# Gender divergence in career ambitions and the role of bias - A study on the origins of gender inequality within the realm of strategy consulting

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The President:
Prof. Dr. Bernhard Ehrenzeller

## Dedication

To my parents, Karin and Ulrich, whose encouragement has pushed me to pursue my vision for this research project. They have provided me with an unconditional support system not tied to any expectations. I am fortunate to have grown up alongside two modest personalities who have taught me to fill my life and everything I do – including this body of research – with purpose.

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St.Gallen, September 4, 2020 Benjamin Henkes

# Abstract

Female professionals are significantly underrepresented in high-level positions in organizations. There are more US companies with the CEO position held by a male named David than the female CEO population overall (Johnson et al., 2016). Bias and career ambition are two relevant variables under investigation in this study to contribute to the gender equality agenda. This dissertation confirms the main hypothesis of bias mediating how women vs. men assess their career ambition employing a casual mediation analysis (Shrout & Bolger, 2002). Using a cross-sectional quantitative survey and in-depth interviews, this research reveals that ambition levels are significantly impacted by bias, which is perceived differently by male and female professionals and changes adversely by gender over the career trajectory. When moving from junior to senior ranks, women perceive a decrease in gender bias while at the same time their signaling value increases as their authority and reputation among peers rises. In contrast, the perception of bias increases for their male counterparts with an enhanced understanding and sensitivity for biases and their consequences. This dissertation provides novel evidence by employing a sample of working professionals from 29 nations to contribute to the academic debate of bias, gender discrimination, and their relation to the realm of career ambition – an area which is currently inconclusive and limited in research findings to date (Ely et al., 2014; Gino & Brooks, 2015). Results presented in this dissertation add to this debate and provide a unique view on the ambition-bias relationship combining intrapersonal and interpersonal effects of gender inequality. Working to address gender inequality is at the core of the fifth sustainable development goal as defined by the United Nations. In addition to the social justice argument, the relevance of this research is evident in firm performance findings, which show superior performance in companies with a higher representation of female leadership or more equitable board ratio (Catalyst, 2018).

Institutions need to address bias and devote resources to avoid a value conflict at mid-career level leading to the loss of female talent and contributing to the presently prevailing gender gap. Closing this gap will address the social justice and firm performance argument.

# Zusammenfassung

Weibliche Führungskräfte sind in hochrangigen Positionen signifikant unterrepräsentiert. Es gibt in den USA mehr Manager mit dem Namen David als Managerinnen insgesamt (Johnson et al., 2016). Diese Dissertation untersucht die beiden Variablen Bias und Karriereziele, um einen Beitrag zum Diskurs über die Geschlechtergleichstellung zu leisten. Sie erhärtet mit Hilfe einer Kausal-Mediationsanalyse (Shrout & Bolger, 2002) die zentrale Hypothese, dass Bias beeinflusst, wie Frauen im Gegensatz zu Männern ihre Karriereziele einschätzen. Auf Grundlage einer quantitativen Querschnittserhebung und vertieften Interviews legt die Untersuchung offen, dass Bias erhebliche Auswirkungen auf das Niveau der angestrebten Ziele hat, was von Beraterinnen und Beratern unterschiedlich wahrgenommen wird und sich je nach Geschlecht nachteilig auf die Karriere auswirkt. Beim Wechsel von der Junior- in die Senior-Ebene empfinden Frauen eine Abnahme der geschlechtsspezifischen Vorur-teile, während gleichzeitig ihr Signalwert mit zunehmender Autorität und Reputation im Fachkollegium steigt. Im Gegensatz dazu nimmt die Wahrnehmung von Voreingenommenheit bei ihren männlichen Kollegen zu, wenn das Verständnis und die Sensibilität für Voreingenommenheit und ihre Folgen zunehmen. Diese Dissertation liefert durch eine Studie mit berufstätigen Beraterinnen und Beratern aus 29 Nationen neue Erkenntnisse zur wissenschaftlichen Debatte über Geschlechterdiskriminierung und ihre Auswirkungen auf Karriereambitionen – ein Bereich, der in der Forschung bis heute nicht analysiert wurde (Ely et al., 2014; Gino & Brooks, 2015). Die in dieser Dissertation vorgestellten Ergebnisse ergänzen die wissenschaftliche Debatte über Bias und bieten einen einzigartigen Überblick über die Beziehung zwischen Karriereambitionen und Bias unter Einbeziehung der zwischenmenschlichen Auswirkungen der geschlechtsspezifischen Ungleichheit. Deren Beseitigung stellt das fünfte der von den Vereinten Nationen definierten Ziele für nachhaltige Entwicklung dar. Neben dem

Argument der sozialen Gerechtigkeit zeigt sich auch in der Leistungsbeurteilung der Unternehmen die Relevanz dieser Forschung, die eine bessere Leistung in Unternehmen mit einem höheren Anteil weiblicher Führungskräfte oder einem gerechteren Verhältnis von Vorstandsmitgliedern zeigt (Catalyst, 2018). Organisationen müssen sich mit den geschlechtsbezogenen Verzerrungseffekten befassen und Mittel bereitstellen, um zu vermeiden, dass ein Wertekonflikt auf der mittleren Karrierestufe zum Verlust weiblicher Talente führt und zu der gegenwärtig vorherrschenden Geschlechterkluft beiträgt.

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# 1 Introduction

## 1.1 Problem Statement

Research has shown that in many instances the human brain relies on quick and unconscious decisions, which are based on stereotypes and social perception, and controlled by judgement and impression formation (Greenwald & Krieger, 2006). This powerful phenomenon is generally labelled as bias and specifically second-generation gender bias when it impacts women at large, as well as explicitly in a workplace setting (Madsen & Andrade, 2018). The first-generation gender bias is illegal today but was once a legal form of gender discrimination within workplace, sport, school, or university settings. Second-generation gender bias refers to gender-based discrimination in an unconscious manner.

The individual preferences for family, personal well-being, monetary success, power, and status depend on an individual's description of happiness and defines a person's ambition level within the context of career (Greene & DeBacker, 2004; Karoly, 1999). Career ambition is impacted by motivational factors, but at the same time is significantly influenced by one's family environment, childhood, and gender (Shane, 2006).

Research found that men are more likely to put themselves into competitive environments and demonstrate dominant leadership styles while women prefer to stay away from competitions despite equal performance capabilities and adapt a more feminine leadership style that is often confused with incompetence (Bertrand, 2011; Eagly & Makhijani, 1992). Across the globe, and even in societies placing significant value on providing both genders with equal opportunities, female professionals are underrepresented in the majority of high-level positions in organizations (Burke & Major, 2014).

This research investigates the links between the above-described scenarios of bias, career ambition, and gender disparity and contribute to the critical debate prevailing within the academic, political, and business communities on how to aid the gender equality agenda to advance to a sustainable and equitable world with women holding at least half the world's potential ("Planet 50:50 by 2030," 2016; World Economic Forum, 2019).

Accordingly, the debate for gender equality is omnipresent in politics, education, academia, and corporate settings. Individuals are confronted with the debate on gender equality in all dimensions of real-life situations, social media, recruitment, performance evaluations, promotions, pay, representation, political debates, equal opportunity laws, and advertisements. Yet, the statistics speak their own bold language: There are more US companies with the CEO position held by a male named David (4.5%) than the female CEO population overall (4.1%) (Johnson, Hekman, Chan, & Smith, 2016). Female leaders are significantly underrepresented within executive ranks before investigating CEO or board positions. In addition, those high-level executive positions held by female professionals tend to offer less promising career prospects, than those held by their male counterparts (Boussie et al., 2019).

In detail, 25 female professionals occupy positions of Fortune 500 chief executive officers representing 5%, while men represent 95% of those positions. Venture capital and management consulting firms demonstrate an average of 6% constituting female partners. Senior executive positions are held by fewer than 15% of female professionals. In academia, fewer than 20% of women are teaching professors (Brush, Greene, Balachandra, 2014; Catalyst, 2018; Hamrick, 2013). Contrary evidence suggests that such gender disparity is not present in all job categories equally, especially at the beginning of a career. E.g. Williams & Ceci (2015) ran five hiring experiments where female applicants were preferred 2:1 over identically qualified male applicants.

Such results come as a surprise given that the majority of the general public, 89%, is comfortable with female leaders and believes them to be at least as competent as their male counterparts (Seliger, 2009). In addition, gender diversity has been proven to be relevant for achieving above-average firm performance under a magnitude of settings in empirical studies (Erhardt, Werbel, & Shrader, 2003; Perryman, Fernando, & Tripathy, 2016; Smith, Smith, & Verner, 2006). For example, a higher female board representation also leads to a greater return on invested capital. Catalyst (2018) reported evidence that firms within the top quartile of female board representation, 19-44% female, achieved a 26% higher return on capital than firms with no female board representation.

Academia and practitioners have therefore placed considerable attention on investigating the reasons for which gender inequality prevails. These efforts can be grouped into intrapersonal and interpersonal effects.

*Intrapersonal effects* constitute the behaviors, decisions, and perceptions by individuals themselves leading to a specific and potentially gendered outcome. Recent research provides evidence that male professionals are more likely to advance their careers due to their individual actions. These include the initiation of competitive negotiations (Bowles, Babcock, & Lai, 2007), the selection of highly competitive work environments (Buser, Niederle & Oosterbeek, 2014; Keloharju, Knüpfer & Tag, 2016), as well as aggressive and dominant behavior (Archer, 2009; Dovidio, Ellyson, Keating, Heltman, & Brown, 1988; Eagly & Steffen, 1986; LaFrance, Hecht, & Paluck, 2003; Swim, 1994).

*Interpersonal effects* constitute a definition used by psychologists to describe the institutional barriers females face in a professional setting. Such interpersonal effects are principally the interaction of an individual with their surrounding environment. The perception and treatment of female and male professionals diverges according to research findings within the field of interpersonal effects. Heilman (2012), Heilman and Eagly (2008), and

Moss-Racusin et al. (2012) present evidence on how female professionals encounter a greater number of challenges, and additional skepticism concerning their ideas and visions. Gender-based discrimination and biases constitute yet another challenge for female professionals to navigate their corporate career (Bassoli, 2013; Reuben, Sapienza, & Zingales, 2014). In addition, female professionals are perceived as lacking overall leadership qualities and competence (Brescoll & Uhlmann, 2008; Butler & Geis, 1990; Eagly & Makhijani, 1992; Eagly & Karau, 2002a; Heilman, Block, Martell & Simon, 1989).

A wide array of research has been conducted to study intrapersonal and interpersonal reasons for gender inequality in isolation. The research in this dissertation takes a unique approach by focusing on two important and often overlooked topics: career ambition and bias. Accordingly, the research setting covers both intrapersonal and interpersonal effects of gender inequality simultaneously and investigates the relationship between relevant variables within both categories.

Career ambition has received limited attention within the research field of gender equality representing a critical supply-side factor. The central question revolves around understanding the preferences of male and female professionals in achieving high-level positions within an organization. Career ambition is closely linked with personal preferences, goals, and motivation, which drive the behavior of an individual and prove to be an influential element in reaching a set career ambition (Greene & DeBacker, 2004; Karoly, 1999). Individuals will choose the appropriate level of career ambition to achieve what they personally deem to be a happy life. The idealized vision for one's future impacts their career ambition level and is influenced by norms, expectations, and sociocultural factors such as preference for family, personal well-being, monetary success, power, and status (Karoly, 1999). The central question under investigation in this research is whether male and female professionals view career progression

differently, ultimately impacting their choice to advance their professional career and climb the corporate ladder.

The study of bias originated from research focusing on both deliberate and conscious biases toward females, specifically female professionals within workplace situations – a context-specific bias also labelled as implicit or second-generation gender bias. Bias in general describes the concept of individuals having specific preferences for both people and objects at a subconscious level, influencing decision-making as well as behavior. While most individuals believe themselves to be ethical and unbiased, the opposite appears to be true in real-life situations (Madsen & Andrade, 2018). Sigmund Freud advanced modern psychology by exploring the concept of bias. Stereotypes within the interpersonal setting of female professionals at the workplace can create a powerful and non-visible barrier to career advancement and thus prove to be a critical avenue of research within the gender equality debate. The central questions regarding bias and gendered bias concern whether bias is perceived differently among male and female professionals and to what extent, if at all, bias impacts the ambition levels of individuals differently.

To sum up the findings, it can be argued that gender disparity is omnipresent on a global scale and a positive correlation between a higher female representation in board rooms and above average returns or superior firm performance was established. Practitioners and academia have invested considerable resources to detangle this paradox by investigating both intra- and interpersonal effects, while the personal preferences of individuals for career progression and the impact of bias have been largely ignored within this specific context.

The following questions pose research gaps and motivate this study: How does career ambition differ among male and female professionals? Are male and female professionals equally confronted with bias situations? Do bias

situations impact the ambition level for career progression and how does this differ among male and female professionals?

Academia to date has not sufficiently addressed the above questions in separation, yet the highly interrelated topic dependencies have been disregarded all together. This dissertation will address the research gap surrounding the impact of bias on career ambition. In addition to this novel research question, a new strategy consulting sample is used for assessing the outlined questions.

Strategy consulting is also referred to as boardroom consulting or strategic consultancy and falls into the segments of the professional services industry. The preliminary focus of strategy consulting firms is the development of corporate strategy within the private sector and public policy within the public domain.

Strategy consulting firms attract the brightest talent from top ranked institutions and provide expert consultation to the most pressing agendas of corporate and public institutions alike – including the gender disparity challenge both institution types face. In order to set strategic direction and provide the appropriate thought leadership within this area, strategy consulting firms are forced to ensure that gender equality is at the forefront of innovation within their organization (Cerruti, Borra, Appolloni, Benedetto, & Elisabetta, 2018).

Performing this research study with access to employee information from a leading and globally operating strategy consulting firm, allows the investigation to take place within an intellectually rich and competitive environment. In addition, a strategy consulting sample allows for an operationally clean research study as career ranks and consulting job types are identical and highly homogeneous across countries and firms within the industry.

This unique and homogeneous strategy consulting sample has been made available to address the following overall research question.

**Research Question:**

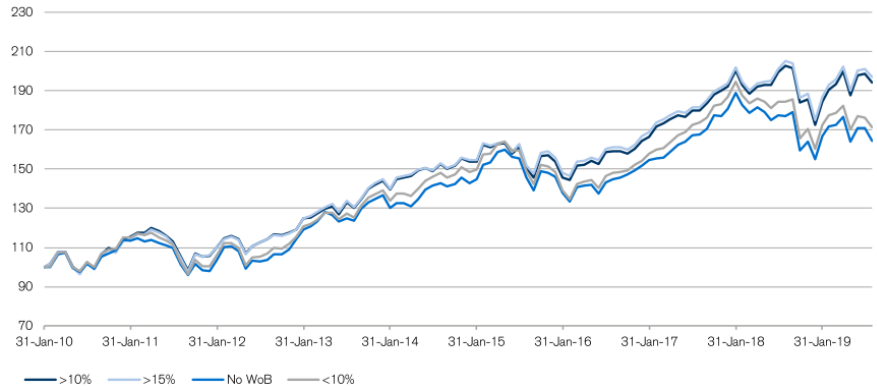
What is the role of bias experienced by men vs. women in their ambition for career progression?

## 1.2 Research Significance

Most CEOs have made gender diversity a top priority within their organization. Diversity and inclusion offices and positions have been created; countless initiatives within the recruitment space for female leaders, including mentoring and training programs, were called into life; and aspirational objectives concerning female representation on board and top management seats were set (Ibarra, Ely & Kolb, 2013). These costly and time-consuming efforts became a priority for organizations as soon as it became publicly evident that greater female representation within board or higher management positions led to greater firm performance (Erhardt et al., 2003).

Evidence depicts a correlation between share price performance and the share of female board members over the time period of 2010 to 2019 as depicted in figure 1.2.1 (Boussie et al., 2019). The share-price line labeled with 'No WoB' for 'No Women on Board' is consistently lower than those with women on the executive board. The most significant difference can be observed at the 10% women on board breaking point.

**Figure 1.2.1: Share-price performance for differing percentage of female board representation**




*Source: Thomson Reuters, 2019*

CEOs and institutional leaders are unsatisfied with the progress being made within their organizations. Despite good intentions on building a robust pipeline of future female leaders, changes at the top remain rare and difficult (Ibarra, Ely & Kolb, 2013).

It appears that executive leaders have admirable intentions when addressing the gender disparity challenge, however, appropriate solutions and initiatives do not seem to address the symptoms, calling into question whether the right symptoms have been identified. The often-cited answer is the glass ceiling effect, which has been studied by various scholars in describing the underlying issues female professionals face in advancing their career up the corporate ladder (Hoobler, Masterson, Nkomo & Michel, 2018). The glass ceiling metaphor was defined as an invisible barrier, keeping minorities and - in this context - female professionals from rising beyond a specific level in the institutional hierarchy.

Eagly & Carli (2007) present findings establishing that the glass ceiling would be the wrong symptom to address to resolve the lack of gender

diversity in executive positions. The glass ceiling represents an absolute barrier, which male and female professionals are equally confronted with and falsely assumes a transparent outlook to the top position. With women already holding top executive positions, the glass ceiling is no longer an absolute barrier. Access to top positions is not equal nor is the path to the top transparent in the majority of organizations (Eagly & Carli, 2007).

As the often-quoted glass ceiling is a single and non-varying obstacle, it does not convey the high degree of complexity and multi-layered challenges female professionals are confronted with on their paths to the top. These are the contributing reasons for the disappearance of many great female leaders during progression up the corporate ladder.

Ibarra et al. (2013) compared the challenges female professionals are confronted with to a labyrinth as there are many non-visible elements hiding throughout the journey to the top. It starts with an obstacle all leaders must confront: acquiring new skills and adapting one's leadership style to meet the requirements of the new role – all involving an important identity shift. Not much attention is paid to this process within corporations and female professionals face an increased and often unsolvable challenge when making this identify shift. In addition, there is a central mismatch between the qualities expected from a leader and those expected from a woman. Establishing credibility and authority is therefore challenging within a corporate culture where it is unclear how to exercise authority as a woman, adding an additional hurdle to the leadership development process for female professionals.

With a limited number of female professionals aspiring to leadership roles, there are few reference points or role models for more junior executives. This in turn provides little opportunity to experiment with one's leadership style and cultivate a presentation of personality, norms, values, and standards that fit a leadership style and do not conflict with the overall picture and expectations of a woman. Having fewer female professionals in top executive

positions translates into a lack of role models and a culture where a differing and unique female leadership style is not widely accepted.

Gino & Brooks (2015) believe that the underlying cause for this underrepresentation of female leaders is deeply rooted within organizations and call for the investigation of gender bias. Their study demonstrates how male professionals are positioned advantageously through cultural assumptions deeply rooted within structures, practices, and patterns of organizations leading to gendered patterns of interaction.

The social psychologist Crosby (1984) made a surprising discovery within the domain of gender discrimination research early on: The majority of women who are subjected to gender bias are either unaware or deny it altogether. The reasons cited for this phenomenon are the hard work female professionals have put into developing their career and the desire to be measured by objective results rather than informal and invisible attributes. Unconscious gendered bias therefore represents a highly challenging and complex research field that requires attention.

While the gender diversity challenge is real, and despite CEOs being frustrated by the results of efforts and investments made, the overall trend within the context of large corporations (e.g. S&P500) depicts a positive outlook.

**Table 1.2.2: Boardroom diversity by region – percentage of female directors**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| North America | 17.3% | 18.8% | 20.1% | 22.6% | 24.7% |
| Europe | 22.5% | 25.2% | 27.0% | 28.8% | 29.7% |
| APxJ | 11.6% | 12.6% | 13.6% | 14.3% | 14.4% |
| Japan | 3.4% | 4.3% | 5.0% | 6.0% | 5.7% |
| Latam | 5.9% | 7.1% | 7.1% | 8.3% | 7.8% |
| **Global** | **15.3%** | **16.9%** | **18.2%** | **19.9%** | **20.6%** |

*Source: Credit Suisse Research, CS Gender 3000, 2019*

Within the last five years, the percentage of female directors in boardrooms has globally risen from 15.3% to 20.6%. Europe has reached nearly 30% representation, followed by North America at 24.7%. In addition, most regions have a demonstrated track record of further increasing board gender diversity for every consecutive year. Japan and Latin America are the only regions depicting a single digit female board representation with no clear trend for improvement (Boussie et al., 2019).

Continuing the debate, identifying the origin, and developing solutions are required to ensure that further progress is made within the area of gender diversity, currently estimated to take at least another 170 years until set equal (World Economic Forum, 2019).

In summary, an indication of the significance of this research can be observed by diversity and inclusion being listed as central tropics on the corporate agendas of most stock-listed companies. Paradoxically, share-price performance depicts a positive correlation to increased gender diversity within organizations. Appropriate methods to address the labyrinth female professionals are faced with are yet to be uncovered. The lack of female role models is making the cultural shift and identity development for female leaders challenging. Bias and gender bias represent fundamental and underlying reasons for gender disparity in organizations (Heilman & Eagly, 2008), and many female professionals are unaware they experience bias situations (Crosby, 1984).

To advance the academic debate of bias and gender discrimination, this research will explore the impact of bias on ambition for career progression with a specific focus on how this impact differs between male and female professionals. This dissertation uses data from a sample of management consultants to provide new evidence and contribute to the limited and inconclusive findings within the specific domain of gender bias and career ambition research, adding to the debate of Ely et al. (2014) and Gino & Brooks (2015). In addition to establishing quantitative evidence, qualitative

interview data are used to further interpret quantitative results and derive implications for practice.

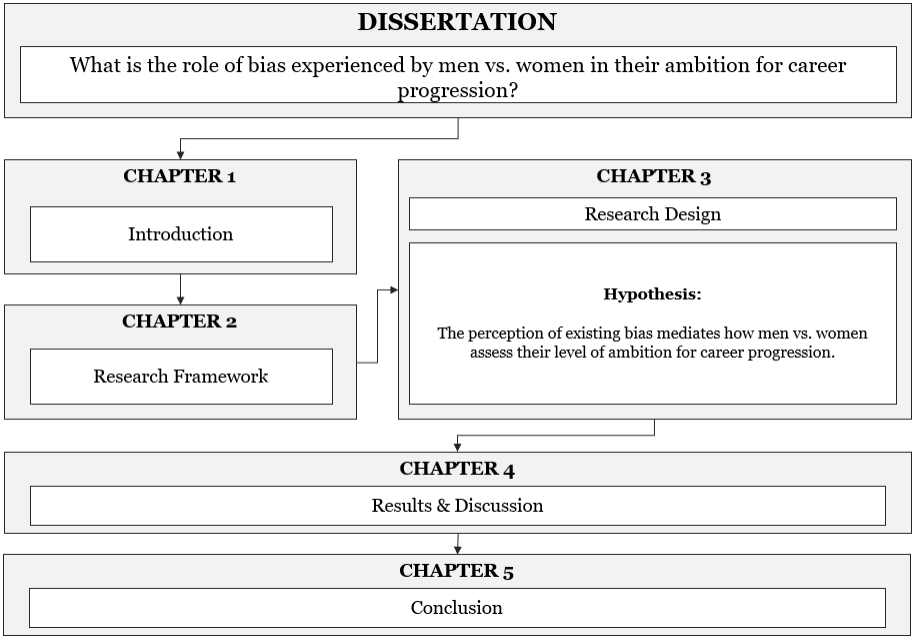
## 1.3 Outline

To provide evidence-based answers, Chapter Two develops a research framework to examine the relationship between career ambition, gender, and bias. Section 2.1 discusses the history and origins of gender disparity going back in time 8000 years while setting the scope of this study and providing evidence of the current status quo of gender disparity and discrimination. Section 2.2 investigates the moral and business imperative providing arguments for enhanced gender diversity across organizations and institutions. Section 2.3 discusses managerial implications for positive change, the challenges encountered and the areas of concern within organizations. A literature review is provided on the derived research area of bias and career ambition in sections 2.4 and 2.5 respectively. Section 2.6 summarizes the findings and derives implications for the research design.

To examine this research gap, Chapter Three develops a research design as the basis for empirical research focusing on a homogeneous occupational group from the strategy consulting industry that excludes interfering factors such as differences in higher education, type of job, and overall mind-set; all of which can be considered moderating variables. Based on this design, relevant socio-economic and demographic variables can be excluded to examine the bias career ambition relationship and the mediating effect of gender throughout the career trajectory. After describing the aim, research question, and hypotheses within sections 3.1 and 3.2 respectively, the population, sample, method, and data collection approach are stated in sections 3.3 to 3.5. Methods of data analysis, employed assumptions, and ethical assurances are discussed in sections 3.6 to 3.8 after which a research design summary is provided.

Chapter Four presents the results of this research study including a discussion of its implications, relevance for academia and practitioners, as well as identifying research limitations. Chapter Five concludes this dissertation.

**Figure 1.3.1: Dissertation diagram**




*Source: Author illustration*

# 2 Research Framework

The United Nations has set-up a number of initiatives and research projects to recognize that "women hold half of the world's potential" and push the agenda of gender equality and sustainable progress forward in an equal world ("Planet 50:50 by 2030," 2016). Working towards an equal world within the dimension of gender requires a thorough understanding of underlying phenomena that led to the status quo, as well as practical implications with specific paths forward.

This second chapter 'Research Framework' investigates the history and status quo of gender divergence, sets a specific research scope and focus for the research question at hand, takes a closer look at the impact of gender diversity on firm performance, and investigates managerial implications and actions taken until today. This is the starting point for going into detail on specific and highly relevant variables to the focal debate, the parting point for the development of the research question, and the hypotheses for this research project.

## 2.1 Gender Divergence

### 2.1.1 Historic lens on gender divergence

The latest understanding of the origin of gender inequality is that it could have arisen as early as 8000 years ago (Cintas-Peña & García Sanjuán, 2019). The investigation of Neolithic graves and caves reveal male dominance. Cintas-Peña and García Sanjuán uncover in their recent 2019 study, that men were depicted more frequently in cave drawings than women, men were in the majority of cases depicted in association with violence, and the objects male and females were buried with differed. In addition, the graves found overrepresented the natural population of men

over women or children. It is consequently assumed that men were treated as superior to women or children. Cintas-Peña & García Sanjuán (2019) are confident that the findings indicate the elevated status of men is triggered by human culture rather than biological differences going back to the Neolithic, or even Copper Age.

Another example of historic gender inequality can be dated to 400 BC, when women were generally forbidden to practice any form of medicine and non-compliance would result in the death penalty (King, 1986). While this example feels far removed from present day, it depicts the origin and development of a clear discrimination between genders on a magnitude of varying dimensions in everyday life. Audiotapes of President Nixon present evidence of the very same discrimination far more recently. On the tapes, Nixon explained why he would not appoint a woman to the US Supreme Court: "I don't think a woman should be in any government job whatsoever, mainly because they are erratic and emotional" (Hymowitz & Schellhardt, 1986). This statement reveals that even in the latter half of the 20th century, barriers towards women were persisting and expressed by a presidential figure in the western world.

In 1972 both chambers of Congress passed the Equal Rights Amendment following its initial introduction in 1923, however as of 2020 it remains to be adopted into the constitution due to delays in securing the necessary state support and resulting lapsed 1982 deadline. The amendment reads: "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex" (Law, 2019). In Switzerland, laws to allow women to participate in political decisions and vote for elections were introduced in February 1971 (Schweizerische Eidgenossenschaft, 2019). Austria, Germany, and the United States had already passed similar laws in the 1920's, Great Britain in the 1930's, and France and Italy in the 1950's (Schweizerische Eidgenossenschaft, 2019). China integrated an equal rights law into the constitution in 1954 to ensure that women and men were granted the same rights. The Communist party

used the following slogan to further promote gender equality and demonstrate the importance of females to the economic success of China: “Women hold up half the sky" (Wielink, 2019).

Laws and policies are an important step towards gender equality, they constitute one of many dimensions to consider for progress. Gender inequality can be caused through inadequate laws and policies, gender-based stereotypes, as well as social norms and practices. Therefore, passing the equal rights amendment does not directly translate into the elimination of stereotypes and deeply rooted norms and practices embedded in culture and society over multiple decades.

Accordingly, attaining influential leadership positions was a significant battle for many female professionals. With new laws in place and public discrimination diminishing, the metaphor of the ‘glass ceiling’ was born a decade later by Hymowitz & Schellhardt (1986). Visible barriers started to become blurry and jobs or specific leadership positions were no longer explicitly denied. The glass ceiling metaphor illustrates the frustration for those few women who managed to rise through the ranks of the corporate ladder to the very top with the executive suite in sight of attainability, yet breaking through that last glass ceiling was impossible.

Today, gender discrimination is still omnipresent in multiple parts of the world on varying dimensions. For example, globally, 700 million women today got married before age 18 and 250 million women got married before age 15. The female work force also earns 10-30% less on average within the 84 countries under investigation. One out of three women worldwide has faced physical or sexual violence by their intimate partner. 133 million women have experienced genital mutilation within the African and Middle Eastern hemisphere, where such practices are most common until today (“Planet 50:50 by 2030,” 2016).

While 143 out of 195 countries guarantee equality between men and women legally, there are still 52 countries where gender equality is not covered by legislation. In addition, women within the context of those 143 countries where gender discrimination is deemed illegal still experience gender-based stereotypes, as well as gender discriminating norms and practices by cultures overruling such legislation at a conscious or unconscious level.

With significant progress made, the debate for gender equality is still present and highly relevant until today, the year 2020, where female professionals are underrepresented in the majority of high-level positions in organizations (Burke & Major, 2014).

### 2.1.2 Setting the diversity scope to gender

Discrimination within the workplace and everyday life is not limited to gender. Assessing recent research on discrimination within this area reveals that in addition to gender, discrimination by race and ethnicity is the second most investigated area of research (Abdel-Monem, Bingham, Marincic, & Tomkins, 2010; Cobb, Perry, & Dougherty, 2015; Jolna, 2003; Quinn, Gwede, & Meade, 2018; Roscigno, Garcia, & Bobbitt-Zeher, 2007; Vue, 2018). E.g. Green Park (2018) publishes a yearly diversity report, which specifically emphasizes the diversity dimensions of race and ethnicity.

Among the entire FTSE 100 population, there is a total of ten BAME (black, Asian, and minority ethnic) leaders (Green Park, 2018). 47 of the FTSE 100 firms employ an all-white staff population at board and executive director level. With an average representation of 3.3%, the diversity ratio for BAME leaders defined as senior executives, board members, and executive directors, has not improved within the last six years (Green Park, 2018).

While gender, race, and ethnic diversity are leading the debate on equality, there are several additional dimensions causing individuals to suffer discrimination in their daily routine. Sexual orientation (Roscigno et al., 2007), religion (Cobb et al., 2015), culture (Hoobler et al., 2018), age

(Timmerman, 2000), and background (Buyl, Boone, Hendriks, & Matthyssens, 2011) represent dimensions that are impacted by policy, cultural norms, stereotypes and biases depending on region, country, and state.

This research project is specifically focused on gender discrimination and gender inequality, and intentionally ignores all of the above stated diversity dimensions of sexual orientation, religion, culture, age, or background. These dimensions are noted to require equal or even more work and academic research contributions to ensure the progression towards a fair and sustainable future. To focus this study, all dimensions except gender are placed out of scope for this project.

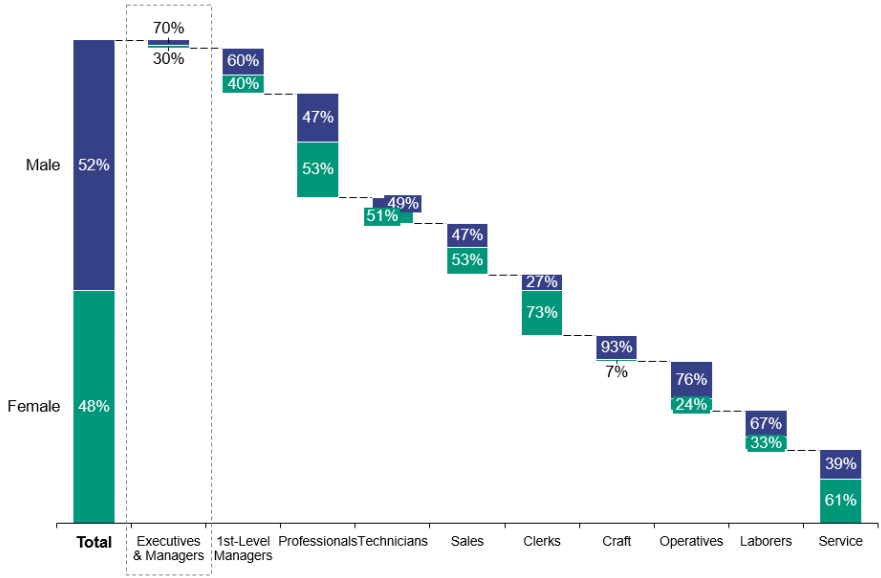
### 2.1.3 Gender inequality status investigation

One is frequently confronted with paradoxical headlines such as the following from The New York Times: "Fewer large companies are run by women than by men named John [...]" (Wolfers, 2015). John is the second most popular name in the US and represents the male US population with 3.3% while women make up more than 50% of the overall US population (Social Security Administration, 2019). This data is based on the glass ceiling index by The New York Times where American women and men are counted within leadership roles in politics, business, academic, law, tech, film, and media (Wolfers, 2015). Such statistics are handpicked by selected newspaper authors and do not represent the full picture of data available publicly. This section seeks to provide the audience with general and illustrative statistics of the status quo of gender representation.

The US Equal Employment Opportunity Commission collects relevant labor data on a magnitude of dimensions where discrimination is defined as likely. This includes gender and information on the type of job in focus. Overall, as depicted in figure 2.1.3.1, there is a fairly equal representation of both genders in the workforce of the United States. Male professionals are overrepresented in a number of job categories including laborers, operatives,

craftsmanship, first-line managers, and executives and directors. The representation of gender is somewhat equally represented for professionals, technicians, and those in sales. Female professionals are overrepresented within the categories of service and clerical work ("Workforce Gender Distribution," 2019).

**Figure 2.1.3.1: US workforce gender representation by job type**




*Source: EEOC, 2019*

The majority of recent research has focused its efforts on understanding gender disparity within leadership roles, often within publicly listed corporations. The scope of this dissertation is similar, but focuses on a sub-set of the first bucket depicted in figure 2.1.3.1, 'Executives & Managers', which represents 1.6% of the overall workforce.

The often-cited statistics from Fortune 500 CEO positions fall within this category as well. Among the 500 CEOs, 25 women appointees represent 5%. Female partners at venture capital and strategy consulting firms represent 6% of the overall population. Senior executives in general demonstrate a share of 15% of that specific population, and academia scores highest with 20% female representation – all well below the actual gender distribution of the entire work population (Brush, Greene, and Balachandra, 2014; Catalyst, 2018; Hamrick, 2013).

It can be concluded that gender disparity differs significantly across job types. In addition, gender disparity is different at the beginning of one's career in comparison to a more advanced state when comparing the same job category (Williams & Ceci, 2015). This non-linear relationship can also explain contradictory research findings, e.g. female applicants being preferred 2:1 over identically qualified male applicants.

Recent statistics reveal that male professionals in corporate America are promoted at a rate of 30% higher than their female counterparts when it comes to early career stages (Barton, 2016). In addition, the Joint Economic Committee Democratic Staff (2016) reveal in their Gender Pay Inequality report that female professionals on average earn 79 cents per 1 US dollar earned by male professionals, a gap that further widens to 39 cents per 1 US dollar when considering the top 2% of the workforce. A study by Marcus Noland, Moran, & Kotschwar (2016) reveals that among 21,980 companies from 91 countries, more than 50% of the selected companies did not have any female professionals employed within their executive ranks. These results are in contrast to education results, where 57% of all bachelor degrees were obtained by women (Institute of Education Sciences, 2015).

The many institutions monitoring gender disparity and advocating change towards a more balanced gender profile among positions of power all monitor ranks within the sectors of corporations, politics, and academia to a distinct degree. While some organizations make use of data resulting from

available indices, e.g. S&P1500, S&P500, or Fortune 100, other institutions use self-constructed company indices or study single samples, e.g. a unique firm, non-profit, or political institution; making results challenging to compare (Bloomberg, 2014; United Nations, 2016; Equal Employment Opportunity Commission, 2019).

Easy to track over time are stock-listed companies within a set index. In addition to evaluating the representation of female CEOs, female representation on board positions is claimed to have a large effect on the likelihood of a female CEO being appointed, which in turn will have a role-model effect on upper management that is passed on across ranks. For this reason, monitoring the representation of women in board seats has matured towards one of the most commonly used metrics within this domain of research.

The EY Center for Board Matters (2015) monitors the board seats held by women in comparison to men on multiple such indices including the S&P 1500, S&P 500, and the Fortune 100. An increase in board seats held by women can be observed over time in all monitored indices. The smaller the index, the more likely that the representation of women is higher on average.

Globally, female representation on boards of listed companies has increased within the last five years by approximately 5 p.p. from 15.3% in 2015 to 20.6% in 2019. Table 2.1.3.3 depicts the development of the gender distribution on board positions across 3,000 companies across 56 nations (Boussie et al., 2019). France, Norway, Belgium, Sweden, and Italy – countries where quotas or targets were set by policy – show the largest representation of female board members. The most progress was made in Austria, Germany, France, Malaysia, and Australia with a growth rate between 9% and 13%.

**Table 2.1.3.3: Percentage of women on boards by country domicile**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| France | 34% | 40% | 43% | 43% | 44% |
| Norway | 40% | 41% | 40% | 39% | 41% |
| Belgium | 27% | 28% | 31% | 32% | 36% |
| Sweden | 32% | 37% | 36% | 35% | 35% |
| Italy | 27% | 30% | 33% | 36% | 33% |
| Finland | 30% | 32% | 34% | 35% | 33% |
| Germany | 23% | 27% | 28% | 29% | 32% |
| Canada | 22% | 24% | 26% | 28% | 31% |
| United Kingdom | 22% | 23% | 25% | 27% | 30% |
| Vietnam | 34% | 38% | 31% | 30% | 30% |
| Australia/NZ | 20% | 22% | 26% | 28% | 30% |
| Austria | 19% | 19% | 23% | 28% | 29% |
| Malaysia | 16% | 18% | 20% | 24% | 29% |
| Denmark | 30% | 31% | 30% | 30% | 28% |
| Netherlands | 19% | 23% | 24% | 26% | 26% |
| South Africa | 21% | 22% | 24% | 24% | 25% |
| United States | 17% | 18% | 20% | 22% | 24% |
| Spain | 17% | 19% | 22% | 24% | 24% |
| Switzerland | 15% | 19% | 20% | 22% | 24% |
| Singapore | 11% | 13% | 14% | 17% | 18% |
| Bermuda | 8% | 10% | 11% | 16% | 17% |
| Luxembourg | 13% | 15% | 15% | 16% | 17% |
| India | 11% | 13% | 14% | 14% | 15% |
| Philippines | 11% | 12% | 13% | 13% | 14% |
| Indonesia | 12% | 11% | 11% | 9% | 11% |
| China | 10% | 10% | 11% | 11% | 11% |
| Thailand | 13% | 14% | 14% | 13% | 11% |
| Monaco | 8% | 7% | 7% | 10% | 10% |
| Turkey | 6% | 9% | 9% | 11% | 10% |
| Brazil | 6% | 7% | 7% | 9% | 9% |
| Greece | 8% | 11% | 13% | 9% | 9% |
| Taiwan | 9% | 10% | 11% | 11% | 8% |
| Chile | 7% | 9% | 10% | 8% | 8% |
| Mexico | 6% | 7% | 7% | 7% | 7% |
| Argentina | 6% | 4% | 5% | 11% | 7% |
| Russia | 7% | 6% | 8% | 9% | 6% |
| Japan | 3% | 4% | 5% | 6% | 6% |
| Pakistan | 2% | 2% | 6% | 6% | 6% |
| South Korea | 4% | 4% | 3% | 3% | 3% |
| **Global** | **15%** | **17%** | **18%** | **20%** | **21%** |

*Source: Credit Suisse Research, CS Gender 3000, 2019*

Corporations are pressured by newly introduced legislation and public appearance to advance within this space and allocate more board seats to female representatives. With many companies moving into this direction and making progress within their board diversity ratios, improving the

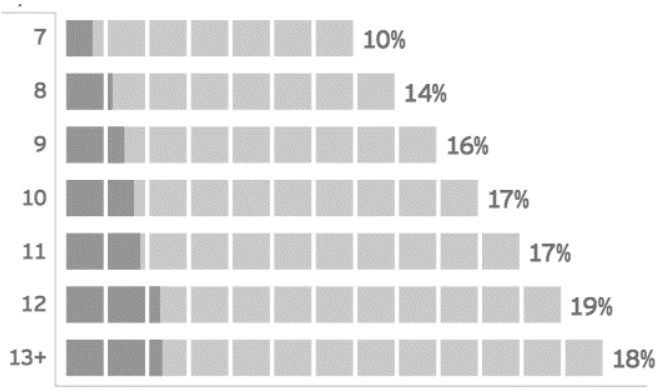
overall ratios within the quoted indices, critics are concerned that firms simply add seats to their boards to make room for additional female board members, who do not hold the same level of expertise as their male counterparts.

Statistics from the S&P 1500 confirm that the female representation increases with an increasing number of board seats available (refer to Figure 2.1.3.4), and that female board representatives are on average less tenured, young in age, and often serving on more than one board in comparison to their male counterparts. In addition, their span of capacity could potentially be further reduced as female board representatives tend to more often serve as a CEO in addition to their board obligations in comparison to their male counterparts.

While critics seem to be accurate from a purely statistical viewpoint, it yet has to be proven that this translates into reduced firm performance. On the contrary, the general public believes with more than 89% that female leaders are at least as competent as their male counterparts (Seliger, 2009). Gender diversity and the impact on firm performance will be dealt with in further detail in Chapter 2.2.

In summary, gender discrimination goes back as far as 8,000 years and is present in multiple parts of the world on a magnitude of dimensions. The overall workforce is similar in size among women and men, however, the representation of each differs by job type. Men significantly outweigh the representation of women within executive ranks and positions of power. Progress is being made within this domain and the representation of female professionals has improved, while equality has not been attained yet and is forecasted to be at a global level of equality by 2190 (World Economic Forum, 2019).

**Figure 2.1.3.4: Percentage of female directors by board size**




*Source: EY Center for Board Matters, 2015*

## 2.2 Gender Diversity Legitimation

There are a number of voices asking why gender equality is important and why the topic is investigated by academia and multiple governmental institutions to this extent. There are two types of answers to this question. The first response, which is further investigated in section 2.2.1, makes use of fairness and general morality to advocate for the equal treatment as well as enabling equal opportunity to individuals of both genders; an argument mainly used by governments and non-profit organizations. The second response, which is further investigated in section 2.2.2, advocates gender diversity on the ground of improved firm performance as a result. Academic institutions have investigated this phenomenon to a large extent making use of empirical studies and experiments on a global scale.

### 2.2.1 The social justice argument

According to Oxfam (2019), gender justice is more than a fundamental right. Gender justice is a necessity to create fair societies and herein lies the foundation for being able to fight poverty. Women are confronted with

discrimination to a significantly larger extent than men and, to differing degrees in every country around the globe, with: Abuse, violence, and unequal treatment within the community, work, or at home; hindering equal opportunities for leading, working, earning, and learning. Gender equality is therefore a question of social justice with the potential to enable sustainable development, economic growth, peace, and security (Lattouf, 2019). Working towards gender equality is vital in pushing the human rights agenda globally and an important component closely related to the sustainable development of humankind.

Gender equity, the equal and fair treatment of women and men, is a method to achieve social gender justice and gender equality. The International Labour Office (2000) refers to gender equity as: "[…] fairness of treatment for women and men, according to their respective needs. This may include equal treatment or treatment that is different but which is considered equivalent in terms of rights, benefits, obligations and opportunities." (International Labour Office, 2000, p.48).

This is different from gender equality, the concept of all human beings being equal, both women and men. It includes the basic concept that both women and men are free to develop to their individual liking and to making unlimited choices without the interference of gendered roles, prejudices, or other stereotypical views. Women and men do not need to become the same, rather gender equality refers to considering the differing needs, aspirations, and behaviors of women and men in the same way. Opportunities, rights, and obligations are not dependent on whether one was born as woman or man (Mencarini, 2014).

In short, gender equity is the fair and equal treatment of both genders, which enables both women and men to have access to the same opportunities, rights, and responsibilities – defined as gender equality.

The World Economic Forum (2019) predicts it could take 158 years to achieve true gender equality in North America and 170 years globally, translating to a minimum of another five generations. UNESCO proposed a concept called 'gender mainstreaming' to accelerate this path to gender equality. "Mainstreaming a gender perspective is the process of assessing the implications for women and men of any planned action including legislation, policies, and programs, in any area and at all levels" (Economic and Social Council, 1997). The objective is to ensure that all gender perspectives are thoroughly considered in a systematic manner before any program, policy, or law is passed. This entails an evaluation on all levels of governmental bodies before any decision is taken to ensure the matter is not treated with marginal attention (Pavlic, Ruprecht, & Sam-Vargas, 2000).

With a gender inequality history of at least 8000 years, and vastly differing backgrounds in history from one society to another, it is a challenging endeavor to advocate on a global level. Cultural and socio-political constructs have developed over many decades and may appear at first to be static and non-reversible. Despite this, roles assigned to gender have changed from the past to where we are today and will undergo further change. It is important to realize that while sex is in many cases a given, gender roles are a simple outcome of political decisions in a given society, as well as the socio-political and cultural progress within that society (World Economic Forum, 2019).

Unjust gender distribution within the top executive ranks at corporations led multiple governments to put forward quotas for female representation on board seats for publicly listed companies. Norway was the pioneer and mandates a minimum of 40% representation of both male and female members since passing a law in 2003, attaining the resulting 42% female board representation today. Germany passed a similar law in 2016, which requires a minimum female board representation of 30%. Sixteen European countries have passed comparable laws and the pressure for voluntary commitment to similar standards has risen among those companies not

under such laws. The European Commission now mandates publicly listed companies voluntarily increase board representation to 40% by 2020 in all member states (European Commission, 2019; Zillman, 2017).

It is apparent that the highest political institutions acting on and above national government level all advocate the gender equality agenda irrespective of firm performance or economic gain, but for the sole reason of social and human justice (Economic and Social Council, 1997; European Commission, 2019; International Labour Office, 2000; Oxfam, 2019; Pavlic et al., 2000; World Economic Forum, 2019).

### 2.2.2 The firm performance argument

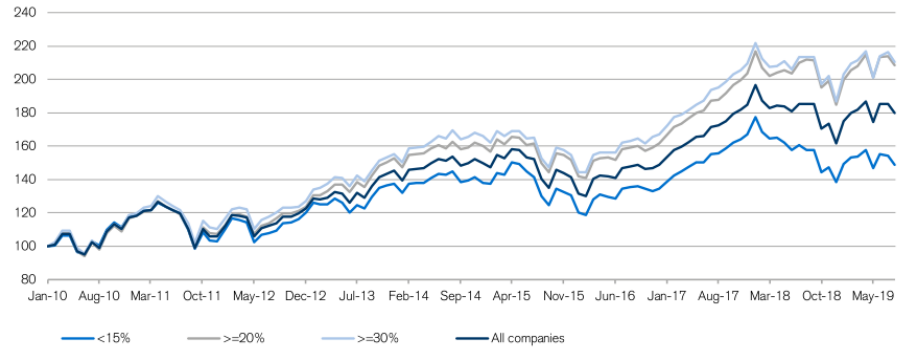
Whereas governments and not-for-profit institutions have been mainly concerned with the social justice argument, the academic community in management, accounting, and related fields has an extensive interest in better understanding whether firm performance would be improved by increased gender diversity. Accordingly, many studies have been conducted and evidence suggests that there are several channels, which lead to improved firm performance when gender diversity is present. Theories include that having more female representation within the corporate ranks will help to broaden perspectives and avoid homogeneous decision making, which occurs when attitudes, beliefs, and values are largely the same across the group. Further results suggest increased creativity and critical thinking, more balanced managerial styles among workforce and management, as well as increased productivity when gender differences are mitigated among staff and managers (Lee & Farh, 2004).

Results from a magnitude of studies report a correlation between gender diversity and firm performance. These studies employ an empirical sample investigating the gender composition of company boards and the firms' financial results measured in market value or financial accounting terms. A positive relationship among increased gender diversity and firm performance was found for large company samples in the US (Erhardt et al.,

2003), Australia (Ahmed & Ali, 2017), Vietnam (Nguyen, Locke, & Reddy, 2015), and in an additional 35 countries covering 24 industries (Zhang, 2019). A positive relationship was also reported among the top 25 banks in 24 OECD countries (Gulamhussen & Santa, 2015), merger and acquisition data (Levi, Li, & Zhang, 2014), and 15 years of S&P 1500 data (Dezső & Gaddis Ross, 2012). In the same vein, figure 2.2.2.1 illustrates how a higher representation of female board members is correlated with a higher share price performance of stock-listed firms as reported by Thomson Reuters (2019). Stock-listed companies with more than 20% of female board members in depict a significantly higher share price in comparison to firms with less than 15% of female board representation – a phenomena observed from 2012 to 2019.

Critics deem many of the reported results as inconclusive. The evidence provided shows a correlation between firm performance and gender diversity, which is unable to suggest causality. Better performing firms could, for example, simply have more means to attract a larger share of the workforce, including more female professionals.

**Figure 2.2.2.1: Share-price performance by percentage of women on board seats**




*Source: Thomson Reuters, 2019*

It remains unclear whether there is a meaningful impact on firm performance infused by gender diversity. A significant body of literature failed to produce similar evidence and concludes that there is no correlation between gender diversity and firm performance. For example, Danish and Dutch boardroom gender diversity was not associated with higher firm performance (Marinova, Plantenga, & Remery, 2016). Similar evidence was collected with a large sample of firms in Indonesia (Darmadi, 2011). The 40% quota, which was introduced in Norway in 2003 and allowed the study of the causality argument over time when female representation went from 9% to 42%. The result was a younger and less experienced board team with a higher percentage of female representatives that had the ultimate effect of decreasing stock prices on the day of announcement and subsequent years (Ahern & Dittmar, 2012). The meta-analysis of Rhode & Packel (2014) investigated available diversity studies and empirical data with specific attention and evaluation of methodology, comparability, and limitations and concludes that overall "[…] the relationship between diversity and financial performance has not been convincingly established." (Rhode & Packel, 2014, p.2).

The correlation vs. causality argument was not just investigated in the example of Norway. Turban, Wu, & Zhang (2019) wanted to ensure that their results were not pure correlation but show causality and tracked performance changes after firms increased the share of female professionals within executive management positions. The results show that performance was an outcome of hiring more female professionals, rather than performance and profitability allowing for hiring from a larger talent pool including a greater share of women.

These inconclusive results have led to a body of research dedicated to uncovering those variables, which can explain such differences. Turban, Wu, & Zhang (2019) recently released evidence showing that gender diversity translates into superior firm performance in those cultures where gender diversity is believed to be important and names this phenomenon a self-

fulfilling cycle. Benefits of gender diversity are accordingly only captured in countries and cultures where it is viewed as important. Firms in other countries or cultural settings thus fail to capture benefits from gender diversity. Factors moderating the relationship between gender diversity and firm performance also include the degree of innovation a given company is focused on (Dezső & Gaddis Ross, 2012), the type and degree of complexity of tasks teams need to solve (Wegge, Roth, Neubach, Schmidt, & Kanfer, 2008), and the firm culture set by top management teams (Dwyer, Richard, & Chadwick, 2003).

While there are a number of moderating variables, which differ across studies, data availability and comparability present another limiting factor. The majority of studies make use of publicly listed firms across different countries, whereas the greater public especially in the US and also Europe work for small and medium-sized enterprises, for which relatively little is known within the gender diversity and firm performance space. Comparing results from studies that set different focus themes, study different company sets, or use indices from different countries and cultural settings thus produces conflicting results (Christiansen, Lin, Pereira, Topalova, & Turk, 2016).

## 2.3 Managerial Implications

### 2.3.1 The paradox

The presented results in section 2.2 are not easy to dismantle for anyone, yet many people with influence, such as those with the title of chairman, board, or chief executive officer, have adapted the view that promoting gender diversity within their organization will be beneficial (Christiansen et al., 2016; Ibarra et al., 2013). Reasons can range from social justice, as described in section 2.2.1, to the benefits of those studies believing to have provided evidence of causality between gender diversity leading to superior firm

performance, as described in section 2.2.2. When governments, non-profit organizations, and empirical results are all advocating for increased gender diversity, it is surprising that there are only 5% of female CEO's represented on the S&P500 (Mohan, 2014).

The majority of stock-listed corporations include diversity goals in their top prioritized objectives and spend considerable time and financial resources to promote gender diversity, yet the numbers speak for themselves and efforts produce only limited results frustrating CEOs (Ibarra et al., 2013). One might ask which challenges need to be overcome in order to create an environment where gender diversity can naturally unfold within an organization and what the corporate areas of concern are that need to be addressed. Challenges and corporate areas of concern are dealt with in the following sections 2.3.2 and 2.3.3, respectively.

### 2.3.2 Overview of challenges

The most common challenges encountered by organizations include but are not limited to the following pitfalls as outlined by Werner, Devillard, & Sancier-Sultan (2010). The lack of concern and awareness for gender diversity forms a serious problem, as does the non-existence of target setting and monitoring of gender diversity metrics. Another concern regards the lack of setting vision, objectives, and implementation roadmaps to achieve gender diversity. In addition, the commitment level from top management including the CEO and board members is often highly restricted, as are resources available and dedication towards the gender diversity agenda. Limited knowledge within the organization and among top management on best practices to establish and maintain gender diversity within the organization is often lacking. Having transparency and an ability to measure gender diversity performance with a set of key indicators is a challenge in most organizations. Depending on geography and country of operation, the lack of social laws and labor regulations mandating gender equality or diversity can be an issue directly affecting the workforce and productivity of the company (Taplett et al., 2018; Werner et al., 2010).

Additional evidence suggests that even when women display the same ambition level and are prepared to compromise their personal time to the same or a greater extent than their male counterparts, it is the company culture that would not allow them to rise through the ranks. Therefore, it is the external environment rather than the internal capabilities that does not let female professionals rise to the top of executive ranks in organizations as men do (Gino & Brooks, 2015). Company culture is an outcome of many variables, of which the leadership style of top management is particularly relevant. Without awareness or commitment within the leadership team to addressing this, women have little chance to progress through the ranks unless they adapt their style to comply with that of the male executives (Zheng et al., 2018). This would however also be incongruent with the compassionate and communal qualities women are typically associated with and therefore may not feel natural (Eagly & Makhijani, 1992). Female professionals demonstrate a different leadership style in comparison to their male counterparts. A frequent challenge that female professionals are confronted with is that their manner does not match the company culture or expected leadership style. When female professionals mirror the leadership style of their male counterparts – assertive, competitive and dominant behavior – it comes across as too dominant, unfeminine, or bossy (Eagly & Makhijani, 1992). This paradox has been proven to be a profound problem for women wishing to climb the career ladder (Eagly & Carli, 2007). This phenomena is also referred to as the "double blind", where women are unforgivingly judged when not leading with the classical feminine communal style, while at the same time a feminine leadership style will receive feedback for lacking assertiveness, clear direction, and general agentic masculine traits (Eagly & Carli, 2007; Eagly & Makhijani, 1992; Eagly & Karau, 2002b; Heilman & Eagly, 2008).

Frequently quoted challenges also include the lack of role models and insufficient support for career development. Female professionals will in many cases not be presented with the tough feedback their male counterparts would receive, ultimately helping them to grow and

consequently denying female professionals that same level of career coaching. Similarly, a working mother will not be presented as frequently with opportunities that involve stressful travel as male counterparts who might paradoxically have children as well (Werner et al., 2010).

Boussie et al. (2019) report that more women on boards lead to an increased number of women in management (see table 2.3.2.1). This supports the notion that more female representation and the presence of role models drive change throughout the organization. A commonly referenced misconception is that there are fewer women in higher ranks due to family responsibilities.

**Table 2.3.2.1: The impact of greater diversity at board level**

| **Women on boards** | **Women in management** | | |
|---|---|---|---|
| > | **2019** | **2016** | **2014** |
| 5% | 18% | 14% | 15% |
| 10% | 19% | 14% | 16% |
| 20% | 21% | 16% | 17% |
| 30% | 22% | 17% | 21% |
| 40% | 25% | 20% | 28% |
| 50% | 28% | 23% | 26% |

*Source: Credit Suisse Research, CS Gender 3000, 2019*

Lack of pay, opportunities, and meaningful work are the top three reasons for leaving a company – reasons which are the same among women and men.

Research also shows that performance evaluations based on non-stop 24/7 availability are problematic and dysfunctional for women and men equally – with the difference that women will be more likely to not comply and take the performance evaluation hit. Flexibility and performance measured on results and outcomes, rather than input, are important and women do list

family as their fifth reason for leaving a firm – firms which are not able to provide this level of flexibility (Arscott, 2016).

Ely, Stone, & Ammerman (2014) ran a large-scale survey with three generations of Harvard MBA alumnae to better understand the gender gap in senior management. Results show that female HBS alumnae did not leave their jobs to care for their children, which until today is a common misconception. In fact, 11% left the workforce temporarily to raise their children on a full-time basis. Considering the deeply rooted belief that women delay their careers to care for children and family priorities, while their husbands move ahead as an explanatory factor for the imbalance in senior positions could consequently not be confirmed. The study also investigated the satisfaction levels among genders on four dimensions: Meaningful work, professional accomplishments, career growth and development opportunities, as well as enabling a healthy work-life balance

Both male and female alumnae strived for the same objectives, but men ended up with more direct reports, more often held profit-and-loss responsibility, and were more likely to be in executive management positions. This consequently led to differing satisfaction levels. While male professionals were quoted to be either extremely or very satisfied with their jobs on all dimensions in 50% to 60% of the cases, women were satisfied only in 40% to 50% of the cases (Ely et al., 2014).

Evidence shows that even when an equal amount of women and men are hired for starting positions, the ratio will not remain equal due to different promotion speeds and more women than men leaving the firm for the quoted reasons and differing satisfaction levels (Arscott, 2016; Ely et al., 2014). New research shows that getting to an equal intake of women and men can be challenging too. Johnson, Hekman, Chan, & Smith (2016) ran an experiment with 144 students to review job applicants and found that a female applicant will statistically not be hired if she is the only female candidate despite the exact same qualifications as the male applicants offer.

In summary, even when management realizes that gender diversity ratios are not equal and gender divergence presents itself especially towards the top executive ranks, it is a challenging topic to address and change has failed at the most prominent and stock-listed firms globally. Gender dysfunctional firm cultures, the differences in perception of feminine and masculine leadership styles, the lack of female role models across the organization, a deeply rooted misconception concerning the reasons for why women leave firms, differing satisfaction levels among women and men, and a bias in hiring are those areas of concern visible today. With a lack of best practices available, it becomes difficult for management to know where and how to start.

The even larger problem is that, in the majority of cases, management does not realize that the present gender diversity ratios are in fact a problem for the organization. The lack of concern, dedication of resources, ownership, and responsibility makes it nearly impossible to work on changing this as a top priority.

### 2.3.3 Organizational areas of concern

To help management understand best practices and which areas of their firm to investigate, Taplett, Kolk, Krentz, & Yousif (2018) developed a framework which helps top management to identify the areas of concern within any given organization concerning gender diversity. The key gender diversity metrics, which can be used to analyze the status quo and future performance are compromised of the following categories: Pay, recruitment, retention, advancement, and representation.

The question management needs to assess are whether pay levels are the same among female and male employees in a given rank. This should include, in addition to base salaries, any discretionary performance bonuses as these are the common areas where biases prevail against women (Joint Economic Committee Democratic Staff, 2016; Mohan, 2014).

In recruitment, investigating the gender ratio along the entire recruitment funnel from applications, invitations, initial interview performance, final round performance, and job offers is important. This data is in most firms not transparently available. Despite research showing that a bias exists favoring male job applicants (Angelovski, Brandts, & Sola, 2016; Best & Solberg, 2007; Bosak & Sczesny, 2011), women do not perceive recruitment as the main challenge, but rather advancing to the top once inside the company (Heilman, 2012; Oyelade, 2016). Burrell (2016) shows that algorithms are better at fair hiring than managers, whose decisions are, in the majority of cases, not objective but consensus-based, calling it an issue of systematic unfairness.

The right retention strategy ensures that no more female professionals are leaving the firm than male professionals, especially within critical ranks. The attrition rate needs to be measured and made transparent in order to understand where issues of gender inequality arise. Firm-culture, gender-bias, and the lack of professional advancement opportunities can lead to more women leaving than men (Ely et al., 2014). A study by Kurtulus & Tomaskovic-Devey (2012) provides evidence with data from 20,000 US firms during 1990 to 2003 that a greater share of women in leadership positions helps to retain more women in subsequent management positions. However, Johnson & Hekman (2016) also show in their research that women specifically advocating for other women in the context of performance evaluations – highly relevant to ensuring a high retention rate – activates stereotypes of incompetence ultimately penalizing women for promoting diversity.

While it is important to retain female professionals along all ranks, without the provision of opportunities for growth, the right pay, and meaningful work, these individuals will leave the firm quickly to join another corporation which can offer that (Arscott, 2016). Providing such opportunities translates to promoting female individuals to leadership positions, which allow for growth, opportunities, adequate pay, and

meaningful work. The percentage of promotions across ranks and gender in relation to the overall cohort gender distribution needs to be understood to uncover any biases present within the corporation (Carmona, Iyer, & Reckers, 2014; Schneid, Isidor, Li, & Kabst, 2015). Kalev (2016) specifically shows in her study that women receive scores, which are below those of their male counterparts despite the exact same performance and quality delivered.

Equal representation is important to ensure role models and a balanced culture are present within all areas of an organization. Too often, female professionals and leaders are concentrated within the administrative, human resources, and marketing functions of a corporation while operations, finance, technology, or the chief executive office positions are occupied by male professionals (Taplett et al., 2018).

Creating transparency within the cited five areas in any organization is the first step towards awareness. Creating a baseline and setting benchmarks for all indicators is the second step most firms fail to implement (Stainback & Tomaskovic-Devey, 2013). Change will ultimately only be possible by working on the deeply embedded gender biases present within the organization and its culture, discussed in the next section 2.4.

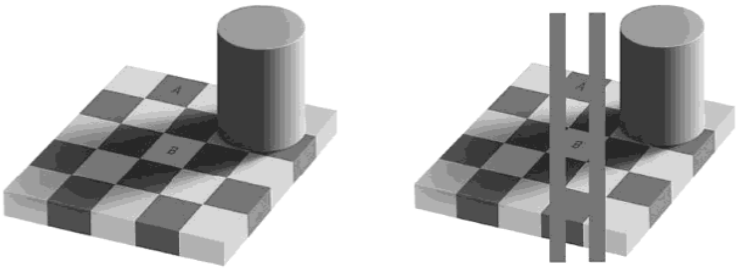
## 2.4 Bias

Gender equality has been referenced as a moral as well as a business imperative. However, biases and the consequences of this phenomenon are making it difficult to change the mind of individuals within organizations, causing biased situations to arise and dramatically impact the gender imbalance across institutions (Madsen & Andrade, 2018).

Bias leads an individual to allocate a disproportionate amount of weight in favor of or equally against an idea or opinion, which is usually perceived as

closed-minded, prejudicial, or unfair. Unconscious bias is defined as automatic, deeply ingrained, unintentional, universal, and powerful to change and influence ones behavior (Reiners, 2019). Behavioral research shows how the human brain quickly makes use of information and makes decisions accordingly, making use of synopses and quickly available information with the least amount of effort invested (Kahneman, 2011). It is therefore naïve to believe that one will purely be guided by explicit beliefs when in fact one is unconsciously controlled by impression formation, judgement, and social perception, affecting and directly influencing the way a person acts (Greenwald & Krieger, 2006).

**Figure 2.4.0.1: Checker shadow illusion**




*Source: Bohnet, 2016*

Similar to situations which involve people or groups and settings of evaluation, the human brain will also identify the illustration (refer to figure 2.4.0.1) as a checker board, which has dark and light squares of equal color. Accordingly, one will believe – based on the quick assessment using the unconscious mind - that square A is darker than square B, when in fact they have the exact same color (Bohnet, 2016).

The study of bias originated from research focusing on both deliberate and conscious biases toward women, specifically female professionals within workplace situations (Madsen & Andrade, 2018). Bias, also labelled as implicit or second-generation gender bias, describes the concept of

individuals having specific preferences for both people and objects at a subconscious level, influencing decision-making and behavior. While most individuals believe they are ethical and unbiased, the opposite appears to be true in real-life situations (Madsen & Andrade, 2018). Sigmund Freud advanced modern psychology by exploring the concept of unconscious bias. Such biases, within the context of female professionals at the workplace, can create a powerful and non-visible barrier to career advancement. Additionally, gender bias has also been proven to have the effect of decreasing one's confidence and self-efficacy, which can have a performance impact and may lead to gendered underperformance (Bandura, 1977, 1997; Gist, 1987; Steele, 1997). It is for these reasons that the theme of bias proves to be an important avenue of research within the gender equality debate.

### 2.4.1 Evidence of bias

Subconscious and gendered biases, specifically within the areas of pay, recruitment and hiring, advancement, job placements, and promotions, are challenging to overcome. Neumark, Bank, & Van Nort (1996) collected bias evidence using a hiring audit, where male applicants were 40% more likely to receive an offer in comparison to equally qualified women. Riach & Rich (2002) collected bias data in ten countries over a period of 30 years and found evidence for gendered bias and discrimination across countries, firms, and time frame in focus. Similarly, Reuben et al. (2014) ran an experiment showing how gender bias led to both women and men hiring a man twice as often than a woman within the area of careers in science. In addition, another study within the field of academic science shows how male applicants were also more likely to receive a higher starting salary and superior job mentoring than female applicants with the same qualifications (Corinne A. Moss-Racusin, Dovidio, Brescoll, Graham, & Handelsman, 2012).

While conscious biases persist, which are based on statistical discrimination or by discrimination based on taste (Becker, 1977), gendered biases are automatically and subconsciously activated when an individual knows the

sex of the person in focus. In these cases, rational decision-making – also referred to as system 2 decision making (Farrell, Goh, & White, 2014; Kahneman, 2013) – is overshadowed by subconscious and fast system 1 decision making processes, which have the potential to lead to implicit discrimination (Banaji & Greenwald, 1995; Greenwald, McGhee, & Schwartz, 1998; Nosek, Banaji, & Greenwald, 2002).

Evidence outside corporate institutions was collected through a number of experiments within the context of symphony orchestras. Results of a study conducted by Goldin & Rouse (2000) suggest evidence that making use of blind auditions increases the percentage of female musicians in orchestras. Unconscious gender bias is also automatically activated in juries asked to evaluate the performance of musicians. Accordingly, the authors recommended to conducting all symphony auditions as "blind auditions" to ensure fair hiring decisions without the impact of bias. This is when many auditions started using curtains to ensure that the knowledge of sex would not influence the decision, which should be purely based on performance and has ultimately led to an increase of female participation in orchestras from 5% in 1970 to more than 35% today (Bohnet, 2016).

Gaucher, Friesen, & Kay (2011) investigated gendered wording within the area of job advertisements and found that the maintenance of gender inequality in an organization is impacted by gendered wording and the derived implications. As such, feminine- and masculine-themed wording attracts more women and men, respectively creating disproportionate candidate pools that have a significant impact on final hiring decisions (Johnson et al., 2016).

In summary, the authors provide empirical evidence from archival and experimental data, which demonstrates how unconsciously chosen gendered words impact stereotypes with the result of maintaining gender inequalities in organizations.

### 2.4.2 Types of bias

Reiners (2019) defined ten forms of bias. While gender bias is one of the ten biases outlined and defined, the majority of these ten biases can be seen as a cause of women being underrepresented within leadership roles. Male recruiters will be more drawn towards male applicants who share similar interests or experiences than towards female applicants with a different set of interests – an example on how affinity bias can lead to subconscious gender discrimination (Ibarra et al., 2013).

**Table 2.4.2.1: Overview of bias definitions**

| # | Bias | Definition |
|---|---|---|
| 1 | Affinity Bias | "Affinity bias, or similarity bias, is the tendency to connect with others who share similar interests, experiences and backgrounds." |
| 2 | Confirmation Bias | "Confirmation bias is the inclination to draw conclusions based on personal desires, beliefs and prejudices rather than on unbiased merit." |
| 3 | Attribution Bias | "Attribution bias is a phenomenon where one makes sense of or judges a person's behavior based on prior observations and interactions." |
| 4 | Conformity Bias | "Conformity bias or peer pressure is the tendency to act similar to the people around one regardless of one's own personal beliefs or idiosyncrasies." |
| 5 | Halo Effect | "The halo effect is the tendency to place another person on a pedestal after learning something impressive about them." |

| # | Bias | Definition |
|---|---|---|
| 6 | Horns Effect | "The horns effect is the tendency to view another person negatively after learning something unpleasant or negative about them." |
| 7 | Contrast Effect | "The contrast effect is when one compares two or more things causing one to exaggerate the performance of one in contrast to the other." |
| 8 | Gender Bias | "Gender bias is the tendency to prefer one gender over another gender." |
| 9 | Ageism | "Ageism in the workplace is the tendency to have negative feelings about another person based on their age." |
| 10 | Name Bias | "Name bias is the tendency to judge and prefer people with certain types of names." |

*Source: Reiners, 2019*

Ageism is a bias where individuals judge a person based on their age. In combination with gender bias, this can work in two different ways, where a female professional is negatively judged for a high age and a corresponding limitation in performing work and by contrast attributing a senior male professional with a high level of expertise due to his age. Age can be used against or in favor of an individual depending the argument made (Reiners, 2019).

Based on these biases, Diehl & Dzubinski (2016) identified 27 ways clustered along the macro-, meso-, and micro-levels creating leadership barriers specifically for female professionals due to the gendered structures in society and organizations. The macro level corresponds to society inhibiting female professionals to advance in the same manner as their male counterparts due to cultural constraints, gender stereotypes, or leadership perceptions. The

meso level operates on a group or organizational-specific level a female professional is engaging with where for example the lack of sponsorship or mentoring, male gatekeeping, salary inequalities, unequal standards, workplace harassment, discrimination, or the exclusion from informal networks present gender-based career barriers. The macro level refers to the individual level, where work-life conflicts, communication style, personalizing, and the psychological glass ceiling effect create career barriers for the female cohort. The most commonly observed biases, as outlined by Reiners (2010), can thus impact women on the macro-, meso-, and micro-level leading to career advancement barriers (Diehl & Dzubinski, 2016).

### 2.4.3 Limitations and current status quo

Despite significant evidence of bias as well as the dysfunctional effects investigated by the academic community and a number of research institutions, there is also contradictory evidence showing that e.g. the social role of a person is much more relevant than gender (Bosak & Sczesny, 2011). One of the main limitations observed with quoted studies is the use of hypothetical, rather than real-life scenarios, and experimental studies with subjects being students from University. Empirical evidence demonstrating the relevance and impact of bias in general and second-generation gender bias in particular significantly outweigh contradictory findings (Bandura, 1977, 1997; Bohnet, 2016; Gaucher et al., 2011; Gist, 1987; Goldin & Rouse, 2000; Greenwald & Krieger, 2006; Greenwald et al., 1998; Neumark et al., 1996; Nosek et al., 2002; Steele, 1997).

It is for this reason that the academic community and practitioners alike have moved forward on investigating solution tools for changing the status quo in organizations. Van Geen, Bazerman, & Bohnet (2012) invented and designed a new way of evaluating performance called the “evaluation nudge” to ensure that the advancement and promotion of female professionals within organizations would not be impacted by unconscious gender biases. The concept evaluates individuals in groups rather than individual settings. This approach was tested in an experimental setting with more than 500

people and revealed that evaluators will be influenced unconsciously in individual evaluation scenarios in comparison to group evaluation settings, where the focus is based purely on individual performance.

Through decades of research with data points and evidence from corporations, governments, and universities in India, the UK, Australia, the US, Zambia, Norway and many more, Bohnet (2016) realized that it is nearly impossible to change people's minds and free them from biases and stereotypes. Instead, she and her colleagues have been working on a magnitude of behavioral design solutions as presented in her book *"What Works"*, which can be implemented at the institutional level at a low cost and with high impact to address gender bias, ultimately improving the performance of institutions and lives of individuals (Van Geen et al., 2012).

## 2.5 Career Ambition

The second-generation gender bias is one of the often-quoted answers and explanations to rationalize the gender disparity observed in organizations and leadership roles. While the realm of career ambition has been investigated by selected scholars (e.g. Ely et al., 2014), career ambition has received remarkably limited attention within the research field of gender equality. The central question evolves around understanding the preferences of male and female professionals in achieving high-level positions within an organization.

Career ambition is closely linked with personal preferences, goals, and motivation, which drive the behavior of an individual and prove to be an influential element in reaching a set career ambition (Greene & DeBacker, 2004; Karoly, 1999). Individuals will choose the appropriate level of career ambition leading to a happy life within an individual's personal definition of happiness. Karoly (1999) establishes that this individual definition of happiness is dependent on one's norms, expectations, and sociocultural

factors. Such include but are not limited to preference for family, personal well-being, monetary success, power, and status – all factors which lead to a specific and unique outcome of one's choice for career ambition (Karoly, 1999).

### 2.5.1 Career ambition origins

Shane (2006) explored the origins of ambition and achievement development within the context of early childhood. The interaction and patterns of the family environment impact the development of ambitions and achievements, which are established and held within this time of human development. Striving for power and ambition, but also the sense of prohibition of the same, is subconsciously triggered in highly complex ways as further examined by Horney (1994) and Chasseguet-Smirgel et al. (2018).

Moving further into the late childhood and early puberty stages, both girls and boys tend to display similar performance within school. When it comes to choosing academic tracks to follow, more ambitious and prestigious tracks are chosen significantly more often by boys than girls. Bressler & Wendell (1980) studied the sex composition of selective colleges to understand gender differences in career ambitions and equally established that male and female college students were subject to gendered societal structures. These influences would lead them to develop career ambitions which were typically 'masculine' or 'feminine'. A masculine career ambition would translate into vocations such as "[…] law, medicine, and big business […]" (Bressler & Wendell, 1980, p. 651) while feminine career ambitions would translate into "[…] 'lesser' callings as nursing, social work, and elementary education, which yield lower income and status." (Bressler & Wendell, 1980, p. 651). Buser et al. (2014) find this difference to be strongly associated to the need of boys to compete, a need which is not as strongly associated with girls. Sapienza, Zingales & Maestripieri (2009) discuss the differing need for competition and its origins related to the level of testosterone carried by men and women and conclude that "[…] gender differences in career choices are affected by testosterone." (Sapienza, Zingales & Maestripieri, 2009, p. 112).

Bertrand (2011) hypothesized that the differing need for competing among women and men, closely related with the level of overconfidence, can help explain the gender differences at the very top and throughout organizations.

Ashby & Schoon (2010) developed a framework to investigate these early relationships of teenage career aspirations and ambition value in relation to family social background and social status attainment. The authors find evidence for the positive relationship of gendered ambition levels, as well as high career aspirations, leading to enhanced earnings later in life, moderated by the social background and social status of the family. These findings are further supported by research concluding that the early divergence in career ambitions translates into different levels of career attainment, social status, and income levels across gender (e.g. Elder, 1974/1999; Clausen, 1995; Schoon & Parsons, 2002; Schoon et al., 2007; Croll, 2008; Mello, 2008).

In conclusion, career ambitions are different at a very early stage in life and evidence has been found that this is impacted by the family surroundings of a child – namely, the parents, social status, and family background – while academic abilities and performance in school do not seem to impact this relationship.

### 2.5.2 Evidence from ambition research

Different ambition levels for women and men were tested in a study within the context of politics, making use of the ambitions to run for congress. Fulton, Maestas, Maisel & Stone (2006) find female leaders to be less ambitious to run for congress in comparison to their male counterparts. Equally, Maranto, Teodoro, Carroll & Cheng (2019) find within the context of school education, that female principals express lower levels of ambition to advance within their career path compared to male principals.

Related to ambition are overall life goals and what people in general desire for their lives both professionally and personally. In this context, Ely et al. (2014) investigated what success and a fulfilling life meant to women and

men who graduated with an MBA from Harvard Business School and found that responses among both genders were very similar. Results show that the younger cohort would quote job levels, titles, and professional achievements more frequently than older cohorts who would place a greater emphasis on balancing life and work, family happiness, relationships, and helping others and their community – similarly weighted among both men and women. In specific, Generation X and Baby Boomers define ambition and success very differently from Millennials. The former would attribute success and their ambition to "[…] raising happy, productive children, contributing to the world, and pursuing work that is meaningful […]" (Ely et al., 2014, p. 8), while the latter would refer to ambitions as e.g. "[…] becoming a highly paid CEO of a medium-to-large business […]" (Ely et al., 2014, p. 8). Men and women in this study provided such quotes to a similar degree and scored similarly across the ambition dimensions, which made the authors of this study conclude that women and men from the HBS population do not differ in what they hope for and value in their lives – professionally and personally. Accordingly, Ely et al. (2014) establish that ambitions are similar across gender but change with age – ambition differences can therefore be attributed to a generational rather than a gender phenomenon.

Gino, Wilmuth, & Brooks (2015) also investigated overall life goals and ambition levels of individuals and found that men are more often inspired by power and status within the workplace setting in comparison to women (Mason, Zhang, & Dyer, 2010). Women believed they were equally capable of achieving high-level corporate positions, but did not see those roles as desirably as men (Schuh et al., 2014). Instead, women listed a greater number and more diverse life goals than men, which also included the desire for warm relationships with others (Diener & Fujita, 1995). Men, in contrast, would be more interested in influencing others (McClelland, 1961).

While the reported results concerning ambition levels among men and women seem to be inconclusive, non-ambiguous evidence has been collected which clearly differentiates both genders when it comes to the desire for

competitive environments: Buser et al. (2014) find men eager to perform in competitive scenarios, while women prefer to stay away from such environments. Results also show that the level of performance is the same between both genders. Within these settings, men tend to act with overconfidence.

The central question of this study is whether male and female professionals view career progression differently, and consequently if this impacts their choice to advance their professional career and climb the corporate ladder. Reasons for a certain degree of career involvement are often overlooked in the first place, as these are deeply rooted in one's objectives and goals for life and can go back as far as an individual's childhood.

## 2.6 The Bias-Ambition Relationship as Explanatory Power

What is the role of bias? This dissertation seeks to identify if gender divergence is caused by differing and diverging career ambition levels among men and women. Is bias the factor directly impacting the career ambition level of individuals?

Chapter 2.5 reveals that research finds that the level of ambition of an individual is closely related to goals, motivation, personal preferences, an individual's definition of happiness, norms, expectations, sociocultural background, experiences during childhood, and the level of testosterone related to the level of overconfidence (Greene & DeBacker, 2004; Karoly, 1999; Shane, 2006; Horney, 1994; Chasseguet-Smirgel et al., 2018; Bressler & Wendell, 1980; Buser et al., 2014; Maestripieri, 2009; Bertrand, 2011). A significant number of studies find evidence that there are differences in ambition levels among men and women (Fulton, Maestas, Maisel & Stone, 2006; Maranto, Teodoro, Carroll & Cheng, 2019; Mason, Zhang, & Dyer, 2010; Schuh et al., 2014; Diener & Fujita, 1995; McClelland, 1961) while yet others using highly homogenous samples could not confirm these

differences (Ely et al., 2014; Gino, Wilmuth, & Brooks, 2015). While bias has been studied extensively in the debate of gender disparity, it received limited attention within the debate of career ambition levels. Therefore, this dissertation is interested to understand if bias could be employed as an explanatory factor to explain diverging levels of career ambition?

Significant evidence has been collected on the bias-gender disparity relationship (Madsen & Andrade, 2018; Diehl & Dzubinski, 2016; Bandura, 1977, 1997; Bohnet, 2016; Gaucher et al., 2011; Gist, 1987; Goldin & Rouse, 2000; Greenwald & Krieger, 2006; Greenwald et al., 1998; Neumark et al., 1996; Nosek et al., 2002; Steele, 1997). These results show that women are impacted by bias differently, leading to the gender gap present today. Similar to the research field of ambition, the bias literature shows comparable disagreement when it comes to the gender disparity-bias relationship (refer to section 2.4.3). In addition, career ambition levels have not been investigated as a potential mediating variable to explain the gender gap within the specific field of bias.

It is for these reasons that this dissertation puts specific focus on studying the bias-ambition relationship with the idea that bias could act as an explanatory variable to understand differences and similarities in career ambition among men and women as well as ambition explaining gender disparity due to bias.

Taking the popular believe and stand of Madsen & Andrade (2018), bias affects women and men differently. Accordingly, the level of career ambition among men vs. women could be equally affected differently. If different level of career ambitions lead to differing attainment of careers, status, income, and wealth, a gender gap can be experienced in the long term. It can therefore be hypothesized that bias not only impacts gender differently but also the career ambition of men vs. women differently. In a similar manner, if a group of individuals work in a non-bias environment, e.g. a highly

homogenous environment, such biases would not impact the level of career ambition, thereby not leading to a gender gap.

The investigation of the gender-ambition relationship can make a significant contribution to academia in adding to the research debate of gender disparity, ambition, and bias.

## 2.7 Summary and Implications for Research Design

Women seem to have had a different place in society for at least 8000 years, yet women hold at least half of this world's potential representing an equal share of the workforce. Potential has not yet translated into reality and it is thus socially and politically unjust that 95% of chief executive positions are held by men within the S&P500.

Next to the moral imperative, gender equality and its implications for firm performance have been extensively investigated by the academic community and led to inconclusive results. Given a setting more conducive to gender diversity (e.g. an innovative environment, a diversity focused corporate culture or top management, a setting of high task complexity, or societal emphasis on diversity), it has been demonstrated to result in improved firm performance (Turban et al., 2019; Dezső & Gaddis Ross, 2012; Wegge et al., 2008; Dwyer et al., 2003). The World Economic Forum predicts it would take another five generations or 170 years for gender equality to spread globally.

Those CEOs leading change within their organizations to improve gender diversity ratios have been mostly dissatisfied with the limited improvements achieved (Ibarra, Ely & Kolb, 2013). The reality is that there are limited best practices available. Biases – automatic, deeply ingrained, unintentional, universal, and difficult to change and influence – are impacting all relevant areas of organizations: namely, pay, recruitment, retention, advancement,

and representation. Differing ambition levels among men and women remain another topic, which impacts the degree to which individuals strive for a certain career path versus other life goals.

In conclusion, gender disparity is a reality despite research suggesting that a more balanced gender profile in boardrooms or executive management can lead to above average returns and superior firm performance. Practitioners and academia have invested considerable resources to detangle this paradox by investigating both intra- and interpersonal effects, while the personal preferences of individuals for career progression and the impact of bias have not yet yielded conclusive results.

Accordingly, the investigation of the gender-ambition relationship motivates this study and aims to find significant findings within this debate including the following research gaps: How does career ambition differ among male and female professionals? Are male and female professionals equally confronted with bias situations? Do bias situations impact the ambition level for career progression and how does this differ among male and female professionals? In summary, what is the role of bias experienced by men vs. women in their ambition for career progression?

# 3 Research Design

Evidence has been recorded where gender diversity leads to above-average firm performance (Erhardt et al., 2003; Perryman et al., 2016; Smith et al., 2006) and a higher female board representation leads to a greater return on invested capital (Catalyst, 2018). Paradoxically, female professionals are significantly underrepresented in the majority of high-level positions in organizations (Burke & Major, 2014). Therefore, the debate for gender equality is present, relevant, and urgent.

The objective of this research design is therefore to advance the academic debate by identifying unique factors and behavioral patterns within the realm of the strategy consulting industry to investigate the outlined paradoxical phenomena.

As an overview, the research design first describes the overall aim of this research based on the theoretical framework (refer to Chapter 2). The research question and hypothesis for testing are presented in the subsequent section. Details on the population and sample under investigation are provided and followed by the explanation of method employed. Data collection method and data analyses procedures are laid out thereafter. Finally, before a final chapter summary and conclusion, ethical considerations and general research assumptions made for the purpose of the design for this research setting are presented.

## 3.1 Research Aim

To advance the academic debate by identifying unique factors and behavioral patterns explaining the persisting gender disparity despite the significant investments, the focus of this research is specifically motivated

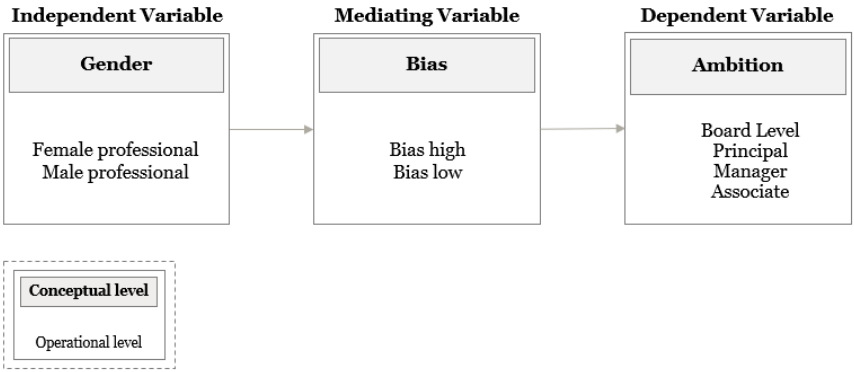
by investigating career ambition and effects of bias within the domain of intra- and interpersonal effects.

Career ambition has received limited attention within the research field of gender equality, representing a critical supply-side factor, which will help to answer the central question of whether male and female professionals view career progression differently. Corporate practitioners provide significant insights into understanding the persisting gender disparity because they have been exposed to it first-hand. Equally important and relevant for this debate is bias, which impacts everyone's decision-making, behavior, and work-situations resulting in biased consequences. It remains upon this research to understand whether bias situations are perceived differently among male and female professionals and whether these situations impact the career ambition levels of individuals by gender within a corporate setting.

Consequently, the main research aim is to understand if bias situations impact the ambition level for career progression in general and how this differs along the career trajectory and gender specifically. In addition, this project focuses on whether career ambition levels differ among male and female professionals and whether male and female professionals perceive bias situations differently.

To establish empirical findings for these critical questions, an empirical research framework has been developed with the key variables of bias, gender, and ambition (refer to figure 3.1.1).

**Figure 3.1.1: Research model**




*Source: Author illustration*

Consequently, the principal regression model equation for the casual mediation analysis is derived as:

**Career Ambition = β0 + β1 x Bias + β2 x Gender + β3 x Control + ε**

This research is focused on the relationship between bias, gender, and career ambition over the career trajectory and makes use of cross-sectional data from a unique professional consulting sample. The actual gender inequality level within the studied population, as a result of career ambition levels, is not at the core of this study.

In summary, the focus of this research is placed on the gender-ambition relationship with the mediating effect of bias over the career trajectory within the setting of strategy consulting.

## 3.2 Research Question, Hypothesis, and Analysis

A context-specific, homogeneous sample of female and male strategy consulting professionals from a first-tier management consulting firm were selected to participate in this study, providing a homogeneous professional, educational and financial background.

The overall research question is formulated to address the research gap, which is the focus of this project:

**What is the role of bias experienced by men vs. women in their ambition for career progression?**

To answer the overall research question, one specific hypothesis is developed:

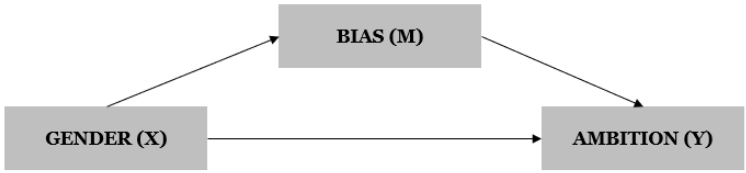
**The perception of existing bias mediates how men vs. women assess their level of ambition for career progression.**

The research question and hypothesis have been derived based on prior research discussed in Chapter Two.

As referenced in section 2.4, bias has been established as one of the fundamental reasons for gender inequality (Reuben, Sapienza & Zingales, 2014). One can therefore assume that bias must be perceived differently among male and female professionals. Whether career ambition levels are impacted by differing perceptions of biased situations is unclear and represents the focus of this project. Given that a higher level of ambition is more likely to lead to a higher-level position in a corporate setting and vice versa, and that a higher degree of bias perception leads to a greater gender disparity gap, it follows that a higher perception level of bias may reduce

one's ambition to climb the corporate ladder within that specific company context. This relationship will be tested by applying a casual mediation analysis as depicted in figure 3.2.1.

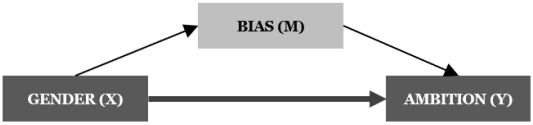
**Figure 3.2.1: Casual mediation analysis framework - Overview**




*Source: Author illustration*

The casual mediation analysis will utilize a gender-heterogeneous sample with a homogeneous professional level from the management consulting industry. As suggested by Baron & Kenny (1986), the casual mediation analysis is investigated through three distinct sets of linear regression analyses: X → Y, X → M, and X + M → Y. All three linear regression equations are tested across both cohort levels including juniors, comprised of business analysts, senior business analysts, and associates; as well as the advanced senior cohort sample including strategy consulting professionals at manager, principal and partner level, including board members of both sexes. In addition, the variable bias is available for testing both gender specific bias situations and scenarios, as well as non-gender bias situations and scenarios.

**Figure 3.2.2: Casual mediation analysis – Step 1 (X → Y)**

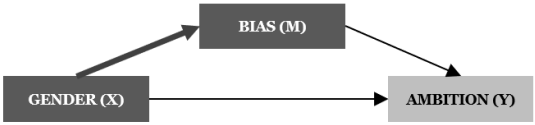



Model: Ambition = $\alpha 0 + \alpha 1 \times \text{Gender} + \alpha 2 \times \text{Control} + \varepsilon$

*Source: Author illustration*

Baron & Kenny (1986) suggest to initially test the relationship between X and Y, translating into 'Gender' and 'Career Ambition' in the case of this dissertation (refer to figure 3.2.2). This first step is testing the following regression: Ambition = $\alpha 0 + \alpha 1 \times \text{Gender} + \alpha 2 \times \text{Control} + \varepsilon$. Baron & Kenny (1986) argue that there is nothing to mediate when there is no relationship between ambition and gender. Based on the research framework in Chapter Two, one could expect that gender does not affect career ambition – at least within a highly homogenous sample of strategy consulting professionals. Ely et al. (2014) established that responses in relation to career ambition were highly similar among male and female participants when conducting a study with multiple Harvard Business School MBA alumni generations. Given consulting and venture capital positions rank highest among preferred jobs upon MBA graduation, one can assume male and female consulting professionals look at their specific consulting career and its related ambitions in a similar manner. Shrout & Bolger (2002) call this first step of analysis controversial and argue that a sound theoretical basis explaining the relationship between gender (X) and ambition (Y), as provided by Ely et al. (2014), is sufficient for the means of a casual mediation analysis.

**Figure 3.2.3: Casual mediation analysis – Step 2 (X → M)**




Model: Bias = $\beta_0 + \beta_1 \times \text{Gender} + \beta_2 \times \text{Control} + \varepsilon$

*Source: Author illustration*

As depicted in figure 3.2.3, in a second step the relationship between gender (X) and bias (M) will be tested to understand if the mediator 'Bias' is affected by 'Gender' by applying the linear regression model: Bias = $\beta_0 + \beta_1 \times \text{Gender} + \beta_2 \times \text{Control} + \varepsilon$. When gender and bias do not have a relationship, bias would simply represent a third variable that might or might not have a relationship with the dependent variable 'career ambition'. For this scenario, a mediation analysis would not be required as casual mediation is only applicable where X has a significant relationship with M. Based on findings by Reuben et al. (2014), bias is expected to be perceived differently by gender within the literature as discussed in section 2.4, providing a sound basis for this mediation analysis.

**Figure 3.2.4: Casual mediation analysis – Step 3 (X + M → Y)**

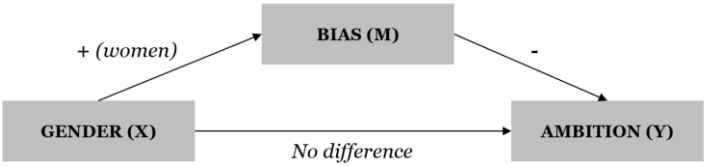

Model: Ambition = $\gamma_0 + \gamma_1 \times \text{Gender} + \gamma_2 \times \text{Bias} + \gamma_3 \times \text{Control} + \varepsilon$

*Source: Author illustration*

The final step as part of the casual mediation analysis concerns a linear regression to test the relationship of both X and M on Y as depicted in the following regression equation: Ambition = γ0 + γ1 x Gender + γ2 x Bias + γ3 x Control + ε (refer to figure 3.2.4). In a scenario of 'full mediation' one would observe a significant effect of bias (M) on ambition (Y), while the effect of gender (X) on ambition (Y) would fully disappear. For a scenario of 'partial mediation', one would observe an effect among gender (X) and ambition (Y), which would however be smaller than the effect of gender (X) on bias (M) multiplied by the effect of bias (M) on ambition (Y). The significance of these tests will be established by the means of bootstrapping as per Preacher & Hayes (2004).

Based on the research framework in Chapter Two, this research expects a mediation model as depicted in figure 3.2.5. There is a significant difference in bias (M) for gender (X) with female professionals perceiving a higher level of bias than male professionals (Reuben, Sapienza & Zingales, 2014) and no difference in ambition levels among male and female professionals (Ely et al., 2014). This dissertation hypothesizes that bias mediates the relationship of how men vs. women assess their level of ambition for career progression without providing a direction. It can be expected that a higher perception level of bias may reduce one's ambition for further career progression.

**Figure 3.2.5: Expected suppression model (Inconsistent mediation)**




*Source: Author illustration*

The expected research model can therefore be summarized as a suppression model (Shrout & Bolger, 2002) which occurs when the indirect effect X → M → Y has the opposite sign of the direct effect X → Y. Suppression models have been labeled inconsistent mediation which use the exact same tools for analysis and are closely related to mediation models (MacKinnon et al., 2000). This dissertation theoretically expects a suppression effect as depicted in figure 3.2.5 and will test the collected data for significance accordingly.

## 3.3 Population and Sample

The population studied is the strategy consulting industry, which is part of the overall professional services industry. While this research project is undertaken with the objective of providing academia and practitioners with unique and relevant insights applicable beyond strategy consulting firms, the chosen population offers a unique and homogeneous group of highly comparable jobs and an almost identical rank system across the industry and geography, providing an exclusive and unique research set-up.

### 3.3.1 Population

The global strategy consulting industry, in many instances also referred to as management consulting or boardroom consulting industry is a global industry comprised of more than 2 million businesses and annual revenues of US$ 534 billion in 2019. Growth rates within this industry vary significantly and are in many growing economies within the double-digit space but average 3.4% annual growth on a global level. 4.2 million professional consultants have been reported to work within this specific population (Market Research Report, 2019).

Companies within the global strategy consulting industry provide a range of advisory services to clients in need of strategic advice at boardroom-level and the objective of improving organizational performance. The main areas

management consulting firms will cover include, but are not limited to, corporate strategy, organizational design, process management, turnaround management, and investment decisions. The demand within this population has been growing on a global scale and the emergence of growing economies like China, India, and the Middle East have added significant business to this industry (Cerruti et al., 2018).

To select the ideal population to study, a number of core objectives were important to consider. To make results applicable not only for the consulting industry, but also the wider body of corporations, the environment of the population industry should be intellectually rich and competitive. The industry should also be male dominated making the gender inequality challenge a relevant topic. In addition, the population should provide a research framework where jobs and ranks are identical, enabling the consistent measurement of career ambition levels based on ranks and job types. Finally, the population should be unique and represent a new sample not used for this specific research purpose in previous studies.

The global management consulting industry provides an intellectually rich environment with thought leadership which spans across the majority of corporate agendas, thereby making the results of this dissertation applicable beyond the management consulting industry. Strategy consulting firms are confronted with a male-dominated workforce and less than 10% of partner positions are filled with female professionals, which is one of the reasons why initiatives for gender equality are a top priority. In addition, management consulting firms provide a suitable and unique study population, which has not been used in a similar academic research setting.

In 2019, 30 global management consulting firms with revenues of US$ 1 billion or above have been registered (Consulting Industry Rankings, 2019).

### 3.3.2 Sample

The sample of this study was selected by size in revenues, prestige, and employee and data accessibility. This selected firm ranks within the top 10 of the most prestigious consulting firms to work for according to Consulting Industry Ranking (2019) as illustrated in figure 3.3.2.1, has a turnover of more than US$ 1 billion, and enabled the research team access to confidential company data, access to perform a survey questionnaire with its global consultant team, and access to alumni contacts for qualitative interviews.

**Table 3.3.2.1: 15 most prestigious consulting firms in 2019**

| Rank | Firm |
|---|---|
| 1 | McKinsey & Company |
| 2 | The Boston Consulting Group, Inc. |
| 3 | Bain & Company |
| 4 | Deloitte Consulting LLP |
| 5 | PricewaterhouseCoopers |
| 6 | Booz Allen Hamilton |
| 7 | EY (Ernst & Young) LLP |
| 8 | Accenture |
| 9 | KPMG LLP |
| 10 | A.T. Kearney |
| 11 | Oliver Wyman |
| 12 | IBM Global Services |
| 13 | L.E.K. Consulting |
| 14 | EY-Parthenon |
| 15 | Strategy&, part of the PwC network |

*Source: Consulting Industry Rankings, 2019*

In addition to being within the top 10 of prestigious firms, the selected sample company provides an international footprint with offices in 50+ countries enabling a culturally balanced and population-relevant representation of the global consulting population.

Most consulting firms make use of six distinct career ranks from analyst to partner. This dissertation categorizes the junior ranks into those of business analyst, senior business analyst, and associate and categorizes the senior

ranks into those of manager, principal, and partner. As outlined in table 3.3.2.2, this rank terminology is not uniform across the industry. The below table outlines which terms for rank are used in this dissertation, as well as some other common terms for these positions.

**Table 3.3.2.2: Rank terminology in the consulting industry**

| Seniority level assigned | Terms of rank used in this dissertation | Other common terms of rank used across the industry |
|---|---|---|
| Junior | Business Analyst | Analyst<br>Junior Consultant |
| | Senior Business Analyst | Consultant<br>Junior Associate |
| | Associate | Senior Consultant<br>Senior Associate |
| Senior | Manager | Engagement Manager<br>Project Manager<br>Case Team Leader |
| | Principal | Junior Partner<br>Vice President<br>Director |
| | Partner | Managing Director<br>Senior Partner |

*Source: Author illustration*

## 3.4 Method

This study makes use of two complementary research methods: a cross-sectional quantitative questionnaire survey and semi-structured interviews with alumni of the firm.

Primary data was collected by a quantitative survey questionnaire including qualitative elements. The survey was self-administered, and the language of instruction was English. The survey questions are new and unique. The mechanics for measuring bias and ambition were adapted from research conducted by Gino et al. (2015), Reiners (2019), Harvard University (2019) and the ICM (2018) and translated into the setting of management consulting to ensure the accurate measurement by accepted standards for the desired variables of this dissertation. As for the ICM study in 2018, this dissertation also operationalizes bias making use of direct questions to sample participants resulting in the measurement of perceived bias.

In a second step, semi-structured interviews were carried out with strategy consulting alumni to obtain a view on their personal reasons for leaving the company and understanding their observations in relation to bias situations during their tenure. In addition to obtaining additional and new unique data points, the interviews were also used to validate the survey findings, gain a better understanding of the quantitative results and discuss the potential implications for strategy consulting firms as well as corporations in general.

In the next section, quality considerations, as well as the method variables, are presented in detail. The subsequent sections apply to both the quantitative as well as the qualitative research method.

### 3.4.1 Quality considerations

Assuring research quality through the employment of adequate research methods is a central element, which was carefully considered in the design and selection of methods. Obtained sample data needs to reflect the studied population and the generalizability of results needs to be provided (Golfashani, 2003). In order to produce results which are generalizable, it is imperative to divide the phenomena under investigation into common groups which can be applied to all subjects studied within the chosen sample representing the population (Winter, 2000). Accordingly, the creation of methods as well as their administration in a standardized manner, based on

a strict and consistent procedure (e.g. making use of a script, speaking points, etc.) is crucial. In addition, the methods need to ensure that the data collected is valid and reliable.

One of the commonly cited definitions of reliability was made by Joppe (2000), who provided the following definition: "[…] the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable" (Joppe, 2000, p. 1). To further disentangle the concept of reliability, Kirk & Miller (1986) defined reliability as a measure based on the degree of consistency of results, the stability of results over time, and the similarity of results within a given time period.

Research results, which truly measure what was originally intended to be measured, can be presented as valid. Golfashani (2003) uses the concept of construct validity, which refers to the process of ensuring that the research question, original concept, intent, and hypotheses form the basis of method design and data collection and are well aligned and tested.

In summary, for the construction of quantitative research methods, reliability and validity require consistency, predictability, and stability to ensure that results are replicable. Accuracy and ensuring that what is being measured helps to explore the underlying and outlined hypotheses goes back to the concept of validity (Salkind N., 2014).

Within the realm of qualitative research methods, as in the semi-structured interviews with alumni, trustworthiness is the underlying requirement for presenting results (Golfashani, 2003). This can be best achieved by creating an environment throughout the interviews, which provides credibility, neutrality, consistency, and transferability (Lincoln, Y. S., & Guba, 1985).

The important element within both the quantitative and the qualitative part of the study is to obtain truthful answers related to perceived bias – a field

in which subjects are not necessarily consciously aware of such situations or may even deny them. Therefore, the qualitative portion also serves as a quality check to ensure that quantitative results were provided on a truthful basis as an alumni subject would have a lower incentive to deny experiences when there is no need to defend the firm for which they are no longer employed.

In summary, quality considerations were taken into account to design the study at hand. The result is a dual approach, which includes a quantitative study to allow for a generalization of results with a high degree of reliability and validity, as well as a qualitative study to cross-check for potential challenges to trustworthiness.

### 3.4.2 Dependent variable: Career ambition

The level of career ambition, as the dependent variable, is observed among the survey participants through Likert scale questions. Participants were provided with a number of questions to gain a better understanding of their personal ambition levels when they entered the company, what the ambition level was at the time of taking the survey and whether or not this has changed over time and if so why that is the case. The ambition level was measured by providing study participants with ambition options of all ranks.

This approach is derived from goal, ambition, and aspiration literature for which the academic foundation of the career aspiration scale, professional advancement index, as well as performance and achievement goals were applied (Gray & O'Brien, 2007; Janssen & Van Yperen, 2004; Spinath & Steinmayr, 2012). The collected data will provide an understanding of rank and gender differences for the ambition when entering the company and at the current point of time.

In addition, the level of capability – the extent to which a person believes to be capable in attaining a higher career rank – was added as to understand whether a group of individuals would present higher ambitions than their

self-assessment of their capabilities would allow. Gino, Wilmuth, & Brooks (2015) explored life goals and found that while capabilities to reach a certain rank might be in place, the desire to do so depends entirely on the life goals of an individual.

Subjects were expected to have a profound knowledge of the strategy consulting industry due to their profession. Accordingly, differing decision outcomes should be purely based on the actual personal preference of an individual.

### 3.4.3 Independent variable: Gender

The independent variable is gender. While this variable was finally operationalized as a dichotomous variable, participants were originally presented with an open question. Research from Deogracias et al. (2007) shows that the options 'male' and 'female' are not deemed sufficient for an inclusive research setting accepting all genders independent of background and orientation. Accordingly, an open question was adapted providing subjects with an open field to provide their identity without the inclusion of a long list of options, which in many cases leads participants to ignore the question all together (Deogracias et al., 2007).

### 3.4.4 Mediating variable: Perceived bias

For the majority of institutions, bias is a highly sensitive topic. As research has presented, the phenomenon is present in all institutions and life situations, yet individuals are often not aware or deny the presence of bias situations all together. Specifically, female professionals have a tendency to deny the existence of gendered bias situations. Those who deny it, cite the importance of reaching a certain career stage on equal ground without gendered influences. Measuring bias situations is consequently a challenge.

Harvard University (2019) makes use of the Implicit Association Test for measuring individual capacity to uncover bias and unconscious bias situations or understand an individual's tendency to be biased in a specific

unconscious bias dimension. Reiners (2019) presents ten definitions for the most relevant bias situations (refer to Table 2.4.2.1 in Chapter 2).

While the primary interest is in gendered bias situations, the questionnaire survey of this study incorporated multiple relevant bias definitions, while maintaining gender as the primary driver for one dimension of testing. Consequently, both perceived gender biases and non-gender biases were measured in this study.

The study made use of two techniques in assessing individual perceptions of bias situations within organizations and contextual settings. The first part of the perceived bias section within the questionnaire survey relied on an indirect measure whereby participants were presented with situations and potential reasons for why such situations would have happened to them in the past. Subjects were provided with the option that this situation had never applied to them or were asked to tick the reasons and list them in their assessed order of importance.

In the second part of the perceived bias section within the questionnaire survey, a more direct approach of measuring bias situations was leveraged as presented within the test design of Harvard University (2019) and the ICM (2018). Instead of asking subjects for the reason and presenting one hidden bias option within the pool of potential answers, the subject is asked how often a certain biased situation had occurred. Even within this section, participants were provided with the option of declaring that a certain situation had not yet occurred for them. This occurred particularly often when a subject had recently joined the focal research firm and not been exposed to all operational aspects of the business. Both types of questions measure and represent bias and while the sensitivity and strength are distinct, this would not jeopardize the research results at hand.

In conclusion, measurement methods for dependent, independent, and mediating variables were carefully selected for the quantitative and qualitative method of this study (refer to Table 3.4.4.2).

**Table 3.4.4.2: Table of examined variables**

| Variable | Construct | Author(s) | Statistical Measure |
|---|---|---|---|
| ***Independent variable*** | | | |
| **Gender** | • Male<br>• Female<br>• Other | Broussard et al. (2017)<br>Deogracias et al. (2007) | Open Question<br>Ordinal Scale |
| ***Dependent variable*** | | | |
| **Ambition** | • Career Aspiration Scale<br>• Professional Advancement<br>• Performance Goals<br>• Achievement Goals | O'Brien (1996)<br>Gino et al. (2015)<br>Spinath & Steinmayr (2012)<br>Janssen & Van Yperen (2004) | Likert Scale<br>Ordinal Scale |
| ***Mediating variable*** | | | |
| **Perceived Bias** | • Similarity Bias<br>• Affinity Bias<br>• Confirmation Bias<br>• Attribution Bias<br>• Conformity Bias | Reiners (2019)<br>ICM Guardian (2018)<br>Harvard University (2019) | Likert Scale |

- Halo Effect
- Horns Effect
- Contrast Effect
- Gender Bias
- Ageism
- Name Bias
- Beauty Bias
- Height Bias

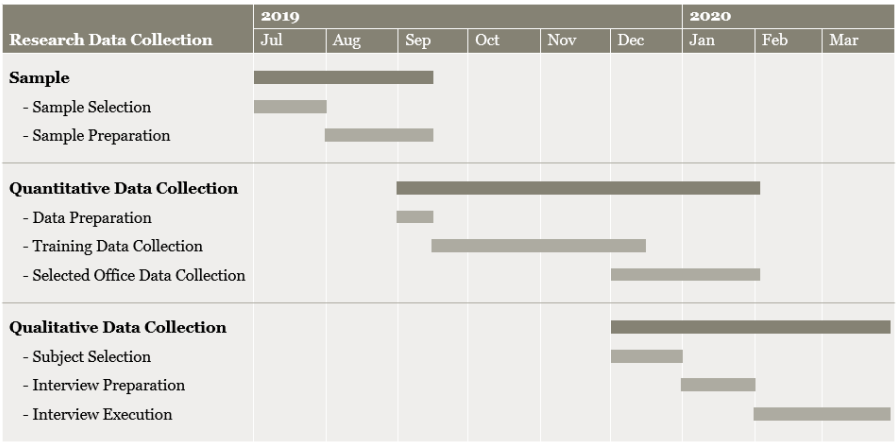
*Source: Author illustration; multiple sources*

## 3.5 Data Collection

The data collection was performed in a three-step approach (refer to Figure 3.5.1). Sample selection and preparation concerned the first step, followed by both quantitative and qualitative data collection. Upon initial conversations and presentations outlining the advantages and academic contributions with the Global Inclusion and Diversity Manager of the chosen sample firm, drafts of the quantitative survey questionnaire were shared with the focal firm. Multiple interactions were required to present research method, advantages, employee impact, and firm benefits on a global level with the Global Human Resources Officer, who provided the final approval and signed an NDA with the University of St.Gallen to protect data and ensure results could be published independent of outcome.

Upon signing the NDA with the focal research firm, the data collection process was divided into two separate parts: Cross-sectional quantitative data collection, and qualitative data collection; sequenced in order to ensure that quantitative results could be used for the qualitative data collection stage (refer to Figure 3.5.1):

**Figure 3.5.1: Research data collection timeline**




*Source: Author illustration*

The cross-sectional quantitative data collection was structured into three distinct steps: the preparation of data, collecting data on a pen-and-paper basis at the consulting firm's training facilities, and collecting selected data from specific ranks to ensure all group minimum data requirements were met.

The data collection method employed made use of a pen-and-paper based survey questionnaire to ensure a high participation rate during training sessions of the focal firm. The questionnaire survey needed review by the legal, ethics, and human resources department of the consulting firm and was distributed to the global training and learning team upon finalization.

The actual quantitative data collection was initiated with a pilot run by 10-15 participants, who were asked to provide their feedback in writing and verbally after the 5-10 minutes survey questionnaire. Feedback was positive and the degree of understanding was not compromised, resulting in no adjustment requirements within the survey questionnaire.

At the conclusion of a break during the training, participants received the questionnaire in a printed form on their chair and an additional 10 minute time slot to complete the survey questionnaire. The training and learning staff were given instructions to provide the participants with the context of the research study prior the data collection: "We have a short 5-10 minute paper survey we would like you to help us with. You are helping Ben Henkes, who is currently conducting his PhD research and has been collaborating with our Diversity and Inclusion Manager to drive this initiative. Your answers are 100% confidential and anonymous and will help academia with our unique sample of highly skilled professionals to contribute to an important debate, while also helping our firm to engage in a dialogue with our global employee base. To truly help our firm make this an even better company to work for, but also academia to present new evidence, it is of utmost importance that you represent your honest opinion."

Participation of subjects was carried out on a global basis, with trainings held in multiple international locations, in addition to employees flying in from any of the 50+ offices worldwide, allowing for a globally balanced sample. A total of 15 trainings were made available for data collection of which 10 trainings were suitable for data collection.

**Table 3.5.3: Minimum quantitative subjects requirements**

| | **Male** | **Female** |
|---|---|---|
| **Junior ranks** (BA, SBA, and Associates) | Min. 30 participants | Min. 30 participants |
| **Senior ranks** (Managers, Principals and Partners incl. Board Members) | Min. 30 participants | Min. 30 participants |

*Source: Author illustration*

Upon finalization of the questionnaire, survey papers were collected and sent to the research facility for data extraction and analysis.

The purpose of conducting the survey questionnaire at the training facilities was to ensure a high participation rate, as a specific time slot was made available for subjects. Surveys globally sent to employees are often ignored due to the overload of e-mails and pressing agendas of consultants. Therefore, the training center approach was recommended by global human resources to encourage a high participation rate. In order to satisfy the minimum requirements (refer to Figure 3.5.3) for statistical robustness of this research study's quantitative element, additional non pen-and-paper based questionnaire surveys were distributed to specific ranks at offices around the world. With a male dominated consulting firm, the trainings within the top ranks were not sufficiently populated with female subjects to ensure that statistical robustness would be given. An identical online version of the questionnaire survey was provided to specific participants in order to obtain additional required data. The online version of this questionnaire survey was optimized for mobile and personal computer usage.

In summary, the quantitative data collection was performed globally from mid-2019 to the beginning of 2020 and made use of a pen-and-paper based survey questionnaire at training facilities as well as an online version for selected participants, as required to ensure minimum requirements would be met for statistical robustness of results.

Qualitative data collection was structured into three distinct areas of subject selection, interview preparation, and interview execution. The subjects in focus were selected alumni of both genders who had left the firm within the last five years. A semi-structured interview guide was created and aligned with the investigated strategy consulting firm to better understand the personal motives for leaving the firm with a specific focus on bias situations and changing career ambition levels throughout the career trajectory.

The guide looked specifically at what the ambitions were when the alumni had joined the company, how did these ambitions change over time while with the firm, and how was the exiting of the firm aligned with the outset ambitions in the first place. In addition, how were bias situations observed throughout the tenure at the company and did these bias situations impact the decision to leave the firm. These qualitative research results were then compared between male and female alumni. Interviews are thus utilized to obtain additional data points, validate the quantitative study, understand the reliability of data obtained from current employees, understand and challenge research results, obtain qualitative explanatory inputs, and discuss limitations and future areas of research.

A list of 20 alumni fulfilling the requirements for the purpose of this study were selected from a larger global pool of alumni. 8 of these were selected for interviews. The confidentiality of the interviewees was protected and not communicated to the sample firm. There are no minimum requirements on participants for qualitative studies (Patton, 2002), however, it is important that a variety of information and reasons for leaving the firm is provided. Ten interviews assured this required saturation point (Guest, Bunce, & Johnson, 2006). A single qualitative data point would not be sufficient to support findings, multiple sets of qualitative data providing a direction of evidence are strong support (Shank, 2006).

After contacting the selected alumni with a tailored message including background on the purpose of this study, a personal meeting was set which was performed in selected instances via conference call. At the beginning of the interview, the researcher presented himself, explained the study, purpose, and outlined the interview process. To obtain maximum cooperation, an environment of protected confidentiality was provided and explained before tapping into the topics under investigation. For this reason, the research firm was not aware which of the alumni from the list were chosen, helping to protect their identity and information provided.

The strength of this study and its data collection process is the combination of obtaining quantitative results from the survey questionnaire with currently active employees while making use of the findings and discussing the same with alumni, who have potentially gone through similar events during their time at the management consulting firm and are more open to discuss the true and underlying nature of the decisions taken.

## 3.6 Data Analysis Methods

The survey questionnaire allows for data collection on career ambition, personal preferences concerning overall life goals and their influence on career ambition, the impact of bias situations, and further demographic characteristics resulting in metrically scaled, Likert-scaled and dichotomous variables. Data was analyzed by descriptive statistics, and linear regression analyses using SPSS. Linear regression is used in statistics for both simple and multiple regression analyses to examine if a single or multiple independent variables are good predictors for an outcome or a set dependent variable respectively (Sirkin, 2006).

The semi-structured interviews with strategy consulting alumni are analyzed based on the qualitative content analysis approach for expert interviews. Expert interviews are a qualitative method of social research aimed at collecting qualitative data through interviewing a specific group of subjects who can be credited to have expert knowledge within this domain to gain insights into their specific viewpoints on the subject matter. Alumni of the strategy consulting firm investigated within the quantitative survey questionnaire have specific knowledge on career ambition, personal life goals, and bias situations experienced throughout their time at the firm in focus. Having made the decision to exit the focal firm, renders this group of individuals experts with area-specific knowledge and skills related to the purpose of this study: Investigating the effect of bias situations on the level

of career ambition within the context of differing personal life goals and overall motivations and ambitions. This area-specific knowledge is the essential criterion that needs to be met when selecting experts. Other areas of knowledge, such as the general education or professional education, are not relevant for the selection of experts here, when such variables are expected to be similar given the specific population of experts in this case (Mieg & Näf, 2005).

According to Pickel & Pickel (2009), expert interviews can be evaluated according to the qualitative content analysis suggested by Mayring (2010) and Meuser & Nagel (2009), where the content of the interview is central. The analysis includes a number of successive steps (Meuser & Nagel, 2009). Paraphrasing concerns structuring content into individual text sections also called statements and labelling statements based on topical units, reducing the statements to keywords. The next step includes thematic structuring, the sorting of statements according to the generated keywords, followed by the thematic comparison of statements from different interviews and the unification of keywords into topic categories. Conceptualization is the activity of summarizing the statements from different interviews based on the topic categories close to the original text, resulting in a heuristic theory of the research object. The final step concerns the theoretical generalization, the conceptualization and progression of the discussion in the context of corresponding theories and research results.

## 3.7 Assumptions

The research design at hand, with its components of quantitative survey questionnaire and qualitative semi-structured interviews, laid out a number of assumptions:

The research study relied on the truthful and candid answers of participants for both the quantitative study and the qualitative interviews performed.

Although all measures are taken to ensure an environment of confidentiality and protection for the participants of this study, it can only be assumed that all submitted answers were provided truthfully.

Participants were randomly selected by administering the quantitative study at all training facilities within a given time frame. Additional ranks were contacted on a global basis with the opportunity to take part in the study, where additional data points were required for statistical robustness. This was however performed at a global level within specific ranks. The randomized collection of data is accordingly assumed without the challenge of a selection bias.

The consulting firm researched offers a highly international sample of subjects with a global mind-set. Project work is in the majority of cases carried out on a multi-country level and consultants are highly skilled and trained for dealing with and understanding cultural differences. Hofstede (2019) presents in his most recent 6-D model of national culture differences six dimensions that society needs to understand to be able to organize itself: individualism, power distance, masculinity, uncertainty avoidance, long-term orientation, and indulgence (Hofstede, 2019). Subjects in this study were carefully selected to represent consultants on a global scale as is typical within the research firm in focus. It is assumed that the six cultural difference dimensions as outlined by Hofstede (2019) do not result in biased research results, but rather represent the reality of the sample.

As this research is designed to provide broader implications for academia and practitioners, it is assumed that the studied sample is representative of the overall consulting population. While this firm has been carefully chosen as a sample to accurately represent the population of the consulting industry (refer to Chapter 3.3), it remains an assumption required to be fully transparent. In addition, it is assumed that strategy consulting firms are an adequate and advanced proxy for the professional services industry overall. While strategy consulting firms claim to be most advanced within their

gender diversity initiatives, consulting represents a male-dominated industry making it a relevant study sample. The results presented are used to derive implications for academia and practical applications for consulting firms, the professional services industry, and corporate as well as public institutions at large. Consequently, a central assumption to be considered within this context remains the applicability of a male-dominated consulting firm sample to these outlined populations.

## 3.8 Ethical Assurances

For any research involving the use of human subjects, the institutional review board will provide guidelines to ensure ethical conduct throughout the research study. The University of St.Gallen has consequently established an Ethics Committee to assess ethical as well as legal aspects of research that involve individuals or data which relate to organizations and people. Members of this committee are specialists within the area of ethics and legal and provide guidelines and counselling on ethical conduct.

The Ethics Committee of the University of St.Gallen was provided with the outcome of a self-assessment of this research study, which made use of the guidelines laid out at the University of St.Gallen and internationally by the Institutional Review Board to provide opportunity for intervention, which was not required.

The detailed assessment of the Ethics Committee is required for a research setting that involves the examination of individuals entailing risks to health or mental strain that could trigger negative emotions such as anger or fear; or where participants are discriminated, asked to recall traumatic experiences, or individuals' self-perceptions are put into question, subjects are knowingly misled, or the method is ethically challenging in any other way.

This research project and the methods employed have been vetted academically and comply with the regulations of government, the legal and ethical requirements as outlined by the human resources department of the research firm at hand, and the scientific standards of academia.

## 3.9 Summary

In summary, the debate for gender equality is stimulated with this research design focusing on the effects of bias on career ambition levels throughout the tenure of strategy consultants. Accordingly, the research question formulates as follows: "What is the role of bias experienced by men vs. women in their ambition for career progression?" One hypothesis has been laid out for testing.

The strategy consulting industry has been chosen as target population for this study due to the overall level of sophistication and education, the presence of male domination, present measures to deal with gender disparity, job and rank comparability, as well as a unique study population. The sample firm representing the focal population is a tier one management consulting firm that has not yet been examined, reports revenues of more than US$ 1 bn, and ranks among the top 10 most prestigious consulting firms (Consulting Industry Rankings, 2019).

Primary data was collected by conducting a quantitative questionnaire survey on a global scale over a period of five months, in addition to collecting qualitative data through semi-structured interviews over a period of four months. Methods were designed through proven methods applied by the academic and research community for each of the variables: career ambition, gender, and bias respectively. Quantitative data analyses were set to be performed with descriptive statistics and qualitative data analyses were set to be performed with the qualitative content analysis approach.

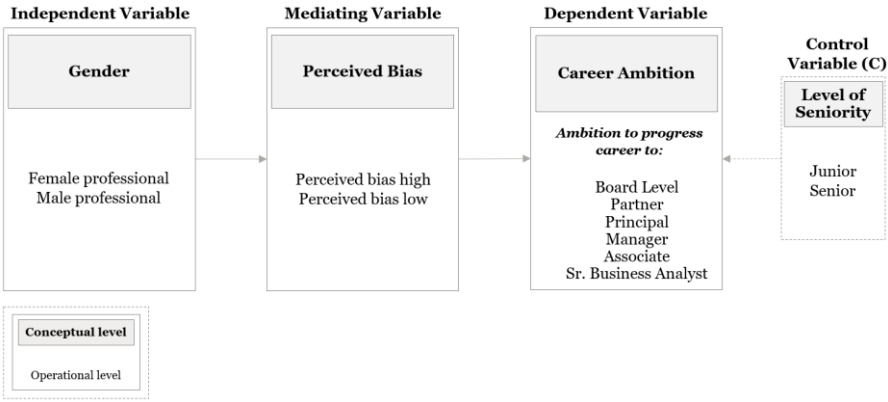
Set assumptions for the research design include that participants provided truthful answers, the balance of cultural considerations given the highly international and global data sample collected, as well as the applicability of results within the strategy consulting sample to the overall corporate and institutional setting. In addition, ethical considerations for this study involving human subjects have been established for ensuring the highest degree of compliance with set governmental regulations as well as academically set ethical standards.

The results of this study are analyzed and discussed in detail in Chapter Four.

# 4 Results and Discussion

To investigate the relationship of gender on career ambition with the mediating variable bias, the illustrated research model (refer to figure 4.1) is tested with quantitative survey data as well as qualitative interview data as outlined in Chapter Three. The principal regression model equation tested in this dissertation is derived as: Career Amb. = γ0 + γ1 x Gender + γ2 x Bias + γ3 x Control + ε.

**Figure 4.1: Detailed research model**



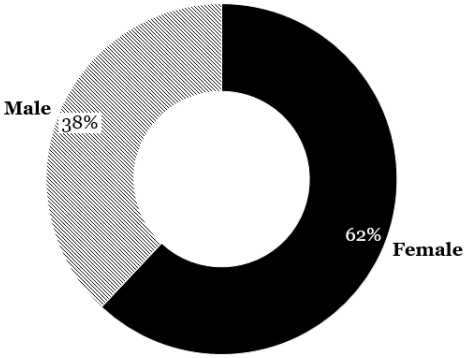

*Source: Author illustration*

The purpose of the following sections is the documentation of quantitative and qualitative results as well as the discussion of their implications. Details on the statistical analyses including tables, plots, and statistical result interpretations are provided for the outlined hypothesis with additional quantitative analyses provided for reference and robustness.

## 4.1 Overview of Quantitative Data

The quantitative data collection led to a total of 321 completed surveys. As depicted in figure 4.1.1, overall more female than male consultants participated in this survey. Participation was voluntary and made available to all subjects in training facilities and offices. These offices and trainings show a similar distribution of gender within the junior ranks and a higher distribution of male professionals than female professionals among the senior ranks. As illustrated in figure 4.1.1, more female consultants decided to voluntarily participate in this study than their male counterparts. The reason for this unbalance in response rates among male and female participants is unknown and could not be identified through subsequent qualitative exploration with administrators of this study.

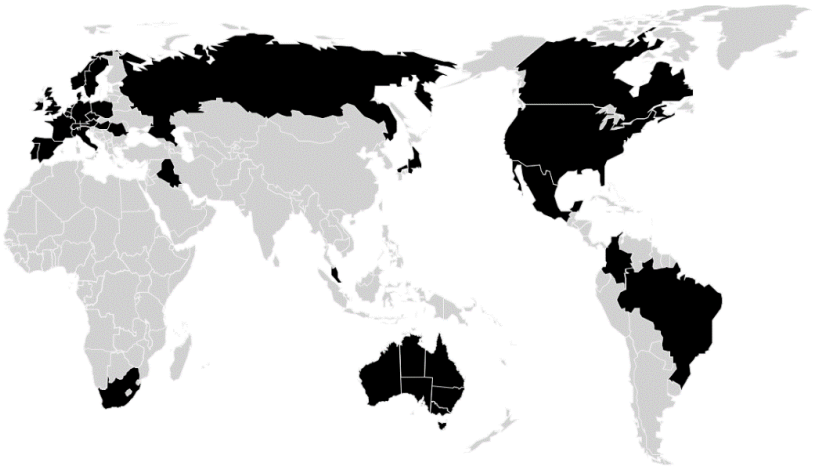
**Figure 4.1.1: Gender distribution of collected data**




*Source: Author illustration*

While the quantitative data collection took place in a limited set of 15 training facilities in concentrated areas across the various continents, participants' offices of origin covered a total of 29 countries across Africa, Europe, Asia, Australia, North America, and South America as demonstrated in figure 4.1.2.

**Figure 4.1.2: Subject origin**

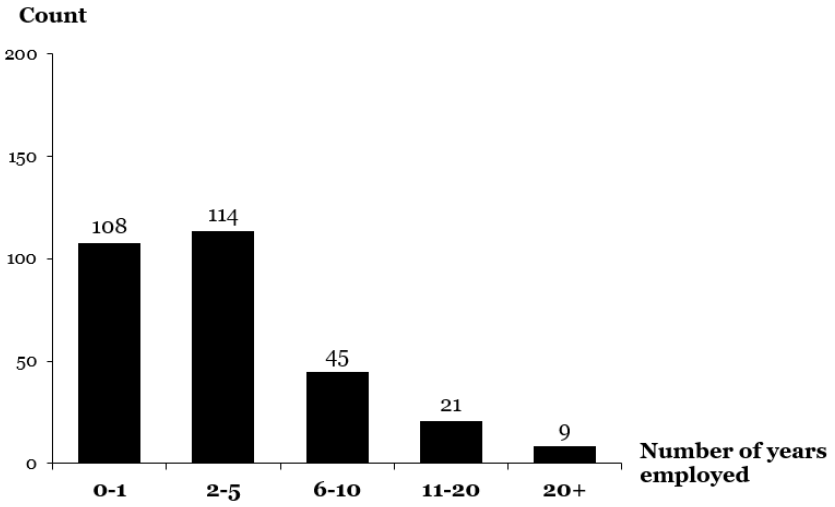


*Source: Author illustration*

The employment tenure of individual professionals who declared their number of years with the consulting firm ranges from recently hired with less than one year of employment to a total of 30 years with the company. As depicted in figure 4.1.3, the majority (75%) has been employed by the consulting firm in focus for up to five years while the minority (25%) has been with the firm for more than five years. This distribution corresponds to the overall distribution of employees across the firm in terms of length of employment.

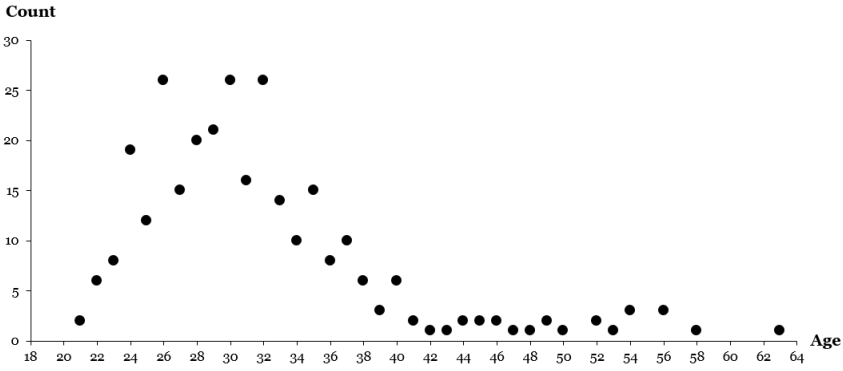
Figure 4.1.4 illustrates the distribution of age within the participating sample ranging from 21 to 63 years with a majority of employees in the age bracket of 25 to 35 years.

## Figure 4.1.3: Employment tenure




*Source: Author illustration*

## Figure 4.1.4: Employee age

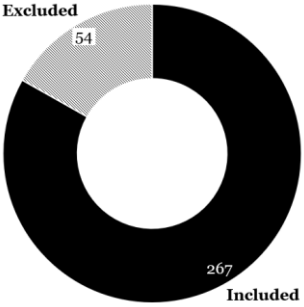



*Source: Author illustration*

## 4.2 Quantitative Data Screening

The data was initially screened for outliers, skewness, non-normality, and missing data points in order to attain a sound sample and accurate analyses for this research project. While 54 surveys needed to be excluded from the analyses, evidence of a systematic pattern of missing data was not found, leaving a total sample size of 267 subjects as illustrated in figure 4.2.1. Most exclusion was caused by a number of participants not reporting their gender and a selection of participants failing to rank the answer choices within the perceived bias section. The data points from those surveys have therefore been excluded in order to attain a sound sample for testing perceived bias on career ambition and the moderating effects of gender.

**Figure 4.2.1: Data exclusion**




*Source: Author illustration*

Table 4.2.2 shows the number of survey participants by gender and seniority as well as gender and rank within the seniority buckets of 'junior' and 'senior'. Of the 267 total participants, 139 of the included data points were recorded by business analysts, senior business analysts, and associates – bucketed into the junior bracket. The remaining 128 data points were recorded by participants of the senior bracket including professionals at manager, principal, and partner level.

**Table 4.2.2: Sample overview for gender, seniority, and rank**

| *Seniority by gender* | | Gender | | |
|---|---|---|---|---|
| | | Female | Male | Total |
| Seniority | Junior | 98 | 41 | 139 |
| | Senior | 63 | 65 | 128 |
| Total | | 161 | 106 | 267 |

| *Rank by gender* | | | Gender | | |
|---|---|---|---|---|---|
| | | | Female | Male | Total |
| Seniority by Rank | Junior | Business Analyst | 23 | 8 | 31 |
| | | Senior Business Analyst | 34 | 11 | 45 |
| | | Associate | 41 | 22 | 63 |
| | Senior | Manager | 35 | 29 | 64 |
| | | Principal | 19 | 24 | 43 |
| | | Partner | 9 | 12 | 21 |
| Total | | | 161 | 106 | 267 |

*Source: Author illustration*

161 female and 106 male participants were included for the final quantitative data analyses and hypotheses testing. The 2 x 2 = 4 buckets contain at least 40 participants per bucket, satisfying the robustness requirements of at least 30 subjects. The second crosstabulation illustrates the exact breakdown of participants within the junior and senior brackets by gender. Table 4.2.2 also illustrates that in contrary to the gender distribution in the offices, proportionate to the overall population, more female consultants participated in this study at both senior and junior levels. At junior level, where the overall consultant population is equally represented, significantly more responses (98 vs. 41) came from female junior consultants. At senior level, where the overall consultant population is highly male dominated, an

almost equal number of responses (63 vs. 65) came from male and female senior consultants. In relation to the overall population, female consultants responded at a higher rate than their male counterparts.

## 4.3 Qualitative Data Overview

A key consideration in this study is the potential limitation of quantitative results due to the self-selection bias of participants. Those professionals who have been confronted with biases during their tenure with the consulting firm might have already left the company to pursue opportunities in a less biased environment, therefore no longer being a member of the firm and not being able to provide data points for this quantitative survey study. As a result, the validity of the study results could be challenged. To address this concern, among others, eight anonymous interviews were conducted with alumni of various origins, positions, and tenure to test the robustness of the quantitative research results (refer to table 4.3.1).

**Table 4.3.1: Overview of qualitative interview participants**

| # | Gender | Exit Position | Office | Years with Company |
|---|---|---|---|---|
| Interview #01 | Male | Associate | Switzerland | 3 |
| Interview #02 | Female | Manager | United Kingdom | 3 |
| Interview #03 | Female | Manager | Switzerland | 3 |
| Interview #04 | Male | Principal | Singapore | 6 |
| Interview #05 | Female | Manager | United Kingdom | 5.5 |
| Interview #06 | Female | Manager | Belgium | 7 |
| Interview #07 | Female | Manager | Australia | 4.5 |
| Interview #08 | Male | Board Member | United Kingdom | 15.5 |

*Source: Author illustration*

After outlining the quantitative statistical findings, qualitative interview findings will be presented to discuss the perception of existing bias mediating how men and women assess their level of ambition for career progression. This will include the discussion of ambition levels among male vs. female professionals as well as the difference in perception of bias

between the two genders. The interview outcome will also elaborate the overall level of perceived bias and compare it to the findings of the quantitative study results.

## 4.4 Hypotheses Testing and Discussion

To test the overarching research question concerning the role of bias experienced by men vs. women in their ambition for career progression, a casual mediation analysis with four steps including three distinct linear regressions were performed as described in detail in section 3.2 – making use of the quantitative data set:

**Step 1:**

- Model: Career Amb. = $\alpha 0 + \alpha 1 \times \text{Gender} + \alpha 2 \times \text{Control} + \varepsilon$
- Expectation: Based on Ely et al. (2014), there is no significant difference in ambition for career progression for men vs. women across all ranks.

**Step 2:**

- Model: Bias = $\beta 0 + \beta 1 \times \text{Gender} + \beta 2 \times \text{Control} + \varepsilon$
- Expectation: Based on Reuben et al. (2014), women will report a stronger perception of biased situations than men.

**Step 3:**

- Model: Career Amb. = $\gamma 0 + \gamma 1 \times \text{Gender} + \gamma 2 \times \text{Bias} + \gamma 3 \times \text{Control} + \varepsilon$

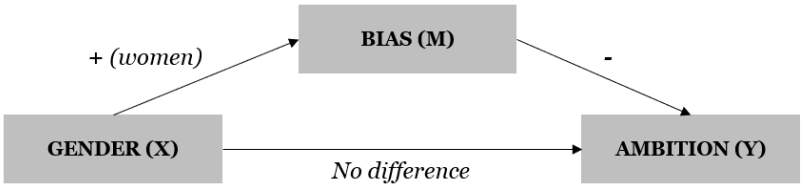
- Expectation: Based on the research framework of this dissertation, gender will not impact career ambition directly. However, bias will negatively mediate the relationship of gender and career ambition.

**Step 4:**

- Mediation Effect Analysis: Average Casual Mediation Effects (ACME) vs. Average Direct Effects (ADE) making use of Linear Regressions as formulated in Step 2 and Step 3.

- Expectation: An inconsistent mediation (suppression model) based on Shrout & Bolger (2002) and MacKinnon et al. (2000) as depicted in figure 4.4.1 with a significant indirect effect (ACME) with opposing signs to the non-significant direct effect (ADE).

**Figure 4.4.1: Inconsistent mediation expectation**



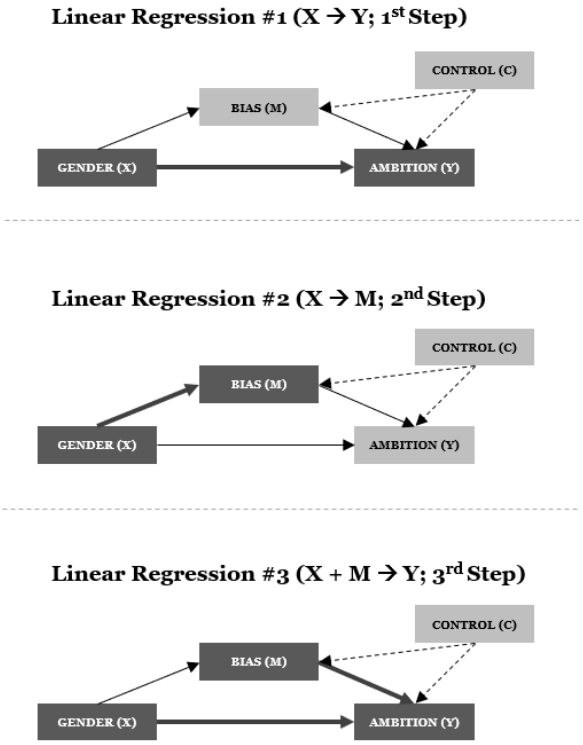

*Source: Author illustration*

The three main variables – ambition, bias, and gender – were obtained through a quantitative questionnaire. The measurement metrics were adapted to the context of the management consulting industry using methods previously employed by Gray & O'Brien (2007), Janssen & Van Yperen (2004), and Spinath & Steinmayr (2012) for career ambition; Harvard University (2019) and the ICM (2018) for bias; and Deogracias et al. (2007) for gender. For career ambition, the questionnaire asked

participants: “What is the highest rank that you want to reach during your career […]?” with each rank as an answer option. As discussed in section 3.4, bias is operationalized by making use of two sets of five questions asking indirectly and directly for the participants’ perceived bias respectively. For example, an indirect question was formulated as: “What do you think were the reasons that you got staffed on more ‘soft/ general workstreams’ rather than ‘technical/ specific workstreams?” with options for rational/ legitimate and non-rational/ biased answers. An example of a direct question asked participants how often the following scenario had occurred for them: “Not being considered for a project you indicated as priority with the staffing department, while colleagues of yours were staffed on the same project without indicating it as a priority with the staffing department.” The variable gender was collected with an open question.

The subsequent sections will outline and interpret the findings for the hypothesis that is the focus of this dissertation and employ the mediation analysis approach as outlined in figure 4.4.2 with the level of seniority employed as the control variable.

**Figure 4.4.2: Casual mediation analysis approach**




*Source: Author illustration*

### 4.4.1 Principal casual mediation results for gender, bias, and ambition

The hypothesis under investigation is set to predict that bias mediates the relationship of gender and ambition. The principal casual mediation analysis will make use of the four-step approach of analysis as outlined by Baron & Kenny (1986) and discussed in the previous section with ex-ante expectations depicted in figure 4.4.1. In addition, 'Seniority' will be employed as a measure to control for the change of ambition levels as individuals progress through the ranks of the consulting career.

The first step will make use of a linear regression analysis to test the relationship between gender and career ambition with seniority as control. Results are reported in table 4.4.1.1:

**Table 4.4.1.1: Mediation Step 1 - Linear regression (X → Y)**
*Regression results using AMBITION as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 2.13*** | [1.88, 2.38] | | | |
| GENDER | 0.05 | [-0.21, 0.30] | .00 | [-.00, .00] | |
| SENIORITY | -1.19*** | [-1.44, -0.93] | .24 | [.15, .33] | |
| | | | | | $R^2$ = .258*** 95% CI[.17,.34] |

*Note*. F (2, 264) = 45.88; Adjusted $R^2$ = .252; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.

*Source: Author illustration*

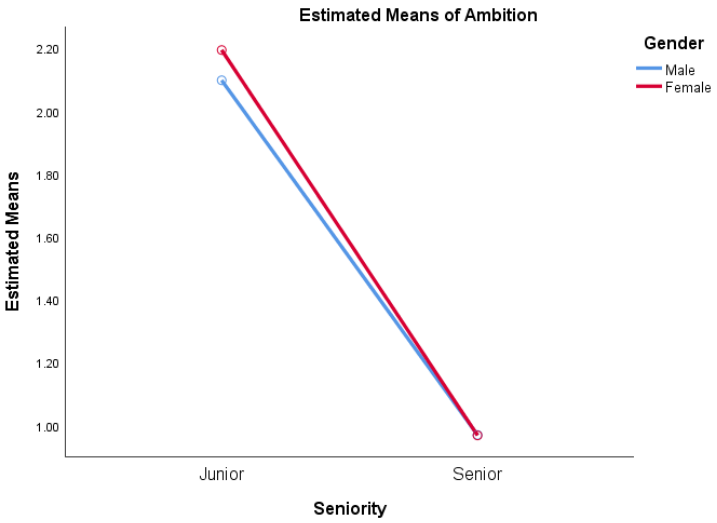
As predicted, gender does not impact the level of career ambition within this homogenous sample of strategy consultants as the regression coefficient for gender is not significant with a p-value of .73 (refer to table 4.4.1.1). As elaborated in section 3.2, Baron and Kenny (1986) require a significant relationship between independent variable 'Gender' and dependent variable 'Ambition' for a classical mediation model. Shrout and Bolger (2002) deemed this first step of the analysis as controversial and argue that a sound theoretical explanation for the absence of the direct relationship is sufficient for the purpose of mediation. This holds especially true for the case where an inconsistent mediation is expected – as is the case for this dissertation.

Ely et al. (2014) provide the required theoretical rationale for the absence of a difference in ambition among men vs. women. In addition, the seniority coefficient (-1.19) explains the ambition level for further career progression of a consultant with a significance of $p < .01$. As depicted in figure 4.4.1.2, when a consultant advances from one rank to another, the remaining ranks to progress to partner level decrease simultaneously. Accordingly, the rank coefficient of -1.19 demonstrates that there is a consistent level of ambition to progress careers across ranks, with a net ambition decrease of 0.19 per rank. This could be interpreted as – on average – every second consultant losing the ambition for progressing their career by one additional rank (e.g. principal instead of partner level) over their entire career trajectory.

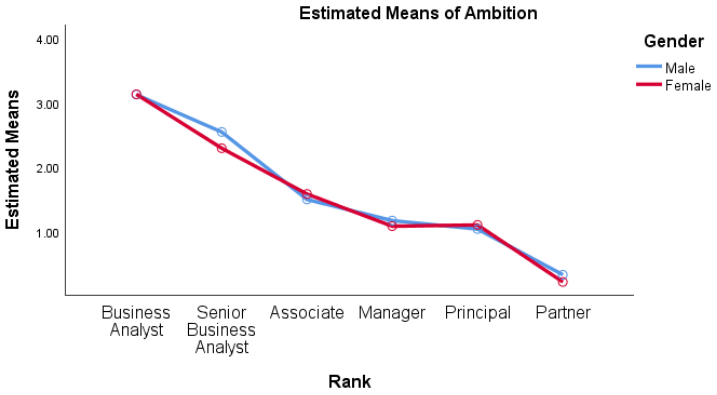
To further investigate these ambition levels as part of mediation Step 1, figure 4.4.1.2 provides two profile plots of the estimated means of ambition to progress their career by seniority and rank in particular. On average, the junior cohort, irrespective of male or female consultants, has the ambition to progress their career by an estimated average of 2.1-2.2 ranks ahead. The graph depicts a downward slope as consultants within the senior ranks have less room for further career advancement. The second plot shows by rank how business analysts are most interested to progress their career by three ranks to manager level, senior business analysts by 2.5 ranks to manager/principal level and how this decreases when getting to partner level, where limited career advancement opportunities (e.g. board level, CEO position) remain. Individual consultants, irrespective of their gender, want to progress their career to manager or principal level while those, who are at principal level, want to progress their career to partner level. Ambition levels do not differ by gender.

**Figure 4.4.1.2: Mediation Step 1 - Ambition profile plots (gender, seniority)**

*Ambition by seniority by gender*




*Ambition by rank by gender*




*Source: Author illustration*

Similarly, the interview findings demonstrate a general consensus that ambition levels did not differ among male and female professionals within the junior ranks of business analyst, senior business analyst, and associate level. Furthermore, a number of interviewees argued that ambition levels were similar irrespective of rank.

> *"I don't think ambition levels are different by gender."* (Interview #5, Female)

Accordingly, this result is in line with the quantitative results and hypothesis 1 as well as evidence found by Ely et al. (2014), who claim that ambition levels are the same across all age groups and gender. Another interviewee quote confirms the same in this study:

> *"The female colleagues I knew had similar ambition levels to men."* (Interview #3, Female)

Gino, Wilmuth & Brooks (2015) present evidence that female professionals find career advancement as attainable as their male counterparts, but less desirable within the context of senior leadership positions. This does not necessarily translate into lower ambition levels, but rather to different ambition levels in the context of a specific firm environment. Ely et al. (2014) also find that ambition and priorities do change during the lifetime of individuals surveyed – which occurs for both male and female MBA alumni to the same degree. In contrast to results from the quantitative data, alumni also hold the opinion that while ambition levels are the same within the starting ranks, a difference among male and female professionals starts to emerge during mid-rank levels:

> *"[…] if you asked any BA or SBA: 'Do you want to be a Partner', I don't think many would say yes and I get the feeling that this would not be different between male and female. I think if you asked this question at mid-rank, Associate or Manager level, then probably you start to see more of a difference."* (Interview #2, Female)

This statement is in line with figure 4.4.1.2, where the ambition level of a (senior) business analyst will, on average, range towards associate and manager level, but not to principal or partner level. This ambition changes once consultants reach the associate and manager positions and start ranging towards principal and partner level. While the graph in figure 4.4.1.2 shows no difference for both junior and senior ranks in gender, alumni interviewees tend to have the opinion that there is a difference, which starts to crystalize at mid-rank level. As this is the most common occurrence in a consulting career, where people leave the company, this could confirm the self-selection bias. Those individuals staying with the firm and part of the quantitative survey will have the ambition to continue to principal and partner level, while everyone else will have left the firm as part of the alumni cohort not being considered in the quantitative study. Female alumni interviewees in particular mention two main reasons for leaving the firm at mid-rank. The first reason is related to a shift in values and the different timing of realization among male and female consultants:

> *"My hypothesis is that a lot of women change their values earlier than men and a lot of men do not have the guts do go through with that. A lot of females leave the company accordingly, because the culture does not fit with their values anymore […]."* (Interview #3, Female)

Further qualitative confirmation was provided by the following statement:

> *"I think a lot of women leave because they have a value conflict […]."* (Interview #6, Female)

A similar claim concerning the mid-rank timing difference among male and female professionals was made during the following interview:

> *"I believe that slightly more females were clear early on that the partner lifestyle is not for them. […] Females are a bit more clear on what they want […]."* (Interview #7, Female)

In conclusion, the qualitative interview results reveal that alumni agree that ambition levels are similar among both genders within the junior ranks. The quantitative data results confirm the same for senior ranks given the population of study comprises consultants who decided to stay with the company after mid-rank. The alumni interview results present an alternate perspective, citing a timing difference in value and ambition changes among female and male colleagues in senior positions at the consulting firm. Although these results initially appear opposing, they are not entirely contradictory when considering the survey participants' status as alumni vs. current employees. The qualitative findings are therefore in line with the evidence provided by Gino, Wilmuth & Brooks (2015). A quantitative time-series data collection including both active consultants and alumni would potentially reveal results in line with the evidence provided by Ely et al. (2014). Whether this value and ambition shift at mid-rank is based on a higher perception of bias could not be established to a significant degree during the qualitative interviews.

Empirical results to further interpret and discuss career ambition and gender, and most importantly their impact on gender disparity, are limited. The overall claim of the existence of an ambition gap (Waldmann, 2012) is supported by a number of research findings. Fulton, Maestas, Maisel & Stone (2006), Ashby & Schoon (2010), and most recently Maranto, Teodoro, Carroll & Cheng (2019) provide empirical evidence for a different level of ambition determined by gender. This evidence was collected within the area of politics and education in the United States. Explanatory evidence suggests that ambition levels are the same during the childhood for boys and girls, while a divergence in ambition is initiated when academic tracks must be chosen during the age of puberty – attributed to the need of boys to compete (Buser et al., 2014). Bertrand (2011) equally suggests that the level of overconfidence and the need for competition in boys explains the emergence of this ambition gap.

As outlined, this study finds opposing results with the exact same ambition level to progress one's career independent of gender or seniority – a finding which is similar to evidence provided by Ely et al. (2014). The differences in results among Ely et al. (2014), and the present study at hand versus evidence collected by Fulton et al. (2006), Ashby & Schoon (2010), Bertrand et al. (2011), Buser et al. (2014), and Maranto et al. (2019) can be attributed to the differences in samples under investigation. While the former two studies make use of a highly homogeneous sample in terms of education, experience, and sociocultural background; the latter make use of a more diverse sample in regard to these variables. For example, Ely et al. (2014) include a sample of MBA alumni from one single institution – Harvard Business School; similarly, this study makes use of a sample of management consultants from one management consulting firm – hiring their consultants from similar educational institutions as presented in the study of Ely et al. (2014).

It is safe to assume that the population of potential leaders for private and public institutions require a high degree of education and experience within their respective fields of operation. The cohort of potential leaders can therefore be called equally homogeneous. Evidence from this and previous studies show that the ambition level among male and female professionals within such homogeneous samples is the same. It can therefore be hypothesized that differing levels of ambition are not the appropriate explanation for the gender gap.

The problem is related to such homogeneous samples of both male and female professionals as well as perceived bias and gender bias specifically. Qualitative study results provide evidence within this domain. An interview candidate responsible for recruitment and gender balance confirmed the imbalance of this homogeneous sample:

*"You need to take responsibility for your inbound pipeline. […] The corrective measure was to adjust the gender intake level percentage."* (Interview #8, Male)

Within this industry, the adjustment of the intake level to ensure an equal playing field and creating a homogeneous and gender-balanced population of consultants was not an issue according to the same interviewee:

*"And then people would say: 'Does this lower the quality of female intakes?' – which would be one of the biases you frequently hear. […] the reality is when you look at all the applicants that come in, if you look at the difference of CV number 85 and CV number 109, the difference is so tiny that if you showed it to 10 people, 5 would take A and the other would take B, that it is essentially like a toss of a coin. So, you are intervening at a marginal level to rebalance something that is unbalanced because of bias in the first place."* (Interview #8, Male)

The results and findings within the domain of bias are further elaborated as part of the second and third step of the mediation analysis. The second step of the mediation analysis will test the association of X (gender) with M (bias). For the purpose of analysis, a linear regression was applied with results reported in table 4.4.1.3:

**Table 4.4.1.3: Mediation Step 2 - Linear regression (X → M)**

*Regression results using BIAS as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 1.00*** | [0.74, 1.26] | | | |
| GENDER | 0.49*** | [0.22, 0.76] | .05 | [-.00, .10] | |
| SENIORITY | 0.18 | [-0.08, 0.44] | .01 | [-.01, .03] | |
| | | | | | $R^2$ = .049*** 95% CI[.01,.10] |

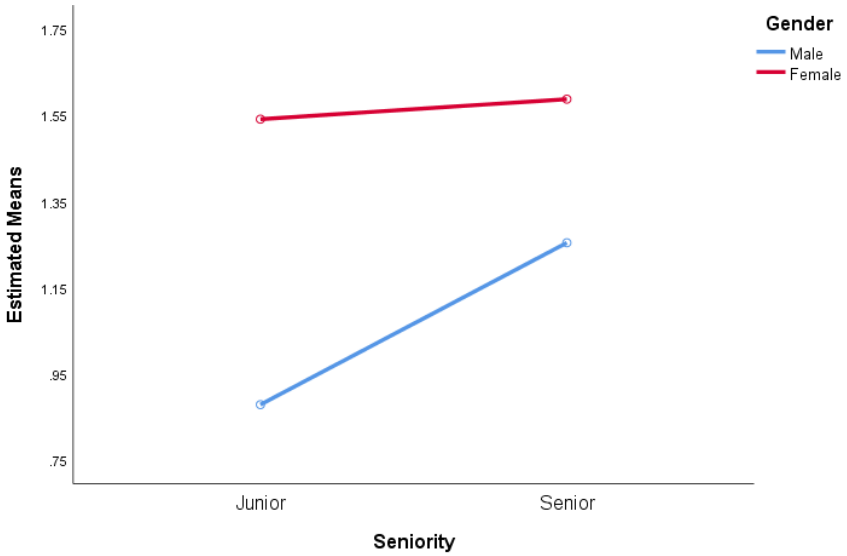
*Note*. F (2, 264) = 6.746; Adjusted $R^2$ = .041; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

The regression coefficient of gender is significant with p < .01. The perception of bias is predicted to be equal to 1.00 + .49 (gender) + .18 (seniority), where gender is coded as 0 = male, and 1 = female, as well as seniority is coded as 0 = junior, and 1 = senior. The bias plot (refer to figure 4.4.1.4) depicts how bias is perceived significantly higher by women vs. men for both the junior and senior group of the sample.

**Figure 4.4.1.4: Profile plot for perceived bias**

*Estimated means of perceived bias by gender and seniority*




*Source: Author illustration*

This result is in line with the expectations based on Reuben et al. (2014) that women will report a stronger perception of biased situations than men.

The third step of the casual mediation analysis makes use of the linear regression equation: Career Amb. = γ0 + γ1 x Gender + γ2 x Bias + γ3 x Seniority + ε. As for the first step of the analysis, it is expected that ambition is not significantly impacted by gender while perceived bias is expected to significantly and negatively impact the ambition for career progression. Results as reported in table 4.4.1.5 demonstrate that the regression coefficients for gender and bias are not significant with p-values of .49 and .11 respectively. The signs of the coefficients are as expected and confirm an inconsistent mediation as per MacKinnon et al. (2000). However, despite

expectations, with a non-significant bias-ambition relationship, the perception of bias does not mediate how men vs. women assess their level of ambition for career progression.

**Table 4.4.1.5: Mediation Step 3 - Linear regression (X + M → Y)**

*Regression results using AMBITION as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 2.23*** | [1.95, 2.50] | | | |
| GENDER | 0.09 | [-0.17, 0.35] | .00 | [-.01, .01] | |
| BIAS | -0.09 | [-0.21, 0.02] | .01 | [-.01, .02] | |
| SENIORITY | -1.17*** | [-1.42, -0.92] | .23 | [.15, .32] | |
| | | | | | $R^2$ = .265*** 95% CI[.17,.34] |

*Note*. F (3, 263) = 31.60; Adjusted $R^2$ = .257; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

The final and fourth step of the mediation analysis summarizes the results (refer to table 4.4.1.6). While no significance was expected for the average direct effects (ADE), a negative average casual mediation effect (ACME) was expected to confirm the hypothesis that perceived bias mediates gender and the ambition for career progression. Both effects result to be non-significant.

**Table 4.4.1.6: Mediation effect summary**

*Causal mediation analysis results using BIAS as the mediating variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | *significance* |
|---|---|---|---|
| ACME | -0.05 | [-0.12, 0.01] | 0.11 |
| ADE | 0.09 | [-0.18, 0.36] | 0.52 |
| TOTAL EFFECT | 0.04 | [-0.21, 0.30] | 0.77 |
| PROP. MEDIATED | -0.13 | [-5.87, 4.81] | 0.79 |

*Note*. 267 observations; Causal mediation analysis with Y = Ambition, X = Gender, M = Bias, and C = Seniority. *LL* and *UL* indicate the lower and upper limits of Quasi-Bayesian confidence intervals, respectively. ACME denotes Average Causal Mediation Effects, and ADE denotes Average Direct Effects.

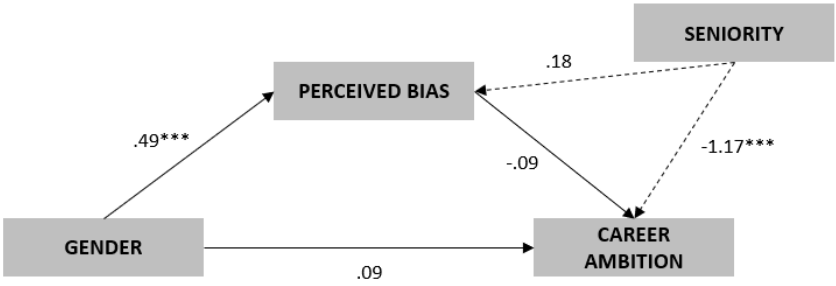
* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

In summary, the first two steps were accurately predicted by the research model. In addition, the casual mediation model can be confirmed to be a suppression model in this specific research setting. With p = .11, the perceived bias-career ambition relationship could not be confirmed as predicted. Accordingly, the hypothesis is rejected. Results are summarized in figure 4.4.1.7.

As described in the research design under section 3.2 and 3.4.4 as well as detailed in section 4.4, the perception of bias was measured by making use of ten quantitative questionnaire scenarios which included various types of biases as defined by Reiners (2019). The analysis therefore offers the opportunity to be further differentiated by investigating the hypothesis making use of various types of bias. As elaborated in further detail in the next section, qualitative alumni interviews reported a significant number of biased situations which were related to gender outweighing other types of

bias. The insignificance of current results, the qualitative interview findings, as well as the application of various types of bias, motivate further analysis.

**Figure 4.4.1.7: Overview of coefficient results**




* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

## 4.4.2 Further analysis with a differentiated view on 'perceived bias'

Participants were confronted with multiple biased situations which included both gender-specific and non-gender specific biased situations. Accordingly, the analysis to investigate the outlined hypothesis is repeated for both in separation as per table 4.4.2.1.

Section 2.4.2 (types of bias) and 4.4.1 (hypotheses testing and discussion) provide details on the measurement for perceived bias. With the further analyses and split of perceived bias into perceived gender bias and perceived non-gender bias, it becomes relevant to fully understand the underlying differences among these two research variables:

Gender bias is defined as "[…] the tendency to prefer one gender over another gender" (Reiners, 2019). Part 3 of the quantitative questionnaire provided study participants with typical real-life consulting situations with

one answer option being 'gender' to indicate that the given scenario occurred due to gender differences/ preferences. For example: "What do you think were the main factors which determined whether you got staffed on a flagship project of your choice?" A non-biased answer option provided was 'relevant skillset', while a gender-biased answer option was 'gender' to clearly indicate that the participant has observed staffing decisions to be based purely or partially on gender.

An example of a non-gender biased answer option for the same question is 'relationship with the staffing department team' indicating an affinity or similarity bias (refer to table 2.4.2.1). Part 4 of the quantitative questionnaire tests for further non-gender biased situations. For example, one of the questions asked how often the following situation had occurred: "Having difficulty gaining a good working relationship and trust with the Manager/ Principal/ Partner after you made an initial mistake on the project, despite demonstrating strong performance ever since." This situation is related to the attribution bias, which is defined as "[…] a phenomenon where one makes sense of or judges a person's behavior based on prior observations and interactions" (Reiners, 2019).

**Table 4.4.2.1: Split for non-gender bias and gender bias**

| | | Type of Bias | Hypothesis |
|---|---|---|---|
| **Differentiated analysis split** | a | Non-Gender Bias | The perception of existing bias (a: NG-Bias; b: G-Bias) mediates how men vs. women assess their level of ambition for career progression. |
| | b | Gender Bias | |

*Source: Author illustration*

Biased situations can affect both male and female professionals. However, as research has shown, bias is one of the quoted reasons for the gender gap when it comes to career progression equality (refer to section 2.4). Female professionals are therefore typically affected by both gender and non-gender bias with the only difference that the former is the more extreme form of discriminative bias, directly pointed at gender.

Based on the qualitative interview findings and the fact that gender bias was one of the most referenced topics, one would expect gender bias to have a stronger impact on ambition for career progression than non-gender bias. Qualitative alumni interviewees can be expected to be more open about their experience as no longer with the firm. Quantitative findings, however, are based on a sample of current employees, who might not want to accept certain realities. Current employees, and especially current female professionals, want to be measured by objective results and not be victimized by gendered biases. Crosby (1984) made this discovery early on and demonstrated that the majority of women are actually unaware of gender bias. With the qualitative interview results and the theoretical framework pointing into opposite directions, this dissertation does not formulate an ex-ante expectation concerning the outcome of the mediation analysis using a) non-gender bias, and b) gender bias. It is however expected that one of these bias variables will have a significant and negative impact on ambitions for career progression.

As for the first analysis, the outlined hypothesis is analyzed by means of mediation as suggested by Baron & Kenny (1986). With the variables gender and career ambition being identical to the first analysis, the results of the first step should be identical.

As per expectations, the linear regression results are identical to the first casual mediation analysis with a non-significant gender coefficient. As for the first analysis, ambition levels are the same among male and female study participants. The control variable 'Seniority' is significant at $p < .01$ for the same rationale as described in section 4.4.1.

**Table 4.4.2.2: 2nd Mediation Step 1 - Linear regression (X → Y)**

*Regression results using AMBITION as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 2.13*** | [1.88, 2.38] | | | |
| GENDER | 0.05 | [-0.21, 0.30] | .00 | [-.00, .00] | |
| SENIORITY | -1.19*** | [-1.44, -0.93] | .24 | [.15, .33] | |
| | | | | | $R^2$ = .258*** 95% CI[.17,.34] |

*Note*. F (2, 264) = 45.88; Adjusted $R^2$ = .252; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

The expectation for the second step of the mediation analysis is that the perception of existing bias differs between female and male professionals at both junior and senior level. This analysis is split into two sub-samples of non-gender bias (a), and gender bias (b) as illustrated in table 4.4.2.1.

**Table 4.4.2.3: 2nd Mediation Step 2 - Linear regression (X → M) - NG Bias**

*Regression results using NON-GENDER BIAS as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 1.71*** | [1.35, 2.06] | | | |
| GENDER | 0.41** | [0.05, 0.78] | .02 | [-.01, .05] | |
| SENIORITY | 0.29 | [-0.07, 0.65] | .01 | [-.01, .03] | |
| | | | | | $R^2$ = .023** 95% CI[.00,.07] |

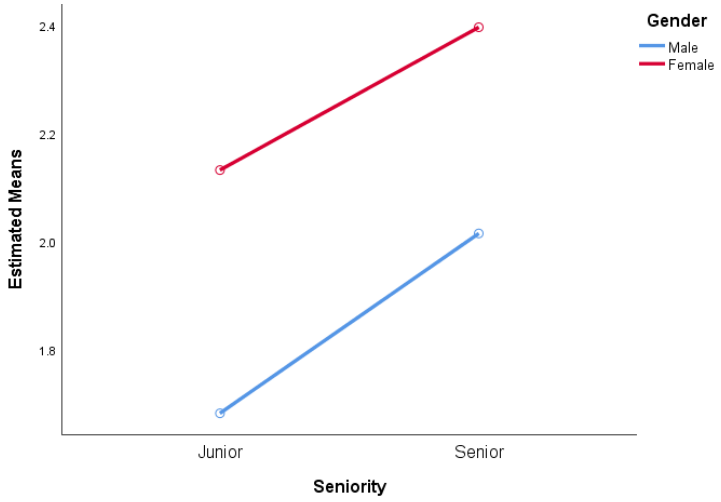
*Note*. F (2, 264) = 3.127; Adjusted $R^2$ = .015; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

For testing Part a), perceived non-gender bias, a simple linear regression was used to analyze the association of perceived non-gender bias with gender. The regression coefficient of perceived non-gender bias is significant with a p-value of .027 (refer to table 4.4.2.3). Participants' predicted the perception of non-gender bias to be equal to 1.71 + .41 (gender) + .29 (seniority), where gender is coded as 0 = male, and 1 = female and seniority is coded as 0 = junior, and 1 = senior. Accordingly, female professionals, on average for both junior and senior levels, report a higher level of perceived bias level by .41 in comparison to their male counterparts.

**Figure 4.4.2.4: Profile plot for perceived non-gender bias**

*Estimated means of perceived non-gender bias by gender and seniority*




*Source: Author illustration*

The bias plot of figure 4.4.2.4 depicts a significant difference between male and female professionals and demonstrates how this difference is similar irrespective of the level of seniority. In conclusion, the expectation that women report a stronger perception of biased situations than men can be confirmed for non-gender specific bias in line with Reuben et al. (2014).

For testing Part b), perceived gender bias, another simple linear regression was calculated making use of the full dataset to investigate the relationship between perceived gender bias and gender. In this case of perceived gender bias, a significant regression coefficient was found for gender with $p < .000$ (refer to table 4.4.2.5). Participants' predicted perception of gender bias is predicted to be equal to .29 + .57 (gender) + .06 (seniority), where gender is coded as 0 = male, and 1 = female and seniority is coded as 0 = junior, and 1 = senior. Female professionals, on average, report a higher level of perceived gender bias level by .57 in comparison to their male counterparts (refer to

figure 4.4.2.6). Part b) can therefore be confirmed satisfying the same expectation as Part a) with a higher level of significance.

**Table 4.4.2.5: 2nd Mediation Step 2 - Linear regression (X → M) - Gender bias**

*Regression results using GENDER BIAS as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 0.29** | [0.01, 0.57] | | | |
| GENDER | 0.57*** | [0.28, 0.85] | .05 | [.00, .11] | |
| SENIORITY | 0.06 | [-0.22, 0.34] | .00 | [-.01, .01] | |
| | | | | | $R^2$ = .055*** 95% CI[.01,.11] |

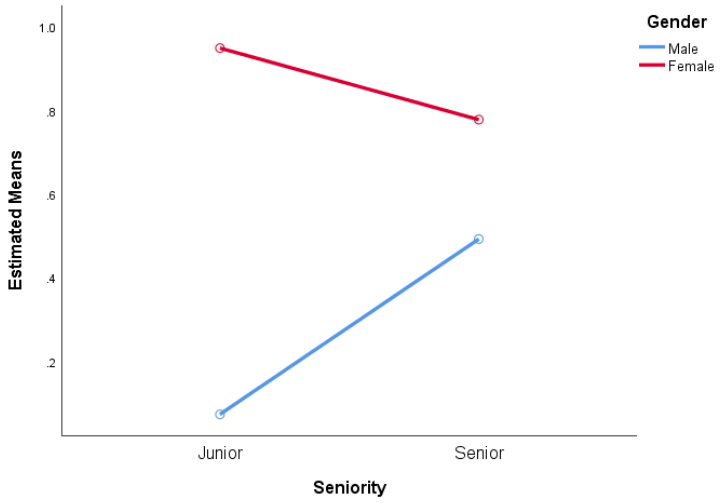
*Note*. F (2, 264) = 7.653; Adjusted $R^2$ = .048; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

Significant evidence was obtained at p-value < .000 that the perception of gender bias differs between gender across the entire population. Figures 4.4.2.4 and 4.4.2.6 illustrate how perceived non-gender and gender bias differ across gender and seniority respectively.

**Figure 4.4.2.6: Profile plot for perceived gender bias**

*Estimated means of perceived gender bias by gender and seniority*




*Source: Author illustration*

Figure 4.4.2.6 demonstrates how the difference in perception of gender bias among men and women decreases at the senior level. While the difference in perceived gender bias is significant across the entire population of both male and female professionals within the junior and senior ranks, the difference in estimated means of perceived gender bias is smaller among the senior cohort than the junior cohort. These results show that female professionals indeed demonstrate a higher level of awareness of biased situations, which in turn can lead to an earlier value conflict than observed with their male counterparts, who become aware of such biases only at a later stage – the senior level. This in turn is an important contribution, and relevant for the findings of this dissertations' hypothesis, as a higher level of bias perception translates into impacting the ambition level to progress one's career within that corporate setting to a stronger degree too. Female professionals – perceiving a higher level of bias exposure – will consequently show a lower

ambition to remain and further progress their career with the firm than their male counterparts – a finding which is in line with the qualitative interview results.

While significant differences could be confirmed across gender for perceived gender bias, it is important to report that quantitative study results revealed an overall lower level of perceived gender bias than non-gender bias and both were within the low to low-medium level. Even though it is challenging to compare the quantitative study results with the qualitative results based on numeric values, there seems to be a stark difference in results obtained during the interviews. All interviewees confirmed the presence of non-gender bias and gender bias specifically:

> *"There were definitely situations where people were judged because of their gender. […] female colleagues needed to work harder to get the same respect and they were judged differently from male colleagues when they did the same thing."* (Interview #3, Female)

The presence of gender bias was claimed to not only harm female consultants but also benefit them – as the following three examples demonstrate:

> *"I think if you have two candidates, being a female is a plus. And this is how I have experienced it. People are always quite enthusiastic when there is a great female candidate."* (Interview #7, Female)

> *"I always felt that as a woman it is actually easier to become partner. They are desperate for having women. If you are a woman and if you are good and they like you, it is easy to get promoted."* (Interview #3, Female)

> *"I never felt like I was held back by my gender. In opposite, I felt like it worked in my advantage."* (Interview #7, Female)

One participant claimed that it is not a gender but rather a general diversity challenge:

> *"Women were probably more likely to have stones thrown into their way. Yes. Not only women but everyone who is different. For me it is not a gender but a diversity question."* (Interview #3, Female)

During the interviews, in opposition to the quantitative findings, gender bias was discussed more than general bias situations. A board member, part of the promotion committee, would confirm that a degree of general bias could be observed during the promotion process:

> *"The question here that always comes up is: 'Is there really bias in these promotion processes.' And I would say, there is bias. Some of it is conscious bias."* (Interview #8, Male)

This statement can be confirmed by the following observation:

> *"[…] if you find a nice manager or principal, and you do all the projects with him, he will make sure that you get promoted […].* (Interview #1, Male)

A female manager, who moved on to the banking sector claims that biases – especially within the junior ranks - within the consulting firm were present but minimal in comparison to other industries:

> *"Generally, I don't think biases were bad as a junior at [Firm]. I have been in much more biased environments. At the junior level, I don't think there is a lack of support or awareness."* (Interview #2, Female)

Also, all interview participants claim that this is an industry and general corporate phenomenon rather than firm-specific:

> *"[…] this is not a [Firm]-specific heuristic but a general heuristic."* (Interview #1, Male)

In summary, opposing to quantitative results, gender bias is mentioned more than the general non-gender bias during qualitative interviews. Women who were part of the qualitative study were more aware of gender bias than their male counterparts – yet, this is not sufficient for drawing conclusions on the validity of the second step and the corresponding expectation for the casual mediation analysis. In addition, the alumni population seem to have experienced biases at a higher level than the quantitative study participants. This difference in findings can be attributed to three potential explanations. First, alumni participants are more sincere concerning this element as they are no longer with the firm. Second, alumni are no longer with the firm due to differing performance levels but claim this to be due to the experience of biased situations – putting themselves into the victim role. This is a common approach when performance differences arise. The third explanation attributes the findings to actual differences in perceiving bias, which can be one factor explaining why the alumni group has left the firm.

When asked about bias, the majority of individuals claim to act ethically and unbiased. Madsen & Andrade (2018) provide empirical evidence that the opposite is true in real-life situations. All interviewees within this study confirmed on the one hand to be unconsciously biased themselves as well as having observed situations of bias which had a direct impact on them:

> *"Even myself, I am fooling myself if I said that I didn't have any biases."* (Interview #4, Male)

> *"I think the unconscious component of bias is even stronger, because people are not even aware what their gender bias is or that they are racist as well."* (Interview #1, Male)

Interviewees of this study were aware of the existence and negative consequences of their own biases in general and gender biases specifically and able to provide examples of being a victim of a biased situation. It can

be concluded that participants are highly aware of their biases. This is in line with the results of the quantitative study, where biased situations were ranked within the low to low-medium range, as a high degree of awareness translates into an environment of mindful behavior where biases are openly addressed and challenged.

As previously discussed, the results also demonstrate a significant difference in gender bias perception by gender and seniority as depicted in figure 4.4.2.6. While a significant difference in perception of gender bias by gender is not startling, the development of this perception from junior to senior ranks does require additional explanation and discussion: Why do male consultants perceive gender bias to be more present at senior rank in comparison to junior rank? Why would the level of perceived gender perception decrease for women rather than increase as seniority rises?

The explanation for the observed phenomena can be explained by signaling, maturity, and awareness. The signaling effect (Connelly et al., 2011) is relevant for female consultants as they rise from junior ranks to senior ranks. In a pyramid firm with many juniors and in relation fewer seniors, the signaling effect will be rather weak while at junior rank – e.g. being one of many analysts. This represents a scenario in which one is more prone to getting into biased and gender biased situations in comparison to senior ranks. Once the reputation is established and the analyst has developed into a content expert at e.g. partner level, it is much more unlikely to become victim of a biased or gender biased situation. The perception of gender-biased situations for female consultants accordingly decreases with seniority due to the increasing signaling value.

In contrast, male consultants, who are not the primary victim of gender-biased situations, become more aware of this topic when becoming a leadership figure within the firm – which translates into being responsible for gender equality and enabling a bias-free environment for all consultants

including minorities. The increase in maturity and awareness thus leads to a higher level of perception that gender-biased situations are a reality.

As discussed in the first set of analysis (section 4.4.1), the third step of the casual mediation analysis predicts that the perception of existing bias (gender and non-gender bias) results in lower career ambitions to progress to board level. This analysis is also split into two sub-samples of non-gender bias (a), and gender bias (b) as illustrated in table 4.4.2.1.

For testing Part a), perceived non-gender bias, a multiple linear regression is used based on the full dataset to analyze the association of career ambition with perceived non-gender bias and gender. In line with expectations, the regression coefficient of perceived non-gender bias is significant with a p-value of .015. In line with findings from the first step of the analysis, the regression coefficient of gender is not significant with the control coefficient of seniority resulting in significance at $p < .01$. This means that, on average, there is no difference in impact on ambition across gender (refer to table 4.4.2.7). Participants' predicted ambition level is equal to 2.31 - .10 (non-gender bias) + .09 (gender) – 1.16 (seniority), where gender is coded as 0 = male, 1 = female, non-gender bias (perceived) is measured on a scale from 0 = low, to 5 = high, and seniority is coded as 0 = junior, and 1 = senior. Accordingly, participants' ambition level decreases by .10 with every increase of perceived non-gender bias level. This result demonstrates that participants experiencing a high level of perceived non-gender bias (e.g. perceived NG-bias = 5) are likely to have a lower career ambition by 5 x .10 = .50 than a participant who did not experience non-gender bias situations to the same degree (e.g. perceived NG-bias = 0). A difference of .50 could decrease the likelihood of career advancement by a complete career step for every second person (e.g. progressing to principal level instead of partner level). For non-gender bias, the ex-ante expectation for Step 3 can accordingly be confirmed with significant evidence that the perception of non-gender bias impacts ambition independent of gender. When the perception of non-gender bias situations increases, the ambition level to

progress one's career correspondingly decreases. This confirms the research hypothesis, that the perception of bias (non-gender bias) mediates how men vs. women assess their level of ambition. Due do the opposing signs, an inconsistent mediation can be confirmed again (MacKinnon et al., 2000).

**Table 4.4.2.7: 2nd Mediation Step 3 - Linear regression (X + M → Y) - NG Bias**

*Regression results using AMBITION as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 2.31*** | [2.03, 2.60] | | | |
| GENDER | 0.09 | [-0.17, 0.35] | .00 | [-.01, .01] | |
| NG-BIAS | -0.10** | [-0.19, -0.02] | .02 | [-.01, .04] | |
| SENIORITY | -1.16*** | [-1.41, -0.91] | .23 | [.14, .31] | |
| | | | | | $R^2$ = .274*** 95% CI[.18,.35] |

*Note*. F (3, 263) = 33.16; Adjusted $R^2$ = .266; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

For testing Part b), perceived gender bias of the third step of this mediation analysis, another multiple linear regression was used to investigate the relationship between career ambition with gender bias and gender. The regression coefficient of gender bias is not significant with a p-value of .870 (refer to table 4.4.2.8). Accordingly, the research hypothesis could not be confirmed for Part b), perceived gender bias. No evidence could be

established for a decreased level of ambition when the perception of increased levels of gender bias are present.

**Table 4.4.2.8: 2nd Mediation Step 3 - Linear regression (X + M → Y) - Gender bias**

*Regression results using AMBITION as the dependent variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | $sr^2$ | $sr^2$ 95% CI [LL, UL] | Fit |
|---|---|---|---|---|---|
| (Intercept) | 2.13*** | [1.88, 2.38] | | | |
| GENDER | 0.04 | [-0.23, 0.31] | .00 | [-.00, .00] | |
| GENDER BIAS | 0.01 | [-0.10, 0.12] | .00 | [-.00, .00] | |
| SENIORITY | -1.19*** | [-1.44, -0.93] | .24 | [.15, .33] | |
| | | | | | $R^2$ = .258*** 95% CI[.17,.33] |

*Note*. F (3, 263) = 30.48; Adjusted $R^2$ = .250; 267 observations; A significant b-weight indicates the semi-partial correlation is also significant. *b* represents unstandardized regression weights. $sr^2$ represents the semi-partial correlation squared. *LL* and *UL* indicate the lower and upper limits of a confidence interval, respectively.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

The fourth step summarizes the research findings of this additional analysis in table 4.4.2.9 and figure 4.4.2.10 for non-gender bias and table 4.4.2.11 and figure 4.4.2.12 for gender bias. Separating bias into non-gender bias and gender bias clearly impacts the results as predicted for all four steps for non-gender bias. As expected, the average casual mediation effects (ACME) are negative and significant as predicted while the average direct effects (ADE) are positive and non-significant.

**Table 4.4.2.9: Mediation effect - NG Bias with seniority as control**

*Causal mediation analysis results using NON-GENDER BIAS as the mediating variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | *significance* |
|---|---|---|---|
| ACME | -0.04** | [-0.11, 0.00] | 0.044 |
| ADE | 0.09 | [-0.14, 0.36] | 0.476 |
| TOTAL EFFECT | 0.04 | [-0.17, 0.30] | 0.824 |
| PROP. MEDIATED | -0.12 | [-4.98, 9.52] | 0.828 |

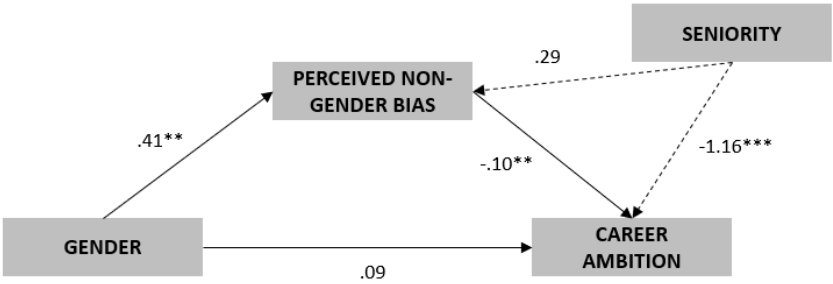
*Note*. 267 observations; Causal mediation analysis with Y = Ambition, X = Gender, M = Non-Gender Bias, and C = Seniority. *LL* and *UL* indicate the lower and upper limits of Quasi-Bayesian confidence intervals, respectively. ACME denotes Average Causal Mediation Effects, and ADE denotes Average Direct Effects.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

For this specific type of bias, the research hypothesis can be confirmed by means of a suppression model. It can therefore be concluded that non-gender bias mediates how men vs. women assess their level of ambition for career progression in a negative way.

The same result cannot be confirmed for the mediation analysis of gender bias as reported in table 4.4.2.11 and figure 4.4.2.12. The average causal mediation effects (ACME) are positive with a significance of p = .92 not confirming the research hypothesis of an indirect negative impact of gender bias on career ambition as well as not confirming the expectation of an inconsistent mediation.

**Figure 4.4.2.10: Overview of coefficient results (NG Bias)**




* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

While this result seams counterintuitive at first, several observations and considerations help to disentangle this result. One would expect perceived gender-bias to have a significant impact on ambition, when considering that female professionals are not equally represented within top ranks and with bias being a cited reason for this phenomenon.

One observation relates to the mismatch of qualitative interview results and quantitative survey results on the observed variable of gender bias. Quantitative results reveal a lower observed level of gender bias in comparison to non-gender bias (refer to figure 4.4.2.4 and to figure 4.4.2.6). Qualitative interview results report a higher level of observed gender bias. This mismatch of results can be attributed to selection bias and two differing samples of existing versus former employees with different levels of willingness to disclose information in a fully transparent way and/ or the capability to reflect on the work experiences in a different way.

In addition, one might consider that general biases are a common occurrence for many people and more socially acceptable than gender bias or discrimination. This may lead people to more transparently disclosing their biases, but not gender biases in particular.

Another previously raised explanation relates to female professionals not wanting to be self-victimized by gendered biases (Crosby, 1984). Furthermore, there is a stark contrast in reported perceived gender-bias across junior and senior ranks as depicted in figure 4.4.2.6, with differences in signaling, maturity, and awareness as investigated by Connelly et al. (2011).

**Table 4.4.2.11: Mediation effect - Gender bias with seniority as control**

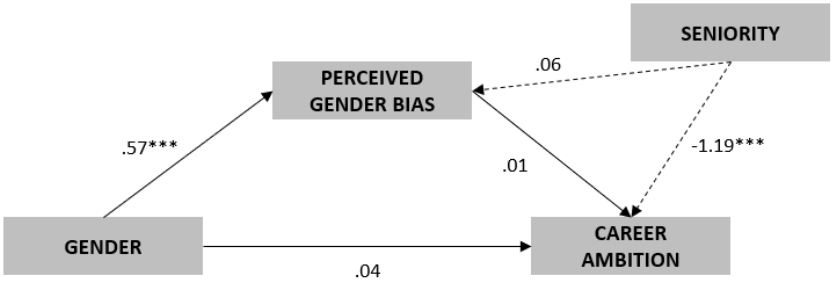
*Causal mediation analysis results using GENDER BIAS as the mediating variable*

| Predictor | *B* | *b* 95% CI [LL, UL] | *significance* |
|---|---|---|---|
| ACME | 0.00 | [-0.05, 0.07] | 0.920 |
| ADE | 0.05 | [-0.23, 0.30] | 0.730 |
| TOTAL EFFECT | 0.05 | [-0.23, 0.30] | 0.700 |
| PROP. MEDIATED | 0.02 | [-1.87, 3.26] | 0.920 |

*Note*. 267 observations; Causal mediation analysis with Y = Ambition, X = Gender, M = Gender Bias, and C = Seniority. *LL* and *UL* indicate the lower and upper limits of Quasi-Bayesian confidence intervals, respectively. ACME denotes Average Causal Mediation Effects, and ADE denotes Average Direct Effects.

* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

**Figure 4.4.2.12: Overview of coefficient results (Gender bias)**




* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

In conclusion, evidence of a significant relationship between perceived non-gender bias and its impact on ambition levels for career progression could be found, while the same is not true for perceived gender bias. Bias has been found to significantly impact the gender imbalance across institutions (Madsen & Andrade, 2018). The problem with bias and stereotypes are their consequences. These consequences can often translate to decreasing one's self-efficacy and self-confidence. This in turn can lead to underperformance and gendered underperformance specifically. A powerful yet invisible career barrier is the result and reality for many female professionals (Bandura, 1977, 1997; Gist, 1987; Steele, 1997). These quantitative results show that perceived non-gender bias has a significant effect on the ambition level of individuals to progress their career. Accordingly, ambition level can be utilized as an explanatory variable for understanding how perceived non-gender bias can lead to the gender imbalance as outlined by Madsen & Andrade (2018). This can further address the existing research gap of perceived bias, ambition, and gender disparity.

As previously discussed, qualitative interview results reveal that gender bias is at least as present as non-gender bias. Interviewees from the qualitative study with alumni raised an additional important observation when confronted with these quantitative results: Being confronted with non-

gendered biased situations does impact the ambition to progress one's career in the context of the corporate culture at hand. Being confronted with such biased situations at a conscious and subconscious level has a strong impact on the wish and motivation to progress the career within this setting. This would require an individual to keep working within the setting of a corporate culture where biases and stereotypes are a common phenomenon. This is therefore not to be confused with the overall ambition level of progressing one's career at e.g. another corporate setting or institution where biases and stereotypes are not as present.

> *"I think actually a lot of women leave because they have a value conflict […]"* (Interview #6, Female)

The observed gender disparity within this specific consulting industry at mid and senior rank could therefore be attributed – to a certain degree – to the value conflict due to the repeated observation and experience of biases unrelated to gender-specific biases. Accordingly, female professionals will leave the firm as their values – translating into a low tolerance level of general biases – no longer align with those of the corporate setting. One should therefore refer to the variable ambition as 'ambition to stay and progress the career within the given corporate setting', which is different from the overall ambition level to progress one's career in general. This is in line with the specific question posted during the quantitative questionnaire, which asked participants about their ambition to progress the career within the given corporate setting: "What is the highest rank that you want to reach during your career at this company?" These qualitative interview results are also in line with the observations made by Ely et al. (2014), who provide evidence that the overall ambition levels among men and women are similar.

Yet another important variable was provided by an interviewee discussing the impact of perceived general bias on ambition, claiming that this is highly dependent on one's level of awareness. One's willingness to progress within the given corporate setting is only impacted when aware of biases at play.

> *"[…] a lot of women change their values earlier than men […] and a lot of females leave the company accordingly, because the culture does not fit with their values anymore and go somewhere else […]."* (Interview #3, Female)

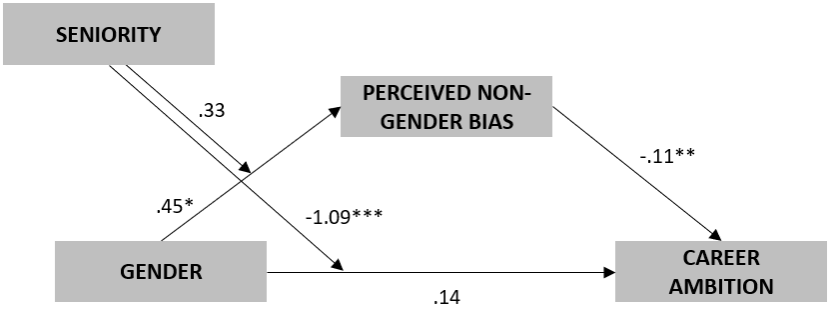
This means that one has to be aware of the biases to such a strong extent, that it would impact one's moral values to a degree where one would want to leave the firm to find a corporate setting and culture where such biases do not lead to a value conflict.

### 4.4.3 Additional analysis for robustness – moderated mediation model

From a theoretical perspective, one might challenge the research model to argue that the variable 'Seniority' would be required to moderate the mediation model (Shrout & Bolger, 2002; MacKinnon et al., 2000). The procedure of analysis is similar to the outlined four-step process used in the previous two sub-sections with the fundamental difference that the first and second step would test the relationship of dependent and independent variable with the moderating addition of 'Seniority'.

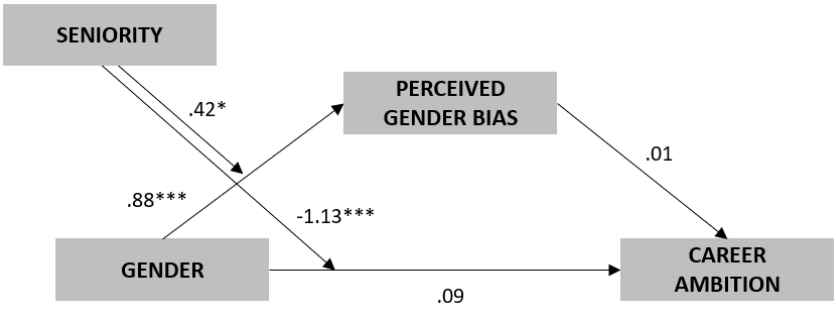
The summarizing figures 4.4.3.1 and 4.4.3.2 demonstrate that results are closely related and almost identical with the findings of the mediation models of the second analysis in section 4.4.2: Making use of a moderated mediation model also reveals that the research hypothesis can be confirmed for non-gender bias but needs to be rejected for gender bias.

**Figure 4.4.3.1: Overview of coefficient results (NG Bias) – Add. analyses**




* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

**Figure 4.4.3.2: Overview of coefficient results (Gender bias) – Add. analyses**




* indicates p < .10. ** indicates p < .05. *** indicates p < .01.
*Source: Author illustration*

The findings of the outlined mediation analyses demonstrate that non-gender bias mediates how women vs. men assess their career ambition. This result is not significant when gender bias is included (refer to section 4.4.1

and figure 4.4.2.12). The specific steps within the mediation analyses also reveal further findings with regards to perceived bias and ambition in general. For example, the perception of both types of biases significantly differs by gender. In addition, gender bias becomes less prevalent for women over the career trajectory, while their male counterparts become more aware as seniority rises. The overall higher level of perceived non-gender bias for female professionals translates into a lower level of ambition to progress their career within the given corporate setting. This result was obtained through an inconsistent mediation analysis also referred to as suppression model and further analyses confirmed the same findings making use of a moderated mediation.

## 4.5 Summary of Results

Investigating this dissertation's research question by testing the posed hypothesis reveals six relevant main findings. First, male and female professionals display similar ambition-levels to progress their career across all ranks confirming findings of Ely, Stone & Ammerman (2014) with the specific strategy consulting sample used in this study. Second, self-recorded biases were recorded below 2.2 out of 5 for non-gender bias situations and 1 out of 5 for gender bias situations. The perception of gender bias is lower than non-gender bias and within the low to low-medium area. Third, it can be confirmed that non-gender bias has a significant effect on ambition to progress one's career and consequently mediates the gender-ambition relationship. Fourth, the perception of both gender and non-gender bias significantly differs by gender with a decreasing effect for female professionals and an increasing effect for male professionals as seniority rises in specific regards to gender bias. Fifth, as the perception of bias is higher for female professionals, their ambition to remain with the firm and progress their career is impacted in a more negative way in comparison to their male counterparts. Several female professionals quoted this

phenomenon during the qualitative interviews as a value conflict leading them to leave the firm providing a potential explanation for gender disparity within the top ranks. Sixth, the existence of biased situations was perceived as an ordinary given – not firm-specific but a universal industry challenge – impacting male and female professionals in different manners including ambition and their likeliness to leave the firm across the consulting and other industries alike.

### Table 4.5.1: Overview of casual mediation analyses testing results

| | | Hypothesis | Result | Reference |
|---|---|---|---|---|
| **Mediation Analysis 1** [Section 4.4.1] | Bias | Rejected | Bias does not mediate the gender-ambition relationship | Figure 4.4.1.7 |
| **Mediation Analysis 2** [Section 4.4.2] | a. Non-Gender Bias | Confirmed | Increase in perceived non-gender bias decreases ambition level | Figure 4.4.2.9 |
| | b. Gender Bias | Rejected | Perceived gender bias does not affect ambition level | Figure 4.4.2.11 |
| **Moderated Mediation Analysis 3** [Section 4.4.3] | a. Non-Gender Bias | Confirmed | Increase in perceived non-gender bias decreases ambition level | Figure 4.4.3.1 |
| | b. Gender Bias | Rejected | Perceived gender bias does not affect ambition level | Figure 4.4.3.2 |

*Source: Author illustration*

Providing additional details, results of the quantitative hypothesis testing are illustrated in table 4.5.1. Novel research results could be revealed in line with this dissertation's expectations: Non-gender bias mediates how men vs. women assess their ambition for career progression. An increased confrontation with non-gender bias situations affect the level of ambition in a negative way (2a & 3a). Despite expectations, the same results could not be obtained with a level of sufficient significance for bias overall (1) and gender bias in particular (2b & 3b). Further insights of the mediation analyses were obtained and show that the findings of Ely et al. (2014) can also be confirmed for this specific strategy consulting sample: There is no significant evidence

for differences in ambition levels among male and female professionals across ranks (Step 1 of mediation analyses 1, 2, and 3).

## 4.6 Implications

This research study adds to the academic discourse of gender disparity by contributing new empirical evidence with a first-tier management consulting sample of professional working consultants. Further evidence is provided within the domain of 'ambition for career progression', where current research reveals conflicting results. This dissertation establishes a negative relationship between bias and ambition in addition to establishing a significant difference in the perception of bias between male and female professionals.

This study reveals that bias impacts ambition and that especially for female professionals, a change in ambition and value during mid-rank can lead to pursuing opportunities elsewhere causing a gender imbalance at senior ranks.

> *"[…] if your bucket leaks, pouring more water in, it does help but it is not enough."* (Interview #8, Male)

Hiring more female than male analysts at entry level is one way of 'pouring more water in' to ensure that gender balance is provided at mid-rank level. According to this interviewee, however, this is not enough and is less effective than addressing the problem at its origin. As the study revealed, in line with findings to date, the root cause in this case is bias. Bias impacts ambition and interviewees articulate that the majority of female leaders leave the firm at mid-rank due to a value conflict related to bias.

Addressing bias within the relevant areas of hiring, pay, retention, promotions, and representation is crucial for driving change and enabling

gender equality among leadership positions (Taplett, Kolk, Krentz & Yousif, 2018). Firms will need to ensure bias awareness; set strict targets along vision, objectives, and implementation roadmaps; and measure the same with the commitment and resources from top management including the CEO and board members (Werner, Devillard & Sancier-Sultan, 2010). Providing all members of an institution with these tools and this transparency over key performance indicators on gender diversity can lead to gender equality as shown in the case of Unilever (2020).

The level of perceived bias is one of these key performance indicators which needs to be measured across the organization on a constant basis. Such transparency allows senior leadership to take specific and corrective measures where required. Regular workshops and specifically designed trainings are one of the relevant measures to create awareness and to work on every employee's bias. This is by far not the norm across organizations today, where bias, at most, is no more than a component of a code of conduct employees sign every year. With the commitment from the top, a clear message needs to be sent to all employees that bias, and specifically gender bias, are not tolerated across the organization. For this reason, an anonymous corporate function needs to be present at each firm to enable employees experiencing biased situations to be able to report these accordingly. These examples show that there are many actions to be taken with regards to working on the bias and unconscious bias of every employee within an organization. While these examples describe a set of selected initiatives which should be part of any implementation roadmap, they are not exhaustive and will need to be adjusted depending the specific requirements of any given organization in focus.

The underrepresentation of women in leadership positions demonstrates the reality that many firms and institutions are struggling to put these steps into action. It requires commitment and strong leadership personalities to drive this change in a way that female professionals are not 'lost' at mid-rank and

instead retained and coached to become future leaders and role models to the junior cohort.

> *"Making the impact at the senior level is absolutely essential and if you need to push things a bit harder then you have to do it because if you don't do it you are going to lose so much talent in the rest of the pipeline."* (Interview #8, Male)

The example of Unilever (2020) shows that creating gender equality at the senior level is possible – a result which can only be achieved with a significant commitment to address bias at all levels within the organization.

## 4.7 Limitations and Future Directions

This dissertation addresses the gender disparity discourse by investigating the relationship of perceived bias, ambition to progress one's career, and gender within the realm of strategy consulting. While the presented findings are novel within this area, the expansion of scope, sample, and timeline could provide further insights and future directions within the gender disparity debate. Addressing this dissertation's limitations provides ample opportunity for future research projects within this field.

As a first limitation, it is important to clarify that the identification of gender difference origins in regard to ambition and perceived bias is beyond the scope of this dissertation. As outlined in sections 2.4 and 2.5, this research accepts that differences may be based on cultural, biological, supply-side, demand-side, or learned factors – all beyond the investigative capacity of this dissertation (Brescoll, 2011).

This dissertation does not attempt to make value judgements – neither based on existing research and literature regarding this topic, nor based on quantitative data collected, qualitative answer explanations, or interview

transcripts from the qualitative part of this study. Whether the perceived level of bias is accurate and rational or an exaggerated statement and irrational, and whether decisions and statements concerning the ambition to progress one's career represent sound decisions or not are not judged, but are taken at face value (Coffman, 2014; Rudman & Glick, 1999; Rudman et al., 2012).

One limitation of this dissertation relates to the quantitative survey design, which makes use of cross-sectional data. A time series study over multiple years would be able to provide additional insights and increased robustness – a shortcoming this study addresses through qualitative interviews with a randomly selected group of alumni. A time series study would allow the collection of unique data on ambition and perceived bias started when an employee joins the company in year one or analyst rank up to e.g. 20-25 years in the firm at partner level or having been an alumnus for multiple years after leaving the firm. This type of study is beyond the scope of this dissertation but would provide research beyond an 'as-is' data timestamp by following individual careers and filtering out personality differences creating noise in the current dataset at hand.

Furthermore, the research conducted here could be enriched by expanding the scope in multiple dimensions. For example, the study at hand makes use of a single firm within the consulting industry. Including multiple consulting firms could enhance the power of applicability for the results and ensure that firm-specific and cultural differences do not mislead the results obtained within the current dissertation. In addition, expanding the scope and sample of participants to include firms beyond the consulting industry could also improve the applicability and validity of results. The sample at hand covers 29 countries, which provides future research with further opportunity to obtain a sample covering more regions for additional findings. (refer to section 4.1).

This study specifically measures the ambition to progress one's career based on Gray & O'Brien (2007), Janssen & Van Yperen (2004), and Spinath & Steinmayr (2012). The range of this variable is kept limited for the scope of this research project. To derive further findings, future research could make use of the career pyramid to investigate ambition from a degree of input in terms of willingness to work hard, as well as measure the degree of output in terms of annual income goal for the future. In a similar vein, perceived bias measurements were adapted from Harvard University (2019) and the ICM (2018). Expanding research within the domain of measuring perceived or actual bias could advance the academic discourse significantly and could include actual data of filed bias cases.

Future studies could also include complementary control variables, which are beyond the scope and setting of this study. Collecting performance data of survey participants to control for individual proclivities towards victimization or, conversely, downplaying their experiences when providing bias input could further validate findings and represents a current limitation in this dissertation. Also, employing additional methods to ensure truthful and candid answers, controlling for cultural effects, and ensuring a representative population could provide additional robustness in future studies. Furthermore, extending the model from bias, ambition, gender, and tenure to include actual gender disparity figures would enable further evidence regarding the relation of these variables.

To conclude, the gender disparity discourse can be advanced by addressing one or multiple of the above presented limitations covering the origin of gender differences, the method employed, the variables used and the way these are measured, as well as the scope of the sample employed. These areas provide ample opportunity to advance the topics of gender discrimination, bias, and ambition with regards to gender differences.

# 5 Conclusion

The detailed investigation of intra- and interpersonal effects – namely personal career ambition and the impact of bias – were set to aid in finding clarifying answers to contribute to the gender equality agenda ("Planet 50:50 by 2030," 2016; World Economic Forum, 2019). While male professionals tend to put themselves into competitive environments, demonstrating dominant, direct, and even aggressive leadership behavior, female professionals tend to utilize a feminine leadership approach often confused with a lack of competence despite equal capabilities. Female leaders are accordingly challenged and put into biased situations, as a masculine leadership style is not accepted either (Eagly & Makhijani, 1992), a phenomena referred to as the "double blind", (Eagly & Carli, 2007; Eagly & Makhijani, 1992; Eagly & Karau, 2002; Heilman & Eagly, 2008). The underrepresentation is further caused by the lack of bias awareness in organizations, the absence of female role models, and biased decisions within the areas of pay, recruitment, retention, advancement, and representation (Werner et al., 2010; Johnson et al., 2016; Taplett et al., 2018).

What can be done to address the gender disparity problem? Why are a number of firms already successful in creating a balanced gender profile within top management (e.g. Unilever, 2020) while the average institution lingers far behind? Why does the gender gap persist despite arguments for social justice, superior firm performance, and the general public's belief that women are equally as capable as men in higher leadership positions (Werbel, & Shrader 2003; Perryman et al., 2016; Smith et al., 2006; Seliger, 2009)?

This dissertation addresses this pressing debate by presenting and discussing results on the interrelation of bias and personal career ambitions across male and female professionals in strategy consulting and investigates

the following research question: What is the role of bias experienced by men vs. women in their ambition for career progression?

A global sample of working professionals from the strategy consulting industry was leveraged to find novel results by making use of a quantitative survey study with currently employed consultants as well as qualitative interviews with alumni of the same sample firm. The hypothesis set for this research predicts that bias mediates how men vs. women assess their ambition for career progression. Study participants were confronted with various scenarios to capture their perceived level of bias while working at the focus firm in addition to their gender and ambition level for career progression. The research design was adapted by proven methods as employed by Gray & O'Brien (2007), Janssen & Van Yperen (2004), Spinath & Steinmayr (2012), Harvard University (2019), ICM (2018), and Deogracias et al. (2007)

The quantitative analysis included multiple casual mediation tests based on Baron & Kenny (1986) with the expectation of an inconsistent mediation (suppression model) based on Shrout & Bolger (2002) and MacKinnon et al. (2000). Quantitative results indicate that the hypothesis could be confirmed for non-gender bias. The same result could not be obtained with sufficient significance for overall bias or gender bias in particular. These results are robust and could be replicated when making use of a moderated mediation model.

Main results can be summarized accordingly: Male and female professionals display similar ambition-levels to progress their career until a value conflict arises – predominantly occurring for female consultants before male consultants experience the same. The perception of biases was confirmed in both quantitative and qualitative results, affecting female consultants in a more significant way than male consultants. Quantitative results provide evidence on the mediating effect of bias on the ambition to progress one's career as well as a significant difference in the perception of bias among male

and female consultants. Additional findings demonstrate that the perception of bias situations was recorded within the low to medium level. Self-recorded biases were recorded below 2.2 out of 5 for non-gender bias situations and 1 out of 5 for gender bias situations. Qualitative interview findings also revealed that the existence of biased situations was deemed to be an industry-wide and not firm-specific challenge.

The perceived levels of bias within the range of low to medium provide a positive outlook within the consulting industry as bias seems to be a topic which enjoys awareness within the industry. At the same time, it is concerning to understand that female professionals are affected more than their male counterparts with the ultimate impact of their ambition levels – which can lead to leaving the firm due to a value conflict rather than the actual internal ambition to advance one's professional career. Results of this study show the tremendous impact bias can have on the professional outlook of any individual, with women being affected strongest. It is for these reasons, that the efforts within bias are not yet sufficient. With commitment from the very top of organizations (Werner et al., 2010), bias needs to be addressed and awareness needs to be created within all relevant corporate areas of hiring, pay, retention, promotions, and representation (Taplett et al., 2018).

This study confirms existing research findings (Ely et al., 2014; Reuben et al.;2014) and provides novel evidence within the domain of the bias-ambition relationship. Results seek to add to the debate of gender disparity, discrimination, career ambition, and bias with a unique perspective by employing a new sample from the strategy consulting industry.

Although this dissertation makes novel contributions, there are a number of limitations to be taken into consideration when evaluating the research findings. Measuring actual rather than perceived bias, finding additional avenues to measure the ambition level for career progression, and controlling for actual job performance can benefit the results of this study.

In addition, one might consider to further expand the sample to multiple firms, within multiple industries, and with a larger and more equal representation across cultures, gender, and ranks.

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# CURRICULUM VITAE

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## PROFESSIONAL EXPERIENCE

**Harvard Business School** — **Boston, MA, USA**
*Research Associate* — 2019 – 2020

**Management Consulting Firms** — **Zurich, Switzerland & London, UK**
*Analyst, Associate, Manager* — 2013 – 2019

## EDUCATION

**Harvard University | Graduate School of Arts and Science** — **Boston, MA, USA**
*Ph.D. Visiting Fellow* — 2019 – 2020

**University of St.Gallen | School of Management** — **St.Gallen, Switzerland**
*Doctor of Philosophy (Ph.D.)* — 2016 – 2020

**Erasmus University Rotterdam | Rotterdam School of Management** — **Rotterdam, Netherlands**
*Master of Science (M.Sc.), International Management & CEMS* — 2011 – 2013

**Universidade de Lisboa | NOVA School of Business and Economics** — **Lisbon, Portugal**
*Master of Science (M.Sc.), International Management, Semester abroad* — 2011

**Maastricht University | School of Business and Economics** — **Maastricht, Netherlands**
*Bachelor of Science (B.Sc.), International Business* — 2008 – 2011

**Chinese University of Hong Kong | CUHK Business School** — **Hong Kong, S.A.R.**
*Bachelor of Science (B.Sc.), International Business, Semester abroad* — 2010