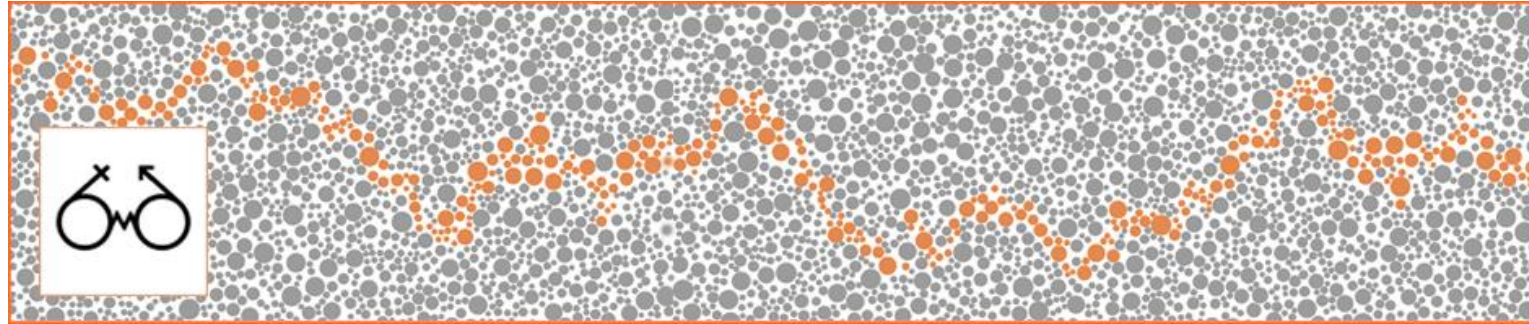


Gender & Finance Literature Review Series # 8



**By Maude Culis-Féry
ESSEC Business School**

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Gender & Finance Literature Review Series

Research presentation #8

Slides prepared by Maude Culis-Féry

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About the paper :

**Haslam SA, MK Ryan. 2008. The road to the glass cliff:
Differences in the perceived suitability of men and women
for leadership positions in succeeding and failing
organizations. *The Leadership Quarterly*, 19 (5) 530 - 546.**



The Problem

Over the past 15 years, **women executives have doubled** in Britain (Equal Opportunities Commission, 2002)

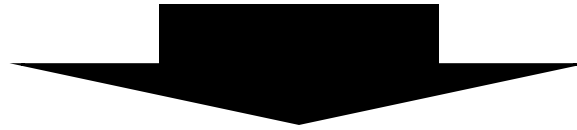
WHY ?

Women tend to be over-represented in lower and middle management positions while the **upper ranks of management stay male-dominated**

The Perception



A possible *additionnal hurdle* for women once they reach leadership positions:
possible *differences in the type of leadership positions* that men and women hold



Increased
risk of
failure and
criticism

Women are more likely to be appointed to leadership position *in organizations in crisis*



Methodology Study 1

The Task:

- Evaluate the candidates to measure ***perceptions of (a) their leadership ability and (b) suitability for the position***
- Rank the three candidates from 1 (the most appointable) to 3

The Sample:

- **95 *students*** attended international management course at a British university

The context:

- The participants received information about a job opening in a manufacturing company of either (a) ***health and beauty products*** or (b) ***building construction materials*** and whose performance over the past decade has been either (a) ***improving*** or (b) ***declining***



Analysis Study 1

Hypothesis:

- H1: Women are more likely to be ***positively evaluated*** in a company with a ***declining performance***
- H2: This effect is stronger in masculine industry than in feminine one

Conclusions:

- The female candidate were ranked higher when the company's performance was declining (M=1.18 sur 3) → H1 OK
- No H2
- The male candidate was perceived to be significantly more able to lead when the company performance was improving

Study 1: Percentage of Participants Who Ranked Candidate First as a Function of Candidate

Gender and Company Performance

Gender of Candidate	Company Performance		Overall
	Improving	Declining	
Male	29.4%	11.4%	21.1%
Female	56.9%	86.4%	70.5%



Methodology Study 2

The Task:

- Similar to Study 1

The Sample:

- 85 students attending a community college in the UK
- Median age was 16, 61 female, 24 male → ***non-corporate context***

The context:

- The participants received information about a job vacancy for a youth consultant to a music festival whose performance (measured by popularity) was improving or declining



Analysis Study 2

Hypothesis:

- H1: Compared to an equally-qualified male candidate, a female candidate would be seen as more appointable to a leadership position in a festival whose popularity was declining

Conclusions:

- The male candidate was ranked higher when the company's performance was improving while the **female was ranked significantly higher** when the company's performance was **declining**
- On the perceptions: the female candidate was perceived to **have significantly more ability** for the position only when the festival's performance was declining

Study 2: Percentage of Participants Who Ranked Candidate First as a Function of Candidate

Gender and Company Performance

Gender of Candidate	Company Performance		
	Improving	Declining	Overall
Male	62.2%	20.0%	42.4%
Female	37.8%	75.0%	55.3%



Methodology Study 3

The Task:

- Evaluate the job candidate on their (a) suitability and (b) leadership ability
- ***Evaluate the position*** if it is (a) a good opportunity for the candidate for his/her future career and a (b) stressful position to be in

The Sample:

- 83 businessmen and women attended a regional forum, who tended to occupy ***senior positions***

The context:

- A male or female CV, a job advertisement for a finance director position and a newspaper article about the company's performance (improving or declining)



Analysis Study 3

Hypothesis:

- H1: Leadership *positions in failing companies* might be perceived to provide a *better career opportunity for women*
- H2: Leadership positions in failing companies might be perceived to be *more stressful for women*
- H3: Women are selected for leadership positions in failing companies because these are good opportunities or (H4) are more stressful

Conclusions:

- When the company's performance was declining this position was seen to offer a significantly better opportunity for women than men
- A significant relationship between *company performance* and *perceived stressfulness* + a significant relationship between perceived stressfulness and the *perceived suitability of the female candidate = full mediation*



Conclusion

Study 1:

- Women were ***more likely to be appointed*** to leadership positions when company's performance was ***declining***

Study 2:

- Male candidate was seen ***more appointable*** when the festival (or the company) had been ***doing well***

Study 3:

- ***Glass cliffs are bound up with beliefs about gender*** and leadership and not only reflect structural factors
- A woman's preferential selection as a leader of a failing company is associated with perceptions that such a position provides a (a) ***better opportunity for a woman*** than a man and (b) ***involves more stress*** for a woman than a man



Implications

- Danger of glass cliff positions for women:
 - Two relative rare events – ***an organizational crisis and the appointment of a female leader*** – could be seen as meaningfully ***related***
 - ***Future professional opportunities*** of women could be ***negatively impacted*** because these positions are associated with risk of failure and criticism
- Conditions for glass cliff positions can be replicated → they ***cannot be only explained by a female preference*** for more risky position
- New explanations for the career path of women:
 - Women are ***more likely to be appointed for non-core business positions*** (HR management), which rarely give access to more senior positions
 - Women are more likely to ***leave management positions because of limited opportunities*** and not because of family commitments (*Stroh, Brett and Reily 1996*)



Take aways and future work

The companies' performance impact the nomination of women for senior positions ...
What if the companies ***are reluctant to nominate women because of these potential consequences ?***



- What is the role of the ***company's culture?***
- Do Glass Cliff exist because of ***a distinctive female leadership?***
- What are the ***underlying social phenomena*** which could explain it?



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Thank you !