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MERIT OR OBLIGATION

Leonie V. Still
August, 1995
Women and Leadership Series

Paper No. 3

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INTRODUCTION

The issue of merit or obligation concerning women's progress in employment in general, and in organisations in particular, gained renewed impetus in late 1994 with the push to have more women in politics. Australia and New Zealand led the world when establishing the right of women to vote, but are at present only slightly ahead in terms of women's representation in national and State Parliaments despite the centenary of women's suffrage (Coopers and Lybrand, 1994). Partly as a result of this lack of progress, the Australian Labor Party, at its 1994 National Conference, passed a motion to guarantee women a 35% share of winnable State and Federal seats by the year 2002 (Kingston, 1994). This action led to a flurry of activity with targets or quotas being suggested in a wide range of areas including senior management positions in private enterprise and the proportional representation of women on private sector boards (Jopson, 1994). With one action, the equity climate had shifted and quotas, rather than merit, had suddenly become a part of the mind-set in discussions on women's progress. With all this renewed interest, then, the question to be addressed in this paper is: should women's employment and career progress be on the basis of merit, or does society have a obligation to remedy the ills of the past and offer opportunities on the basis of social, political and economic duty? Discussion will focus mainly on the public service because this domain has been to the forefront in fostering promotion on the basis of merit.

Some Important Distinctions

Before proceeding to discuss this issue some distinctions need to be made. The first concerns the varying approach to merit between the public and private sectors. For many years the public sector has adopted the merit principle in its
recruitment and selection procedures. The Australian Public Service was the first service to do so, and this was followed by the other state services. However, the private sector does not have the same record of supplanting patronage systems with merit-based appointment processes. Instead, it is inclined to view the merit principle as constituting a set of regulations which government imposes through the anti-discrimination and affirmative action laws (Burton, Ryall and Tod, 1994). The poor record has been especially remarked upon by the Report of the Industry Task Force on Leadership and Management Skills (the Karpin Report, 1995).

The second distinction concerns the definition of merit. The way merit is interpreted largely depends on the assumptions, perceptions and values of the people and organisations applying the principle. For instance, the Macquarie Dictionary defines merit as a "claim to commendation; excellence; worth; something that entitles to reward or commendation...the state or fact of deserving" (1985, p1076). While this gives an overall view of the ideas underlying merit, it is not very helpful in the employment context. A more appropriate definition is given by Burton et al (1994, p33) who describe merit, in the employment context, as

"the relationship between a person's job-related qualities and those genuinely required for performance in particular positions. The focus of a merit selection process is on what the job applicants possess, by way of skills, experience, qualifications and abilities, which are required to achieve the outcomes expected from effective job performance."

Under this definition, patronage, nepotism, the 'old boy's club', a person's school or military service, and whether or not the person 'fits in' to the culture,
image or environment are not considered to be merit criteria. As Ann Forward, Head of the Merit Protection and Review Agency, reports (1994, p4):

"organisational culture is a concept based on experience and shared values which may have little to do with merit - in fact it can be quite destructive of equality in employment...rather it can be and often is used as an excuse/explanation for the selection of clones."

These latter forms of selection meant that traditional incumbents were favoured for jobs; personal qualities irrelevant to job performance were routinely considered in selection; relevant experience was too narrowly defined and prejudicial attitudes prevailed regarding certain applicants. Under the employment-related definition, a much wider group of people can be considered and actually meet the merit criteria. Under the patronage and organisational culture approach, the view of who is the 'best' person results in a narrow, and closed, selection of 'familiars' with few 'outsiders' ever being considered for selection.

CURRENT SITUATION FOR WOMEN

Given these distinctions and the fact that women have been assisted by a mixture of equal opportunity and affirmative action laws for the past twenty years, just what is the situation for women in employment to-day? Analysis reveals a potpourri of progress and non-progress. For instance:

- women's labour force participation is currently 52% compared to 74% for men. It is projected that the total participation rate of women will reach 60% by the year 2005. However, more than half of all employed women are found in two occupational groups: clerical (31%) and salespersons and personal service
workers (24%), while three occupations are over 90% female -
stenographers and typists (99%), registered nurses (92%) and
personal service workers (91%). Over half of all female
employment is in the two industrial sectors of community
services and wholesale and retail trade (Australian Bureau of
Statistics, 1993). Women's employment is thus marked by both
occupational and industrial segregation, a feature which has not
changed for forty years.

- while women's participation in the labour force, and their share of
available employment, has increased, women are more likely to
be employed part-time than men. In fact, women dominate part-
time work, accounting for around three-quarters of all part-time
employees both nationally and in New South Wales (New South
Wales Department of Industrial Relations, Employment, Training
and Further Education, 1994). A large percentage of these
women, up until the recent introduction of the compulsory
superannuation levy, had no superannuation, no access to study
leave, no access to formal training, and no apparent career
structure. With the recent restructuring and downsizing of
organisations, there have been major shifts in employment from
full-time to part-time, the finance industry being a classic case
(Still and Buttrose, 1994). A large percentage of employed
women thus have no career paths, structures or futures.

- On a brighter note, women's employment profile in the
Australian Public Service has been marked by considerable and
steady progress since 1967. Women now comprise 48% of
permanent staff compared to 29% in 1973. Women have also
made steady progress at senior officer and Senior Executive
Service (SES) levels although the end result is a significantly
lower representation of women at those levels (26% and 15% respectively). Women are also winning over 26% of promotions to top Band 1 SES vacancies (Commonwealth Department of Finance, 1993), while the introduction of the Administrative Services Officer (ASO) stream in 1987 has encouraged women to broaden their skills and to seek better career paths. However, there are wide differences between Australian Public Service agencies in regard to gender composition at SES level, ranging from 0% to 100%. Because of the concentration of officers in mid-career, it is felt that low promotion rates to the SES will prevail during the remainder of the 1990s, and that the numbers of women in the various levels may not change significantly due to this feature (Public Service Commission, 1994).

- The representation of women in the SES across the state public services varies from less than 10% in Western Australia and Tasmania to 17% in Victoria (Thomson, 1993, p4). Interestingly, women constitute 53% of the public sector workforce in Western Australia, but only 9% of the SES (Workforce Management and Development Office, 1995). Moreover, women are concentrated in lower salary levels (in WA 44% of women in the public sector earn less than $26000) reflecting the high number of non-permanent, casual and fixed term contract employees. Approximately 1% of women earn over $74,000, but this number includes a large proportion of doctors and lawyers. Similarly, women constitute 52% of employees in NSW government organisations but have not increased their proportion in the SES between 1990 and 1994 (Davies, 1994).

- The progress of women in the private sector in Australia is difficult to gauge because of the general paucity of data.
However, research into the position of women in management reports that while there is a 'bulge' of women at middle-management level, few are breaking the 'glass ceiling' into senior management (Bicknell, 1993; Still, Guerin and Chia, 1994; Hede, 1994). The trend in managerial positions also spills over into appointments to boards, committees and inquiries. However, there is some movement now to appoint high-profile women to private-sector boards (Knight, 1994; Maley, 1995) while the public services are generally aiming to improve the representation of women on government boards and committees.

Partly as a result of women's lack of progress up the corporate ladder, one of the fastest growing segments of employment for women is that of self-employment. The rate of small business ownership by women is growing at approximately twice the rate of men (Employment and Skills Formation Council, 1994), and it is expected that they will outnumber their male counterparts shortly after the turn of the century (in the Northern Territory this has already been achieved with women comprising 52% of the self-employed population). However, self-employment is not always the panacea for the 'glass ceiling' or other ills of corporate life. In terms of access and participation there is a danger that self-employment will increase the marginalisation of women in the workforce. This is because women-owned businesses are small and tend to remain small (they have little individual clout); tend to be scattered rather than concentrated in the various industrial and occupational sectors giving them little focus or synergy to make an impact; because of downsizing no longer form part of the core business of mainstream organisations but instead fit their fringe or service areas; because they allow women to combine family with career reinforce the outdated
perspective that women are not serious about careers and are dilettantes in business (Still, 1994a)

One could keep detailing much the same litany of progress across a number of other sectors. The question arises: why aren't women more normally distributed throughout the various employment levels like their male counterparts especially when there has been 20 or more years of social and legislative reform?

**Barriers to Women's Progress.**

Despite the advances that have been made, there are still a number of barriers impeding women's career progress. Although much attention has been paid to structural impediments (such as personnel procedures and processes) through anti-discrimination and equal opportunity provisions (Burton, 1994), little change has occurred in relation to the influence organisational culture can have on women's career progression (Niland, 1994; Sinclair, 1994; Still, 1994b). There has also been little removal of barriers preventing people's movement between occupations and functional areas either in the wider workforce or within organisations; and the removal of stereotypes and assumptions about the capacities of people who occupy low-level jobs (Still and Buttrose, 1994). The result is that not only does a 'glass ceiling' prevail in organisations, but also glass walls and sticky floors.

The term 'glass ceiling' refers to *vertical sex segregation* in organisations (Guy, 1994). The term has been variously described as a transparent barrier that keeps women from rising above a certain level, or those artificial barriers based on attitudinal or organisational bias that prevent qualified individuals from advancing upward in the organisation and from reaching their full potential (United States Department of Labor, 1991).
'Glass walls' is another term for occupational segregation (Guy, 1994). The 'walls' refer to the horizontal barriers in organisations that prevent employees from moving between functional areas or from service divisions into line management. Gender stereotypes are believed to underlie this concept - for instance, only women can be secretaries. The operation of the concept ensures that women in management are concentrated in structurally weak organisational units (the service areas) where they have little opportunity to gain both policy and budgetary experience and responsibility and also receive a significant wage gap in their earnings (DIRETFE, 1994; Hall, 1993).

On a numbers basis, more Australian women are affected by glass walls than glass ceilings. The more ambitious women are affected by both - a considerable double-obstacle in a career path.

'Sticky Floors' is a metaphor which describes how some jobs prevent women (and some men) from getting their careers off the ground (Laabs, 1993). It refers to the largely invisible, unglamorous and low-level jobs which are essential to organisational functioning and mainly occupied by women. Examples include clerical staff, stenographers and data entry operators. Usually low-paying, these jobs offer little prestige relative to others, and have only limited opportunity for promotion. Once a person is labelled as having a 'sticky floor' job, their ability to handle higher levels jobs is questioned (Guy, 1994). Many women find themselves in this situation either through inclination or stereotyping.

Because of the 'sticky floor' phenomenon, many women never experience either glass walls or glass ceilings!

Two new metaphors have recently emerged as illustrating additional barriers to women's progress. The first is called 'trap doors', which is a metaphor used
to describe *organisational gender ethos* (Guy, 1994). This is the distinctive characteristics of an organisation and the attitudes of people within it that affect relations between the sexes and women's ability to gain and use power. The gendered nature of work, along with organisational traditions, and the relative proportions of women and men - especially in top jobs - determines the gender ethos. This, in turn, defines how women straddle the dual task of being 'feminine' and being in a management position, and also dictates how they choreograph their actions to gain acceptance by co-workers.

Finally, the 'concrete ceiling' refers to the lack of career progress for non-English speaking people generally as opposed to white Anglo-Saxons (Woldring, 1994). The access of women and migrants of Non-English Speaking Backgrounds (NESB) to positions of power and influence, and to senior management, are different in some ways but similar in others. Both spring from the same source: the persistent predominance of White Anglo-Australian males in positions of power and authority in Australian society. To be a woman, and of NESB, then, presents a very difficult hurdle to overcome career-wise.

**What Should be Done?**

Enough evidence has been presented to suggest that women are not progressing as expected or anticipated. While progress has been made in certain areas, the general position for women remains mired in an unsatisfactory equity employment outcome. Despite the decades of social and legislative reform, women still have a long way to go - a fact confirmed by the 1992 *Half Way to Equal* Report of the Inquiry into Equal Opportunity and Equal Status of Women in Australia (the Lavarch Report) and the more recent
Karpin Report (1995). The issue to be considered now is: given that social and legislative reform has not produced the desired outcomes, how can women achieve employment equity? Should it be on the grounds of merit or should it be by obligation?

Most women would argue that they want their career progress to be on the basis of merit. This is because they know at heart that they would have little acceptance or credibility if other parameters became the basis for their progress. However, two aspects need to be considered: women do not feel that merit forms the basis for many employment decisions, while stronger measures apparently are now needed to encourage organisations to provide opportunities for women. I will deal with each of these in turn.

Despite rhetoric to the contrary, most companies recruit on the basis of an amalgam of educational qualifications and personal qualities, background characteristics and features of candidates which are likely to 'fit' well into the organisation's way of doing things. Any suggestion that these practices be reviewed and systematised to allow a greater diversity of people to be considered for appointment, is likely to be viewed as unnecessary interference and as not constituting good business practice (Burton, 1994). Instead, the 'boy's club', which has defined the culture, perceives merit to be the possession of background and attitudes like their own (Forward, 1994). People are selected on the basis of their experience, which is similar to that of many other members of the organisation, rather than on skills and attributes. Ann Forward maintains that, for those who misuse the term, merit can mean a number of things such as 'thinks like I do', 'I owe him one', 'if I do this for him, he'll owe me one', 'he did the economics course at the Australian National University that we like in this place', or 'he is a member of the same club (or union) and loyalty is an important value for me'. (1994, p7). The real point is that not one of these things bears any relationship to the skills and attributes required to be a good performer in a job. Unfortunately, too much of this type
of selection is practiced to-day despite protests to the contrary. Women will still be locked out of many positions and occupations while these types of selection processes prevail.

As Burton says: 'the battle for the merit principle (as contemporarily understood) has not been won'. (1994, p18). She cites a number of examples to prove her point:

- executive search firms still use only word-of-mouth recruitment processes which limits the available pool. This is hardly a merit-based process.

- the personal attributes regarded as requirements for management positions tend to reflect existing managers' characteristics and priorities and existing organisational cultural values. This allows for a 'comfort fit', and an 'elusive chemistry with an existing team'. It excludes newcomers, or people who are 'different', virtually automatically.

- merit has never been a major principle underlying decision making on who should be appointed to boards, committees or to political party positions. Instead it has become a label to mask the actual criteria in use.

Many more examples of a similar nature can also be cited. The important issue arising from this discussion is that it hardly seems just to maintain that women have to be appointed on 'merit' when their male counterparts rarely are. Merit becomes a convenient excuse to exclude women from important positions of power and influence, because the definition of merit varies according to the culture and the outcome to be achieved.
Given that merit does not provide the 'level playing field' it was purported to do, what types of measures will encourage organisations to provide opportunities for women. It seems that the time may now be ripe for the introduction of quotas.

Interestingly, this type of suggestion raises wrath in the minds of the establishment. The protected enclaves immediately charge that men will be discriminated against (skilfully avoiding the fact that this has happened to women for many generations), and that men are now being disadvantaged because of the imposition of a 'politically correct environment' (again ignoring the fact that this has also happened to women for generations). An example of this reaction is the debate that occurred around the imposition of quotas for women in political parties during late 1994. Another suggestion is that quotas should be introduced for men! Up until now, men have had all the quota, so this hardly seems a logical suggestion. What these reactions reveal is a lack of understanding of the issues involved, an obstinacy to view all people as having some worth or merit, a reluctance to share power and decision-making and considerable fear and anxiety in the face of societal and organisational change.

However, in reality, organisations can no longer avoid the issue. With so many women now making up a large proportion of the workforce, and a sizeable number now owning businesses, women will have to be brought into the mainstream. Otherwise policy will be made in a vacuum and many unexpected and unpredictable shifts will occur in consumer decision making, buying patterns, business alliances and contractual arrangements. The wise organisation will endeavour to be inclusive of women, both from an employment, policy and business point of view.

At present policy makers and women alike prefer the setting of targets rather than the imposition of quotas to rectify the lack of progress for women. The
Director of the Affirmative Action Agency, Catherine Harris, aims to set businesses 'elevated' target levels for the year 2000 to bring about attitudinal change in the workplace. Her current view is that if companies do not comply, then the Government should consider legislating for quotas (Jopson, 1994, p13). However, Ann Forward, Head of the Merit Protection and Review Agency of the APS prefers targets. Her reasons are as follows:

'They are, like quotas, numerical objectives. They are realistically achievable targets, based on what can be actually achieved in a particular work area in a given period of time. Failure to achieve that target leads to an analysis of the reason for that, which encourages the development of programs or other activities designed to address the reason for failure. The use of targets is encouraging, positive. It can lead to close scrutiny and, if required, adjustment of the selection criteria so that they unambiguously reflect the requirements of the job'.

In her mind, then, targets and merit are basically linked to achieve an outcome. Her type of interpretation is acceptable to most women who would prefer to be selected on merit, but also to have valid opportunities (targets rather than quotas) to prove that they can compete on meritorious grounds.

Conclusion

In summary, then, women should be selected on merit rather than obligation. However, the merit principle should also apply to men in the workforce. As there are ample examples of the practice not being followed with male counterparts, it seems logical to therefore set targets for women to help rectify their current inequitable position. What the targets do is give confidence to women (they feel there is a real chance for them in the organisation rather than just a token presence), and also forces organisations to evaluate the implications
of their current organisational culture and recruitment and promotion processes.

The issue is not one of males versus females. Instead, it is about choosing the best person for the position to ensure performance outcomes for the organisation. If that approach can be adopted then the present barriers to women's employment progress will be removed and both genders will be able to achieve their true potential in the workplace.
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