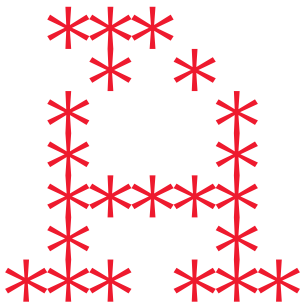




by BARBARA RESKIN

even if we could
completely eliminate
intentional
discrimination,
unconscious bias
would still
remain

unconsciousness raising



ALTHOUGH WOMEN HAVE MADE unprecedented headway in the work world over the last 30 years, it has been slow going. The pay gap between the sexes has narrowed by about a half a cent a year, the decline in sex segregation stalled in the 1990s, and women's share of executive jobs has only been inching up. In short, equal opportunity remains out of reach for most women.

In the past, discrimination against employed women was commonplace. No doubt, several bushels full of bad apples still intentionally discriminate, but overt, intentional discrimination almost disappeared after it was outlawed. Unfortunately, a second type of discrimination, one outside the reach of the law, persists across American workplaces. This discrimination originates in unconscious mental processes that systematically distort the way we see other people. In order to deal with a constant barrage of stimuli, our brains are wired to reflexively categorize and stereotype people, often in ways that we would consciously reject. All but impossible to detect in ourselves, these unconscious reactions are normally outside of our control. While they are largely invisible, their consequences are not: They systematically disadvantage women—and minorities—at work.

Although individuals cannot banish the automatic unconscious distortions that limit women's careers, employers can minimize their discriminatory effects

Our brains are wired to reflexively categorize and stereotype people, often in ways we consciously reject as false



through personnel policies that reduce managers' discretion, such as formalizing hiring and promotion practices, holding managers accountable for fair decisions, encouraging employees to identify with groups in which membership is not associated with gender, and actively compensating for unconscious biases. Many employers would readily implement these reforms if they understood the consequences when cognitive errors go unchecked. However, most employers do business as usual unless something in their external environment forces them to change. Until we change the environment in which businesses operate, our unconscious biases will block women's and minorities' rise to the top.

Automatic stereotyping

Unconscious distortions harm the career prospects of working women (and minorities) through stereotyping and ingroup favoritism. Stereotypes automatically associate in our minds group membership (e.g., male) and traits (e.g., aggressive). While most people consciously stereotype some groups (for example, the assumption that someone with a youthful or unsophisticated appearance lacks savvy about the world, or that someone from the South harbors conservative racial attitudes), automatic stereotypes occur outside our conscious awareness and may involve beliefs that we consciously reject.

Societies pass on a body of shared cultural "knowledge" to their members, and this knowledge includes the content of stereotypes associated with particular groups (e.g., skinheads, fundamentalists, immigrants, politicians). As a result, most people can accurately describe the content of stereotypes, regardless of whether or not they accept them as accurate. And apparently simply knowing these stereotypes leads our unconscious minds to draw on them, linking group membership with stereotypical attributes or behaviors. These automatic implicit associations have survival value. Because we cannot consciously consider each new bit of information our senses pick up, responding without conscious thought to some categories of stimuli (e.g., the sudden appearance of a snarling dog or a person who looks dangerous) frees up cognitive resources for other tasks. Similarly, automatic stereotypes about the sex or color of a person we encounter may help us to quickly size up a situation. Of course, to the extent that our stereotypes are not valid, we will size it up incorrectly.

The cognitive efficiency of automatic stereotyping makes it all the more tenacious. We process stereotype-consistent information more readily than inconsistent information. And anything that taxes our attention—multiple demands, complex tasks, time pressures—increases the likelihood of our stereotyping. For example, research subjects assigned to complete a sentence could obey an instruction to avoid sexist statements when they had ample time. But under time pressure (or more generally, with multiple cognitive demands), their statements were more sexist than those of a control group. The experimenter's admonition against sexism actually "primed" the subjects' unconscious sexist stereotypes, making them especially likely to come to mind. Similarly, we tend to believe and recall evidence consistent with our stereotypes (including untrue "evidence")

and dismiss evidence that challenges them. Thus, automatic cognitive distortion in our evaluation of evidence makes it hard for us to sort out valid from mistaken beliefs.

The unconscious beliefs most people harbor about women cast doubt on women's suitability for high-level jobs. For example, women are stereotypically viewed as less oriented to their careers and more oriented to their families than men are. They are also seen as too nurturing to effectively manage subordinates or head-to-head competition and too risk-averse to succeed in business. Automatic sex stereotypes block women's access to high-level jobs, especially in predominantly male work settings, by affecting the tasks supervisors assign to women and men, biasing their evaluations, and influencing the attributions they make for the successes and failures of workers of each sex.

For women who hold or aspire to customarily male positions, stereotyping is especially problematic because sex stereotypes for women are inconsistent with stereotypes about ideal job holders. As a result, predominantly male work settings put women in a double-bind. Conforming to societal stereotypes about how women should behave prevents their fitting the stereotype of the ideal worker, while satisfying the stereotype of the ideal worker violates prescriptive stereotypes about how women should behave. For example, Ann Hopkins, who successfully sued Price Waterhouse for denying her partnership despite her exemplary performance, was described by one partner as "overly aggressive, unduly harsh, and difficult to work with," while another encouraged her to adopt a more feminine appearance. In sum, Price Waterhouse did not promote her because she could not fill the mutually exclusive stereotypes of woman and Price Waterhouse partner.

Ingroup favoritism

The machinations of our unconscious minds create another hurdle for women's access to top jobs. Within seconds of meeting a person, our brains automatically categorize them as someone like ourselves (a member of our ingroup; "us") or unlike ourselves (a member of our outgroup; "them"). Like stereotyping, automatically categorizing others is functional in a complex world. Because we categorize people immediately, we do so based on visible, and often surprisingly irrelevant, attributes. (People's inclination to classify all others into ingroups and outgroups was first observed among boys whose only visible difference was whether their shirt was red or blue.) Thus, whether we view others as "us" or "them" often depends on their sex.

Two processes associated with "us-them" categorization pose problems for women's advancement. First, having categorized someone as like or unlike us, we extrapolate to other characteristics, assuming that ingroup members generally resemble us and outgroup members differ. Second, we automatically favor ingroup members. We trust them more than other persons, attribute positive traits to them while ignoring their negative characteristics, prefer to cooperate rather than to compete with them, evaluate them more positively than others, cut them more slack when their performance falls short, and favor them when distributing rewards.



Stereotypes of women are inconsistent with stereotypes of ideal executives, casting unconscious doubt on whether women are suitable for top positions

In settings in which men hold most top-level positions, ingroup favoritism limits women's likelihood of advancement. The career benefits from belonging to the "old boys' network" involve both conscious and unconscious ingroup favoritism. For example, when one female CEO asked her previous boss for a promotion, "he looked...flabbergasted" and then explained, "The guy I've got up there now has been my running partner, and it's taken me two years to get him to that position." Her boss's explanation suggests that he implicitly assumed that someone who shared his gender and interest in running also shared his executive ability. In similar situations in which women who were passed over for promotion sued (for example, *Foster v. Dalton* in 1995 and *Brandt v. Shop 'n Save Warehouse Foods* in 1997), the courts have acknowledged that "such actions are unfair from the standpoint of the plaintiff and persons of [their] sex," but concluded that they do not violate antidiscrimination laws. Because the courts interpret antidiscrimination law as applying only to intentional discrimination, it is legal for men to favor their buddies (usually male) over people they don't socialize with (almost all women and people of color).

Another upshot of the assumption that ingroup members resemble us and outgroup members don't is that the latter are

unlikely to come to mind for career-building opportunities. And if they do, they bring the baggage of "themness" with all its implicit associations. As another CEO told a researcher, "We [had] talked about having a woman [on the bank's board]...but had been unable to settle on someone who we thought could make a major contribution."

The daily effects of automatic stereotyping and ingroup favoritism may be small: being excluded, passed over, or denied credit. But over time, micro acts of unintentional discrimination lead members of ingroups to accumulate advantages not available to outgroup members. The disparities this produces are as consequential as those of intentional, overt acts of discrimination.

Stemming discrimination through structure

The unconscious, reflexive nature of stereotyping and ingroup favoritism makes unequal opportunity for women an everyday occurrence. But when the laws of nature or of the mind lead to predictable, but undesirable outcomes, we often try to prevent it ahead of time. For example, because we know that automobile accidents can lead to serious injury or death, we require manufacturers to install seatbelts. Similarly, to sup-



press the bias that predictably results from automatic cognitive distortions, employers need to implement personnel practices that are analogous to seatbelts in preventing unintended disparate outcomes.

My favorite example of a preventive structure comes from a study of how symphony orchestras started to include women. Until the 1970s, Claudia Goldin and Cecilia Rouse report, virtually all the musicians in major symphony orchestras were male. In the auditions that symphonies used to select musicians, judges could see as well as hear the candidates. Moreover, the auditions were unapologetically subjective: Judges were not constrained by prespecified criteria. And those selected were almost always male. We can't know why this happened, but when symphony orchestras began to put auditioners behind a screen, thereby concealing their sex, symphonies increasingly hired women. The screen both curbed intentional discrimination and prevented any unconscious stereotypes and ingroup favoritism from having discriminatory effects on women applicants.

Although there are few settings in which applicants' sex can be concealed, the impact of blind auditions illustrates the importance of structures for reducing discrimination. The subjective and unstructured decision-



The impetus for change usually comes not from altruism or self-interest but from pressure outside the firm in the form of lawsuits, regulations, or adverse publicity

making invites bias. Consider Home Depot, which began as a close-knit, predominantly male company in which people hired or promoted their buddies. The company's hiring and promotions practices remained informal as it expanded, and women's exclusion from management eventuated in a class-action lawsuit. In keeping with the consent decree that settled the lawsuit, Home Depot completely revamped its hiring and promotions practices. The new employment structure included computer or telephone kiosks in every store for people to apply for jobs and specify their qualifications and job preferences. When managers posted openings, they automatically received a list of all qualified applicants. By standardizing all facets of the matching process, Home Depot curtailed managers' discretion, reducing the likelihood that managers' conscious or unconscious ingroup favoritism or sex stereotypes would affect job assignments or promotions.

Simply reducing managerial discretion by formalizing personnel practices does not ensure a level playing field, however.

Accountability is another key factor in reducing biases in judgments. Managers must know they will be held accountable for the criteria they use, the accuracy of the information they use in personnel decisions, the procedures by which they make those decisions, and their consequences for gender and race equality. For instance, experimental subjects charged with recommending teaching assistants were less likely to recommend candidates of their own race and sex when they had been told that the decision-making process would be public than when they believed their decisions would be kept secret. But, importantly, when decision-makers are under time pressure (which is presumably most of the time), knowing that they will be held accountable does not suppress automatic cognitive biases. For accountability to be effective, departing from specified procedures must have tangible consequences. Home Depot, for example, fired managers who hired staff outside the computerized system.

Employers can also reduce the discriminatory impact of ingroup favoritism by promoting the formation of mixed-sex

ingroups by employees. One option is integrating work teams, thereby encouraging workers to categorize coworkers on bases other than their sex, such as teams, projects, or divisions. Organized competition between work groups, for instance, encourages team-based ingroups, which then discourages stereotyping because people tend to see their teammates as individuals.

In sum, micro acts of discrimination occur every day in most workplaces as a result of automatic cognitive processes that are largely outside of our awareness, much less our conscious control. The pervasive and automatic nature of these unconscious biases makes it almost impossible to prevent their helping men's careers and harming women's, even when firms implement structures to minimize bias and hold managers accountable for using them. This means that ensuring an equal-opportunity workplace may require consciously taking gender into account in job assignments and promotions. This could take the form of gender-conscious recruiting, such as targeting traditionally female labor pools or proactively identifying women who are likely candidates for advancement; or gender-conscious hiring, which explicitly treats sex as a "plus factor" in deciding among qualified applicants. The latter approach is legal only for firms that have admitted past exclusionary treatment (see article on page 38).

External pressure

The *raison d'être* of work organizations is not to prevent discrimination, but to produce a service or product. And few organizational leaders, particularly in the private sector, take their positions primarily to create a more just society. As a result, reducing the discriminatory effect of automatic cognitive errors almost always takes a back seat to productivity and the career growth of top executives.

Widespread problems within a firm—such as high turnover among women professionals—can lead firms to change their personnel policies (see article on page 42). But usually the impetus for change comes from outside the firm, in adverse publicity regarding its treatment of women or minorities, lawsuits charging discrimination, or oversight by regulatory agencies. For example, the

further reading

"Implicit Stereotyping in Person Judgment," by Mahzarin R. Banaji, Curtis Hardin, and Alexander J. Rothman, *Journal of Personality and Social Psychology*, 1993.

"Minimizing Workplace Gender and Racial Bias," by William T. Bielby, *Contemporary Sociology*, 2000.

"Rethinking Employment Discrimination," by Barbara F. Reskin, in Mauro F. Guillen, Randall Collins, Paula England, and Marshall Meyer (eds.), *The New Economic Sociology: Developments in an Emerging Field*, Russell Sage, 2001.

"Second Generation Employment Discrimination: A Structural Approach," by Susan Sturm, *Columbia Law Review*, 2001.

Office for Federal Contract Compliance Programs monitors and regulates employers' compliance with presidential executive orders mandating nondiscrimination and affirmative action by federal contractors. Although the likelihood of losing a contract is minuscule, employees of federal contractors look more like America than those of noncontractors. Likewise, the outcome of discrimination lawsuits can influence the personnel practices not only of the firm under consent decree—like Home Depot—but also of other firms in the same industry or labor market. It is not easy to prevail in sex discrimination cases, however. Ann Hopkins succeeded in her lawsuit against Price Waterhouse only because the partners in the firm expressed conscious sex stereotypes. If their decision had been distorted only by their unconscious stereotypes, she would not have been able to prove sex discrimination.

The legal environment can also make a difference on women's outcomes in more subtle ways. For instance, a study by Doug Guthrie and Louise Roth showed that the more equal employment opportunity laws in a corporation's home state and the more progressive the federal appellate courts in the corporation's district, the more likely it was to have a female CEO. The policy stance of a region, a state, or a local labor market can affect women's access to top jobs through the message it sends to corporations about the consequences of disobeying discrimination laws. It can also affect women's representation in the candidate pool by encouraging or discouraging them from pursuing opportunities in various kinds of careers. And because women, like men, pursue the best jobs open to them, a favorable legal and regulatory environment will attract women to opportunities.

The logical conclusion of this analysis—that regulatory agencies should require firms to curb the consequences of automatic stereotyping and ingroup favoritism—is likely to be controversial. But organizations rarely implement genuine reform without external pressures; and in the absence of a political sea change along with a broader legal conception of discrimination, equal opportunity is likely to take place one firm at a time. Leveling the playing field more quickly will require pressure on lawmakers and regulators to address both conscious and unconscious barriers to women's inclusion. *

Barbara Reskin is the S. Frank Miyamoto Professor of Sociology at the University of Washington. She has written six books and several dozen articles and book chapters on gender and race inequality in the workplace, sex segregation, discrimination, and affirmative action. She is a past president of the American Sociological Association and a fellow of the American Academy of Arts and Sciences.

Testing assumptions

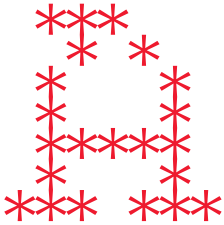
A group of psychologists has developed an online test to study the prevalence and impact of unconscious beliefs about stereotyped groups such as women, blacks, Arabs, the elderly, and the overweight. The test shows the impact of our own unconscious stereotypes, even those we consciously reject as untrue. To take the test, visit <http://implicit.harvard.edu/>.



by FRANCINE D. BLAU
and ANNE E. WINKLER

does affirmative action work?

After four decades, we are still debating how much impact affirmative action can and should have on opportunities and outcomes at work



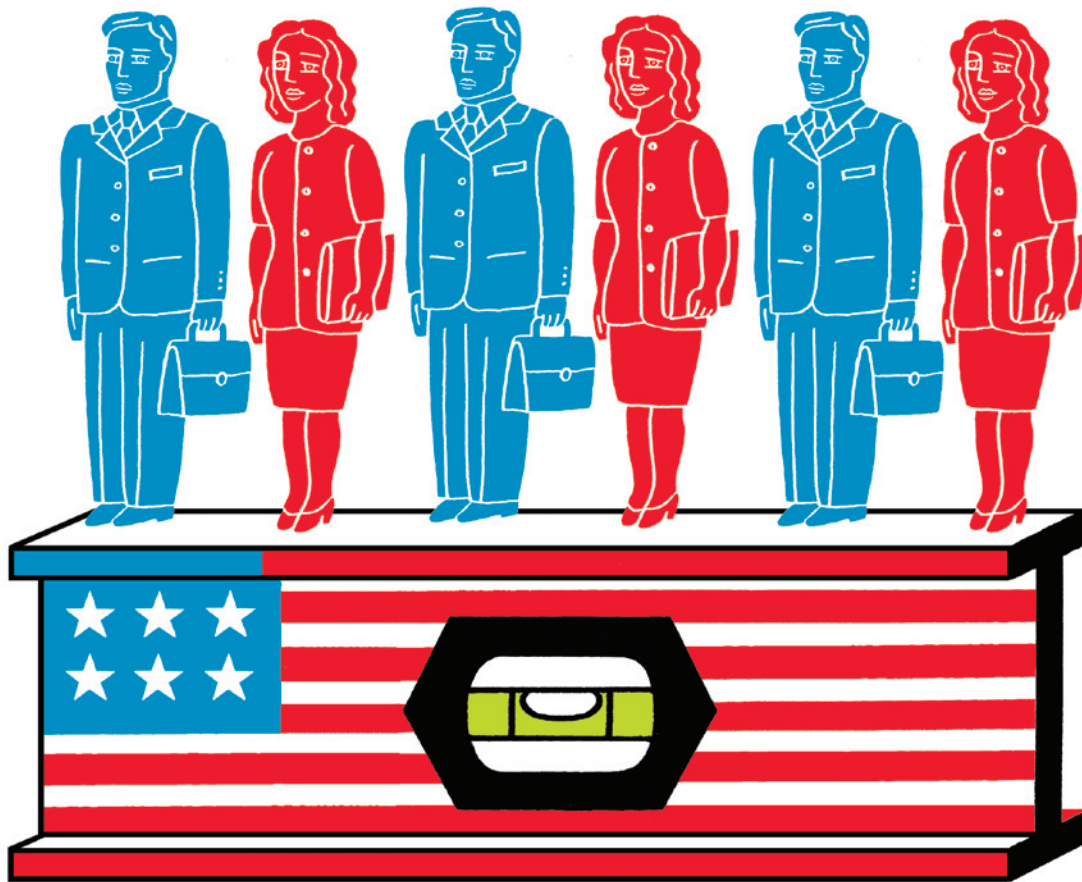
AFFIRMATIVE ACTION is a lightning rod in the debate about how to achieve equal opportunity in America. Some oppose affirmative action because they question the presence of discrimination at all. Others acknowledge the presence of discrimination but feel that taking active steps to help women and minorities should not be necessary if antidiscrimination laws are doing their job. Still others view affirmative action positively, though even here there is disagreement about how to implement it. Some think it is sufficient to expand the pool of candidates for a job, while others think it should go beyond this towards preferential treatment for women and minorities. Others worry that specific goals for employing women and minorities may become *de facto* quotas. But in all the controversy and rancor, there is one question that is less often asked and even less frequently answered: Does affirmative action in employment actually work?

Affirmative action is intended to remedy the effects of discrimination against women and minorities in the labor market. While discrimination against women appears to have declined, the research evidence indicates that women and minorities continue to face significant labor market problems. For instance, statistical analyses of earnings data generally indicate that there is still a sizable sex and race wage gap, even after controlling for education, experience, occupation, industry, and other factors that might explain why women and minorities earn less than white men. In addition, courts continue to find evidence of sex and race discrimination; just one recent high-profile case was the \$54 million settlement of a sex discrimination lawsuit against Morgan Stanley in 2004. And audit studies, in which researchers

compare the employment outcomes of equally qualified workers who apply for the same job, show that women and minority applicants receive fewer interviews and job offers than equally qualified men and whites.

What most people refer to as affirmative action is actually an Executive Order signed by President Lyndon B. Johnson in 1965 and amended to include women in 1967, requiring federal contractors or subcontractors with 50 or more employees or more than \$50,000 in contracts to “take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, color, religion, sex or national origin.” Covered employers that “underutilize” women and minorities must submit annual goals and timetables—but importantly, not quotas—for hiring women and minorities. In a few other instances, employers may be required to have affirmative action programs because they have lost or settled a discrimination lawsuit. In addition, some employers have voluntarily adopted some or all elements of the policy.

In the last 30 years, a number of studies have attempted to assess whether affirmative action programs lead to greater employment and advancement of women and minorities. Because affirmative action is a loose amalgamation of many different employer practices, good data on its impact have been hard to come by. But the general consensus is that women and minorities have indeed benefited at least modestly from affirmative action. For example, Jonathan Leonard’s 1989 study on the issue found that employment rates for women and minorities increased faster in firms with federal contracts (who were thereby subject to affir-



mative action), than at otherwise equivalent firms without such contracts. In a similar vein, a 2000 study by William J. Carrington, Kristin McCue, and Brooks Pierce found an increase in the share of women and minorities employed at large establishments—where antidiscrimination legislation and regulations are most likely to apply—after the mid 1960s, when Title VII of the Civil Rights Act was passed and the Executive Orders were implemented.

further reading

Harry Holzer and David Neumark offer other valuable evidence in a recent series of studies (see suggested readings). They asked employers whether affirmative action or equal opportunity law played any role in recruiting and/or hiring for the position they filled most

“What Does Affirmative Action Do?” by Harry J. Holzer and David Neumark, *Industrial and Labor Relations Review*, 2000.

“Assessing Affirmative Action,” by Harry J. Holzer and David Neumark, *Journal of Economic Literature*, 2000.

“The Continuing Need for Affirmative Action,” by Barbara Bergmann, *Quarterly Review of Economics and Finance*, 1999.

“Women and Affirmative Action,” by Jonathan Leonard, *Journal of Economic Perspectives*, 1989.

The Economics of Women, Men, and Work, by Francine D. Blau, Marianne A. Ferber, and Anne E. Winkler, Prentice-Hall, 2002.

recently. Consistent with earlier studies, Holzer and Neumark found that firms using affirmative action had greater shares of minorities and women in their workforce. Moreover, when firms used affirmative action in recruiting—for example, advertising more widely for positions or requiring applicants to complete a larger number of screening tests to learn more about their attributes and potential—the new female and minority hires were equally as qualified as their white male peers; and once hired, they received equally as good job performance ratings (indicating they were likely equally as productive). When affirmative action was used in the hiring process, Holzer and Neumark again found that new female hires had similar qualifications and job performance. They did see some evidence of lesser qualifications “on paper” for minorities; but once hired, most minority groups performed at a level equivalent to their white male peers. Holzer and Neumark also found that employers who used affirmative action programs were more likely to have formal human resource procedures in place for evaluating their employees, which should help create more objective evidence when considering women and minority candidates for potential promotions down the road. In other words, this research suggests that affirmative action policies make firm personnel management practices more systematic and impartial—one of the remedies Reskin calls for (see page 32).

Of particular interest in the context of this volume is how affirmative action may affect women’s ability to reach the upper echelons of corporate America, government, and academia. Unfortunately, of the studies that have specifically looked at the



impact of affirmative action on women, none have focused on women at the highest rungs on the career ladder. Thus, we still do not know whether being the beneficiary of affirmative action early in their careers ultimately helps women to attain top leadership positions; though as noted, it does appear to have helped open doors to positions along the way. Affirmative action and antidiscrimination policy, in general, may also have broader social benefits, beyond the gains to the specific individuals hired, for instance by creating mentors and expanding networking opportunities for women and minorities.

The benefits of affirmative action in employment, then, are moderately positive for women and minorities alike. Some individuals, however, perceive its costs to be large, which is what makes the policy so controversial and also may threaten its effectiveness. One concern that has been raised is that it creates *de-facto* quotas. But work by Jonathan Leonard shows that federal contractors tend to fall short of their employment goals for women and minorities, suggesting that they are indeed goals and not quotas. The more frequently raised concern, however, is that affirmative action encourages reverse discrimination—deliberately excluding white men to provide more opportunities for women and minorities. Such concerns may particularly arise when the economy is in a downturn and jobs are scarce. However, Holzer and Neumark's evidence suggests that the likelihood of more productive men or whites being passed over in favor of less productive women or minorities is probably low. And the fact that women and minorities still earn less than men and whites, all else equal, also indicates that reverse discrimination is not the norm.

Concerns about affirmative action not only make the program politically sensitive but could actually cause problems for those who are supposed to benefit from it. They may be viewed as “affirmative action hires” rather than as equally qualified, equally productive employees. This, in turn, could sap their confidence, creating a self-fulfilling prophecy. On the other hand, without affirmative action, women and minorities are likely to have fewer opportunities available to them or may invest less in education and training because they think that it will not pay off down the line. Looking to the future, the challenge is to continue to find ways to equitably level the “playing field” so that everyone has an equal opportunity to succeed. *

Francine D. Blau is the Frances Perkins Professor of Industrial and Labor Relations and Labor Economics and Director of the Institute for Labor Market Policies at Cornell University. Anne E. Winkler is Professor of Economics and Public Policy Administration at the University of Missouri—St. Louis.

a psychological effect of stereotypes

by CARRIE CONAWAY



WE DON'T NORMALLY THINK OF highly successful people as likely to suffer due to psychological pressure or stereotyping. But according to social psychologists, it is those most invested in their achievement who are most likely to fall prey to a kind of unconscious behavior known as stereo-

type threat. This threat is pernicious because it is not due to active discrimination by employers, teachers, or other external evaluators; rather, it comes from within. It emerges in situations where people worry that their poor performance on some measure might be attributed not to their individual ability, but to a negative stereotype about a group they belong to—women, African-Americans, athletes, liberals, any group at all. Members of these stereotyped groups worry that their individual results will serve as a referendum on the abilities of everyone in their group, and the stress and self-doubt this brings on demonstrably reduces their performance—creating the very outcome they were striving to avoid. For example, knowing that women are perceived as indecisive, a successful woman leader may still act indecisively, not because she actually is incapable of making a decision, but because the fear that others will perceive her that way slows down her decision-making process.

Stereotype threat is a complex psychological phenomenon that occurs only when several related factors coincide. Research evidence shows that for people to be affected by it, they must be high performers—people who care about doing well, rather than people who have dissociated themselves from striving for high achievement. They also must be put into a situation where their skills or abilities might be in question. This does not literally need to be an examination; a job assignment could serve the same purpose. But the task does need to be challenging, even frustrating, since these high achievers will not doubt their ability to perform well on an easy test. Studies also indicate that people will be more susceptible when they are invested in their image as a member of the stereotyped group. People whose group identity isn't important to them won't be worried about whether their poor performance reflects badly on their group. In addition, individuals are especially vulnerable if they believe that human intelligence is determined at birth (rather than being determined by situational



or learning experiences) and if they anticipate that they will experience discrimination in the test situation (rather than expecting to be treated fairly).

When these factors come together—as they often do on standardized tests and job evaluations—the effect on performance can be surprisingly large. The earliest research on this phenomenon, conducted a decade ago by Claude Steele and Joshua Aronson, focused on African-Americans’ performance on verbal material. They found that, after adjusting for initial differences in SAT scores, black students at Stanford University who took a challenging verbal test answered approximately 10 percent fewer questions correctly than whites did—but only if they believed that the test was a measure of their ability. If they were told that the test measured “psychological factors involved in solving verbal problems,” the black-white test score difference was eliminated.

Later studies have replicated Steele and Aronson’s results, often even without adjusting for initial differences in education or ability. And the effect is not unique to blacks. Studies show that women do worse on challenging tests of mathematical and scientific material, both when they are primed to think that the test demonstrates gender differences in math ability and when they are not primed about the test’s content (and thus are reacting purely on their knowledge that society expects women to be bad at math). The male-female gap is eliminated only when women are led to believe that the test is gen-

der-neutral. Even high-ability white men are susceptible. White men with near-perfect scores on the mathematics section of the SAT—that is to say, white men who were highly invested in their math performance—performed worse on a mathematics test when they were told the test was designed to understand why Asians are better at math. And the results also extend outside academic ability. White athletes did worse than black athletes in a golf exercise when they thought their scores demonstrated “natural athletic ability” (a stereotypically black trait), whereas blacks did worse than whites when they thought it tested “sports strategic intelligence” (a stereotypically white trait).

Unfortunately, we do not know much about stereotype threat outside laboratory settings—for example, in actual work environments. And we know even less about how it might affect women on the way up the corporate ladder. But one set of studies, by Laura Kray and colleagues, does demonstrate that stereotype threat could affect women’s outcomes in one key skill needed by successful executives—negotiation. Women and men business students in a negotiations class were paired (in either mixed- or same-sex pairs) and asked to negotiate over a price or over salary and benefits. Similar to the results of previous stereotype threat research, when women believed that the task demonstrated their negotiating ability—something they cared deeply about because of their identity as business students—their performance suffered. But if they were explicitly told that the test was a learning tool and did not measure ability, they did just as well as men. Likewise, if women were told that successful negotiators were rational, assertive, and self-interested—implicitly linking stereotypically male traits to success—they performed worse than men. But interestingly, and in contrast to some other studies, women actually outperformed men if they were explicitly told that the researchers expected to see gender differences because men were more likely to possess the traits associated with success. In this case, the explicit reference to gender differences led the women to compensate—indeed, overcompensate—for the negative effect of stereotype threat.

The bad news is, stereotype threat is pervasive, and it can have a significant impact on performance. The good news is, understanding the circumstances that trigger it can help to identify ways to avoid its effects. The more people believe that they are being evaluated on a gender- and race-neutral standard and that their evaluators are confident in their abilities, the less impact stereotype threat will have. *

further reading



“Thin Ice: Stereotype Threat and Black College Students,” by Claude Steele, *Atlantic Monthly*, 1999.

“Contending with Group Image: The Psychology of Stereotype and Social Identity Threat,” by Claude M. Steele, Steven J. Spencer, and Joshua Aronson, *Advances in Experimental Social Psychology*, 2002.

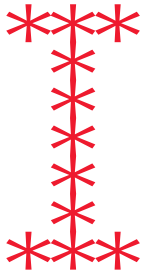
“Battle of the Sexes: Stereotype Confirmation and Reactance in Negotiations,” by Laura J. Kray, Leigh Thompson, and Adam Galinsky, *Journal of Personality and Social Psychology*, 2001.



by V. SUE MOLINA

changing the face of consulting:

the women's initiative at deloitte



IN 1992, MY EMPLOYER, Deloitte & Touche USA LLP, realized it had a disappearing woman problem. We had been hiring men and women in approximately equal numbers at the entry level since the early 1980s. We knew women were underrepresented among our partners, but we had always assumed that in 10 or 12 years, the women we'd hired in the 1980s would trickle up to the partner pool. But here it was, a decade later, and only 10 percent of that year's partner candidates were women. Where had all the women gone?

Our then-Chairman and CEO, J. Michael Cook, took it upon himself to find out what was happening. He hired Catalyst, the executive women's research and advocacy firm, to interview women who had left the firm. Catalyst discovered that 70 percent were working full-time for other companies and 20 percent were working part-time. The 10 percent who were at home generally intended to return to the labor market at some future time. Women were not leaving Deloitte because they wanted to stay home with children. They were leaving because they didn't want to work at Deloitte.

Many of these former employees perceived Deloitte's culture as male-dominated, not valuing women's ways of perceiving the world and relating to others. They also felt that the firm did not provide sufficient opportunities for women to advance. They believed advancement was limited for many women because they were excluded from informal networks, mentoring, and plum assignments due to assumptions made for them. And the long hours and heavy travel schedules for some made juggling work and home life next to impossible.

That Catalyst survey was a wake-up call to our senior management. Our most important asset was our people, and we were losing them in droves. This turnover was not only costly to us, but also frustrating to our clients. What's more, we were hiring the best and brightest men and women, and proportionately losing 80 percent of the women before they reached partner level. By definition,

the quality of our partnership had to be diluting. We knew we needed to make changes quickly or lose even more of our highly skilled staff.

Since that wake-up call, we've made a number of changes so that women are better able to succeed at Deloitte. Some of the biggest changes include:

- Implementing reduced work-hour schedules that are not just available, but actually used. Because reduced-hour workers still participate in practice development opportunities, recruiting, and other non-client activities, going on a reduced schedule no longer *de facto* takes people off the path to promotion—although it might extend the length of time it takes to get promoted.
- Creating a mentoring program that proactively matches female senior managers with partners so that the women can learn the informal rules of the road for advancement.
- Changing to a “3-4-5” travel schedule, in which our consultants are out of town three nights a week, working in the client's office four days a week, and in the home office on the fifth day. That way, even consultants who travel extensively can spend more time with their families.
- Improving recruiting practices to increase representation of women when filling vacant positions, whether at the entry or senior level.
- Identifying high-potential men and women who are currently or will soon be ready to move into leadership positions, to reduce the possibility that qualified candidates were overlooked and to increase the number of women promoted into senior leadership.
- Forming an advisory council of outside experts, currently chaired by former Secretary of Labor Lynn Martin, to monitor our progress.



Milestones in working women's legal history

by BRAD HERSHBEIN



Deloitte built a business case for improving its work environment

Three factors helped us to make such radical changes. First, our senior leadership, in the early 1990s and today, has been visibly committed to making this happen. In 1993, with the launch of our Women's Initiative, our CEO attended all the Women's Initiative meetings, held a press conference to announce its kickoff, and kept everyone talking about how we could improve the environment for women. Second, we had a strong business case. Turnover was costing us millions of dollars each year; we needed to stop the bleeding and find ways to retain our people. And third, we held ourselves accountable. As accountants, we love numbers. So we track the pipeline, promotions, gender gap in turnover, flexible work arrangements—all the elements that keep the door open for women. And we rely on the outside advisory council to keep our feet to the fire.

In the last decade, the environment at Deloitte has become much more favorable for women—and for that matter, for men. For the last eight years, we have had the highest percentage of women partners, principals, and firm directors among the major accounting and professional services firms. Our gender turnover gap is almost completely gone. We now routinely appear on *Working Mother's* and *Fortune's* lists of the best companies to work for, and we have also been able to attract more clients because we have more staff stability on assignments. We still face many challenges ahead in maintaining an environment where women and men have equal opportunities for promotion and leadership at Deloitte. But we know that because of the strength of our Women's Initiative, we will continue to progress. *

V. Sue Molina is a retired partner and former National Director of the Initiative for the Retention and Advancement of Women at Deloitte & Touche USA LLP.

1920 Women receive the right to vote with the passage of the 19th Amendment

1923 Equal Rights Amendment (ERA) first proposed by the National Women's Party

1932 The National Recovery Act allows only one person per family to hold a government job; many women are fired

1948 In *Goesaert v. Cleary*, the Supreme Court upholds a Michigan law that prohibits women from working in certain occupations (such as bartenders) on account of protecting morals

1963 Congress passes the Equal Pay for Equal Work Act, barring wage discrimination on the basis of sex, race, religion, and ethnicity

1964 Congress passes the Civil Rights Act, Title VII of which forbids discrimination on the basis of race, ethnicity, religion, and sex

1967 President Johnson's Executive Order 11375 requires federal agencies and contractors to actively ensure that women are not discriminated against in education or employment

1968 The Equal Employment Opportunity Commission (EEOC) rules sex-segregated help-wanted ads are illegal unless a *bona fide* reason exists for them

1969 California passes the nation's first no-fault divorce law

1969 In *Bowe v. Colgate-Palmolive*, the Supreme Court rules that women meeting the physical requirements can work in previously male-only jobs

1972 Title IX of the Education Act mandates that all educational programs receiving federal aid cannot discriminate on the basis of sex

1972 In *Eisenstadt v. Baird*, the Supreme Court rules that unmarried people have a right to use contraceptives, a right that married people received in *Griswold v. Connecticut* in 1965

1972 Congress strengthens the Equal Pay Act to apply to executives and professionals and empowers the EEOC to enforce its rulings through legal action

1973 In *Roe v. Wade*, the Supreme Court effectively legalizes abortion nationwide

1974 In *Cleveland Board of Education v. LaFleur*, the Supreme Court rules it is unconstitutional to require women to take maternity leave on the assumption they are physically incapable of working

1977 Indiana becomes the 35th and last state to ratify the ERA, 3 states shy of the 38 needed

1986 In *Meritor Savings Bank v. Vinson*, the Supreme Court finds that a hostile or abusive workplace can constitute sex discrimination

1993 Congress passes the Family and Medical Leave Act (FMLA), requiring large employers to provide their employees up to 12 weeks of unpaid leave for pregnancy or family illness

1997 The Home Depot settles a sex discrimination suit with over 7,000 of its female employees for more than \$65 million

1998 The Supreme Court finds that employers can be held responsible for sexual harassment of employees by supervisors, regardless of whether management specifically knew of the misconduct

2003 In *Nevada Department of Human Resources v. Hibbs*, the Supreme Court rules that the FMLA applies to state government employees as well as federal and private-sector workers

2004 After briefly going to court, Morgan Stanley settles for \$54 million a suit brought by the EEOC on behalf of 340 of the company's female managers and executives. Merrill Lynch, Morgan Stanley, and Smith Barney (Citigroup) have together paid out more than \$150 million in settlements so far