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Author(s): Ilan Talmud and Dafna N. Izraeli
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The relationship between gender and performance issues of concern to directors: correlates or institution?

ILAN TALMUD[1] AND DAFNA N. IZRAELI[2]*
[1]*University of Haifa, Haifa 31905, Israel*
[2]*Bar Ilan University, Ramat Gan 52900, Israel*

Summary This paper focuses on the influence of gender on performance issues which concern directors of publicly traded corporations in Israel. Two theoretical perspectives for the explanation of gender differences in occupations were examined. The first views gender as an individual-level property that is correlated with occupational and job variables and the behavioral differences between men and women as the result of these correlates. According to this perspective, when the correlates of gender are controlled, these differences disappear. The second perspective treats gender not only as a property that individuals bring with them to the workplace, but also as an institutionalized characteristic of the workplace, of occupations, and of occupational environments, as embedded in formally defined rules, roles and responsibilities. Consequently, gender influences are not easily eliminated. The dependent variable was the extent to which men and women differ in their concerns regarding their roles as directors. The independent variables included human, social capital and organizational context variables, and gender. Data were collected by means of questionnaires from a representative sample of directors (98 women and 127 men). The findings lend partial support for a view of gender as a social institution and directors as a gendered occupation. Copyright © 1999 John Wiley & Sons, Ltd.

Introduction

Only a minute proportion of those in the senior ranks of occupational hierarchies in the corporate world are women, even though in most industrialized countries women constitute close to (and in some cases more) than 40 per cent of the labor force. During the last two decades there has been an increase in the proportion of women at entry and middle-level management positions, resulting largely from the activities of the women's movement, policies of the political system, and corporate equal opportunity initiatives. These factors, however, have had limited impact at the level of corporate governance, where women have only a token presence (Adler and Izraeli, 1994; Bilimoria and Piderit, 1994; *Directors and Boards*, 1992). According to a

* Correspondence to: Dafna N. Izraeli, Bar Ilan University, Ramat Gan 52900, Israel. Tel: 972-3-531-8230. Fax: 972-3-641-7459. E-mail:izraeli@ashur.cc.biu.ac.il

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Catalyst survey, in 1995 women held 10 per cent of seats on boards of directors of Fortune 500 corporations.[1] The most frequently made observation about women as directors is how few there are of them (Catalyst, 1993; Mattis, 1993). Summarizing findings from the most recent Catalyst survey on the subject, Collingwood (1996, p. 16) notes 'that a female director is still likely to be the only woman in the boardroom when the meeting comes to order'.

The literature on women executives and directors charts their progress (e.g. Sweetman, 1996) and focuses on the factors that perpetuate their exclusion from the executive suite and the boardroom (e.g. Holton, 1995). Although a number of articles have documented the special contributions women can make to corporate governance, (e.g. Burke, 1994; Ibrahim and Angelidis, 1994; Manning, 1995), little is known about what occurs when women actually join the board. Apart from a small number of studies that provide profiles of women directors and the way they perceive their roles (see Mattis, 1993; Burke, 1994, 1995), most of the literature dealing with the experiences of women directors is anecdotal.

The present study, part of a larger research, focuses on the reported experiences of men and women directors in publicly traded corporations in Israel. The research investigates the relevance of gender once women enter the boardroom. Specifically, it examines whether men and women differ in their concerns regarding their roles as directors and explores the possible bases for such difference.

Operating at the pinnacle of organizational structures, directors provide a link between shareholders and the firm. Moreover, in many cases the directors function as liaison agents between firms. They also shape corporate strategy, which requires that they have an integrated perspective of the corporate business. Entry into this occupation is usually through recruitment, either by the chair of the board or by the CEO, so that access is highly selective. Women's access to these powerful positions within the business world may be a case of power wiping out gender (Kanter, 1977), or, alternatively, of gender being incorporated into the boardroom.

Theory and Hypotheses

Accumulated research on gender differences in organizations suggests two theoretical perspectives on the influence of gender in work and occupational contexts. The first perspective views gender as an individual-level property that is correlated with occupational and job variables and the behavioral differences between men and women as the result of these correlates. As Unger and Crawford (1992, p. 67) observe, 'Sex is a carrier variable for differences in experience and personal history that determine the differences obtained'. According to this perspective, when the correlates of gender are controlled, differences between men and women disappear. For example, men are more likely than women to seek promotion actively, because, as Kanter (1977) explained, men are more likely to be located on job ladders which have a high ceiling, and which, therefore, provide greater opportunities for promotion. Consequently, the gender difference in opportunity structure explains the observed difference in the career behavior of men and women in organizations. If women are provided with the same opportunities as men, their behavior should be more similar.

[1] A 1995 census of female directors compiled by Catalyst, showed that 60 per cent of the Fortune 1000 companies now have female directors, but usually only one per board (Schorr and Kalis, 1995). Although that is a major gain over 1993 (53 per cent), 1983 (41 per cent), and 1973, which included only 11 per cent women (Tifft, 1994), 40 per cent of the boards still do not have a single woman director. In Israel, 61 per cent of the companies trading on the stock exchange do not have any women directors and an additional 27 per cent have only one woman director (Izraeli, 1994).

The second perspective treats gender not only as a property that individuals bring with them to the workplace, but also as an institutionalized characteristic of the workplace, of occupations and of occupational environments (Lorber, 1994, p. 30). To use Bourdieu's (1990, p. 131) term, gender is embedded in, the 'habitus' of the occupation—'that is, the mental structures through which [people] apprehend the social world'—and in the rules and resources that constitute the organization. For example, as Oppenheimer (1968) observed, when employers seek to hire a secretary, they are looking for a woman secretary, since in the 20th century being female has come to be perceived as a necessary attribute for performing secretarial work. Thus gender is not something that is external to the occupation or organization—an 'unwanted import, essentially foreign to and in contrast to the formal and rational world of objectively defined rules, roles and responsibilities' (Davies, 1992, p. 230). Rather, it is inherent in these rules, roles and responsibilities. For example, measurement of organizational commitment in terms of the number of hours a person is physically present on the job, privileges those (men) who are free to spend extra hours in the organization (Bailyn, 1993). Despite the conception of commitment as an objective reflection of the individual's relationship to the organization, it is in fact a gendered concept.

Whereas the first perspective precludes the second, the view of gender as a social institution does not preclude its correlation with other variables. Our argument is that, since gender is embedded in the attitudes, modes of thought and structures associated with occupations and organizations, its effects are not easily erased by controlling for other variables associated with it. In this sense, gender has a tenacious or 'sticky' quality to it.

Gender effects: Gender as a correlate of individual level and structural level variables

The first perspective treats gender differences as explicable by individual-level or structural-level variables that are associated with gender, but are not an inherent aspect of gender. For example, the 'individual deficit model' (Gutek, 1994) explains women's absence from senior positions in most professions as due to their lack of requisite characteristics or qualifications. The assumption here is that if women could acquire these qualifications, the gender differences in achievement would become negligible.

The structural constraint model (Kanter, 1977) focuses on the differences between men and women in the context in which they operate as an explanation for observed differences in their behavior and attitudes. As in the example above, women are more likely than men to be in dead-end jobs or on low opportunity career paths. Again, the assumption is that if the opportunity structure of women's work were more similar to that of men—that is, if they were to be given the same encouragement and support, equal opportunities to develop the same skills, to accumulate experience and display their competence—their achievements would be the same. In other words, if these differentiating variables are held constant, gender differences tend to disappear.

Recent studies have shown that information about women's abilities reduce the occurrence of negative judgments. Some support for this view comes from a study where managers were asked to evaluate the performance of managers described in four vignettes that varied by both the leadership style and the gender of the manager. In this study, Izraeli, Izraeli and Eden (1985) found that performance evaluations varied by leadership style but not by gender. Most respondents preferred the task-oriented style, regardless of the gender of the manager in the vignette. Heilman, Martell and Simon (1988) found that when clear information regarding women's high performance was provided, women's competence and likely career success were rated the same as those of men. Similarly, research has suggested that performance-related qualifications substantively explain sex differences in selection and performance evaluation (e.g. Graves and Powell quoted in Olian, Schwab and Haberfeld, 1988).

A more recent theory suggests that women's lower earnings or status is due to gender differences in social networks. Social networks, namely the valued relations with others referred to by Bourdieu as 'social capital', provide aspiring incumbents with such valuable resources as strategic information, support, and access to persons and places. Differences in the social networks between men and women may be one explanation for their differential achievement. Women tend to have fewer ties to persons who can supply them with such valued resources (Ibarra, 1992). Moerbeek, Ultee and Flap (1996) showed that the effect of informal resources on occupational prestige (of first job and current career) is approximately the same for both sexes; however, compared to Dutch women, Dutch men use informal ties more frequently.

The literature on social networks underlines the importance of 'weak ties' for status attainment (Granovetter, 1983; Burt, 1992; Ibarra, 1992). 'Weak ties' link individuals on the basis of a narrow range of interests, and relationships are not reinforced by common ties to other individuals. In this sense the information that is available through weak ties or loosely-coupled networks, is non-redundant. This is in contrast to 'strong ties' where individuals have multi-dimensional links, instrumental and effective at the same time. Strong ties are more prevalent in cohesive networks, where individuals who are known to the actor also tend to know one another and share more or less the same pool of information. Weak ties connect a variety of groups (Granovetter, 1973). It has been found that persons with weak ties find jobs more easily (Granovetter, 1974) and managers with loosely-coupled networks move more quickly up the organizational promotion ladder (Burt and Celotto, 1991; Burt, 1992, Chapter 4). Women, who tend to have fewer weak ties, have less access to informal resources so important for advancement (Ibarra, 1993; DiTomaso, Thompson and Blake, 1988).

Social capital is context-specific. As Coleman (1994, p. 177) points out, 'social relationships that constitute social capital for one kind of productive activity may be impediments for another'. In other words, the context in which the interaction is embedded shapes the choice of network-strategy. With regard to boards, strong ties serve as a vehicle for social and political cohesion of managers and directors (Krackhardt, 1992). In the context of largely family-controlled, publicly traded corporations, family ties are an important form of social capital.

The proportion of women managers or directors in organizations has been investigated as a factor affecting women's performance. Kanter (1977) argues that, when a category of persons are tokens—that is, they constitute only a very small proportion of a group—they experience strong performance pressures which increase the likelihood that they will be treated stereotypically, and behave in ways which increase the likelihood of failure. The pressures generated by tokenism disappear once the proportion of women in the group increases so that they comprise at least a minority of the members.

The gender-as-correlate perspective leads us to the following theoretical structural postulate:

> *Postulate 1*: Controlling for relevant human and social capital variables and organizational context, gender is not a significant predictor of the issues troubling directors regarding their ability to perform their roles as directors.

Gendered occupations: Institutional approach to a gender

The second perspective treats gender as a social institution in the sense suggested by Judith Lorber (1994, p. 15)—as 'one of the major ways that human beings organize their lives'. According to sociological institutional theory, the separation between the public sphere and the private sphere, as well as other forms of rationalization, produce standardised organizational forms, mythologies, cognitive maps and normative frameworks in which individual and organizational decisions are embedded (DiMaggio and Powell, 1990). Given the association of men with the public sphere and women with the private sphere, the separation of the public from the private sphere provides the structural basis and ideological legitimization for women's exclusion from senior positions. Stereotypical beliefs about gender form part of the standardized cognitive maps and are important elements in our perceptions. Institutionalized assumptions regarding the 'nature of the world', including assumptions about 'the nature of gender', serve as an heuristic device for interpreting the 'order of things' and are treated by the actors as an assumed reality, or as a cognitive map which guided behavior and responses in social interactions. For example, in Israeli hospitals where dress codes do not clearly distinguish medical roles, outsiders often mistake women doctors for nurses and approach them with inappropriate requests. This situation then requires the woman to explain that she is a doctor and to refer the patient to another woman—the nurse. Male orderlies, on the other hand, are sometimes mistaken for doctors. Similarly, the expectation that a director will be a male implicitly defines women as outsiders. When they join the board they bear the burden of proof that they are 'authentic' players and worthy of membership in the club.

As Acker (1990, p. 146) argues, 'gender is not an addition to on-going processes conceived as neutral. Rather, it is an integral part of these processes, which cannot be properly understood without an analysis of gender'. In contrast to the implicit assumption that organizational structures are gender-neutral, Acker contends that organizations that are gendered processes in which gender is obscured by a gender-neutral discourse (Acker, 1990, p. 140). Such an assumption about the gender-neutrality of structure is suggested in Kanter's (1977) discussion of the dilemma of the token worker, which, as Acker (1990, p. 143) points out, fails to account for differences in the meaning and significance of tokenism for men and women. For example, Izraeli (1983) found that, whereas the male token in a female-dominated group reports having greater influence on the affairs of the group than do female members, the female token member in male-dominated groups reports having less influence than male members on the affairs of the group. Likewise, as Williams (1992) found, tokenism works to the advantage of men but to the disadvantage of women; whereas token females are likely to be side-tracked in their careers, token males are pushed up the 'glass escalator'.

In one of the few empirical studies of gender bias on boards, Bilimoria and Piderit (1994) found that even after controlling for directors' experience-based characteristics, women directors were less likely than men to be represented on the more powerful committees of the board. The boardroom is a gendered place in the sense that masculinity is an implicit requisite for becoming a board member, as well as being conducive to easy social interaction among board members. Women have less opportunity to acquire the practical mastery of interacting with men as colleagues, because they do not accumulate the experiences through which the predispositions and practices of the taken-for-granted world are learned and transmitted. As Bourdieu notes (quoted in Jenkins, 1992, p. 53), 'practical mastery, interactional accomplishment or competence in any given situation depends on a great deal being taken-for-granted and implicit'. Whereas men are presumed to take good business decisions, women must prove themselves able to do so. The practical accomplishment of successful interaction is not second nature to women directors, who learn from their social experience that they are not expected to be as competent as men in matters related to the board. It is this assumption that makes men's presence on the board appear so natural and frees them of concern regarding their basic competencies as players in the game. Women directors are constrained from taking themselves and their social world as directors for granted—they are more likely to be conscious of this because their difference from those who control the field highlights the exceptionality of their presence on the board.

More recent work suggests that the relationship between job or organizational mobility and social networks is different for men and women. Men moving up the organizational ladder are advantaged by social networks that spread to different parts of the organization and include work-based relationships with individuals who know ego, but are unlikely to know one another. The sources of information thus available to the aspiring male manager are diverse and in this sense are 'non-redundant'. By contrast, women managers are more typically promoted through 'strong ties' with a strategic ally (Burt, 1992, chapter 4), ties in which interests overlap with friendship, trust, and mutual commitment. As Granovetter (1974, p. 52) explains, those to whom one is only weakly tied have better access to information that one does not already have; however, those with whom one has strong ties are more motivated to help with job information (Granovetter, 1973, 1983). Because men are generally motivated to assist other men, whom they may assume will be able to reciprocate sometime in the future, they benefit from acquaintances who, in contrast to friends, are more likely to move in different circles from themselves. Women are also reliant on men, who more than women have access to job information in traditionally male occupations, but are less likely to be beneficiaries to information exchanged by men in casual encounters. A strong relationship provides individual women with leverage to combat the 'glass ceiling effect'. As Ibarra (1995, p. 2) concludes, 'what constitutes an instrumental network for women differs from that which is instrumental for men'. Whereas having numerous weak ties provides men with more job options, and hence increases their bargaining power, women, it appears, require strong ties that will sponsor their mobility and provide the trust generally wanting between men and women with weak ties.

The institutional perspective of gender leads to the following theoretical institutional postulate:

> *Postulate 2:* Controlling for relevant human and social capital variables and organizational context, gender remains a significant predictor of the issues troubling directors regarding their ability to perform their roles as directors.

Method

Sample

Questionnaires were sent to the total population of women directors and to a representative sample of men directors of publicly traded Israeli corporations. Names of directors were taken from the company files located in the library of the Tel-Aviv Stock Exchange. The sample of men was drawn by selecting every 14th male name from all lists including those from boards with no women. Questionnaires were mailed to 350 women and 450 men at their respective firms. Twelve per cent of non-returns (50 women, 46 men) were people no longer on the board or who refused to respond because they were too busy, received too many questionnaires, and so forth. The mailing was followed by a telephone call to the firm. When firms gave us a direct phone number to the director, we called him/her directly. Where they refused, we left a message urging them to respond. It is likely that in some cases the firms did not forward the mail to the directors, but we have no way of knowing in how many cases this occurred. The final sample ($n = 227$) included 98 women and 129 men—a response rate of 32.7 per cent for women and 31.9 per cent for the men, which is an acceptable ratio for a special population (Miller, 1991, pp. 144–151). By comparison, a mail questionnaire which was sent to 200 top businessmen yielded a response rate of 27 per cent (Miller, 1991, p. 151, table 4.2).[2]

The average age of the women is 47 years and of the men 55 years,[3] and average years of education was 16 for both, while 76 per cent of the men and 68 per cent of the women had a university degree with 73 per cent of the men and 47 per cent of the women having a degree in law, finance, or management. On average, the women had 5 years seniority on the relevant board and men had 7 years. Seventy-three per cent of the men and 63 per cent of the women did not own shares in the company, and 88 per cent of the men and 61 per cent of the women were not related to any of the shareholders. Forty-six per cent of the women and 31 per cent of the men were appointed from inside the firm; 43 per cent of the women and 54 per cent of the men held jobs in another company and 11 per cent of the women and 15 per cent of the men did not have any additional employment.

Variables

Dependent variables

The dependent variables included items adapted from the Job-Related Tension Index developed by Kahn, Wolfe, Quinn, Snoek and Rosenthal (1964, pp. 424–425). Five questions measured how concerned the director was about various aspects of the role. Using a semantic differential scale ranging from 1 to 5 (with 1 = not at all concerned and 5 = a high degree of concern), directors were asked to rate the extent to which they were troubled by each of the following five feelings: (1) You feel that you are sufficiently able to influence the activities and decisions of the board **(influence)**. (2) You feel that you do not have sufficient support to advance your ideas **(support)**. (3) You feel that you are unable to acquire all the information necessary to fulfil your role properly **(information)**. (4) You feel that you are not as adequately skilled to cope with your role as you would like **(skills)**. (5) You feel that you have to prove yourself all the time **(prove yourself)**.

Independent variables

Human capital Two related types of human capital were included: (1) years of formal schooling **(schooling)**; (2) academic field of specialization—treated as a dummy variable with three categories: a typically male-dominated field such as management, accounting, and engineering **(male-occup)**; a typically female-dominated field, such as education, social sciences, and social work; and law, which in Israel is a non-segregated occupation **(law)**. The omitted category was female-dominated occupation.

Economic/social capital Economic/social capital was operationalized as a dummy variable: whether or not a person owned shares in the company or was related to someone who did **(family)**. Many of the firms in the study were publicly traded prior to going public, and remain family controlled.

Contextual variables Two contextual variables were included: (1) proportion of women directors on the board **(% w-dir)** based on Kanter's (1977) theory of the effects of tokenism; (2) perceived

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[2] We do not consider the difference of 0.8 per cent between the genders [(32.7–31.9) per cent/31.9 per cent × 100] to be problematic for the analysis.

[3] The numbers in this paragraph have been rounded to the closest digit.

quality of board-management relations **(relations)** which was considered to affect the individual member's ability to fulfil the role of director. The measurement of quality of relations was constructed from responses to three questions: (a) the extent of cooperation between the board and management; (b) the extent to which the board determines management strategy and policies; (c) the extent to which management implements the strategy as determined by the board (Cronbach's alpha = 0.78).

Gender Finally, gender was coded as a dummy variable (1 = female; 0 = male).

Data analysis

A principal component analysis revealed that the five measures relating to concern about one's ability to perform as a director, did not scale to a single index (Cronbach's alpha = 0.67). We concluded that each represented a different dimension and treated them as five separate dependent variables. We used, therefore, five hierarchical unrestricted multivariate (Ordinary Least Square) regression models to estimate the relative effect of human and social capital, contextual characteristics of the firm, and gender, on the level of a director's concern.[4]

Statistical procedure

We constructed an hierarchical moderated linear model, estimating the effect of gender on level of concern over and above all the other variables in the equation: human capital variables—years of schooling and field of educational specialization (coded as a dummy variable); the economic/social variable (coded as a dummy family, with '1' representing no family ties); and contextual variables—perceived quality of board-management relations index and proportion of woman directors on the board. We ran a two-step regression model for each dependent variable. The first step introduced the controlled variables (i.e. human, and social capital variables and proxies of organizational context). Then, in step 2, we entered gender into the regression equation. Although our main theoretical concern was not with the predictive quality of alternative models (comparing explained variance), but rather with the net gender effect on the remaining observed variations (as indicated by the t-value of the β coefficient), we thought it would be interesting to see whether the explanatory power of the model was significantly improved after adding gender into the equation.

Results

This study directly addressed the question of whether, after relevant human and social capital, and board context variables are considered, the gender of the director still influences the performance areas that are of concern to directors.

Table 1 presents descriptive statistics including means and standard deviations as well as a pairwise correlation matrix of the variables included in the analysis. The relationship found

[4] On relations between analytic technique and level of measurement, see O'Brien, (1979) and Henry (1982).

Table 1. Summary statistics and zero-order correlation matrix

Variables	N	Mean	$S.D.$	1	2	3	4	5	6	7	8	9	10	11
1. Influence	205	2.13	1.17											
2. Skill	203	1.75	1.11	0.38*										
3. Support	201	1.80	1.07	0.57*	0.35*									
4. Information	202	1.60	0.94	0.41*	0.33*	0.50*								
5. Prove myself	200	1.87	1.20	0.19*	0.30*	0.27*	0.32*							
6. Gender	227	0.43	0.49	0.01	0.28*	−0.02	−0.09	0.17†						
7. Family	227	0.81	0.39	−0.01	−0.30*	−0.11	−0.01	−0.15†	−0.26*					
8. Male-occup	227	0.63	0.48	−0.01	−0.22*	0.03	−0.06	0.01	−0.41*	−0.19*				
9. Law	227	0.15	0.36	−0.01	−0.01	−0.04	0.06	−0.08	0.13†	0.05	−0.37*			
10. Schooling	212	16.01	2.52	0.06	−0.11	0.01	0.09	0.03	−0.04	0.24*	0.25*	0.08		
11. % W-dir	224	0.16	0.07	0.00	0.15*	−0.05	0.05	0.12	0.10	−0.25	−0.11	−0.10	−0.12	
12. Relations	215	3.78	0.75	−0.24*	0.04	−0.22*	−0.31*	−0.26*	0.01	0.07	−0.08	0.05	0.08	−0.06

* $p < 0.05$; † $p < 0.10$.

Variables: 1–5 extent to which respondent is troubled about: 1. influence, 2. skill, 3. support, 4. information, 5. needing to prove self, 6. gender (1 = female), 7. respondent doesn't own shares and is not related to shareholders, 8. male occupation, 9. non-segregated occupation, 10. years of schooling, 11. prop. of female directors, 12. quality of board-management relations.

between the proportion of women on the board and directors' concern regarding their insufficient skills ($r = 0{\cdot}15$, $\alpha < 0{\cdot}05$) is conditioned by gender. The correlation is significant for women directors ($r = 0{\cdot}18$, $\alpha = 0{\cdot}05$) but not for men ($r = 0.05$). This finding appears to contradict prevailing claims that as the proportion of women in a group increases, the women will experience less performance pressure and will feel more secure in their positions (Kanter, 1977). In this case, we suggest that the relationship is spurious in that women on boards with more than one woman member are more likely to come from previously family-owned firms and less likely to have business-relevant education (Izraeli and Talmud, 1997).

The t-tests for the difference between women and men on each of the five dependent variables show that women exhibit significantly more concern regarding the adequacy of their skill in coping with their roles (mean for women = 2.1, men = 1.5; $t = 4.01$, $\alpha < 0.00$) and feel a greater need to prove themselves constantly (mean for women = 2.1, for men = 1.7; $t = 2.23$, $\alpha < 0.05$). Furthermore, in both cases the differences between the standard deviations for the scores of women and men are significant, indicating that the women are more heterogeneous in their replies than are the men. No significant gender difference for the other three dependent variables was found.

We used hierarchical linear regression models to test whether gender would still influence the concerns directors have about aspects of their performance even if we controlled for relevant human and social capital and organizational context. In step 1 of the moderated regression, we introduced the six predicting variables. In step 2 we entered gender into the model.

The results (Table 2) indicate that, controlling for relevant capital resources, gender is significant in three of the five issues examined to determine the extent to which respondents were troubled about performance issues. Women are more likely than men to be concerned about not having adequate proficiency or skills to fulfil the role of director and are more likely to be troubled by the feeling that they constantly have to prove themselves. Men, on the other hand, are more likely than women to feel troubled about acquiring sufficient information necessary to fulfil the role of director as comprehensively as they would like. By contrast, gender is not significant in determining the extent to which persons feel they have sufficient support to promote their ideas, or the extent to which they feel able to influence the policy and decisions of the board.

Table 2. Standardized coefficients for regression of selected variables on five dimensions of self-perceived role performance

		Column 1 Insufficient influence β	Column 2 Insufficient support β	Column 3 Insufficient information β	Column 4 Inadequately skilled β	Column 5 Having to prove myself β
	Schooling	0.05	0.01	0.10	−0.10	0.04
Step 1	Male-educ	−0.06	0.01	−0.15*	−0.12	0.05
	Law	−0.02	0.03	0.04	−0.06	−0.06
	Family	0.01	0.13	−0.02	−0.22†	−0.09
	Relations	−0.24†	−0.21†	−0.31†	0.05	−0.24‡
	% W-dir	−0.02	−0.10	0.05	0.06	0.07
	R^2	0.7‡	0.07†	0.11†	0.11†	0.10†
Step 2	Gender	−0.01	−0.04	−0.16‡	0.18‡	0.17†
	$\triangle R^2$	0	0	0.01	0.04‡	0.01‡

* $p < 0.10$; † $p < 0.01$; ‡ $p < 0.05$.

Thus the table reveals a consistent finding that *wherever gender has an effect, it does not disappear when human and social capital variables are added, nor when proxies of organizational context variables are added.* For example, regarding concern over the possession of skills for a director (column 4), women exhibit more concern and this gender effect remains persistent over and above the variables of human and social capital and organizational context ($\beta = 0.18$; $\alpha < 0.02$). We observe the same patterns for columns 3 and 5. We used the regression models as a multivariate tool for testing the residual significance of gender, rather than for predicting the variance in the dependent variables. Although the overall explained variance of all of the five regression equations is quite small (ranging from 0.07 to 0.15 per cent), we found a notable improvement in the analytical efficiency of the regression models after introducing gender into equations in columns 4 and 5, as indicated by the significant level of positive change in the explained variance.

Although the added value of gender in explaining the variations in directors' concern about insufficient information is significant ($\beta = -0.16$; $\alpha < 0.000$), its additional heuristic value is weak: after introducing gender (our secondary theoretical concern here), the improvement in explained variance of the model is statistically insignificant.

We tested for interactions between gender and family ties as well s between gender and quality of board-management relations, for each of the dependent variables. None of the interactions was significant.[5]

Discussion

The study examined structural and institutional perspectives which seek to explain gender effects in occupations. The structural perspective views gender as a correlate of occupational or job-significant variables, and suggests that differences between men and women can be explained by these correlates. The institutional perspective treats gender as a social institution deeply embedded in occupations. Gender is viewed not as external to or separate from the structures and practices of occupations with which it is associated, but rather as embedded in them. In accordance with the first view, we expected that differences in the concerns of men and women directors would disappear if we controlled for relevant correlates of gender. In accordance with the second, we expected they would not.

The data lend partial but direct and consistent support for the institutional perspective on gender. Differences between male and female directors could not be explained by controlling for human, and social capital variables. Even after controlling for such variables, women, compared to men, were more concerned about lacking sufficient skills for the job of a director and felt a greater need to prove themselves constantly.

Both attitudes, and especially the obligation to prove oneself constantly, may be typical of individuals belonging to groups who are assumed to be less competent, as well as outsiders, in the social field. Since the 1960s, there has been sufficient research to show that women may be evaluated as less competent simply because they are women (see Lott, 1985; Steinberg, 1990). Unger and Crawford (1992, p. 461) noted that research generally shows that people evaluate competent women less highly than their male equivalents, especially when the situation is ambiguous and judgments must be made on the basis of criteria that may or may not be relevant. Most

[5] We used Allison's (1977) method for testing interaction effects with dummy variables.

often in such cases, people are not aware that gender has biased their judgments. For example, Bogosh and Don-Yechiya (in press), who studied gender bias in the Israeli courtroom, found that in 868 verdicts in the magistrates' and district courts over a 5-year period, men and women judges gave higher sentences when the state prosecutor was a man than a woman, and lower sentences when the defendant's lawyer was a man than a woman. Similarly, in 656 recorded cases of lawyers conducting statements of testimony, judges were more likely to interrupt women lawyers and witnesses than men.

In the boardroom, as in the courtroom, masculinity, by its very social construction is a form of symbolic power which signals authority. Men's opinions by virtue of the fact that they are voiced by men, carry weight and demand recognition as competent and authoritative. Women, therefore, have to work harder to produce greater evidence of their competence or to prove that they belong in the courtroom or boardroom as colleagues worthy of acceptance into the club. In this context, masculinity and femineity may be considered as symbolic representations of status, power, and other characteristics typically attributed to gender. When the gender of a person and the gendered attributes expected to be operative in any specific situation do not fit, the person is likely to feel uncertain or lack confidence about his or her ability to present themselves appropriately and convincingly—in the case of directors, a woman may need to demonstrate that she is an 'authentic' director, not an impostor (Goffman, 1959; see also Bourdieu, 1990).

In other words, the issue at hand is not that women lack occupationally relevant skills or characteristics. As Antal and Izraeli (1993, p. 63) observe, 'whichever characteristics are considered important for managers, they appear to be the ones generally identified more closely with men than with women' (see also Brenner, Tomkiewicz and Schein, 1989; Hearn and Parkin, 1988). This may be equally applicable to directors. In a gendered occupation, being effective requires also being of the right gender; an effective direct requires a person to be a man. In the gendered organization, then, gender boundaries are drawn and reproduced. As the economic distance between the powerful inner class, comprising mainly men and relatively powerful women, dissipates, emphasizing the gendered identity of the directors is the effective exclusionary device of the male directors (Acker, 1990).

The following statement by an Israeli woman director reflects these observations: 'There are few women on boards of directors. That's a man's world. The world of directors is a world of decision-making and you scratch my back and I'll scratch yours. The interests at work here are the interests of men. When a woman is present, the men feel uncomfortable. Women's experiences are different from men's. Men's way of thinking is different from women's. Their jokes are different. Sometimes a woman's presence bothers them. Women are perceived as strange creatures who sometimes threaten them, challenge the rule of men ...' (Mizrachi 1995, pp. 218–219).

It is interesting to note that this woman director, who clearly felt like an outsider and was assisted in that feeling by the expectations and responses of the men on the board, focuses primarily not on her own feelings, but on those feelings that her presence arouses in the men. She is responsible not only for proving that she is a worthy member of the board, but also assumes responsibility for the discomfort her presence causes to other members.

The finding that men were more concerned than women about being unable to acquire all the information they required, may be less about personal adequacy than about how boards operate and about the fact that more of the men were outside directors. One of the real problems an outside director faces, perhaps particularly in previously family-owned firms, is access to information, not being 'familiar enough with the details of the operations under discussion to evaluate and understand what is really being proposed' (Loudon and Zusman (1975, p. 72). In an open question asking directors to indicate what would enable them to perform their role more effectively,[6] 73 per cent of the men's replies compared to only 31 per cent of the women's replies, made reference to acquiring more information, having grater involvement in the day-to-day operations, a more active board, more time, or more control over shares of the company. In contrast 66 per cent of the women's replies compared to only 35 per cent of the men's replies made reference to having more knowledge, skill and experience either generally or specifically in the area of management or finance. The first set of items deals more with the acquisition of information, the second with role competence.

We suggest that our findings may be more typical of societies in transition from family capitalism typified by family-owned business enterprises, to managerial capitalism, which is characterized by the separation of ownership and control. Under managerial capitalism, the business enterprise is transformed from an extension of the founding family into a 'distinct entity with an internal logic entirely of its own' (Useem, 1984, p. 176). This is in contrast to institutional capitalism, characterized by 'the formation of an inter-corporate management network' (Useem, 1984, p. 178). According to Useem, each stage represents a different logic of corporate board functioning, which, we suggest, may also have a gender dimension. In family capitalism the board serves mainly as a control mechanism for the owner family and women relatives of the founders are often brought on to the board in order to safeguard the family's interests in the firm and, to a lesser extent, to contribute their professional expertise.[7]

The great majority of new corporations recently registered as publicly traded corporations in Israel are previously family-owned family firms (Izraeli and Talmud, 1997).[8] Whereas, according to Useem (1984, chapter 7), the United States is in the institutional phase of capitalism, and Great Britain in transition from managerial to institutional capitalism, Israel may be described as in transition from family to managerial capitalism, similar to the situation in the less industrialized countries of Western Europe such as Spain and Portugal, and several countries in South America.

Our main argument is that the effect of gender in the boardroom is not only through its association with individual-level characteristics that differentiate men and women, but also in its embeddedness in the structures, processes, and practices that constitute the boardroom in a particular social context. We found that the influence of gender in the boardroom remains robust even after relevant human and social capital variables were controlled for. Our data suggest that the gender effects for directors involve women being more concerned about having insufficient skill to perform their role competently and more subject to the perception that they need to prove themselves continuously. The fact, however, that no gender effects were found for perceptions of insufficient support or insufficient influence suggests that we need to examine not only how organizations and occupations are gendered, but also ways in which they may become 'degendered' (Lorber, 1994, p. 293), how the maleness and femaleness of the social actors may become increasingly less socially relevant for their interactions. The presence of competent women in the boardroom and their participation in board discussions, has the potential to undermine the taken-for-granted assumptions about who belongs in the boardroom and about the potential contribution of women to corporate governance. Gendered identities are constituted through interaction, involving ongoing, multilevel processes of social expectations (Ferree and Hall, 1996,

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[6] Forty per cent of the women and 41 per cent of the men replied. Two independent judges coded the replies.

[7] In managerial capitalism, the board chiefly assists the professional CEO to steer the corporate ship through the high waters of the competitive business world; and in institutional capitalism, the board is oriented primarily to the interests of outside stakeholders in general, and institutional investors in particular.

[8] The Israeli case combines elements of institutional capitalism, which is a residue of the state-owned enterprises, with emerging managerial capitalism.

p. 935). The women who 'make it' and become directors are clearly a specially selected group. Through their participation in board routines, these women negotiate the typical gendered expectations embedded in the occupation. Their achievements may signal to other directors that change is in process, and may encourage other women to seek access to the profession.

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