Miller, 1985)

INTRODUCTION

U.S. companies have made important strides in the last few decades in confronting sex discrimination in the workplace, particularly at lower and middle management ranks, but the statements above suggest that they have not gone far enough. Blatant forms of discrimination occur much less frequently than in previous decades, largely because of the passage of laws such as Title VII of the Civil Rights Act and

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the Equal Pay Act, including 1972 amendments granting the EEOC enforcement power and extending coverage to executive, administrative, professional, and outside sales employees. More subtle sex biases still persist, however, particularly as women try to attain positions of high visibility, wealth, and power at the top of the corporate ladder. As the U.S. Commission on Civil Rights stressed in its volume, *Affirmative Action in the 1980's*, future action must now be directed towards "an informed awareness of the form, dynamics, and subtleties of the process of discrimination" (Benokraitis & Feagin, 1986, p. 29).

Some companies are adopting a fairly proactive stance towards sex bias issues. This proactivism may be ideological; that is, they feel a moral obligation to provide equality for both sexes, but it also probably stems from a recognition of the costs of not being proactive. They are aware of the costs and demotivation which emerges from class action suits. They have experienced the continuing female "brain drain" out of their company pipelines into self-employment. In the last ten years, the number of self-employed women has increased 75% to almost 3 million, whereas during the same time the number of self-employed men rose only 12.1% to 6.5 million (Schmitt, 1986, p. 1; Taylor, 1986, p. 19). Or they know that women in their company are disgruntled and frustrated and that action now may prevent turnover later on. For an hourly worker the cost of turnover is estimated to be approximately \$5,000. For upper-level positions, it may cost the company \$75,000 or more when headhunting costs, lost productivity, and training are taken into account (Dumaine, 1987, p. 78). In addition, many companies now recognize that increasing the numbers of women in the lower and middle ranks will only result in increasing numbers of women in the upper ranks if women are equally developed and supported within their organizations (Zimmer, 1988).

The purpose of this article is to provide some guidelines for those companies concerned about sex discrimination, particularly sex discrimination that occurs in professional and managerial positions. This article focuses on sex bias at professional and managerial levels because the nature of the tasks in these jobs often makes bias more difficult to detect. At higher levels in the hierarchy, job objectives and criteria are often more difficult to define, performance more difficult to evaluate, and the assignment of roles and responsibilities less systematic (Auster & Drazin, in press). Furthermore, 20 years of effort to close the gender gap seems to have had less impact in these types of jobs (Benokraitis & Feagin, 1986; Hymowitz & Schellhardt, 1986).

The article is divided into six sections: the informal culture, selection and recruitment, promotion, task assignment, performance appraisal, and salary allocation. In each section, sources of sex bias are highlighted followed by suggestions for action steps that can be taken to reduce bias. (See the Appendix for an overview of this discussion.) It should be noted that the emphasis in this article is on human resource practices and policies and how they can be altered to reduce sexism within organizational settings. While it is also useful to understand how broader societal forces such as the socialization of children and educational systems affect the degree of sexism that emerges in organizations, that task lies outside the scope of this paper. This article focuses on manipulable factors that executives and human resource practitioners typically can alter.

THE INFORMAL CULTURE

Sources

One of the most elusive sources of sex bias, but one that permeates everyday activities, human resource decisions, and women's long-run career success, is the informal culture. The informal culture refers to the values, attitudes, beliefs, and norms cultivated within an organization. Sex bias often thrives in the informal structures of some organizations, particularly those that until recently were male dominated (Gutek & Cohen, 1987; Sutton & Moore, 1985). This sex bias takes many forms. It may appear in the form of exclusion from informal gatherings, and consequently information and often decisions, in comments or evaluation meetings, or in experiences throughout the day that make it clear to a woman that she is treated first as a woman and second as a "fellow" employee. A recent national survey of 722 female executives conducted by the *Wall Street Journal* and the Gallup Organization indicated that almost half of these women reported being excluded from men's informal networks in their organizations. They were discouraged from participating in business discussions in the hallways, not invited to business-related social functions, not taken seriously by their male counterparts, and patronized. The younger female executives in positions of authority complained that men resented them and resisted taking orders from them (Rogan, 1984, p. 35).

Exclusion from University Clubs and other private clubs further reinforces these sex distinctions in the workplace. Early in February of last year, the University Club in New York City voted not to comply with Local Law 63 which requires the admission of women. Legal action on both sides is in progress (Anderson, 1987). Two weeks later, the University and Whist Clubs of Wilmington, Delaware, rejected the entrance of women to their clubs. In Los Angeles, Mayor Tom Bradley is exploring the possibility of revoking the liquor licenses of clubs that are exclusionary ("Wilmington club," 1987).

The causes of sexist behaviors embedded in the informal cultures of organizations are complex and beyond the scope of this paper, but it has been suggested that they stem primarily from men feeling uncomfortable working with women and/or threatened by their achievements (Gutek, 1985). For men at the very top, where women have been less able to penetrate, uncomfortableness is probably more the cause. "Chief executives who are my age or even a little younger still feel uneasiness dealing with women. . . . Top executives are quick to feel the woman who is tough isn't being womanly, while the woman who isn't tough isn't worth having around" (Hymowitz & Schellhardt, 1986, p. 1). Note that both traits, "womanly and tough," are unrelated to the ability to get the job done. For men at the same levels as women, threat is more likely the root. As one female banker stated, "chauvinism can take the guise of male bankers talking about sports or sexual conquests to 'reinforce among themselves that they are all men' and to exclude women from internal organizational networks (Hymowitz & Schellhardt, 1986, p. 1).

Sexist attitudes in society and organizations continue to exist. A 1985 study of 786 male and female executives which appeared in *Harvard Business Review* found that although sexism had decreased since 1965, it still prevailed more strongly than

might be expected. Forty-seven percent of the men said they would not feel comfortable working for a woman. More than a third of both the male and female respondents thought women would never be wholly accepted in business. And 59% of the men and 83% of the women agreed that "a woman has to be exceptional to succeed in business today" (Sutton & Moore, 1985, pp. 42-66).

Action Steps

A number of action steps can be taken to reduce sex bias in the informal culture. The strategy chosen depends on the extent to which a company is willing to let employees know that the issue of sexism is being explored.

In organizations where sex bias is pervasive, the problems should be publicly acknowledged by top management, and discussions about contributing factors and recommendations for improvement actively pursued. A number of Wall Street firms notorious for sex discrimination, for example, have institutionalized monthly or semi-annual meetings over dinner for the professional women in their firms. The primary goals of these meetings are (a) to facilitate ties and networks between women in the firm (some have set up mentor/protege links for new employees), (b) to encourage the ventilation of frustrations, (c) to get a better sense of the individual and organizational dynamics that promote and reinforce sexist attitudes within their firms, and (d) to get women employees' suggestions and ideas for how to reduce sexism. While some women interviewed feel that these measures only serve to highlight sex differences by treating women differently, many are pleased that their firms are recognizing that problems exist and attempting to rectify them.

Other measures involving both men and women may also improve the informal culture. Awareness seminars that make both men and women more conscious of how sex-biased attitudes undermine their everyday work and client interactions and that educate men and women on how to handle uncomfortable gender situations can be very helpful (see, for example, Lee, 1986; Loden, 1985, pp. 250-251). In organizations where gender bias is less pervasive, or where it appears to be restricted to particular areas of the firm, working with only those groups or a more subtle probing into causes and feasible recommendations may be warranted.

Finally, it should be noted that monitoring the level of sex bias by fostering forums where women feel comfortable vocalizing the sexism they experience should be an ongoing process. It will aid the assessment of changes made in any of the areas discussed in this article and help to anticipate, diffuse, and eliminate future problems.

RECRUITMENT AND SELECTION

Sources

Decisions about recruitment and selection, and therefore which applicants are offered entry to the organization, are a second arena where sex bias may occur. Recruitment refers to the processes by which employers attract applications; selection refers to the process of choosing employees to hire from the pool of applicants

recruited. These two processes are inherently interrelated. Rynes (1987, p. 5), for example, recently noted that "although decisions about qualifications are typically viewed as selection issues, they are also recruitment decisions in that they presumably affect the number and type of people who become job applicants." Similarly, decisions about recruitment, such as where to advertise, or how to conduct recruitment interviews, may affect selection in that they provide the pool from which to select and information to base selection on.

The areas of recruitment and selection that may affect the magnitude of bias include decisions about how, where, and when positions are advertised and the nature of the advertisements; decisions about who does the recruiting, who conducts recruitment interviews, and the questions and format of the interviews; and decisions about how applicants are screened and the criteria used to evaluate them.

For example, in many organizations, particularly at professional and managerial levels, much of the actual recruiting process takes place informally, with key candidates already selected for interviews before any formal announcement of the position (Benokraitis & Feagin, 1986, p. 106). To the extent that women are excluded from those informal networks, these decisions and processes become a source of sex bias.

A second area of recruitment and selection that may contribute to sex bias is the nature of the interview process. Since information collected during the interviewing process will become the basis of selection, both the persons involved in that process and the question and format of interviews may affect whether sex bias emerges and whether women are discouraged from pursuing the job. Two statements from a recent investigation of these issues by *Institutional Investor* (McGoldrick & Miller, 1985, p. 92) reinforce this point:

A Yale MBA who recently left a leading investment bank remembers her business school interview. 'So, another woman,' began her inquisitor. 'What makes you think you'll be any different from the other women we've hired who haven't worked out?' She went to work for another firm. In another, now famous incident, an associate at a leading investment bank asked female interviewees at Stanford University, 'Would you have an abortion rather than jeopardize your career at _____?' After a Wall Street Journal story recounting this episode created an uproar, the firm reprimanded, but did not dismiss, the young banker.

Once interviews have been completed, sex bias may emerge in the process of evaluation. In many organizations, particularly at professional and managerial levels, where job responsibilities are often more ambiguous, systematic comparisons of candidates are difficult. Consequently, once the primary candidates are chosen, overall impressions about whether the candidate will "fit" may be used to select the final candidate. Although such impressions are important, they often open the door for factors unrelated to performance, such as gender, to enter the process. For example, Gerdes and Garber's (1983) study of 64 upper level managers in engineering found that when the job description's stated requirements needed to be interpreted in light of the application materials, "evaluators assumed that the male candidate possessed the required skills, and the female candidates lacked these stereotypically masculine skills" (Gerdes & Garber, 1983, p. 314). "Moreover, regardless of the match between credentials and job description, evaluators downgraded female applicants relative to male applicants on potential for long service to the company" (Gerdes & Garber, 1983, p. 315). In addition, research has shown that groups tend to use heuristics more than individuals in making decisions, and that such heuristics may increase

the likelihood of systematically biased decisions (Argote *et al.*, 1986; Nagao *et al.*, 1985).

Enforcement of EEOC in recent years has meant that women are more likely to be recruited for professional and managerial positions than in previous decades. Many organizations must keep track of the gender ratios of those considered for job openings. Unfortunately, often women may be interviewed “to make it look good” but will be less likely than their male counterparts to actually be selected for the job. And even if they are selected, their experiences may be very negative because they will be treated like “tokens” (Benokraitis and Feagin, 1986, pp. 99-102).

Action Steps

A number of steps can be taken to reduce sex bias in recruitment and selection decisions. First, information about job openings should be equally accessible to potential male and female recruits. Most organizations rely to some extent on informal networks to generate possible candidates, particularly at professional and managerial levels, and when men dominate those networks, this gives an advantage to male candidates. Efforts should be made to ensure that such candidates are not given unfair advantages compared to those attracted by other methods. For example, this may mean stalling the screening process until applications responding to formal announcements have been received.

Second, those involved in hiring decisions should scrutinize their interview processes since information and impressions gained there often are the primary bases of selection. The credentials and skills sought and how those characteristics will be assessed should be clarified before interviewing starts. The criteria of selection should be explicit and agreed upon and sex neutral. Questions should be screened to ensure that there are no sex biases imbedded in them. The nature of the interview and questions that will be asked should also be standardized. Members of the organization conducting the interview should also be carefully chosen, selecting those who have reputations for treating men and women equally (Harriman, 1985, p. 234).

During the interview, careful notes should be recorded to eliminate biases that may enter the process between interview time and discussion and selection of candidates.

The actual decision-making session where a candidate is chosen is another arena that can be made more objective by evaluating candidates using specific criteria and then integrating decision methods such as Nominal Group Technique (NGT). For example, NGT when applied to selection, could operate as follows: First, each member of the selection committee individually writes down their input, opinions, and ideas about the candidates, as well as ranking them on the already agreed upon criteria. Second, all ideas are recorded on a flip chart for the group and rankings are recorded and tabulated for discussion. Third, each candidate is discussed with careful efforts made to understand the logic behind the ranking that people assigned to different candidates. Fourth, open discussion should be facilitated. Fifth, before any final decision is agreed upon, the initial flip chart should be reviewed again, to ensure that important issues have been addressed. Such procedures, while often more time-consuming, tend to reduce the amount of groupthink, force people to more carefully

consider the underlying logic of their choices, reduce the likelihood of individuals dominating decision making, and therefore help to reduce subjective biases such as sex bias from influencing the process.

TASK ASSIGNMENT

Sources

Differential task assignment between men and women is often an underlying cause of sex bias that emerges in performance appraisal outcomes, in compensation, and in promotion decisions. This sex segregation of roles and responsibilities is particularly a problem at professional and managerial levels, because the more fluid nature of the work means that managers can exercise more discretion over who is assigned particular clients, projects, activities, bosses, and subordinates. Women are often assigned to less important divisions and given less important clients and less important projects and activities within those divisions (Hymowitz & Schellhardt, 1986). The "Catch 22" is that the relatively lower value that these tasks add to the organization later becomes the justification for lower performance appraisal ratings, lower compensation, and not being considered for promotion (Loden, 1986; McGoldrick & Miller, 1985).

Sex segregation by division occurs when women are assigned to the less prestigious, lucrative, visible, and critical divisions of the organization than their male counterparts (Benokraitis and Feagin, 1986; Mai-Dalton & Sullivan, 1981; Kanter, 1977). Women in investment banking often are found in research, administration (e.g., personnel, recruiting), or in municipal finance, whereas the "hot" divisions such as corporate finance, merger and acquisitions, or institutional sales remain almost exclusively male.

Even when men and women are in the same division, women are often assigned the less important tasks within that division, level, or position or assigned to less important clients. In the last five years, although many more women have become "traders" for the major banks, "they still tend to be sales traders, not position traders who are entrusted with risking the firm's own money" (McGoldrick & Miller, 1985, p. 92). Or as a well-paid female investment banker disclosed to me, "When I was hired I was told I shouldn't press them as to my specific roles and responsibilities. . . . Here we work as a team, they kept saying. Well, working as a team has meant, I act as administrative assistant and the men do all the interesting, challenging work." Similarly, women in corporate law in the big law firms often find themselves stuck with very small clients, whereas their male counterparts are responsible for Fortune 500 companies.

Often the rationale for these assignment decisions is that women have lower aspiration levels than men. Interestingly, recent research done by the American Management Association on 1460 managers found women managers to be *more* committed to their careers than their male counterparts. "They were more likely to relocate for promotions and, in conflicts between important home and business responsibilities, more likely to favor their jobs" (Hymowitz & Schellhardt, 1986, p. 3).

Another hidden source of sex bias related to task assignment is that women are assigned to work under less prestigious, or influential bosses. Particularly in partnership environments such as law firms, accounting firms, consulting firms, and investment banks, the effects of being assigned a weak boss/sponsor can be enormous. Sponsors may have a great deal of influence over performance appraisal, pay, visibility and consideration for promotion. The presence or lack of a strong advocate with power can dramatically affect career mobility (Harriman, 1985, pp. 250-260).

Action Steps

To correct sex bias in tasks and responsibilities, human resource managers need to ensure that comparable men and women are given equal opportunities in the initial assignment of positions after hiring, as well as the distribution of activities once the job begins. Assignment procedures need to be examined to assess whether men and women are placed in equally visible, critical jobs within the company and given equally important tasks to do within those jobs. Sex bias in initial placement can be reduced by many of the recommendations offered in the previous section on recruitment and selection.

Sexism in the assignment of particular activities within a position is more difficult to remedy. Decisions about who does what are made constantly in organizations and the factors involved include who has the skills, who has experience, and who is available. A first step, however, is to try to make the implicit decision-making criteria explicit.

The bases on which assignments are allocated need to be uncovered and assessed for sex bias. Once the underlying logic of allocation decisions is understood, methods for more equitable distribution need to be developed. Although such procedures are fairly job- and company-specific, often simple procedures such as rotating assignment of more exciting and visible projects or activities work well.

Another source of sex bias in task assignment occurs when those making allocation decisions assume that women do not want the more demanding jobs or activities, do not want jobs or projects that require travel, or do not have the time for additional training at night or on weekends (Blumenthal, 1986, pp. 7-9). Evidence has shown that such stereotypes are not valid (Hymowitz & Schellhardt, 1986), but more importantly, if a woman is qualified, she should be given the opportunity to decide whether she wishes to accept the added responsibility. It should not be assumed that she is less interested than her male counterparts in expanding her job scope (Hymowitz & Schellhardt, 1986, pp. 3-5).

PERFORMANCE APPRAISAL

Sources

Over the last two decades, numerous studies on performance appraisal have shown that the sex of the person being evaluated influences evaluation. However, the results have been inconsistent, with some studies showing a bias favoring men,

others showing no bias, and some showing a bias that favors women (Nieva & Gutek, 1980). One contextual factor that has begun to explain these mixed findings is the degree to which tasks and objectives can be defined and performance measured. In positions where good performance is hard to define and the results of any particular person's actions are difficult to assess, subjective evaluation is likely and sex stereotypes are more likely to enter into decisions. Conversely, in situations where job goals can be clearly specified and performance on these goals can be easily measured, subjectivity is low (Lenney *et al.*, 1983; March, 1984).

The relationship of these task characteristics to subjectivity is critical to understanding sex bias in performance appraisal at professional and managerial levels. One source of subjectivity stems from level in the hierarchy. Performance in jobs at higher levels in the organization does tend to be more difficult to measure. Consequently, because the criteria of evaluation are often vague, subjective biases such as sex may be more likely to enter into evaluation processes. The potential for sex bias in these jobs is also compounded by increased male sex-typing often associated with upper management positions. Men are often stereotyped as being more capable of handling increased responsibility, authority, and autonomy than women (Heilman, 1983, p. 227). As a result, the degree of sex role congruence for women is often perceived as lower, leading to increased bias against women (Auster, 1987a; Heilman, 1983; Harriman, 1985, p. 227; Kanter, 1977).

In addition to the increased likelihood of sex bias at higher levels in the organization, sex bias may be higher in certain functions. For example, performance may be more difficult to define and measure in R&D or marketing than in manufacturing or production. A third source of sex bias is related to the degree of task interdependence in the position. Task interdependence refers to whether the accomplishment of the task involves the ongoing interaction of multiple units. Project-based assignments in investment banks, for example, often have a great deal of task interdependence both between people and between divisions. In jobs where task interdependence is high, as in many professional service jobs, the contribution of any particular person in the group may be more difficult to assess, and thus subjective factors such as sex, unrelated to performance, may enter into evaluation decisions (Auster, 1987a). Thus, sex bias may differ by function and increases with level in the hierarchy and with task interdependence. When task characteristics cause the degree of subjectivity to be high, as in many managerial and professional service jobs, sex discrimination is more likely to occur (Auster & Drazin, 1988).

Action Steps

In order to combat potential gender bias in performance appraisal, a number of steps can be taken. First, managers need to develop clear goals and objectives for each position. Second, measures of performance on those goals need to be constructed. Criteria should be specific and objective performance measures should be used to supplement subjective performance measures whenever possible. Efforts should be made to guard against sex bias in the construction of these measures and how they are weighed. Third, evaluators should be trained on performance appraisal procedures and multiple raters should be used when possible to get a broader sense of the employee's performance. While most organizations tend to have only bosses rate their

employees, a number of companies such as IBM, RCA, and some Ford Motor Company divisions also have subordinates rate their managers (Bernardin, 1986). Fourth, both the evaluator(s) and the evaluatee should have documented evidence about performance. They should keep ongoing records of behavior, activities, and outcomes of their performance so they have specific examples to back up comments (DeNisi *et al.*, 1987). Fifth, feedback should be an ongoing process that occurs at other times in addition to the annual evaluation session. In these midyear sessions, the evaluator should focus on how to improve and work on problem areas and keep the employee updated on progress so there are “no surprises” at the annual review. Sixth, a formal appeal mechanism should be available for employees who wish to question ratings. It should be noted that these suggestions are consistent with creating a “legally defensible performance appraisal system” under current statutory and case law (Burchett & DeMeese, 1985). Finally, alternative compensation strategies should be considered under certain task conditions. For example, if task interdependence is extremely high, equal compensation across all group members rather than individual salary packages could be used to help avoid bias.

PROMOTION

Sources

A major frustration of many career women is that they are “stuck” in their career ladders, that they have hit “the glass ceiling” (Hymowitz & Schellhardt, 1986). They can see the top but cannot get there. For example, *Business Week* recently reinterviewed the top 100 women they had featured in 1976. They found that eleven years later an overwhelming majority were frustrated with their progress and were pigeonholed in jobs that had no access to the top (Auster, 1987b). As Kanter (1977) insightfully noted, “‘Stuck’ is a relative concept. . . . It has to do with how far one can go in relation to the total system, how much of the system’s rewards will increasingly be possible over time. . . .” For women, it often means spending more time than their male counterparts in each position, or moving horizontally while males move vertically on their career ladders. Over half of the employers in a study of 300 of the Fortune 750 “openly admitted that discrimination in promotion and pay was institutionalized in business and management” (Benokraitis & Feagin, 1986, p. 58).

Slow or blocked mobility for women has many sources. It may result from being hired or promoted onto ladders that are short or dead-end. It may be a function of previous human resource decisions such as assigning women to less critical divisions, giving them less central and visible work within those divisions, and assigning women to weak sponsors, as discussed in the section above. It may stem from women having unequal access to training needed for promotions. Or it may be the result of sex bias in the promotion decision-making process either in the form of sex-biased criteria or in the evaluation of women candidates on those criteria. Rationalizations unrelated to qualifications such as “men are likely to feel uncomfortable working for her” still persist (Benokraitis & Feagin, 1986, p. 58; Kanter, 1977, p. 67). And even if a particular manager has no personal biases, women may face discrimination

because their evaluators are reacting to assumed preferences of powerful superiors (Gutek, *et al.*, 1986; Larwood *et al.*, 1984).

Action Steps

Often early placement decisions affect long-run promotion possibilities. Human resource managers should take careful measures to ensure that women are initially hired onto career ladders that move as quickly as their male counterparts and that have access to the top.

Second, since decisions about promotions are in essence decisions about increasing roles and responsibilities, the suggestions above for improving the visibility and centrality of women should improve their promotion prospects as well. Moreover, as noted earlier, letting women decide for themselves about increasing responsibilities applies to promotion opportunities as well.

Third, information about promotion should be easily accessible. High-performing employees should know that they will move up in the organization, and be kept informed about promotional opportunities. They should know what their career ladders look like, what the goals at each step are, and what it takes to get promoted.

Committees making promotion decisions can also take measures to guard against bias by developing standardized methods for combining data and information about the candidate and agreeing beforehand on the relative weighting of different dimensions. As with selection, NGT techniques can also be constructively applied.

SALARY ALLOCATION

Sources

A 1985 study of 786 executives found that except in the experience category of five years or less, male respondents consistently earned more than female respondents with similar experience. Moreover, men with "21 or more years of experience were more than twice as likely as women with equal experience to earn more than \$50,000 annually" (Sutton & Moore, 1985, p. 42-66).

Much of the academic research on the determinants of wage gaps between men and women has come from research in economics and sociology. Using regression models on large samples of people employed by many different types of organizations, the literature has investigated how human capital factors (such as education and experience), social demographic characteristics (gender, race, age, etc.), and crude organizational characteristics (size of firm, industry, unionization, etc.) affect wage differences between men and women (see Baron and Bielby, 1980, for a good overview of this research). Although these studies have contributed substantially to our understanding of wage inequality in the aggregate, applications to intraorganizational processes of salary allocation are less clear. Current research is only beginning to investigate the process of wage allocation *within* firms.

Recent intraorganizational research on salary allocation indicates that even when controlling for factors such as education, time in the organization, time in that level, relevant experience at entry, and time of last promotion, the process of translating performance appraisal ratings into compensation is a critical juncture where sex discrimination often occurs in professional and managerial jobs. For example, an examination of comparable men and women at managerial levels in a large financial service firm revealed that although there was no significant difference in their performance appraisal ratings, there was a wage gap that favored men. This study suggests that a second juncture where wage discrimination may occur is in the translation of performance ratings into compensation, as well as in the performance appraisal process itself (Auster & Drazin, 1988; Drazin & Auster, 1987).

Informal interviews conducted with employees of a number of different professional service firms such as law firms, consulting firms, investment banks, and accounting firms have revealed that in making final wage decisions, salary committees use a number of factors not included in the formal evaluation instrument. They include the perceptions of (a) how easy or tough the evaluator "grades" their employees, (b) how difficult the subordinates are that the person works with, (c) how important the clients that the person managed are to the firm, (d) how complicated the assignments were, and (e) the extent that the person is viewed as having a future at the firm. While all of these factors legitimately could be included in an evaluation, the fact that a salary committee assesses the relative weighting that these factors should have on performance appraisal ratings, subjectively and behind closed doors, increases the possibility that other non-performance-related factors such as sex may enter into the decision-making process and result in discrimination.

Action Steps

To eliminate sex bias in the process of translating performance evaluations and ratings into salary, managers or salary committees should make explicit the decision-making processes that are now operating implicitly. In order to accomplish this, first the factors that are considered when salary decisions are made should be clarified. Second, whether the criteria themselves are sex biased should be assessed. If, for example, the salary discussions in the organization focus on "how aggressive" the person is, criteria that are more performance-related should be substituted. Third, once the acceptable criteria are agreed upon, objective measures of those criteria should be developed. For example, if the difficulty of subordinates is a factor taken into consideration, it could be measured by the ratings subordinates have received. How tough an evaluator "grades" could be assessed by examining longitudinal data on the means and standard deviations on the ratings that person has given. Fourth, a consistent method/formula for weighting these various factors should be developed. Finally, the salary allocation process should be used as a check on other sources of sex bias. If, for example, it is argued that a person should earn less because he or she works with less important clients, someone needs to follow that up. Why is he or she working with less prestigious clients? The answer to this question might lead back to task assignment as a source of bias.

CONCLUSIONS

Sex bias is embedded in the beliefs of many well-intentioned people and is institutionalized in the policies and practices of many organizations. It often occurs in the informal culture and behind closed doors in the everyday decisions managers make about recruitment and selection, task assignment, performance appraisal, promotion, and salary allocation. This article attempts to help increase managers' awareness of the sources of sex bias and offer possible action steps to help reduce it. Many of the suggestions in this article involve becoming conscious of how sex bias enters into various decision-making processes, and then offering ideas for how to make these decisions more objective and sex neutral. Although this discussion was restricted to causes, and practical implications of sex bias, these recommendations clearly would apply to biases based on race, age, and religion as well.

Sex bias in organizations is one of the critical issues managers face in these last two decades of this century. Top-level executives need to work with their human resource managers to uncover sources of sex bias, and develop action steps to reduce sex bias. Through education, consciousness raising, and top-level support and legitimation of the programs developed, on-the-job equality between the sexes can be created. Organizations that fail to address these issues or to give them legitimacy will suffer a competitive disadvantage. They may fail to attract or retain the substantial number of the "best and the brightest" . . . who also happen to be women.

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APPENDIX: SEX BIAS: SOURCES AND POSSIBLE ACTION STEPS

Informal Culture

Sources

- Lack of recognition of, or unwillingness to confront and eliminate, norms, values that foster sexism by those in power

Action Steps

- Network building: women with women
- Ventilation sessions
- Education of males and females on how to respond to uncomfortable gender situations

Recruitment and Selection

Sources

- Attracting recruits for positions
 - Decisions about how, where, and when positions are advertised; the nature of advertisements
- Sex bias in interviewing techniques
 - Who conducts interviews
 - The question and format of interview
- Sex bias in evaluation of applicants and supporting materials
 - How applicants are screened and the criteria and methods used in screening

Action Steps

- Advertisements for positions put in places with equal probability of men and women seeing
- Careful selection of who conducts interviews
- Clarification of skills and requirements needed for position
- Gender neutral design of interviewing schedule
- Standardized interview format
- Decision-making sessions
 - Nominal group technique

Task Assignment

Sources

- Women assigned to jobs that are in less central, prestigious divisions
 - Women given less important tasks within divisions
 - Women assigned to work with less influential clients
 - Women assigned to less influential bosses

Action Steps

- Equitable assignment of tasks and responsibilities:
 - Centrality
 - Visibility
 - Sponsors/mentors
- Rotating assignments
 - Women allowed to make their own choices about increased or demanding responsibilities (not their bosses)

Performance Appraisal

Sources

- Tendency of performance appraisal to be high under certain task conditions
- Sex bias in criteria of evaluation
- Sex bias in process of evaluation

Action Steps

- Clarification of goals and objectives
- Development of concrete measures of performance on goals
- Training for raters
- Multiple feedback sessions
- Mechanism for questioning the ratings
- Alternative compensation strategies

Promotion

Sources

- Initial placement: women assigned to career ladders that are slow or dead-end
- Task assignment (see above)
- Unequal access to training
- Sex bias in criteria for promotion
- Sex bias in evaluation of candidates

Action Steps

- Placement on career ladders that have access to the top
- Equitable allocation of tasks and responsibilities (see above)
- Equal access to training
- Sex neutral criteria for promotion
- Sex neutral evaluation of candidates

Salary Allocation

Sources

- Sex bias in the translation of performance appraisal into compensation
- The use of factors not in the performance appraisal instrument in compensation decisions

Action Steps

- Clarify implicit decision-making criteria
- Assess whether criteria are sex biased
- Develop measures that are sex neutral
- Use the same measures for men and women

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