

Richards, T & Clark, M (2006)

Dilemmas of Leadership London: Routledge

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Dilemmas of gender and diversity

Sir, a woman's preaching is like a dog walking on his hinder legs. It is not done well: but you are surprised to find it done at all.¹

Management gurus now know how to boost the odds of getting a great executive: Hire a female.²

Orientation

Most leaders regularly face dilemmas of diversity at work. The issues may involve a combination of features such as gender, ethnicity or nepotism (favouring a family member or friend). Discussion of such issues can be highly charged, with accusations of bias and prejudice. Here, more than in most chapters, each reader is likely to need a personal map. We pay particular attention to gender. This does not reduce the significance of other diversity issues such as ethnicity, social class, religious beliefs, age, physical or mental characteristics. Rather, we indicate how gender provides a map which happens to be worth comparing with maps of other territories of diversity.

What's different is dangerous

There is a socio-biological argument that suggests that any social or family group prefers a leader of its own kind. We have to consider whether such a view extends validly to a world of increasingly diverse social groupings, where it has been expressed in conjunction with views of supremacy and exclusion. It is sometimes summed up in the statement that 'what's different is dangerous'.

A diversity challenge

As an orienting challenge we invite you to examine your beliefs and assumptions about diversity and its consequences for leadership. Experienced leaders will be able to draw on their previous experiences. Less experienced leaders will still have some

experiences of groups of various kinds to draw upon. These experiences might involve groups whose members were of similar educational background or gender or ethnicity.

Spend a few minutes considering the differences between highly diverse groups and more homogeneous groups (Box 8.1). You will find that several of the leadership maps you have studied will suggest ideas for this challenge.



Box 8.1 A diversity challenge for leaders

You have some experience of working with groups with very similar cultural and professional backgrounds. Now you have been invited to be a leader of a new working group comprising individuals with highly diverse cultural and professional backgrounds.

- What differences do you expect to find in the way the group members begin to work together?
- What might you as leader do differently in light of the changed situation you will be dealing with?
- Can you think of further possibilities suggested by any of the following maps you have studied?
 - team development theories (Chapter 3)
 - transformational leadership (Chapter 4)
 - management of meaning (Chapter 5).

The gender issue

Over several decades, women have moved into more powerful leadership positions (and more of them) around the world. However, the change is less noticeable in the most senior organisational positions with the greatest influence and power of decision-making.³

Whereas the earlier perceptions framed leadership in terms of attributes implicitly assumed to be more masculine, more recent perceptions have introduced attributes more likely to be associated with feminine styles. There has been a shift towards collaborative relationships: the rhetoric of empowerment advocates attention to supporting, encouraging and nurturing roles (Box 8.2). The changes are widely presumed to be associated with coping with increased uncertainties and complexities in the workplace.



Box 8.2 The vocabulary of gender studies

Analysis of the female leadership advantage takes us into the heart of the territory of diversity theory. One of the most powerful weapons for studying diversity, and specifically inequalities and prejudice, is that of interpretation and deconstruction of meaning. The studies have been aware of the significance of leadership as the management of meaning. For such reasons, vocabulary has become an important element in our understanding. Researchers differentiate between the terms sex and gender, preferring to use the former to refer only to biological categories, and the latter to refer to socially constructed differences. Sexuality is a matter of biological classification. Gender is defined by the manner in which sexuality is perceived in society.

Overview

Three platforms of understanding

The theory of female leadership advantage introduces some of the most urgent contemporary dilemmas of leadership. Arguments have ranged from ethical ones of human rights for equal opportunities, to pragmatic ones of more effective human resource management. In essence, there are two widespread sets of observations. The first is that women are found in far fewer key leadership roles than would be expected on simple statistical grounds. The second is that where women have occupied leadership positions, there is evidence of a more appropriate leadership style, particularly where the conditions call for transformational change. However, reviews offer conflicting conclusions.

We provide two maps through which we can explore the main positions in this unresolved debate.⁴ According to Robert Vecchio, there has been a swing away from a dominant theory of male supremacy in leadership roles, which is being challenged by the mirror-image theory of female supremacy. Vecchio argues that each 'supremacist' view relies on simple categorisation into female and male behaviour categories, whereas each human possesses mixtures of the attributes (such as caringness or toughness). Alice Eagly and Linda Carli offer a critique of Vecchio's analysis, and claim there is solid evidence that female leadership styles in general offer performance advantages over those styles shown by male leaders.

Our third map by Stella Nkomo and Taylor Cox Jr outlines the main territories of diversity studies.⁵ From it we see the narrow theoretical perspectives of discrimination, and the wider one of diversity as a neutral characteristic of

heterogeneous social groups. The authors argue that a remapping of diversity could benefit from a perspective in which there is less polarising of issues into either/or and female/male categories, and more acknowledgement of both/and factors shared by males and females particularly (but not exclusively) in leadership roles.

Contextual materials

Our contextual case studies consider leaders, in contexts of gender and diversity. We begin with a political figure, Margaret Thatcher, chosen for the richness of its story, the depth of its documentation, its relevance to gender dilemmas of business leaders. We then look at Carly Fiorina, one of the few females to achieve highest office in corporate America, followed by a case study of the glass ceiling as seen through the eyes of an anonymous middle manager in a Chinese state organisation. Our next case is that of Roberto C. Goizueta, a Cuban refugee who shattered the glass ceiling at Coca-Cola to become the United States' first billionaire corporate manager. Finally, we review the global implications of diversity for leaders.

Platforms of understanding: gender issues and diversity

We will look at three platforms of understanding:

- Robert Vecchio's meta-analysis of leadership and gender differences
- Eagly and Carli's evaluation of the female leadership advantage theory
- Nkomo and Cox's review of diversity.

Robert Vecchio's meta-analysis of leadership and gender differences

Robert Vecchio conducted a meta-analysis of studies of gender and leadership styles in the 1980s and 1990s, to evaluate gender advantage theories.⁶ He concluded that earlier assumptions of a male leadership advantage is being replaced by a symmetrical set of assumptions for a female advantage. For many years, the 'natural' superiority of male leaders was taken for granted, and he warns that a switch to a view of a feminine advantage repeats the error of a comparative gender advantage, again based on stereotypic reasoning.

According to Vecchio, early gender work was premised on an either/or dichotomy. Leaders (like other people) were *either* feminine *or* masculine, with distinct biologically determined characteristics. The styles were further simplified into either/or features, among which a concern for tasks or people was particularly significant. Later, gender became regarded as more socially determined. This offered the possibility that an individual might be high *or* low on *either* of two dimensions of task and relationships.

This led researchers to the view that a 'both/and' approach is superior (more effective) over the unidimensional either/or styles. Direct evidence in the workplace provides evidence that leadership behaviours cannot be predicted by a simple attribution of a feminine or masculine style dimension. Each leader displays a range of behaviours, some more associated with male leaders, some with female leaders.

Vecchio concludes that more careful empirical studies are required to establish where (if anywhere) relative superiority claims might be made based on gender differences.

Eagly and Carli's evaluation of the female leadership advantage theory

Alice Eagly and Linda Carli respond to Vecchio's analysis, and to his rejection of substantial evidence for a female leadership advantage.⁷ They cast doubt on the reliability of earlier findings, including the retention of earlier work on gender which they described as belonging to the Goldberg paradigm.⁸ Over thirty years earlier, Goldberg had raised the issue of biases in perceptions of males and females, using an experimental format designed to assess perceptions of *equivalent* behaviours of males and females. Yet Goldberg-type studies are included in Vecchio's meta-analysis seeking to assess *differences* in male/female leader behaviours.

The findings

The report concentrated on the full range of leadership styles well known from the work of Bass and co-workers, and measured by their Multifactor Leadership Questionnaire. Results were incorporated from leaders, peers, followers or more senior peers. Eagly and co-workers found forty-five studies of male/female leadership styles, each of which they considered had reached their criteria for inclusion.

The striking feature of the meta-analysis is evidence of consistent and significant differences between leadership scores for women and men for the transformational measures, from forty-four studies. All transformational subscales gave higher means for female than male samples, with the most significant being those of charisma (as idealised influence measures), inspirational motivation and intellectual stimulation.

In contrast, the male/female differences for the transactional factors were not statistically significant, with the exception of a weakly significant effect from the small number of studies (eleven) which examined management by exception. This means that transactional contingent reward, management by exception (passive) and laissez-faire styles were not found to provide significant gender-based differences.

Implications of the meta-analysis

As the researchers point out, the results are of considerable importance in evaluating the female advantage issue. Female leader styles were found in this study to be consistently and positively correlated with transformational leadership. They connect this finding with the major finding from an earlier meta-analysis, in which transformational leadership had been found to have a significant and consistent positive correlation with effectiveness.⁹ Thus the two findings point to an association between performance and female leadership as stronger than the association between performance and male leadership.

A context of prejudice

The results were presented in the context of wide-ranging prejudice towards female leaders across cultures and working environments which contributes to what other workers refer to as glass ceiling effects, and which leads to continuing discrimination against appointment of women to top positions. They suggest that under such circumstances, women who do succeed are likely to be particularly effective.

The conclusions (including the aspirin effect)

Eagly and Carli conclude that the empirical evidence is clear. There is a potential advantage in looking at women for leaders with a transformational leadership style, which is particularly effective in supporting organisational change. However, this is offset by double standards and biases against women leaders, found especially in male-dominated environments.

They respond to a criticism of the empirical findings, that the statistical differences between male and female leaders only account for a rather small proportion of the total variance. They argue that addressing such differences may have considerable practical consequences. They back up their argument with the example of a medical trial in which aspirin was tested for effectiveness in managing heart conditions. As in the case of the female example, the aspirin effect accounted for a small proportion of total variance. Yet the medical experts considered the practical consequences to be so great that the trial was stopped so that the beneficial results could be shared as widely and quickly as possible (Box 8.3).

From this, we may choose to infer that the replacement of male with female leaders in organisational life will be justified. There are clearly revolutionary implications in such a claim. Readers may wish to reflect on the implications, taking a critical perspective, before referring to our critique in the integration section of this chapter.



Box 8.3 The aspirin effect: the significance of small effect sizes

Eagly and Carli produce statistical evidence widely used to back up the view that female leaders show more transformational qualities than male leaders. The evidence derives from a meta-analysis of contemporary studies that have applied Bass and Avolio's inventory of their full-scale leadership measure. The samples are mostly for middle-level organisational leaders, and the statistical evidence is clear. The female leaders sampled show significantly higher mean scores than male managers on the transformational scales. There were no significant differences on the transactional scales of contingent reward, management by exception (passive) and laissez-faire.

The results are accepted as an accurate finding from the available data. However, the relevance of the findings has been contested, on the grounds that the mean differences reported are relatively small. In statistical terms they can be said to account for only a small proportion of the overall variance.

The critique offered is that the result is statistically significant, but of little practical importance. Eagly and Carli argue, on the contrary, that the result is of considerable practical importance, drawing on what they call the *aspirin effect*.

The aspirin effect is a term associated with a very influential medical trial to test the effectiveness of aspirin on patients with heart problems. Even before the trial was completed, the data showed that there was a small but significant reduction in heart problems in the sample treated with aspirin, compared with the samples not receiving aspirin.

Approximately 3 per cent fewer people experienced heart attacks when taking the aspirin treatment. The result was considered important enough for the trial to end prematurely, so that all the patients could benefit from the discovery.

If we return to the leadership finding, an aspirin effect implies that organisations that identify the best female leaders they can find and appoint them to more influential positions would increase transformational practices with significant statistical and practical effects.

The argument has to be examined against the wider organisational map within which capable women are systematically overlooked for top jobs. The case on social equity grounds is clear-cut. Other factors may dampen the predicted effectiveness of such changes (just as other factors continue to contribute to the majority of heart conditions, with or without the aspirin effect).

Nkomo and Cox's review of diversity

Gender studies constitute one significant part of a wider body of work which has popularly been termed studies of inequality. A more recent terminology is that of diversity. We take as our map a careful review of diversity by Stella Nkomo and Taylor Cox Jr.¹⁰ These authors suggest that diversity is a construct that poses considerable theoretical and practical dilemmas. Characterisations of diversity can be specific or very broad, and focused at the level of the individual, social group or society.

Definitions of narrow and wider scope

Diversity definitions of narrower scope tend to emphasise discrimination processes as consequences of diversity. Definitions of wider scope include the positive and negative consequences of individual and cultural differences, thus going beyond discriminatory effects. It should be noted that the terms narrow and wide are relative, with some of the narrow-scope definitions including a comprehensive range of discriminatory effects.

Nkomo and Cox offer a narrow-scope definition of diversity as focusing on issues of racism, sexism, heterosexism, classism, ableism and other forms of discrimination at the individual, identity group and system levels.¹¹ Race, ethnicity and gender are the 'big three' areas most widely mentioned in the narrower definitions of diversity.

For a broader definition, they point to the view regarding diversity as referring to situations in which the actors of interest are not alike with respect to some attribute.

Diversity and identity

For Nkomo and Cox, the diversity map helps us explore the nature of identity. That is to say, diversity is essentially concerned with diversity of *identity* as it is revealed for an individual or social group. They show how most theories of diversity directly attempt to explain the consequences of identity:

- ❶ *Social identity theory*, as its name implies, considers how an individual's identity relates to perceptions of self, and perceptions of others about one's self-identity.
- ❷ *Organisational demography* theorising has developed following a much-cited article by Jeffrey Pfeffer, which gave the field its descriptive label.¹² The field explores consequences of factors such as age, organisational tenure, education and functional background, and puts priority on those aspects of organisational life that can be accurately observed and codified. Organisational demographic studies also incorporate gender and racial factors.
- ❸ *Ethnology or ethnographic studies* offers explanations of identity in terms of cultural diversity. It includes the widely known studies of Geert Hofstede, with the

diversity discriminators of power–distance, uncertainty avoidance, individualism–collectivism and masculinity–femininity. (A fifth factor of Confucian values was later added.)

- *Race/gender studies* developed a broadly emancipative agenda, drawing on earlier theoretical perspectives of oppression, and of the processes of assimilation of under-privileged groups and values by the dominant social groups. Thanks to this work, the evidence of discrimination (most widely illustrated for women and non-white employees of either sex) is now overwhelming, and probably global as manifest in tokenism, exclusion and glass ceilings. Issues of identity tend to deal with psychological trauma, and with damage to self-identity of discriminatory practices.

Celebrating diversity

Race/gender studies are grounded in ethical or moral grounds for equality of opportunities. They consider the various ways in which diversity has failed to lead to equality in many walks of life, not least the workplace. This expresses respect for diversity, and the ethical imperative for granting equal opportunities for individuals of all kinds.

Of the other perspectives, the *organisational demographic* approach takes a more pragmatic approach, explaining why diversity may be a necessary feature for dealing with complex work problems. As we noted in Chapter 3, diversity is necessary for enhanced innovation, and for other effective organisational responses to complexity.

Remapping diversity

Nkomo and Cox suggest that much that is restricting and damaging in stereotyping arises from dichotomous ('either–or') thinking. For example, this thinking opposes 'women' as different from 'men' as simplistic polarities (tough–tender, rational–emotional, strong–weak). This is also known as having an *essentialist* model or map. If we map people in such a way, we may have difficulties coming to terms with behaviours contrary to our map – men who readily show their emotions in the workplace, or women who are assertive. They suggest the benefits in a different, *non-essentialist* or *interpretive* perspective. This helps us understand behaviours (and specifically gender relationships) as strongly constructed from our cultural and social roots, and reinforced by day-to-day experiences. Using this map helps us accept that beliefs about gender may be hindering leadership or followership (beliefs of our own or of our colleagues). Furthermore, it suggests that through reflecting on our beliefs, we may reach conclusions reshaping our practices in and beyond the workplace.

Contextual materials

We consider four case studies in this chapter:

- Margaret Thatcher
- Carly Fiorina
- The oriental glass ceiling
- Roberto C. Goizueta.

Margaret Thatcher

Margaret Thatcher is a leader whose political life justifies careful study. From humble origins, she became the United Kingdom's first woman prime minister.

Eyes of Caligula, mouth of Marilyn Monroe (François Mitterrand).¹³

This strap line was to an article by Andy McSmith, the political editor of the *Independent* newspaper. The article, written in April 2003, had been prompted by the opening in London of an exhibition described as representing the iconography of Margaret Thatcher. The exhibition led to an incident in which a protestor, Paul Kelleher, had objected to a statue of Mrs Thatcher, which he considered to be revering a hated figure. He was arrested and charged after he attempted to decapitate her graven image with a cricket bat. McSmith recalled the impact that Mrs Thatcher had at the height of her powers, nearly twenty years earlier. In the United Kingdom, many people hated her vehemently as a heartless ideologue. Others admired her as a political and military leader.

The provenance of an icon

Margaret Hilda Roberts was born and brought up in the Lincolnshire market town of Grantham. A now-famous story tells how Margaret lived over the family grocery store, learning the political and economic lessons of hard work, independence and 'family values' from her father, a well-known local politician and former mayor of the town. From an early age she had the motivation to be in charge, and one of her first leadership appointments was as head girl at school.

The able scholarship girl went to Somerville College, Oxford, where she studied chemistry, and also became president of the University Conservative Association. It seems that she was already displaying some characteristics of her subsequent political career, so that we may assume that she was helped by an above-average intelligence, and a combination of her driving ambition to succeed, a willingness to work hard, a retentive memory and a strong physical constitution. She worked for a few years as an industrial chemist, also continuing her political education by standing for two 'unwinnable' seats to the Houses of Parliament. During that period, she studied and rapidly passed her law finals.

By her late thirties she had met and married her life-long companion Denis Thatcher, gave birth to their family (twins) and eventually succeeded in election to the House of Commons.¹⁴ Her abilities were recognised when promoted by Prime Minister Edward Heath to education spokesperson and then secretary of state. As a government minister, she acquired a reputation for reading all the voluminous materials provided her by her civil servants. She would attend meetings with the information coded into a lawyer's brief, from which she would interrogate the officials in terrifying detail.

A capacity to attract controversy revealed itself. Many years later, her political enemies remembered her decision to halt free milk for school children. She had earned her first iconic label of 'Maggie Thatcher, Milk Snatcher', a chant that was to accompany her on her visits to schools throughout her time as minister. For supporters, it demonstrated a refusal to let sentiment overrule commercial necessities, and evidence of a capacity to take unpopular but sensible decisions.

The leader of the Conservative Party, Edward Heath, had lost the confidence of the electorate and of his own senior colleagues. Whoever wanted the leadership would have to challenge the incumbent, a risky business. Margaret Thatcher was bold enough to do that, encouraged by others with more credentials, who saw her role as one of damaging Heath, and opening the way for a more promising candidate to fight the Labour Party at the next election. Thatcher did more than damage Heath. She won the contest against her former mentor (who became one of her implacable opponents within her own party). With four years to go to a next election, the transformation from promising young politician to world figure had begun.

Mrs Thatcher's style

There is ample evidence that she paid a great deal of attention to her physical appearance. Within an awesome time-schedule she mostly found time for an early morning appointment with her hairdresser. She was in no doubt that this was a necessary contribution to the authority she expected to convey and be granted. In parliamentary debates, she cultivated a tougher-than-you style that delighted her supporters and infuriated her opponents. The style was anything but feminine, and it appeared to be a style that reflects the manner in which she ran her cabinet meetings. This style was yet another contribution to the polarising effect we have already encountered. To her allies, she was tough; to her opponents she was strident. As she lost allies in the declining years of her career, the criticisms of her stridency became louder.

No one accused Mrs Thatcher of being soft on issues. She had a similarly brutal style in negotiations, famously over Britain's rights within the community of European nations. Her style was to offer no concessions in any respect, a form of no-negotiation negotiation approach. The veto was mostly used as a bargaining ploy. Thatcher used it to block any proposal that was contrary to her own position. At first it worked among a shocked group of representatives unused to such methods.

Later it became counterproductive, and opponents remarked on the positive effect she had on uniting Europe (against her and British foreign policy).

Alan Clark, a cabinet colleague and notorious roué, was not alone in remarking in his memoirs on her sexuality. A Freudian view would suggest that Margaret Thatcher had been greatly influenced by her father, and was disposed to seek out similarly rewarding relationships in later life with older men, whom she was able to influence in a warmer and non-confrontational fashion. They would point to her marriage to Denis as an example, and her deep friendship with and admiration for President Ronald Reagan, as another.

Overall, Margaret Thatcher seemed to deal autocratically with the majority of men or women who worked for her; the style was to demonstrate her superiority (the demonstration of her mastering of the details of briefs would be one example of this). An even more ominous aspect of the style would be the public humiliation of victims, the most overt of which was with her minister Geoffrey Howe over a period of years. Howe was to play a significant part in her ultimate forced resignation.

Her first term (which began in 1979) was one in which an inexperienced prime minister might be expected to feel her way into the new job. Mrs Thatcher's style was based on conviction, rooted in the political values she had absorbed from childhood. Well before she became prime minister, she had arrived at the views of the evils of state intervention, and the merits of free enterprise. The philosophy of Friedrich von Hayek was one of the few ideas that united her with her Chancellor Nigel Lawson. Von Hayek's messages of liberation permitted her to spell out her intentions; her own lack of hesitation over right and wrong permitted her to act.

The new government was able to act swiftly, although initially the policies were crisis driven and less wholeheartedly shaped by the free market philosophy that was to become known as Thatcherism (sometimes defined as whatever Margaret Thatcher said or did). The architects of the medium-term policy installed were the two financial experts in the cabinet, Geoffrey Howe and Nigel Lawson, both of whom became increasingly unhappy with their relationship with a prime minister inclined to derive financial policy from philosophical rather than economic principles. In keeping with Margaret Thatcher's philosophy was the policy of privatisation, which began with soft targets such as the old Cable and Wireless company, then facing the prospect of rapid growth through technological advances.

Falklands and other conflicts

The economy was far from healthy, however, when a long-running dispute with Argentina over the territorial rights to the Falkland Islands flared up. The most bitterly disputed incident remains the sinking of the Argentine troop-ship, *General Belgrano*, with a great loss of life. 'Gotcha!' headlined the populist newspaper, the *Sun*. 'Rejoice!' proclaimed Mrs Thatcher. But others interpreted such displays of elation as vengeful triumphalism.

After the successful completion of the war, the re-election of Mrs Thatcher and her party the next year was a near certainty, with inevitable conspiracy theorists convinced that the Conservatives under the dominance of Mrs Thatcher had engineered an election-winning war. Although unemployment had risen to 3 million (an alarming figure economically) the 'Falklands factor' and the disarray of the Labour opposition ensured that Mrs Thatcher was elected for a second term.

The miners' strike, now famed in British social history, remains in public consciousness as a simplistic battle between two ideologies, led by two ideologues, Margaret Thatcher and Arthur Scargill. According to this view, Scargill and the miners lost, and Margaret Thatcher won. The Labour left had suffered its Waterloo. Privatisation became easier to implement, and legislation was introduced further weakening the power of unions to disrupt organisations and industries not directly involved in industrial dispute.

In 1987 Margaret Thatcher became the first prime minister to win a third successive term of office. Yet this triumph had been achieved at some political costs. There was continued hostility throughout Europe to the British (i.e. Margaret Thatcher's) tactics in dealing with the movement to achieve a single European currency.

Additionally, there was the symbolic significance of what became known as the poll tax. In principle, the idea was to achieve more control over local council spending, by removing local rates and replacing them with a centrally collected tax, calculated district by district. In practice, the tax proved a popular disaster. Now political style and events collided. The tax led to violent public demonstrations. It was clear to many Conservatives that Mrs Thatcher had to abandon the tax, or the Conservatives would have to abandon Mrs Thatcher. For someone of Margaret Thatcher's style, a U-turn was a political sin.

Downfall

Mrs Thatcher was about to be abandoned by the party that had shared her successes and helped her to the status of an international superstar. Arguably the manner in which she controlled her cabinet over a period of time reduced their capacity to seek more consensual solutions. In particular, her treatment of the much-respected Geoffrey Howe was eventually to prove a tipping point (see Chapter 7) as he made a dignified and damaging resignation speech to the House of Commons.

Her removal was rapid, and dramatically charged. In her final Commons speech she displayed many of the attributes of courage and self-belief for which she had been famed. Her reputation remains as a leader of charismatic style most often likened to that of Winston Churchill. Interestingly, after each of its two most charismatic leaders, the country voted for leaders widely regarded as lacking in charisma: Churchill was followed by the quietly spoken intellectual Clement Attlee. Margaret Thatcher was succeeded by someone she had considered as her preference, the modest and introverted John Major.

Carly Fiorina

Carlton S. (Carly) Fiorina has attracted attention as a business winner. Her success leading a major corporate spin-off (of Lucent Technologies in the 1990s) was to trigger international publicity. Her subsequent appointment as CEO of the Hewlett Packard organisation, and her leading role in a controversial merger with Compaq, propelled her into iconic status as business leader. American business heroes of the recent past have tended to be lauded as exceptional figures. The business press tends to offer portrayals of them as the ultimate leaders and role models. Yet, for someone whose potential as a role model is particularly potent, Carly has also been described as one of the most vilified women in corporate America.

The Hewlett Packard story and the Hewlett Packard way

The Hewlett Packard story has been a business school favourite for many years. Its high-tech origins and growth to a mega-star growth company in Silicon Valley at first captured the imagination of Tom Peters (although he subsequently felt that the company lacked the revolutionary zeal necessary to compete into the future). Collins and Porras cited Hewlett Packard as one of sixteen visionary companies 'built to last' through their founding principles.¹⁵

The company was founded in 1939 by two engineers, who (it is alleged) 'stood in a garage in 1939 and flipped a coin to see whose name would go first in the company logo'.¹⁶ Their goal was to create a great innovative company driven by engineering excellence.

At the heart of the Hewlett Packard success was the HP way, an articulated statement of values and respect for employees and customers. Since the 1940s, care for employees meant an unusual policy of protection of employees from lay-offs. The culture had been inspired by the informal style of founders Bill Hewlett and Dave Packard in the 1940s. Their social and organisational innovations have been as acclaimed as their company's technical products. For example, they pioneered succession planning and management development schemes in the 1950s while the firm still only had some 500 employees. Their original scientific electronic calculator, the HP-35 in the 1970s, was hailed as an invention which changed the world, selling 300,000 within three years, against market estimates of 5000.¹⁷ Its success helped charge up the Silicon Valley phenomenon, feeding the market need for more, faster, smaller, cheaper electronic products and their electronic components. Users of calculators saw prices fall to increasingly accessible values. Hewlett Packard continued on its highly innovative way with a steady flow of imaginative electronic products.

In the 1980s, the approach had been hailed as a proven commercial and human success. By the late 1980s, however, the great growth days seemed to be at an end. Moss Kanter mentions the firm twice, each negatively, in her book on how giant

corporations were attempting to become more flexible. She cites a failed attempt to buy into a new market sector, and the firm's rejection of approaches from Apple's founders, Steve Jobs and Steve Wozniak.¹⁸ Its stock price in 1990 had dropped below book value. By the time Carly Fiorina was appointed CEO, the company was increasingly seen to be losing out to competitive threats.

The truth, the whole truth . . .

The original vision of Hewlett and Packard was the creation of a company which would generate high value, highly innovative products. The story goes that Bill Hewlett championed the hand-held calculator product because he had a dream of an electronic slide rule. The growth in its core printer market in the 1990s, fuelled by the internet boom, was for low-price, value-for-money personal and office products. The company had struggled to accept the need for change. Even its own successful product in that market was initially introduced against considerable opposition within the organisation.

Fiorina accepted the need for change and directed her efforts to achieve what was needed. Inevitably, her efforts met with resistance. During the merger that would be the centre of her strategy, opposition became intense. Resistance was led by Walter Hewlett, the son of one of the founders, who had come to believe (rightly) that the merger would threaten the very core of the corporate philosophy.

The story of the Compaq merger had all the ingredients of a Hollywood movie. A high-profile (and female) chief executive faces a culture deeply rooted in its founders' vision and the HP way. Two extensive accounts were written, one with access to Fiorina, the other without. George Anders chronicles the rise of an outstanding communicator and business leader.¹⁹ In some contrast, *Business Week's* Peter Burrows argues that Carly Fiorina has been engaged in attacking the essence of the company's success.²⁰ Business commentators suggested that the personality-dominated decision-making process at HP had overcome its traditional beliefs and rational strategic considerations. On 7 February 2005, Fiorina resigned, an event that brought the change initiative to an abrupt close. Her strategic vision had failed to deliver.

Typical biographies of business leaders offer an unambiguous account of the great leader. A colourful private life or unusual personal characteristics tend to be downplayed or omitted completely. In some contrast, the business press seems rather interested in Fiorina's private life. Why might that be the case? Might it help in any way to comment on personality flaws? In which case, should a similar treatment be applied more widely in biographies? Or might the judgement on Carly have something to do with widely held assumptions and beliefs about the suitability of women for top executive positions?

The oriental glass ceiling

Cultural factors continue to exclude women from leadership positions around the world. Some cultures exclude women on religious grounds. These beliefs are defended by so-called traditionalist groupings and challenged by so-called reform or modernising tendencies. Religious traditionalists believe in the universal and timeless truth of evidence revealed through documents and other accepted sources.

Modernisers contend that perceptions of truth change over time and circumstances. Within most of the dominant religious traditions, traditionalists, in accord with their timeless belief systems, continue to define the roles that women are able to play in the religious offices and in society. Modernisers threaten the established order around the world, often risking splits or schisms with the accepted (orthodox) groupings.

We present the dilemmas of gender through the eyes of Ming Hsu (not her real name), a young Chinese woman working as a manager in a state organisation. She believes that executive opportunities for women in China are beginning to improve. However, she sees that there are particular aspects of Chinese culture that reinforce the western notion of a glass ceiling. She talks of the attitudes towards women in the workplace, which are themselves reinforced by cultural beliefs. There is still prejudice, she argues, against career women who are seen as neglecting family duties. 'Women caring for the family win more respect than women caring more about their career,' she explains. 'If she earns more than her husband, society looks down on him.'

She sees the need for sweeping legislative changes and anti-discrimination laws to change the situation and to change male attitudes. At work, what she sees as prejudice means that

male staff tend to challenge women more than their male counterparts. There is a kind of double bind. If you are more successful at your job, you will be looked down on as masculine and lacking feminine charm. You contribute more to your family, and they will regard you as weak and unqualified for the job. Men can benefit their family by becoming a leader. It is easier to marry a caring and meek wife. A woman suffers and might lose her husband or her lover when she focuses on striving to become a leader.

Two of her special heroines as leaders are Lan Yang, chief executive officer of Sun TV, and Shihong Wu, the former general manager of Microsoft China. Her admiration is the greater because they both overcame the adverse reputation bestowed on women who are divorced (still likely to discredit the woman and her subsequent career).

Yang's path to being a leader can be summarised as taking advantage of every opportunity, having a long-term mindset, and being diligent and having a strong will to succeed. [Wu's strengths are] a strong will to succeed, extreme hard work, and taking a career as her main life objective.

Roberto C. Goizueta

The case of Roberto C. Goizueta deserves close study as a clear example of a leader from a different cultural and ethnic background reaching the highest office in corporate America, and helping in the establishment of a powerful global brand. Goizueta was a Cuban immigrant who worked his way through the ranks of the Coca-Cola organisation, becoming president and chairman.

He was born into a prominent Cuban family, which in pre-Castro times owned a Cuban sugar refinery. Goizueta was born in Havana on 18 November 1931 to a prominent family in Cuba's sugar industry. He was educated in a Jesuit school in Havana, and later sent to a private academy in Connecticut. There he polished his limited English by watching the same movies over and over. He subsequently earned a degree in chemical engineering at Yale University, before returning to Cuba in 1953 to join the family enterprise.

A year after returning to Cuba he joined the Coca-Cola bottling operation in Cuba, rapidly earning promotion as a bilingual technical manager. However, the political conditions triggered his emigration to the United States where, like so many political refugees, he arrived with no more than a suitcase of possessions and minimal financial resources. He would later reflect that such an experience prepares you to take risks in order to achieve your goals.

His initial work was for the company's Latin American interests, but his energy and competence drew him to the attention of the company's senior executives. He was promoted to corporate headquarters in Atlanta: he became a vice-president at 35, and subsequently chairman. He was widely regarded as a detail and facts executive, although he was credited with leadership of Coca-Cola's global expansion activities of the 1980s. The corporate stock rose by over 7000 per cent during his tenure, and through retaining his stock options, he was eventually to hold 16 million shares, making him the United States' first billionaire corporate manager.

Diversity leadership

Dilemmas of a global kind

Diversity is an increasingly studied subject, with its specialist journals, databases, conventions, books and thousands of articles. The establishment of global organisations has added impetus to the subject. Each global organisation faces the dilemmas of diversity, starting with the diversity at the level of the top echelon team, almost always headed by a leader from the territory of the firm's national and legal origins. Where local headquarters are established, the issues of local and 'expatriated' leaders remain important.²¹

Nowadays, a greater acceptance of diversity on ethical and economic grounds can be found in many institutions and sectors internationally. Women have taken their place as presidents of state and held other high offices. Ethnic minorities have advanced within more dominant regimes in governments, universities, legal institutions and in a range of public service roles around the world. In Malaysia, Chinese leaders are accepted alongside the legally constituted majorities of ethnic Malays (Bumiputras). The courageous experiment in South Africa of a 'rainbow nation' initiated by the charismatic Nelson Mandela is an inspiration of diversity leadership, after its earlier regimes of colonisation and then separation (apartheid).

Organisational diversity and its difficulties

Organisations have accepted the principle of diversity management and, increasingly, the 'entry barriers' for previously restricted groupings are being relaxed. Progress has been claimed, as evidenced by data collection on targets or quotas. Yet the evidence is of slow rather than spectacular progress. In the United States where diversity affirmation programmes have been prominent, surveys suggest that the progress becomes increasingly restricted for non-whites, and for females in particular, at higher levels of leadership.

The meandering path: build your own corporation

Various studies suggest that successful women leaders have chosen to make a lateral leap to overcome the glass ceiling of corporate life. This may involve a meandering path away from corporates to founding a business of their own, then later moving in to head a larger and more traditional corporation.²² A recurrent resolution of the diversity dilemma seems to be that of building your own corporation.

The profile of successful black leaders suggests a similar meandering path. A database of great American black business leaders of the twentieth century illustrates the pathways.²³ Thirty-one black leaders were identified (four of these were female) who arose in the context of a segregated society within which corporations developed serving the needs of the segregated black minority groups. Several were former slaves, or children of slaves.

The most numerous business leaders by industry sector were financial entrepreneurs (eleven) who set up savings and loan schemes, and insurance services where previously no poverty safety net existed. Typically, the leaders overcame severe discriminatory barriers to success, and the corporations were founded where white leaders were unable to compete.

The other main groupings were newspaper and magazine publishing (six) and personal care products (four). Smaller numbers of the leaders founded food and drink retailing firms, technical and construction organisations, and an advertising agency.

See Box 8.4.



Box 8.4 Diversity: cognitive and non-cognitive factors

A general theory of dynamics of diversity is known as homosocial reproduction. Evidence from a wide range of sources supports the view, drawing on self-identity and organisational demographic principles. In general, the evidence also suggests that the tendency to homosocial reproduction reduces the capability of the group to display innovative and creative behaviours.²⁴

The cognitive psychologist Michael Kirton provides a theory of diversity leadership which focuses on cognitive style.²⁵ According to Kirton, any social group will establish a shared culture based on understanding of individual cognitive styles, which discriminates primarily on a preference for incremental or radical change. The theory proposes that preferred style is a stable personality trait, although an individual may temporarily adapt a different style under environmental pressures. People seek environments and leaders consistent with their preferred styles. Conflicts arise as people of differing styles interact and seek to solve problems at work. Individuals will leave those environments that are too distant from their preferred style. A stable environment attracts and retains people of incremental style (adaptors); a turbulent environment attracts and retains people favouring radical change (innovators). Adaptive groups seek adaptive-style leaders; innovative groups seek innovative leaders. However, the most preferred leaders by their followers' in-group are those who are moderate adaptors in the adaptive groups, and moderate innovators in innovative groups.

Other researchers, such as McGill's Nancy Adler, have arrived at similar conclusions (homosocial preferences within multicultural groups, at the expense of improved creativity through diversity). Dr Adler puts her emphasis on non-cognitive influences, resulting in subconsciously framed assumptions and beliefs, including *stereotyping*. According to Adler, we are all prone to stereotyping, but we may be able to minimise self-fulfilling expectations, and treat our stereotypic beliefs as working propositions open to revision through direct experience.²⁶ Understanding cultural differences involves emotional intelligence: empathy, awareness of effects that individuals have on one another, and non-verbal components of communications.

Integration

The feminine advantage

From our platforms of understanding we begin to see the core issues of gender and diversity. The first dilemma engages with the issue of women as leaders, expressed as the feminine advantage. This view is contested by Vecchio, who sees it as having the

same weakness as earlier models of male leadership supremacy, namely that it establishes a superior and an inferior group of leaders, according to gender. Furthermore, he considers that both models draw on a simplistic reduction of human behaviours into two categories of either male or female kinds. The feminine advantage view is strongly supported by evidence that women tend to have more transformational leadership styles, and that transformational leadership is well suited to contemporary turbulent business situations.

The aspirin effect

Eagly and Carli anticipate the criticism that the differences in means are modest, referring to the *aspirin effect*. This metaphor suggests that a modest difference between two populations induced by a causal variable (aspirin on heart conditions, in the original experiment) may be extrapolated to a worthwhile outcome in practice (reduced deaths from heart attacks). From this, we may choose to infer that the replacement of male with female leaders in organisational life will be justified through worthwhile anticipated gains in transformational leadership and through effectiveness of planned change programmes.

Some of the heat is taken from the debate if we consider that the statistical evidence of itself directly only supports the proposition that there is a larger proportion of women than men are reported as having transformational leadership styles. We are still unable to estimate what the proportion is. Nor are we able to say what other factors are likely to mediate between leadership and corporate success (as predicted in contingency or situational theories of leadership). Nor are we even able to say whether training can enhance transformational leadership styles for leaders deficient in such a style, perhaps minimising the statistical difference reported. These considerations show the dangers of confusing logical and deductive reasoning with exploratory and creative induction through metaphoric thinking.

What does seem to be *disconfirmed* is the existence of any evidence that men are more transformational than females in leading change processes. Even discounting ethical considerations (e.g. equality of opportunity), the preponderance of male leaders cannot be justified through any evidence of male leadership's superior effectiveness.

Gender and diversity

This chapter has a preponderance of studies on gender, as one specific aspect of diversity in the workplace. How justified are we in looking for generalisations relevant to the various other kinds of diversity that impact on business leadership? We have just suggested that inductive thinking is exploratory in nature, and we should treat generalisations as possibilities. For more certainty we need to find integration through theories which cover the various kinds of diversity, including

gender. In the review by Stella Nkomo and Taylor Cox Jr we see the various theories which do that. The overarching concept according to the authors is that of *social identity*. This is a construct that we have not come across in the earlier maps of leadership. Such a broad concept serves as a starting point for understanding diversity in all its forms. It proposes a common social root to all discriminatory behaviours, as individuals find ways of dealing with 'selfness' and 'otherness'. We thus have the idea that glass ceilings, written about originally in the context of gender concerns, can be applied to discriminatory practices in general. More positively, to understand and reflect on gender dilemmas is to begin to develop further skills at dealing with those wider range of dilemmas. This approach permits us to compare more thoroughly the various contextual examples of the chapter.

Using a social identity map, we may be better equipped to understand the challenges that helped some leaders to shatter glass ceilings; we may understand how discrimination may have multiplicative effects, so that ethnic women leaders have tougher challenges ascending corporate pyramids than ethnic males, or white women. It helps us appreciate how 'the meandering path' to success is so attractive, as able leaders create their own organisations.

Getting personal

Each leader and would-be leader faces his or her highly context-dependent journeys. In this chapter we introduced the complexities that are largely hidden in the maps studied in earlier chapters.

The leader who has identified a rare talent among his or her subordinates will be all too aware of the dilemma of promoting, if that talent is from outside the dominant culture, gender, or (in Pfeffer's terms) outside organisational demographic norms of its traditional leaders. Are the lessons to be learned from a social identity perspective? What actions may help in dealing with assumptions and stereotypes of 'what's different is dangerous'? What are the predictable consequences of 'affirmative action' on expectations of those in the dominant corporate grouping?

The female wannabe leader, such as Ming Hsu in our case example, believes she faced a double-bind in her organisational life. Success is hindered by prejudice, and rewarding by criticism of the woman as a 'bad' wife in order to succeed. We may note that the social identity processes involve multiple groups. Criticism of Ming Hsu as a bad wife is most likely to come from her peers. This is an experience shared by ethnic leaders, condemned for 'selling out' their racial kind for corporate advancement, or working-class leaders accused of being class traitors.

Making difference count

One strategy for successful leaders is to find ways of making difference count. The very rare example of corporate success achieved by Roberto C. Goizueta was in

part through the acknowledgement of his skills at technology leadership. However, it was the valued difference in working with the company's Hispanic interests that also worked to his advantage. The effort to make difference count can also be found in the case example of successful black leaders founding businesses for black society where white leaders failed.

MBAs seeking corporate jobs are encouraged by their placement tutors to compile a compelling CV. The preference is to present a person with a considerable number of points of similarity to the majority of senior people within the organisation. These points include educational path, professional training, and job experience. Those candidates with unusual CVs are advised to find unusual jobs (there will be fewer applicants with appropriate credentials).

Candidates with military credentials should have more chances in jobs where the company already has a leader with a military background. Candidates who have worked for a not-for-profit charity may find more encouragement in for-profit sectors in the 'creativity' and service industries, and in work requiring creativity and innovation.

Summary

This chapter exposes some of the dilemmas of diversity facing leaders. It selects gender as a specific and critical issue of diversity where there may be a minority or even a majority of a group who may form a subgrouping requiring appropriate leadership treatments for reasons of equity or effectiveness of performance.

The fundamental dilemma of diversity is expressed in the tendency of social groupings to regard 'what's different as dangerous'. In gender studies this has led to what became regarded as the masculine advantage in many work groups, a view based on historical beliefs rather than empirical evidence.

While many of the issues and arguments associated with gender and leadership have a strong empirical basis, there are still conflicting conclusions which are seen to focus on notions of gender superiority. This has caused considerable debates about masculine and feminine values and behaviours and the implications for leadership styles.

Vecchio argued that assumptions of male leadership advantage are being replaced by a mirror-image notion of female advantage. He suggests that the empirical evidence is slight, and may give rise in the future to the same kind of gender-based stereotyping associated with the earlier male leadership advantage.

Eagly and Carli strongly oppose this idea. They suggest that there is ample evidence that there is an advantage in looking for women as transformational leaders based on the database analyses of such leaders, which suggests a stronger association between

female leadership and a transformational style (itself believed to be connected with more transformational change potential).

Regardless of the resolution of the feminine advantage debate, the evidence does not justify the 'glass ceiling' barriers to female entry to senior corporate leadership roles.

Eagly and Carli ground the context of prejudice through a treatment of social role perspective that sees social beliefs articulated and reinforced by interactional cues in social groups. Specifically, we see that social role theory may be applied to develop an understanding of prejudice and the exclusion of individuals who are perceived to be undesirably different.

Some of the gender issues lead into understanding other kinds of diversity that impact on the development of leadership maps. Nkomo and Cox also take social construct theory as a broad concept to be found in various maps of diversity in work and social groups.

When people hold stereotypes about a social group, they may have difficulty in coming to terms with behaviours contrary to their map, due in part to the restrictive nature of such 'either-or thinking'. Using a map constructed on the basis of an understanding of social and cultural helps the leader to accept that beliefs about diversity may act to frustrate the practice of leadership. The contextual cases discussed in the chapter highlight the dilemmas of role incongruity, exposed through issues of gender and ethnicity.

One strategy for successful leadership of diversity is through permitting an open culture in which differences lead to improved knowledge sharing and problem-solving. Nevertheless, where the incongruity of the traditional female role with perception of traditional leader roles persists, women may be rejected as a leader because they are either too masculine or not masculine enough. In such circumstances women (and members of other socially excluded groupings) will continue to seek 'an alternative path'.

Notes

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- 6 Vecchio, R. P., 'Leadership and gender advantage' [see note 4].

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