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Article
The strongest link: Legitimacy of top management diversity, sex stereotypes and the rise of women in human resource management 1995 - 2004

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Astrid Reichel, Julia Brandl, Wolfgang Mayrhofer*


Over the last decades, HRM scholars associated the inclusion of women into HRM with the occupation’s loss of status. Such views have difficulties to explain more recent developments in Europe that show a co-evolution of feminization and status increase of HRM. In this article, we review these developments and offer an explanation that accounts for them. Linking neo-institutional arguments with literature on sex stereotypes, we suggest that allocating women to HRM offers a solution for organizations to deal with growing demands for enhancing diversity within top management without giving up the traditional division of female and male work. We show how the patterns of the inclusion of women into HRM in 11 European countries between 1995 and 2004 support this explanation.

Key words: HRM, occupational status, occupational feminization, sex stereotypes, institutional pressures

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Occupational feminization and status of HRM: Friends or foes?

Over the last decades, there has been a remarkable increase of women working in the field of human resource management. For example, the share of female HR professionals in the US increased from 27.3 per cent in 1970 to 53.3 per cent in 1990 (Blau et al. 1998). Similar trends can be observed in other countries like the UK (Legge 1987) and Australia (Trudinger 2004). Today, in numerous industrialized countries, women represent the majority of HR professionals (Brandl et al. 2008a).

Scholars examining historical developments of the HRM occupation have observed a co-evolution of changes in female representation and status of HRM: in the past, the inclusion of women in HRM has accompanied the demise of the HRM profession or hindered its ability to gain full status (Simpson/Simpson 1969). Reversely, a decrease in numbers of women has accompanied an improvement in the occupation’s status. In trying to account for these developments, scholars emphasized that the representation of women within HRM depends on the attractiveness of the occupation to men (e.g., Legge 1987; Roos/Manley 1996). As long as HRM is not important at the overall level of organization and society, men are not interested and leave the positions to women. When the occupation’s importance increases, men become interested in entering the field and displace women. A core argument for why women get displaced is that employers tend to prefer men for HRM when the occupation’s status is high (Reskin/Roos 1990). For example, when the upcoming of scientific testing instruments shifted the image of HRM from a welfare to a professional function, the share of male HR specialists increased (Trudinger 2004: 104). A close relationship between status decrease and rise of women’s representation or vice versa could be observed from the early stages of HRM until the end of the 1980s (Roos/Manley 1996). More current documentation of feminization and status of HRM cannot be found in the literature.

In this article we present data filling this gap by reporting the percentage of women working in HRM (on the staff and the director level) and linking it to the status of HRM in 1995 and 2004. Using a large company level data set from 11 Western European countries we find a picture that differs considerably from the inverse relationship between female representation and status seen in the past. Between 1995 and 2004 the percentage of women in HRM increased significantly and at the same
time the status of HRM rose. Our data indicates the co-evolution of inclusion of women and rise of status in HRM. Arguments were used in the past to explain the inverse co-evolution, however, they have difficulties to account for co-occurrence of high occupational status and female representation. Thus, we provide an alternative explanation for the current developments by drawing on a neo-institutional perspective. We argue that the inclusion of women in HRM top positions since the 1990s is a result of two related mechanisms: first, the rising rhetoric about the link between diversity and performance and the growing societal pressures to include women at all organizational levels made organizations include women into top management positions. Second, persistence of sex stereotypes led organizations to allocate women within top management to a function that is strongly linked to female stereotypes. In this respect, assigning women to HRM offered a solution for organizations to deal with growing demands for enhancing diversity within top management without giving up the traditional classification of female and male work. When these two mechanisms – interest of organizations to include women in highly visible positions and sex stereotypes – prevail at the same time, rise of female representation and status of an occupation do not contradict each other.

Linking institutional arguments with literature on sex stereotypes is an approach that offers a plausible explanation for recent developments. In previous work on women and status of occupations, institutional arguments have been combined with queuing theory. This theory suggests that employment candidates rank potential jobs into job queues according to their desirability while employers rank groups of potential employees into labour queues according to their attractiveness. The interaction between job and labour queues determines an occupation’s (gender) composition. The dynamic model can explain how labour shortages can create a chain of opportunities for lower-ranked groups in the labour queue, e.g., women in the history of HRM (Reskin/Roos 1990).

While these ideas have been powerful for explaining the inroads of women to HRM and a resulting status loss of the occupation (Roos/Manley 1996), they cannot account for the recent status increase of HRM that occurred despite the inclusion of women in HRM. Using institutional theory we also look at aspects in the HRM feminization debate that have not been considered before. While it is common to connect developments in HRM to changes in general conditions such as, for example, labour laws (Baron et al. 1986; Dobbin et al. 1993), our study focuses on broader societal trends as promoted by the world polity approach (Meyer 2005). Changes in the assumptions about diversity, especially about the usefulness of having women in top management, are essential for understanding their inclusion. The paper does not only provide a conceptual contribution but also underpins its arguments with empirical data, thus filling the gap of describing developments in status and feminization of HRM since the mid-1990s.

In the subsequent sections we will first report the development of feminization and status of HRM starting from the early 20th century. Our own empirical data is used to illustrate the latest developments concerning women’s representation in HRM and its occupational status. The following three sections are used to elaborate our ar-
Arguments that aim at explaining the co-evolution of an increase in female representation and a rising status of HRM.

**Feminization and status of HRM 1900-1990**

A number of scholars deal with the history of personnel and HR management, respectively, linking its development to the influx and outflow of men and women in various periods of time. The work is mainly based on US (e.g., Roos/Manley 1996) and UK data (e.g., Legge 1987). What is today known as HRM arose out of 19th century legislation concerning minimum age for employment and reduction of standard working hours, especially aiming at children and women (Niven 1967). At the beginning of the 20th century the function was seen as social or welfare work and included the provision of health and safety, recreation and social institutions (Cadbury 1912 cited in Niven 1967). This early welfare work at the organizational level was primarily conducted by women. At the outbreak of World War I almost all of the about seventy organizational welfare workers in the UK were women (Legge 1987). Male decision makers provided HR management’s early right to exist by passing factory legislation and sponsored women as welfare workers because this function clearly reflected stereotypically ‘feminine’ activities, tacitly assuming that women are more altruistic, nurturant caring and moral than men (Legge 1987; Roos/Manley 1996). This early identification of personnel management with female welfare activities meant that the function would be defined as low-status and unimportant in comparison to central male activities such as production or finance (Legge 1987: 36). During World War I the awareness of health and safety issues and dysfunctional effects on production of long hours in potentially dangerous workplaces (munitions) rose. As a result, councils and committees were formed in the UK that promoted the appointment of welfare workers. During the War the number of women in HRM increased rapidly because there was a higher demand for welfare workers and male workforce was not available. Between the wars an important development changed the characteristics of HRM, then also known as welfare work. A connection between welfare and efficiency was made. Fuelled by the well-known Hawthorne studies showing the link between social aspects and performance, the role of the function was broadened and the title welfare management was more and more displaced by manpower or labour management. At that time, almost half of all US companies with more than 250 employees had established personnel departments (Jacoby 1985). Simultaneously, there was an influx of men into labour management. In 1939 about 40 percent of labour managers were male. While during World War II the number of women like in World War I rose due to the lack of male manpower, the picture changed completely after the war. In the decades following World War II a huge decline of women in HRM could be observed. The UK Institute of Personnel Management lists less than 50 percent female members in 1950, about 25 percent in 1960 and less than 20 percent in 1970. Also, there was clear vertical segregation. The number of women in top HRM positions was negligible small. At the same time compared to other management functions HRM massively gained centrality and status. This was reflected in high percentages of board representation of HR managers, salaries that have reached up with other functions and big increases in membership numbers of professional associations (Legge 1987). The status
increase was mainly attributed to the further establishment of the assumed link between labour/manpower/personnel management and efficiency and to including industrial relations into the function. In industrial relations, stereotypically male activities such as negotiations, wage determination and handling industrial disputes in the UK or keeping the companies union free in the US context moved to the centre of the HR function (Legge 1987; Roos/Manley 1996).

Around 1970 a reverse development concerning sex composition of HRM started. While women moved into a variety of – at that time – typically male occupations, few occupations have feminized as rapidly as HRM (Roos/Manley 1996). Based on US census data Blau et al. (1998) report that the percentage of women working as “personnel & labor relations managers” rose from 21.2 in 1970 to 36.0 and 48.7 percent in 1980 and 1990 respectively. The numbers for “personnel, training, & labor relations specialists” were even higher increasing from 33.4 in 1970 to 47.0 in 1980 and 57.7 in 1990. During that period the general demand for HR managers went up significantly. This was due to context factors that increased the amount and functional content of HRM. Examples include a rise in government employment regulations which led to a higher demand for specialists administering the workforce conforming to the law or an increasingly diverse and better educated workforce requiring more training, development and career management programs.

Accurately administering pre-assigned rules fits the female stereotype of a “greater willingness to take orders” (Anker 1997: 326) and to do repetitive work. Training and development is one important aspect of ‘soft’ HRM which is people-centred and stresses the ‘human’ side of HR (Storey 1989) which again fits the stereotype of women’s ‘caring nature’ (Gooch 1994; Gooch/Ledwith 1996). Accordingly, the additional demand for HR managers was almost solely met by female HR managers. For all managerial occupations the percentage of women increased by 7.5 percent between 1970 and 1990. In the personnel fields the rise was about 25 percent. In contrast, men’s representation in HRM, rose by only 0.4 percent compared to an increase of 18.2 percent in other management areas. However, the status of the profession measured as average income, again went down. A very high percentage of women who on average only earned a fractional amount – about 60% – compared to men in the same positions and a decreasing income of the men still working in the HRM led to this development (Roos/Manley 1996).

Overall, previous studies on the development of women’s representation and status of HRM clearly show that in the past feminization of the HR profession and status were closely and negatively related. A change in quantitative dominance of one sex or the other is consistently accompanied by a reinterpretation of the work as fitting female or male stereotypes. This shows the stability and importance of stereotypes for orientation.

The numbers and descriptions of developments until the end of the 1980s stem from various sources and are based on different types of secondary data. Also, it is limited to the US and UK. To the best of our knowledge, there is no published research that informs about further developments in terms of women in HRM and the link to organizational status for various countries and the time after the end of the 1980s. This article fills this gap by reporting women’s representation on the staff and
the HR director level for the years 1995 and 2004 in 11 western European countries and the corresponding status development of HRM.

**Feminization and status of HRM 1995-2004**

*The continuing rise of women*

The data on both feminization and status for this latest period comes from Cranet, an international research network dedicated to analyzing developments in HRM in public and private sector organizations with more than 200 employees in a national, cross-national and quasi-longitudinal way since 1989 (Brewster et al. 2004). Currently, 41 countries are part of the network (see also www.cranet.org). Each country is responsible for creating a sample representative of the respective company population. Postal surveys are filled out by HRM specialists, most often the top HR person.

For the analysis at hand we used data from the Cranet survey rounds in 1995 and 2004 from eleven Western European countries. The total sample size is 3491 for 1995 and 2913 for 2004. Table 1 displays the numbers of companies included from each country.

Table 1: Sample size

<table>
<thead>
<tr>
<th>Country</th>
<th>1995</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>249</td>
<td>172</td>
</tr>
<tr>
<td>Denmark</td>
<td>534</td>
<td>405</td>
</tr>
<tr>
<td>Finland</td>
<td>175</td>
<td>209</td>
</tr>
<tr>
<td>France</td>
<td>353</td>
<td>94</td>
</tr>
<tr>
<td>Germany</td>
<td>274</td>
<td>196</td>
</tr>
<tr>
<td>Italy</td>
<td>67</td>
<td>84</td>
</tr>
<tr>
<td>Netherlands</td>
<td>211</td>
<td>241</td>
</tr>
<tr>
<td>Sweden</td>
<td>292</td>
<td>307</td>
</tr>
<tr>
<td>Spain</td>
<td>175</td>
<td>123</td>
</tr>
<tr>
<td>Switzerland</td>
<td>193</td>
<td>243</td>
</tr>
<tr>
<td>UK</td>
<td>968</td>
<td>839</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3491</td>
<td>2913</td>
</tr>
</tbody>
</table>

Table 2 shows that the trend of occupational feminization of HRM starting in the 1970s continued between 1995 and 2004. The mean percentage of female employees increased in all but one of the eleven countries. T-tests reveal that the rise was significant in eight countries as well as in the combined sample. Table 2 also shows that female employees hold the majority in HR departments in all the countries over all years. In total, an average Western European HR department consists of almost three quarters women and a little more than one quarter male employees. This constitutes a significant ($t(4701) = -9.78, p < .001$) increase compared to 69 percent female employees in 1995. The column ‘relative change’ gives the change in percentage based on the

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In the survey rounds before 1995 information on the sex of the HR director is not available.
numbers of 1995. The highest relative increase is founding Switzerland with more than 20 percent. For the total sample the mean percentage of women working in HRM increased by almost 7 percent.

**Table 2: Mean percentage of female employees in HR departments (staff level)**

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2004</th>
<th>Absolute Change</th>
<th>Relative Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>57.05</td>
<td>65.45</td>
<td>8.40***</td>
<td>14.72</td>
</tr>
<tr>
<td>Denmark</td>
<td>78.69</td>
<td>77.92</td>
<td>-0.77</td>
<td>-0.98</td>
</tr>
<tr>
<td>Finland</td>
<td>74.76</td>
<td>80.81</td>
<td>6.05*</td>
<td>8.09</td>
</tr>
<tr>
<td>France</td>
<td>72.18</td>
<td>74.85</td>
<td>2.67</td>
<td>3.70</td>
</tr>
<tr>
<td>Germany</td>
<td>62.39</td>
<td>66.87</td>
<td>4.48***</td>
<td>7.18</td>
</tr>
<tr>
<td>Italy</td>
<td>59.62</td>
<td>62.62</td>
<td>3.00</td>
<td>5.03</td>
</tr>
<tr>
<td>Netherlands</td>
<td>60.58</td>
<td>68.09</td>
<td>7.51*</td>
<td>12.40</td>
</tr>
<tr>
<td>Spain</td>
<td>50.58</td>
<td>54.39</td>
<td>3.81+</td>
<td>7.53</td>
</tr>
<tr>
<td>Sweden</td>
<td>68.58</td>
<td>71.85</td>
<td>3.27*</td>
<td>4.77</td>
</tr>
<tr>
<td>Switzerland</td>
<td>59.27</td>
<td>71.19</td>
<td>11.92***</td>
<td>20.11</td>
</tr>
<tr>
<td>UK</td>
<td>71.57</td>
<td>79.82</td>
<td>8.25***</td>
<td>11.53</td>
</tr>
<tr>
<td>Total</td>
<td>68.61</td>
<td>73.40</td>
<td>4.79***</td>
<td>6.98</td>
</tr>
</tbody>
</table>

***p<.001, **p<.01, *p<.05, + p<.10

In contrast to the staff level, the director level (Table 3) has not traditionally been female-dominated. In 1995 the highest percentage of female HR directors was 31.5 percent in the UK. The average percentage across all eleven countries a decade ago was 23 percent. However, a massive rise in the number of women-led HR departments has been taking place. Chi² tests show a (highly) significant increase in the percentage of female HR directors in eight of the eleven countries between 1995 and 2004. As the

**Table 3: Percentage of female HR directors based on all HR directors**

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2004</th>
<th>Absolute Change</th>
<th>Relative Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>14.1</td>
<td>25.0</td>
<td>10.9**</td>
<td>77.30</td>
</tr>
<tr>
<td>Denmark</td>
<td>30.9</td>
<td>42.2</td>
<td>11.3**</td>
<td>36.57</td>
</tr>
<tr>
<td>Finland</td>
<td>25.1</td>
<td>44.0</td>
<td>18.9***</td>
<td>75.30</td>
</tr>
<tr>
<td>France</td>
<td>22.4</td>
<td>31.9</td>
<td>9.5</td>
<td>42.41</td>
</tr>
<tr>
<td>Germany</td>
<td>6.2</td>
<td>21.4</td>
<td>15.2***</td>
<td>245.16</td>
</tr>
<tr>
<td>Italy</td>
<td>14.9</td>
<td>14.3</td>
<td>-0.6</td>
<td>-4.03</td>
</tr>
<tr>
<td>Netherlands</td>
<td>17.1</td>
<td>35.7</td>
<td>18.6***</td>
<td>108.77</td>
</tr>
<tr>
<td>Spain</td>
<td>9.7</td>
<td>15.4</td>
<td>5.7</td>
<td>58.76</td>
</tr>
<tr>
<td>Sweden</td>
<td>23.6</td>
<td>42.7</td>
<td>19.1***</td>
<td>80.93</td>
</tr>
<tr>
<td>Switzerland</td>
<td>14.0</td>
<td>32.9</td>
<td>18.9***</td>
<td>135.00</td>
</tr>
<tr>
<td>UK</td>
<td>31.5</td>
<td>58.9</td>
<td>27.4***</td>
<td>86.98</td>
</tr>
<tr>
<td>Total</td>
<td>23.0</td>
<td>41.2</td>
<td>18.2***</td>
<td>79.13</td>
</tr>
</tbody>
</table>

***p<.001, **p<.01, *p<.05, + p<.10
relative change indicates, the percentage in Switzerland has more than doubled: 135 percent based on 1995. In Germany, the proportion of female HR directors has more than tripled from 6 to 21.4 percent. Also countries such as the UK and Denmark that already showed relatively high numbers in 1995 experienced a significant increase over the years. On average we find a highly significant rise from 23 to over 40 percent (almost 80 percent increase).

**Figure 1: Percentage of female employees and female HR directors over time**

![Figure 1](image_url)

Figure 1 summarizes the developments in women’s representation in HRM. The inclusion of women in the occupation starting in the 1970s still appears to continue. There is a significant rise of the percentage of women working in HRM both on the staff and the HR director level. This trend can be observed rather uniformly across Western Europe.

**Inclusion of women and rise in status of HRM**

In order to capture status for the period between 1995 and 2004 we use the concept of strategic integration of HRM (Brandl et al. 2008b). This is a composite measure that depicts HR directors’ membership in the board of directors and the degree to which they are integrated in strategy formulation. It ranges from zero (not on board, no integration into strategy formulation) to two (board membership, integration into strategy formulation from the outset).

In contrast to the status effects known from the past, our data show a different picture. Despite strong feminization of the occupation the expected status effects, i.e. a decrease, are not found between 1995 and 2004. Table 4 displays the percentage of highly integrated (reaching the highest value of two) HR directors as a percentage of all HR directors. Comparing the two columns displaying the numbers for all HR directors we find an increase in the percentage of highly integrated HR directors in all but three countries. In France, The Netherlands and Sweden the proportion of highly
integrated HR directors significantly increased. Only in the UK, Finland and Spain a
decrease in line with previous explanations of occupational feminization occurred.
Splitting the sample into female and male HR directors reveals that in nine of the
eleven countries in both years the percentage of highly integrated male HR director is
– in most cases considerably – higher than the women’s percentage. This difference
seems to be rather stable since the number of highly integrated directors increases for
both sexes.

Table 4: Percentage of highly integrated HR directors from all HR directors

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2004</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>women</td>
<td>men</td>
</tr>
<tr>
<td>Belgium</td>
<td>41.6</td>
<td>28.1</td>
<td>44</td>
</tr>
<tr>
<td>Denmark</td>
<td>29.5</td>
<td>21.3</td>
<td>32.8</td>
</tr>
<tr>
<td>Finland</td>
<td>61.4</td>
<td>67.6</td>
<td>59.1</td>
</tr>
<tr>
<td>France</td>
<td>53.3</td>
<td>44.3</td>
<td>55.5</td>
</tr>
<tr>
<td>Germany</td>
<td>31.6</td>
<td>18.8</td>
<td>32.1</td>
</tr>
<tr>
<td>Italy</td>
<td>45.5</td>
<td>50</td>
<td>44.7</td>
</tr>
<tr>
<td>Netherlands</td>
<td>31.2</td>
<td>30.0</td>
<td>30.6</td>
</tr>
<tr>
<td>Sweden</td>
<td>53.3</td>
<td>58.7</td>
<td>51.4</td>
</tr>
<tr>
<td>Switzerland</td>
<td>39.5</td>
<td>23.8</td>
<td>42.1</td>
</tr>
<tr>
<td>UK</td>
<td>37.3</td>
<td>27.7</td>
<td>41.1</td>
</tr>
<tr>
<td>Total</td>
<td>41.0</td>
<td>42.5</td>
<td>1.5</td>
</tr>
</tbody>
</table>

***p<.001,**p<.01,*p<.05, + p<.10

Using the change in mean strategic integration (Table 5) as a measure for status devel-
opment, the picture is a similar one. In all but three countries total mean strategic in-
tegration increased between 1995 and 2004, in five cases this increase is significant.
Only in the UK we find a significant decrease in mean status. Note, though, that the
mean strategic integration of male HR directors is almost in all cases higher than the
number for women.

Combining the descriptive results on HR department feminization and status we
clearly find a strong feminization of the occupation between 1995 and 2004 on the
staff as well as on the director level and a concurrent increase of strategic integration.
This provides first evidence that feminization of HRM does not involve status depriva-
tion through decreasing strategic integration. Although more and more women
work in HR and HR directors’ positions, the status of the profession does not decline.

Because the descriptions given above do not take into account other variables
that influence strategic integration of HR directors, we now create a general linear
model with strategic integration as the dependent variable. In this model we integrate
a variety of variables that proved to have relevant impact on strategic integration (Rei-
chel et al. 2009) as control variables. Thus, we account for systematic changes over
time in control variables like e.g., HR managers’ experience and education. The main
independent variable is year. Since we have seen that over the years the percentage of female HR directors and professionals has increased significantly we know that with comparing the years we capture this development of feminization\(^2\) and therefore its relevance for strategic integration.

<table>
<thead>
<tr>
<th>Table 5: Mean strategic integration of HR directors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Belgium</td>
</tr>
<tr>
<td>Denmark</td>
</tr>
<tr>
<td>Finland</td>
</tr>
<tr>
<td>France</td>
</tr>
<tr>
<td>Germany</td>
</tr>
<tr>
<td>Italy</td>
</tr>
<tr>
<td>Netherlands</td>
</tr>
<tr>
<td>Spain</td>
</tr>
<tr>
<td>Sweden</td>
</tr>
<tr>
<td>Switzerland</td>
</tr>
<tr>
<td>UK</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

***p<.001,**p<.01,*p<.05, + p<.10

The model (see Table 6) confirms the descriptive results in producing a significant result for year. Despite feminization of HRM, strategic integration significantly increases over the years. The level of strategic integration HR directors reach, however, is dependent on their sex, experience and education. Strategic integration also differs – as we have seen from the descriptive statistics – between countries.

<table>
<thead>
<tr>
<th>Table 6: General linear model – difference in strategic integration between years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean sum of squares</td>
</tr>
<tr>
<td>Constant</td>
</tr>
<tr>
<td>Year</td>
</tr>
<tr>
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***p<.001,**p<.01,*p<.05, + p<.10

\(^2\) We are aware that also other macro factors possibly influencing strategic integration such as new best practice models of HRM might have changed over time.
Inclusion of women in HRM as a response to equality pressures within top management

The basis for explaining the co-occurrence of inclusion of women and the rise of HRM status is informed by neo-institutional theory in the tradition of world polity research (Meyer 2005) and by research on occupational sex stereotypes. In the following section we outline the core arguments of the two perspectives.

The central premise of neo-institutional research is that organizational life is shaped by rules prevailing in wider institutional environments. These rules guide organizational decision-making by providing templates for adequate behaviour. Templates do not just constrain decision-making, but first of all enable decision-making by outlining useful ends and adequate means for pursuing these ends (Berger/Luckmann 1967). By complying with these rules, organizations increase their legitimacy and, as a consequence, their survival (Meyer/Rowan 1977a). Using a neo-institutional perspective we identify two distinct mechanisms that facilitate the inclusion of women into top management positions.

The first mechanism refers to demands for compliance with the norm of gender egalitarianism. World polity scholars stress that there is a worldwide replacement of traditional particularistic schemes through universal standards of equal opportunity (Ramirez/McEneaney 1997). These norms are present on the national state level in justice and legislation and on the organization level in human resource practices, but they are also mirrored in guidelines for proper decision-making at the individual level. Irrespective of the functional necessity of equal opportunity, organizations at least formally subscribe to this principle to legitimate themselves to the public (Meyer 2001).

The second mechanism refers to the rise of diversity management as a new template according to which the inclusion of women into top management is not only a means for realizing equal opportunity principles, but also a means for increasing organizational performance (Kelly/Dobbin 1998). The emergence of this template leads organizations to re-interpret the inclusion of women to top management no longer as an act of compliance with norms that penalize discrimination of minorities only but as an economically useful activity.

We combine the neo-institutional perspective with research on occupational sex stereotypes to understand more exactly to which top management functions organizations, seeking to comply with rules from their institutional environment, assign women. One stream of research on occupational sex segregation has been interested in explaining how men and women are assigned to positions based on stereotypical assumptions about what is required to perform well in specific occupations. Gilde-meister et al. (2003) argue that specific work is associated with men or women and their stereotypical characteristics and talents.

Sex stereotypes are extremely persistent and form the basis for different kinds of segregation in the labour market (Anker 1997). According to sex stereotype research, segregation is maintained through the application of categories of female and male work in the allocation of men and women to different positions within organizations (Heintz 2004; Ridgeway 2001). While this categorization often implies the develop-
ment of occupational ghettos, we also hold that occupational sex stereotypes reduce an organization’s uncertainty in matching candidates with positions because they allow decision-makers to anticipate what is required to perform well in a specific occupation. For our purposes, it is important that managerial occupations and management positions in particular are male stereotyped (Rosenfeld et al. 1998) and that – in much of the past working – HRM has been seen as fitting with women’s stereotypical ‘nature’.

We suggest that the phenomenon of the co-evolution of feminization and status increase in HRM can be explained by the combination of changing rules from the wider institutional environment that impose the inclusion of women into higher organizational hierarchy levels and the persistence of occupational stereotypes. The inclusion of women into HRM did not reduce the status of the profession because the integration of women into top management positions was fostered by needs for complying with institutional norms of gender egalitarianism and for increasing organizational performance through top management diversity. Having a woman in a ‘visible’ position has become important for organizations to enhance legitimacy and performance. HRM has been found adequate since the prevalent view of the HRM occupation fits stereotypes of female work. The assignment of women to HRM positions within top management thus did not necessarily challenge occupational sex stereotypes, but was enabled by them.

In the next two sections we will elaborate each of the two approaches that together form our core argument and show how the patterns co-evolution of female representation and status of HR between 1995 and 2004 are consistent with our reasoning.

Institutional demands for including women into top management

We begin with a review of developments in debate on gender composition in organizations to explain how institutional expectations of the role of women in top management have changed since the 1990s. These developments suggest that enhancing gender diversity within the board of directors has become a highly legitimate practice (Milliken/Martins 1996).

Before the 1990s public debate on professional women largely focussed on their inclusion in the workforce. Affirmative action programs that emerged in industrialized countries in the 1970s aimed at ending discrimination of women in the labour market. Since the beginning of the 1990s institutional expectations about the inclusion of women have changed their focus from workforce more generally to top management and have become more complex. Today, economic benefits from gender diversity in the workforce are stressed in addition to equal opportunity norms.

Initiatives for advancing the role of women shifted from the labour market in general to the inclusion of women into traditionally male dominated professions (Charles 1998), explicitly addressing higher hierarchical levels within organizations. The representation of women in the overall workforce increased before the 1990s but did not include their entry to higher hierarchical levels. For example, in Germany women represented almost 45 percent of the overall workforce in 2004. Within top management, however, depending on company size and industry their representation...
varied between 5 percent and 11 percent (Buchholz/Grunow 2006; Kirton/Greene 2005).

Practitioner examples with respect to purposeful action taken by boards to recruit and retain women in top management abound. For example, US-American El Paso Corporation purposefully sought to add women to its all-male board in 2003 (Dvorak 2006). Likewise, CEO Craig Weatherup explicitly chose women directors when creating the board for Pepsi Bottling in its spin-off from PepsiCo, (Hillman 2004).

Since the 1990s, normative mandates for gender equality “have been gaining sway throughout the world and efforts to elevate women’s status have been initiated by numerous international governmental and nongovernmental organizations” (Charles 1998: 92). Equal opportunity norms demanding gender diversity in highly visible organizational positions come from a number of different stakeholders, including the media, investors and employees themselves. For example, the popular press frequently calls for including women into top management positions (e.g., Blackman 2004; Browder 1995). Previous work has shown that institutional investors increasingly scrutinize corporate boardrooms for diversity (Browder 1995; Singh 2005). In addition, the reputation and credibility of a firm in both internal and external labour markets seem to improve by it including women on the board (Daily/Schwenk 1996; Hambrick/D’Aveni 1992).

Such normative pressures for equal opportunity by stakeholders have been accompanied by governmental policies that encourage female participation at all levels of the workforce and punish discriminatory action (Chang 2000). An important initiative for affirmative action at the beginning of the 1990s has been established by European Union directives with the community charter of the fundamental social rights of workers at Maastricht (Charles 1998: 112). Article 119, addressing the equal treatment of men and women in employment, governs discrimination against specific employee groups. The ratification of these directives by EU member states entailed a political debate about so-called anti-discrimination laws in Germany and in other European member states (Ferner et al. 2006; Kirton/Greene 2005), enforcing the change of legal practice towards realizing the demands for equal opportunity.

“As coercive institutional pressures compel companies to adjust to equal opportunity employment practices, managers are more likely to shed traditional views of gender roles. In contrast, in societies with less regulation, managers are less likely to address such issues, as there is less coercive force to encourage people to abandon traditional gender role attitudes” (Parboteeah et al. 2008: 800).

At the same time the public discourse about gender diversity has changed. Since the 1990s debates on the role of professional women have increasingly been shaped by a view that stresses the performance improvement resulting from gender diversity in the workforce instead of compliance with law. Re-theorization has occurred starting from the 1980s. Former practices formally rationalized as antidiscrimination and protection of women have recently been re-theorized as means to achieve new ends, i.e. diversity as a factor that positively influences firm performance. The newly arising template led to downplay of legal compliance and an emphasis of increasing performance by expanding diversity in top management.
Today, top management diversity is widely believed to have a positive influence on firm performance (Dobbin et al. 1993). Practices formally rationalized as anti-discrimination and protection of women have recently been re-interpreted as means to increasing diversity which improves firm performance. Importantly, the emerging concept of diversity management enhanced the attractiveness of including women into managerial positions because it enabled organizations to theorize the participation of women as a possible means towards increasing organizational performance. Organizations may select women to top management positions for their particular skills and knowledge and at the same time purposefully increase diversity expected to influence performance (Hillman et al. 2007).

This functional view encouraged the inclusion of women into top management for two reasons. First, it decreased effects of deinstitutionalization of practices that may result from intense normative pressures alone. Organizations might react by trying to bypass rules instead of complying (Oliver 1992). It is important to stress that after the described re-theorization diversity management today is not mainly institutionalized because of moral or legal reasons but because it is believed to contribute to corporate success (Kelly/Dobbin 1998; Süß/Kleiner 2008) and various scholars set out to and also empirically showed linkages between gender diversity on boards and improved financial performance (Carter et al. 2003; Erhardt et al. 2003).

Second, affirmative action specialists within organizations use diversity management templates to promote inclusion of women. For instance, equal opportunity and affirmative action specialists were hired in the US in the 1970s in order to comply with a Civil Rights Act that outlawed employment discrimination. When in the 1980s federal enforcement of affirmative action was curtailed the equal opportunity specialists “constructed new goals for the practices they shepherded” (Kelly/Dobbin 1998: 961). They emphasized the goal of increasing profits by expanding diversity in the workforce. This process did not only occur in single organizations but on the interorganizational level (Meyer/Rowan 1977b). Professional networks also played a key role constructing meaning for organizational practices (Strang/Meyer 1993).

Summing up, organizations since the 1990s have been exposed to various pressures to include women into top management. With the re-interpretation of diversity management from anti-discrimination to performance enhancing, staffing top positions with women can be theorized as functional for pursuing economic goals of the organizations. These concurrent developments led to the situation that many organizations have been looking for women to include them into their top management. The next section will deal with the question how exactly organizations allocate ‘their woman’ in top management.

Matching female stereotypes and the “nature” of HRM: Choosing the strongest link

The developments outlined above do not mean to suggest that sex segregation is a thing of the past. The enforcement of the equal opportunity principles led to a de-institutionalization of sex differences so that inequality between sexes is neither culturally nor legally ensured and hence increasingly illegitimate. However, de-institutionalization does not equal dissolution of the institution, i.e., the disappearance
of sex segregation, but a change in mechanisms that produce it (Jepperson 1991). In fact sex stereotypes and segregation prove to be extremely persistent (Anker 1997; Heintz 2004; Ridgeway 2001) and this persistence seems to be independent from and partly inversely related to economic and social modernizations (Charles 1992).

The tenacity of sex stereotypes and segregation is based on its reproduction in interaction. Sex is a simple basal classification scheme that is used all over the world because it is very helpful for reducing complexity in interaction. Permanent use of this classification scheme leads to the development of sex stereotypes (Ridgeway 2001). These sex stereotypes are matched with occupations and lead to the association of specific work with women or men and their stereotypical characteristics (Gildemeister et al. 2003). This way, occupations are labelled as female or male and are integrated into a coherent system of reference and accepted as ‘typical’ for the respective sex. (Seeg 2000: 40)

Based on stereotypes adhered to occupations and positions the social environment contains societal assumptions about what is required to perform well in specific occupations. The rules that operate in institutional settings shape understandings of organizations about relevant characteristics of HR executives. When filling a position, organizational decision makers search for a fit between the candidates’ characteristics and the assumed requirements for the position. Using societal preferences in staffing decisions reduces uncertainty because the specific characteristics are assumed to be key for future performance. By sticking to societal norms the decisions can be justified more easily towards members of the organizations and external stakeholders (Thornton/Ocasio 1999). Relying on societal preferences in particular for positions highly visible to societal actors who grant legitimacy also adds to the legitimacy necessary for the organization’s survival (Certo 2003; Davis/Mizruchi 1999).

For the longest part of its existence, HRM has been regarded as an occupation that fits female stereotypes. “It has frequently been noted that personnel management is a traditional stronghold of female employment” (Marshall 1984: 115). At the very beginning of HRM, when it was a pure welfare function, it matched the stereotype of women’s caring nature. Women were even seen as more moral than men. An official factory document from 1864 (cited in Niven 1967: 16) stated: “a female overlooker, married and of mature age, is essential to … the good government and the moral character of a factory”. For a long time the idea of welfare was a core element of HRM and the occupation was integrated into a coherent system of reference and labelled as ‘typical’ female. The stereotypes used in that system tend to be taking care of others (Canniffe 1985; Gooch/Ledwith 1996) and bridging capital and labour (Gooch 1994).

After the Second World War, the female dominance was interrupted when industrial relations became part of HRM. The occupation was re-interpreted as fitting stereotypical male talents like negotiating, standing ones grounds in disputes and determining wage.

Starting with the 1970s the focus of HRM shifted to more administrative work and an emphasis on developing people and taking care of their careers within the organisation. Matching female stereotypes of administering personnel following pre-
assigned rules and taking care of employees’ development again made HRM “a function dedicated to the management of people [that] would seem to be ‘ideal for women’” (Gooch/Ledwith 1996: 99).

In the last two decades and partly inspired by the resource based view of the firm (Barney 1991), the significant difference between ‘human capital resources’ compared to other resources is stressed and many scholars discuss how HRM can ensure that the organizations’ human resources are a valuable, rare, imperfectly imitable and non-substitutable resource (e.g., Wright et al. 2001; Wright et al. 1994). In this regard aligning organizations’ and employees’ interests and increasing employees’ commitment to their organization are important tasks for HRM (Boxall 1996, 1998). High commitment and high involvement are widely seen as necessary prerequisites for high performance (e.g., Ramsay et al. 2000). Creating an environment that allows employees to develop their full commitment to, this way, bridging capital and labour, fits female stereotypes. The ‘modern welfare worker’ takes care of the employees’ mental well-being instead of basic health issues (as in 1900).

Of course there are also alternative approaches of ‘hard HRM’ (Storey 1992) that see human resources as just another resource that should be obtained as cheaply as possible, used sparingly and developed and exploited as much as possible. But it is important to notice that our argument gears to HRM as matching female stereotypes comparatively well. Thus, even if it is not purely ‘soft’ HRM perfectly fitting the female stereotype that is used in an organization, we still argue that compared to other functions like production or finance it still is “the ‘soft’ end of management” as Gooch and Ledwith (1996: 101) note..

Female attributes match profiles of lower-level HR positions more than senior managerial positions. Top management is traditionally a masculine stereotype (Anker 1997; Berthoin/Izraeli 1993). However, we argue that this does not hinder the staffing of top HRM position with women. The reasons are the strong pressures to include women into top management that have been described in detail in the previous section. We argue that decision makers urged to include women into their top management team prefer to include them in functions that fit their stereotyped characteristics relatively better than other functions. In this way allocating women to HRM is ‘the strongest link’ and offers a solution for organizations to deal with growing demands for enhancing diversity within top management without giving up the traditional division of female and male work.

Conclusions

Over the last decades, HRM scholars have often associated the inclusion of women into the HRM profession with the profession’s loss of status. Such approaches typically have difficulties to explain a joint increase of status and feminization of HRM, as they characterized developments from the 1990s onwards across Europe. In this article, we documented the surprising co-evolution of feminization and status rise in HRM and offered an explanation of these developments seen as paradox by HR scholars.

We link neo-institutional arguments with literature on sex stereotypes. From the beginning of the 1990s employers have been confronted with increasing pressure to
integrate women into top management positions. While necessity for including women was initially seen as a means for reducing gender inequality, the increasing discourse on diversity management complemented this view by aligning top management diversity with performance increase. The “functional turn” of the debate further facilitated the inclusion of women into management positions. Employers responded to these pressures, i.e. need for integrating women into top management, by allocating women to HRM positions because *in relation* to other managerial functions HRM matches female stereotypes better than most other functions. This means that sex stereotypes guide employers in how they addressed the institutional pressure for increasing top management diversity. Thus, we argued that use of sex stereotypes does not contradict the inclusion of women into top management, but on the contrary encourages women’s concentration in managerial functions that are seen as most adequate for stereotyped female talents.

It is important to notice that our argumentation is function-specific. The mechanisms we describe are expected to be found in fields and occupations strongly perceived as ‘typical’ female (as is HRM). Thus, the access of women to top management functions that do not match female stereotypes, such as production or finance, will be determined by mechanisms different to those described for HRM.

In our data and its interpretation we find a situation of horizontal segregation similar to the pattern found by Charles and Bradley (2002) for women’s participation in tertiary education. While in almost all western industrialized countries the proportion of women in tertiary education is around 50% there is a clear horizontal segregation across field of study. Women are overrepresented in fields, like education, that match female stereotypes while the vast majority in ‘typical’ male fields, like engineering, are men. Similarly, in our argumentation, women are included into top management but their access biased towards stereotypical functions. In our data we also find other patterns of segregation. Our data (Table 4 and Table 5) show that in all countries for both years female HR directors show lower strategic integration than men. It is less likely for them to be on the board and to be integrated in strategy formulation than for male HR directors. Thus, on the level of HR directors there is horizontal segregation. Male HR directors are more involved into strategic work than female ones.

Also, we observe a typical pattern of vertical segregation. While on the staff level the (great) majority of HR specialists in all countries are female there is only one out of eleven countries where – slightly – more than 50 percent of the HR directors are female. In all other cases male HR directors predominate. However, as Figure 1 shows vertical segregation seems to diminish. It depicts how the proportion of women on the director level converges to the proportion at the staff level.

Although these developments may help to change the traditional subordination of women within HR, they also perpetuate stereotypes and encourage the concentration of women in this area. The latter has been seen as a major reason for the subordination of the HR field to other managerial functions (Legge 1987). While making use of prevailing gender stereotypes for advancing women to higher ranks in HR may be easier than challenging them, the possible side-effects of this strategy calls its overall usefulness into question.
Previous studies on occupational level used earning as a proxy for status because that was available in secondary data. Our study uses primary, organizational level data and is thus able to measure status in a more direct way. However, status gained by position power is commonly closely linked to earnings. High status and high income are related (Ganzeboom/Treiman 1996).

The focus of this paper was to draw general developments and show exiting similarities in trends between countries. However, in further research attention should be paid to differences between countries because institutional pressures did not lead to uniform responses among organizations, across countries. Despite strong worldwide trends that affect western industrialized countries in similar ways there are also remarkable differences in national equal opportunity legislation (e.g., Charles/Bradley 2002). Effects of national legislation on sex segregation should be included in future research. Especially, those countries which diverge from the common pattern (Finland, UK) should be investigated in more detail.

Also, on the level of the organization various factors influence the inclusion of women into top management. There are accounts that gender demography within the organization, especially within the (HR) department, plays an important role. The key argument is that organizational decision makers’ staffing decisions are influenced by the idea of leader-subordinates fit. High proportions of women on the staff level are assumed to positively affect the likelihood of a female director (Eagly/Karau 2002).

Although our theoretical reasoning fits the pattern found in our empirical data it is not clear whether our particular argumentation is supported. Empirical evidence would also fit with other theories, e.g., resource dependency theory, that is addressing legitimacy, too, but from a pragmatic stance rather than from a normative or cultural one. Thus, future research should aim at more directly testing our reasoning.

Nevertheless, our paper revealed rather surprising recent developments in feminization and status of HRM. We did not only provide the data to illustrate the co-evolution of an increase in the proportion of women in HRM and a status rise we also developed a very plausible explanation for the ‘paradox’ patterns found.

References


