Gender Equality in Leadership—
Is the Contract Management Profession Getting It Right?

By Lauren Peel
Women began entering the American workforce in large numbers over 60 years ago, yet the topic of gender equality continues to loom in headlines today.

Gone are the days where women were limited to stereotypically “female” professions or where blatant sexism occurred without consequences. Social norms have shifted, enhancing the opportunities available to females and creating a considerably different working environment. So why do statistics still reflect a disparity between men and women in both advancement into leadership and salary?

While great strides have been made to reduce inequalities in the workplace, a dangerous trend remains: Express discrimination has been replaced with subtle discrimination and implicit bias. Progress has become stagnant. Unless the contract management profession remains vigilant, it could be in danger of backtracking decades of female advancement.

The time has passed for passive reliance on laws and regulations, gender quotas, or outdated diversity programs to equalize the playing field. The burden falls on the contracting profession, at the leadership and individual level, to take steps to combat implicit bias and the subtle gender discrimination that underlies gender disparity.

Despite Decades of Improvement, Concerns Linger Over Women’s Equality
Women have advanced in many industries and expanded into management and leadership roles; however, concerns remain about the opportunities available for women and the resolution of the gender pay gap.

The “Tone from the Top”
Headlines across the nation revealed public doubts about the future of women’s rights when the new administration took over in January. After numerous insensitive comments made about women while campaigning, the new president’s inauguration spurred thousands to participate in 673 women’s marches organized the next day. Despite President Donald Trump’s claims of his “respect for women and the many roles they serve that are vital to the fabric of our society and our economy,” doubts have increased regarding the sincerity of his claims, due in part to:

- The lack of women appointed to the new administration,
- Measures aimed at healthcare reform, and
- Budget cuts across many agencies.

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Filling only 17% of cabinet-level positions with women, President Trump trails the last five presidents in promoting gender equality in the cabinet. (America has the lowest percentage of women in the cabinet in 36 years.) Additionally, President Trump has appointed three times as many men as women to jobs in his administration that do not require Senate confirmation.

The new administration has the ability to affect gender equality in the contract management profession specifically, as evidenced by past administrations’ measures addressing the federal workforce and federal contractors. In 1965, President Lyndon Johnson passed an Executive Order requiring equal opportunities for women in the federal service, and in 1969, President Richard Nixon established a program for the initiative’s implementation. President Nixon’s Department of Labor adopted a plan requiring federal contractors to evaluate and set goals to end underrepresentation of women and minorities. In 2011, President Barack Obama released an Executive Order instructing federal agencies to develop strategic plans to address recruiting, hiring, training, developing, promoting, and retaining a diverse workforce.

Deeper Scrutiny May Support

With the rise of the feminist movement, proactive government actions, and increased access to healthcare and higher education, the number of females in the workforce has skyrocketed.

Concern

In 1945, women comprised less than a third of the civilian workforce; the proportion has now increased to 57%. Similarly, women make up 55% of the contract management profession.

The gender salary gap has likewise improved dramatically. American women earned 82% of what men earned in 2015, up from 63% in 1951. The contract management profession boasts a better trend in terms of pay equality: Women contracting professionals earn 87% of men’s earnings, putting them 5% ahead of the national workforce average.

A Closer Look

While comparison of the mid-20th Century with today’s numbers seems encouraging, a closer look reveals some disconcerting evidence of a halt in progress in recent years. Since 1999, the proportion of women in the workplace has dropped by 3%. A 2011 report likewise found that the share of women in the federal workforce had been slipping from recent years, and had barely ticked up from 10 years prior.

Data from the Bureau of Labor Statistics show that the gender salary gap widened between 2014 and 2016. Women earned 83% of their male counterparts in 2014, dropping a percent to reach the current gap of 82%. The United States ranks 45th out of 144 countries in terms of gender pay equality, having plunged 22 ranks since 2006. While the number of women contract professionals has remained consistent, the contract management profession mirrors the stagnant progress in terms of salary equality according to a series of yearly salary reports released by NCMA.

Women in Leadership Roles: Corporate America versus the Contract Management Profession

Worried about the prevalence of women in corporate America’s leadership, LeanIn.Org and McKinsey & Company conducted a large study across a multitude of industries—“Women in the Workplace”—in 2015 and 2016 to examine gender equality and found that women remain underrepresented at every level of the corporate landscape. The study found that 46% of entry-level positions in corporate America belong to women, and the percentage of women decreases significantly at each level: “For every 100 women promoted to manager, 130 men are promoted.” Thus, at the first rung up the ladder, the proportion of women drops by 9%.

Unlike their corporate counterparts, women in the contract management profession do not fall behind at the initial level of advancement. The percentage of women occupying supervisory roles essentially correlates with the overall composition of the profession:

- 55% of supervisory positions were held by females in 2012 and 2013,
- 53% in 2014, and
- 56% in 2015.

A small drop exists at the next highest level, but the percentage has remained consistent in recent years: Women have filled 48% of managerial roles since 2012. However, the percentages of women shrink as employees step up the ladder to become executives, and those percentages appear to be declining in recent years. This means that, in both corporate America and the contract management profession, the lowest percentage of women are found at the highest stage of professional achievement.

Women in the C-Suite

Women hold 19% of corporate level, or “C-suite,” roles according to the “Women in the Workplace” study. Often criticized as proof of gender inequality in the workforce is the low percentage of female CEOs in Fortune 500 companies. Despite the scrutiny given to the statistic, the percentage of female CEOs in Fortune 500 companies fell from 5% to 4% in 2016. Of the 29 companies who joined the Fortune 500 in 2016, only one had a female CEO. A 2015 Office of Personnel Management (OPM) report shows that...
women in the federal workforce fare better, if not quite equal: Women comprised one-third of the Senior Executive Service (SES). Females also fill a larger portion of executive roles in the contract management profession, but disturbingly the percentage has been dropping in recent years: In 2012, women accounted for more than half of the profession, yet filled 42% of executive roles. The percentage of female executives fell in 2013 to 39% and sank again in 2015 to 38%. (See FIGURE 2 on page 45.)

The recent decreasing percentages of women holding executive-level positions urge caution in our profession. However, while women are advancing to the manager- and executive-level positions in smaller numbers than men, women do occupy the majority of supervisory roles and almost half of the manager roles. Ideally, the numbers of male and female executives will equalize in future years as the high number of women in manager and supervisor roles progress in their careers, reversing current trends.

### Age Range
The disparity among men and women does appear to be statistically different based on age range, both in terms of leadership positions and salary:

(In 2014, the gap between men and women was much less pronounced among supervisors ages 25-34 than among older supervisors. Nearly 44% of supervisors and managers ages 25-34 were women, versus about 35% of managers ages 55-64.)

Similarly, there are positive trends in the salary gap among those under 35. The Bureau of Labor Statistics reported that women under 35 earned 90-92% of their male counterparts.

### Challenges to Women Advancing in the Modern Workplace
Women face obstacles in obtaining equality in salary and in leadership positions for a number of complex and interacting reasons.

#### “Traditional” Gender Roles
Women traditionally play a larger role in the home, potentially affecting their role in the workplace. On an average day, 85% of women compared to 67% of men spend time on household activities. Women in senior management are seven times as likely as men to bear the majority of home duties.

#### Access to Networks
Access to the same networks of people also play a role. A study by nonprofit organization Catalyst found that almost one-half of women cite exclusion from informal networks of communication—the so-called “old boys’ club”—as a barrier to advancement in their careers, while only 18% of men felt similarly. Not having access to the decision-makers in the organization can stifle career growth.

#### Gender Bias
In addition, women face a host of stereotypes and environmental challenges in much higher levels than their male counterparts. Women tend to find a more inhospitable corporate culture than men.

Gender bias can often be relatively unobservable. Implicit bias occurs when a person consciously rejects stereotypes, but still unconsciously makes evaluations based on stereotypes.

Those making decisions based on their own bias may be unaware of it. In one study, researchers found that male participants implicitly associated positive managerial characteristics, such as competence and productivity, with men despite showing no evidence of explicit preference for male managers.

Another example is the disproportionate discrimination observed when women attempt to negotiate their salaries. Women who negotiate their pay are 30% more likely to be perceived as “intimidating,” “too aggressive,” or “bossy” than men who do the same.
People are less likely to openly admit to negative stereotypes and biases today than in the past; nevertheless, gender bias remains powerful. After analyzing gender and leader stereotypes, studies have found that stereotypes have not decreased over time. Even seemingly positive stereotypes can be problematic. For example, the stereotype of women as caregivers and nurturers can be unfair when employers expect women to take on caregiving responsibilities that are inappropriate or discriminatory in a work setting, such as the responsibility to plan all of the office parties or take on office “housekeeping.” Thus, even though social norms have changed, continuing stereotypes could block women from completely reaching equal footing in the workplace.

**Women in Leadership Roles Increase Success and Enrich the Workplace**

The benefits of gender parity in the workplace may encourage profitability and increase the quality of life in the office.

**More Women Leadership = More Profit**

Studies have found that companies with higher levels of female leadership are more profitable. In 2016, the Peterson Institute for International Economics released a study finding that companies with at least 30% of women in C-suite positions had 6% higher net profit margins than those without. Following the 2008 global economic crisis, net income growth for companies with women on their boards averaged 4% higher than companies with boards composed entirely of men.

**Healthier Working Environment**

In addition to profitability, women in leadership positions may promote a healthy working environment. Market research firm Gallup found that employees with a female manager are more engaged with their work. Conversely, female managers tend to be more engaged with their work as well, which leads to:

- Increased talent retention,
- Increased employee skill development and potential,
- Increased collaboration, and
- Happier employees overall.

**Corporate Stability**

Women managers may even offer higher organizational stability: Women managers are less likely to solve corporate problems by downsizing than men.

A study of companies during the 2008 global economic crisis found that workforce reductions were more than twice as frequent at male-owned firms as at female-owned firms. Retention of staff during periods of economic recession can lead to lower short-term profits, but often serves to boost employee morale while reducing future hiring and training costs.
Discrimination, Harassment, and the Gender Pay Gap

A larger presence of female coworkers has been shown to reduce workplace discrimination and harassment.

Also, numerous studies have found that when more women occupy management positions, the gender pay gap is smaller.

Where Does the Contract Management Profession Go from Here?

The contract management profession must ensure that women advance commensurately with their male counterparts in terms of leadership roles and salary:

- It is imperative that organizations and individuals work to eliminate overt discrimination and implicit bias that continues to hold females from succeeding;
- The profession must support and enforce policies that encourage women leaders;
- Employers should set target goals for the presence of female executives;
- For meaningful progress, managers need accountability—management should be expected to meet these goals or face consequences, just as for any other measured metric;
- Paternity leave policies can facilitate men and women sharing responsibilities in the home, supporting opportunities for female advancement: “[s]urprisingly, countries that provide mandated maternity leave do not have more female leaders... [b]ut those with more paternity leave do” and; and
- Employers must avoid creating or perpetuating biases against employees returning to the workforce.

Training/Education

Employers need to overcome stereotypes and negative social behaviors through carefully selected education in the workplace. Unfortunately, some training and diversity programs have inadvertently reinforced gender and racial stereotypes. Thus, parroting a “diversity policy” without real meaning and reinforcement can negatively affect employees and office culture. Employees require instruction about unseen biases, forcing them to confront ideas that cause individuals to make decisions contrary to gender equality. By getting to know and understand internal biases, people can learn to counteract them. A study found that a group of educators who took a two-and-a-half-hour bias-intervention workshop reported an improved work culture, and a significant portion had taken specific measures to promote gender equity within three months of the study.

National Conferences/Networking

Employers should facilitate participation in national conferences for contract professionals at all levels of their careers. Educational opportunities should not be limited to interaction with others at the same career levels, but should contain a mix of employees to create a diverse learning environment with the added bonus of networking opportunities in a less formal environment than the office.

Mentoring/Sponsorship

The contract management profession should offer men and women tailored mentoring and sponsorship, starting with entry-level employees and continuing up the chain. The most beneficial programs are those that combine social education with networking and leadership skills. For example, global software company SAP SE has created the “Leadership Excellence Acceleration Program” (LEAP), which gathers high-performing women whom managers have identified as promotion-ready for a year-long virtual course. Participants attend online meetings, complete homework assignments, make presentations, and thus expand their networks. SAP reported that of their first cohort, 23% became first-level managers and, of those who were already managers, 11% became directors.

Both mentoring and sponsorship can improve women’s recruitment and retention, and research suggests that sponsorship may be uniquely beneficial. Sponsors have a unique ability to change the career path of an employee. Individuals in the contract management profession must take it on themselves to become sponsors and to seek out sponsors. Serving as role models and offering career advice, sponsors also:

- Actively connect employees with senior leaders,
- Promote visibility in the company, and
- Connect employees to career opportunities both inside and outside of the company.

If both males and females sponsor younger employees, the opportunity to understand the landscape and to reach the same career levels, but should contain a mix of employees to create a diverse learning environment with the added bonus of networking opportunities in a less formal environment than the office.

Congratulations, but Caution Urged for the Contract Management Profession

The contract management profession deserves congratulations: Women in the contract management community have a better chance of advancement to leadership roles and benefit from a smaller pay gap. However, the profession would be remiss if not actively ensuring women continue to make progress.

The recent decrease in the number of women executives, along
Leadership development training for members in their roles as contracts managers and volunteer leaders.

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Mariner Management & Marketing LLC
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with the stagnation of the pay gap, could signal danger ahead: Thinking that women have achieved parity with men, relaxed efforts by the profession to promote the advancement of women could negatively affect well-deserving women as well as companies who would benefit from the numerous ways women leaders have proven effective—e.g., increased profits, engaged employees, stable working conditions, and flexible working environments. Ignoring implicit bias and unspoken stereotypes could increase the inhospitable nature of certain office cultures if we are not careful.

Women should actively seek opportunities, and professionals must actively create opportunities for the young talent entering the workforce, even if doing so for a selfish reason—that is, the advancement of women in the workforce benefits the entire profession.

ENDNOTES


11. Ibid.


13. Ibid.


20. Ibid.


22. Ibid.


28. Ibid.


32. Ibid.


34. Ibid.


36. See “Barriers and Bias,” note 33.

37. Ibid.


43. Ibid.

44. Ibid.

46. In part to reduce gender salary discrepancy, OPM warned against using prior salary as the sole means of determining the salary of a new hire, as it may not consider the employee’s extended leave from the workforce. Implementing this guidance could assist in preventing a widening salary gap when women take maternity leave or extended time off to raise a family, and this would support men making similar decisions.

47. See “Barriers and Bias,” note 33.

48. Ibid.


50. See Waller, note 30.

51. See “Barriers and Bias,” note 33.

52. Ibid.

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