

EVERYWHERE EXCEPT ON TOP: WOMEN
EXECUTIVES IN THE NONPROFIT SECTOR

By

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Seven large nonprofit organizations across the United States which had recently undergone executive director/CEO transition were selected for study. In interviews with key board members and CEOs, hiring criteria, organizational health and occupation and gender stereotypes were examined as mediators of the hiring process. Participants were asked to describe the factors which influenced the development of the hiring criteria, candidate selection and interview process. In all but one organization board members expressed their belief that they hired the best candidate for the job, regardless of gender. The results indicate that board of directors treat the hiring process very seriously and invest many volunteer hours to hire a CEO. None of the participants acknowledged holding stereotypes about management or gender; however, seventy five percent of the organizations studied hired a man. Key points in the interview process have been identified where an understanding of gender and occupational stereotypes could have altered the outcome of the hire.

It is important at the very beginning of this paper to provide a definition of the nonprofit sector. We typically think about three different types of formal organizations in the United States: for-profit business and industry, government agencies, and nonprofit organizations. The nonprofit corporations with which most people are familiar are charitable or public benefit organizations, so called because they serve a broad public purpose and engage in activity that is beneficial to the community, typically education, environmental protection, religion, science, including health care, the arts and social service. In exchange for providing a public benefit, including many services which in the absence of a nonprofit organization the government itself would have to provide, the Internal Revenue Service (IRS) exempts nonprofit revenue from tax, under the Internal Revenue Code 501(c)(3). Nonprofit organizations cannot improperly benefit private interests, which is an important distinction between the two private sectors. It may pay

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fair and decent salaries to its employees and purchase goods on the market but it cannot transfer its income or assets to private interests. All net income from a nonprofit must be dedicated to advancing its charitable purposes and not distributed into private hands for personal enrichment, for example in the form of stock shares. The bulk of resources in the nonprofit sector are obtained from fees paid by those who use their services and from government sources. Nonprofits have never depended primarily on private or foundation donors (Hammack, 1998).

There are roughly 1.25 million nonprofit organizations in the United States recognized by the IRS (National Center for Charitable Statistics, 1999) but many more legally fall beneath the radar screen of the IRS because their annual revenues are less than \$25,000 or they are religious organizations and not required to file annual IRS forms. The recognized organizations, together with their volunteers and roughly 11 million paid employees constitute the nonprofit sector in the United States. One out of every 10-12 paid workers in the United States works in the nonprofit sector and most are motivated by a need to improve their community and to experiment, create and work to make things better in accordance with their visions and dreams. Nonprofit employees and volunteers play vital roles as advocates and in identifying and addressing unmet human needs in their communities.

Nonprofit organizations are required to meet high standards of accountability and are highly regulated by federal and local tax and corporate law. Each incorporated nonprofit organization is required to have a governing board of directors, the vast majority of whom are volunteer community members who donate their time and expertise to the organization. Responsible for determining the mission, insuring fiscal viability, and meeting all state and federal regulations the board is also responsible for hiring and firing the chief employee – the executive director, or CEO. In fact, she or he is theoretically the only employee of the board, all

other employees report to the executive director or her/his designee. Many board members believe that hiring, supervising and evaluating the executive director is their most important responsibility.

An early history of ambivalence on the part of the public about the role of nonprofit organizations in society was replaced in the late 19th century by an almost reverent ideology that carried with it expectations about the sector that have been impossible to fulfill (Salamon, 1997). Practices and ideologies that were prevalent during the creation of the current nonprofit sector in the United States have become incorporated and institutionalized into a culture that continues to influence the job descriptions, staffing and wages of positions in nonprofit organizations (Hultin & Szulkin, 1999). Not only is the nonprofit sector expected to be altruistic but the individuals working in the sector are expected to sacrifice themselves to save the world and accept minimal pay for their work (Joslyn, 2003; Odendahl & O'Neill, 1994; Salamon, 1997, 2002). This reverential ideology has slowly germinated a nonprofit culture that is frequently described in such communal terms as helpful, compassionate, caring and sympathetic rather than in the agentic terms used to describe the business sector, such as aggressive, competitive, independent and decisive. The communal definition of the nonprofit sector, coupled with persistent and insidious stereotypes about the capacity and capability of women as executives and managers, has resulted in a highly gendered sector with a large female workforce under the control of an elite male power structure.

Over 70 percent of the nonprofit workforce is female (Guidestar Compensation Report, 2003). In organizations with budgets under \$5 million women fill the majority of the executive leadership positions, which are located, for the most part in vibrant community-based organizations focused on the arts, children, social service, animal welfare and anti-poverty

initiatives. In contrast, in nonprofit organizations with budgets over \$5 million, an average of 75 percent of the chief executives are male (GuideStar Compensation Report, 2003). They are the leaders of large national nonprofit organizations as well as the leaders of hospitals and universities, foundations and large social service organizations, museums and research centers.¹

Parenthetic to this study but essential to note is the predictable gender gap in pay and the gap between white and leaders of color in the nonprofit sector. In a study which examined 65,000 charitable U.S. organizations, GuideStar (2003) determined that among leaders of organizations with annual budgets between \$25 million and \$50 million men's median salary was 24 percent higher than women's. In organizations with budgets greater than \$50 million male leaders earned a whopping 46 percent more in salary than women leaders (GuideStar Compensation Report, 2003). In a study of nonprofit human service organizations Gibelman (2003) found that at *all levels* of staff men earned higher salaries than their female peers, and people of color earned lower salaries than white employees. Across all sectors in the United States women earn 78 cents for every dollar a man earns (Bureau of Labor Statistics, 2003).

In *The 2003 Nonprofit Times Power & Influence Top 50*, a list of the most influential leaders in the sector, only 6 of the 50 listed leaders are people of color. A representation of only 12 percent. Across the country approximately 75 percent of executive directors are white/European (Peters & Wolfred, 2001).

The rarity of female CEOs in the largest, most influential nonprofit organizations is a cause for concern to practitioners in the sector. Perhaps even more striking here than in the business sector, the lack of female CEOs in the nonprofit sector represents a divide between the

¹ In 2001, only 6.5% of reporting charitable nonprofits (17,237 organizations) had annual expenditures greater than \$5 million. However, these organizations accounted for over 82% of total assets and over 87% of total expenditures. In contrast, 82% (215,949 organizations) had annual expenditures under \$1 million (National Center for Charitable Statistics, Urban Institute, 2002).

communal, caring culture of the sector with its focus on justice and equality and the apparent practice of gender bias by the nonprofit boards who hire the sector's leaders. With an overwhelmingly female workforce (approximately 70 percent in the nonprofit sector compared to 46 percent across all sectors) the lack of female's faces at the top reinforces for all workers that women are not and will not be chosen to lead. Perceptions that stereotypes exist which influence hiring decisions are likely to influence which individuals actually apply for top management positions. In particular, research has demonstrated that women who believe that the glass ceiling phenomenon will operate to their disadvantage may be less likely to apply for open positions than equally qualified men (Powell & Butterfield, 1994).

The high incidence of staff turnover in the nonprofit sector, particularly among executives is one result. Recent studies have revealed a startling 63 to 78 percent of executive directors plan to leave their jobs within 5 years, and 66 percent of them are in their first executive director role (Casey Foundation, 2004). Executive flight from the nonprofit sector leaves in its wake an inconsistent institutional history, and a dearth of inside experienced nonprofit leaders. There are many reasons for this reality: long hours, salaries that do not compete with the for-profit sector, high stress and a glass ceiling for women who want to move up in influence and leadership within the sector. Men either enter employment at higher levels (e.g., Reskin & Padavic, 1994; Odendahl & O'Neill, 1994; Cotter, Hermsen, Ovadia & Vanneman, 2001) or move quickly up the career escalator while women take the stairs. Given that they are higher up to start with, even with equal promotions and advancement opportunity men will continue to occupy higher positions, and if women leave more often, because of perceived poor chances for promotion that contributes as well to more men filling influential leadership positions (Cotter et al., 2001).

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This study begins an evaluation of occupational and gender stereotypes as mediating variables in nonprofit executive hiring decisions to determine the extent to which they are directly related to women's absence in major leadership positions. Employers play a central role in concentrating women and men in different jobs, and this study seeks to combine the largely non-overlapping streams of research on occupational stereotypes, executive transition in nonprofit organizations, boards of directors and gender bias in hiring.

WOMEN EXECUTIVES IN THE NONPROFIT SECTOR: THE CONCEPTUAL FRAMEWORK

A recent full page newspaper advertisement for Lifetime Entertainment Series (Lifetime TV) displayed a photo of a smiling 20-something student named Amanda Clayman. The quote filling the page beside her reads, "I feel hopeful because girls today can't imagine a time when there weren't options for women." (The NYT, May 11, 2004, p. ZA5) While there are indisputably more options for women today than there were 50 or even 20 years ago, the truth is that women are still woefully absent from positions of power in all sectors. In Fortune 500 companies, women constituted only 15.7 percent of corporate officers in 2002, 5.2 percent of top executives and 8 CEOs, up from 4 in 2001 (Woller, 2004). Government leadership is equally as grim. There are 13 Senators, and 61 Representatives who are women. They represent approximately 14% of the elected seats in the U.S. Congress. Eight women currently serve as state governors and 3 of President Bush's fifteen cabinet members are women (Center for the American Woman and Politics, 2002). In the nonprofit sector, only 15 women made the cut in *The 2003 Nonprofit Time's Power & Influence Top 50* leaving men with 70 percent of the power and influence in the nonprofit sector.

There is a paucity of literature available to help us tease out the significance of the highly gendered nonprofit sector. Much of the existing literature on gender and employment is based on research conducted in large for-profit corporations, where women are the minority at 43% of the aggregate workforce and 5.2 percent of top executives. Under the umbrella of the nonprofit sector, identical sex-segregated occupations exist as in the other sectors, for example male transportation workers and female administrative assistants. However, the unique aspect of the nonprofit sector is that at every rung of the career ladder women are in the majority, until you reach the leadership of the most influential organizations. This study aims to contribute to the existing literature by moving beyond the discussion of communal and agentic leadership styles and discrimination against women in the corporate world and delve instead into the unique and curious situation women encounter as they attempt to move into powerful leadership positions in the female gendered nonprofit sector.

Anne Preston (1990) studied the attraction of employment in the nonprofit sector for women. She concluded that women perceived better job opportunities for themselves in the nonprofit sector when compared to the for-profit sector, even with the sector's lower salaries at executive levels. Women's lower wages in the nonprofit sector seem to be moderated by overall greater equality between male and female wages. In other words, both men and women are paid less in the nonprofit sector when compared to both government and the for-profit sectors. The nonprofit sector, even with the influential leadership balance favoring men, provides women with a wider range of workplace opportunity and greater responsibility that they would earn in the for-profit sector (Preston, 1990). Women may choose to enter the nonprofit sector; however, based on the lingering sense that charities perform "women's work" other writers have argued that they are also propelled by society toward public benefit work, and since executive nonprofit

work is lower paid than other industries this in itself is a form of discrimination (Joslyn, 2003; Odendahl & O'Neil, 1994).

In general, women in the nonprofit sector become trapped in a culture that relegates capable professional women into salaries that are lower than they deserve and locks them into small community agencies. When a CEO of a large nonprofit organization resigns and the board seeks a replacement experienced in the management of large budgets and staff, few if any women will make it to the interview stage of the hiring process. Women, locked into small community-based organizations are not even in the running, and the sector misses an opportunity to expand the representation of women leaders and those with demonstrated cultural competence critical to leading the increasing diversity in the nation and our communities.

Stereotypes and Personnel Decisions

To one extent or another, we have all internalized an understanding of gender roles and have developed opinions consciously or not of what women and men should be doing and how they should behave. Gender role definition is deeply rooted and not always conscious. The complexity of gender and occupational stereotypes has been fodder for reams of research, and while we are closer to understanding how stereotypes and biases came to exist we are not even close to ridding ourselves of prejudice and discrimination. It is our understanding and interpretation of gender roles in occupations, conscious or not that influences our behavior and mediates the decisions made during a hiring process.

Personnel decisions because of their inherently subjective nature invite stereotyping, evaluation bias and attribution error, and thus employers play a large role in maintaining inequality across occupations (Reskin, 2000). Historically hiring decisions have segregated the sexes into different occupations and over time women and men came to believe that were

actually better suited for one occupation over another (Ridgeway, 2001; Glick et al., 1988; Reskin & Padavic, 1994). Occupational stereotypes follow from observations of people in sex-typical roles, for example men in higher status bread winning roles, and women in lower status domestic roles. If gender stereotypes are closely related to what people see each day played out in interpersonal hierarchies the gender will be inherently connected to leadership and authority (Ridgeway, 2001). Prejudice toward female leaders is the result of an incongruity that many people perceive between the characteristics of women and the requirements of the roles of leadership (Eagly, 2002). Gender as a variable in many hiring decisions is so implicit that it often makes it difficult to pinpoint its effects even when there is a sense that something prejudicial is occurring. Gender bias and occupational stereotyping is not a shared or recognized part of a board's understanding of the hiring process (Ridgeway, 2001). As a result stereotypes about women and men are easily and automatically activated, and correcting for the effects of stereotypes requires both an awareness of the stereotype and an intention to counter their influence (Eagly, 2002).

In their role congruity theory, Eagly and Karau (2002) proposed two different types of prejudice toward women seeking entrance into the executive leadership arena. The first are beliefs about what women and men *actually do*, descriptive norms which flow from the incongruity that many people perceive between the characteristics of women and the requirements of leadership roles. Leadership ability is more stereotypical of men than women. Heilman (2001) called this divergence between the perception of an individual's attributes, or even the abilities typically attributed to women *as a group*, and the perception of the job requirements of leadership positions as "lack-of-fit." The more a job is described as masculine or agentic the worse the perceived fit between the job and a woman applicant. It seems that good

management is a manly business. The lack-of-fit expectation gives rise to a clear gender bias toward viewing women as ill equipped to perform leadership jobs competently. In study after study male applicants are generally recommended for hire and seen as more likely to succeed than female applicants with the identical credentials when jobs are defined in agentic terms (Heilman, 2001; Schein, 2001; Glick, Zion & Nelson, 1988).

The second type of prejudice is what Rudman and Glick (2001) called the backlash toward agentic women and is based on injunctive norms, or beliefs about what each gender group *ought to do*. Leadership behavior is perceived as less desirable in women than men and when women break through the glass ceiling to occupy leadership roles, they are viewed as socially deviant or masculine and are in danger of discrimination or bias because of their perceived nonconformity to the cultural definitions of femininity. Several studies have shown that when women in mixed-gender settings present their ideas in an assertive or self-directed style, they are disliked or perceived as untrustworthy compared to similarly acting men or less assertive women (Ridgeway, 2001). Furthermore, when women do succeed in a male-dominated domain observers can attribute her success to luck and keep intact their stereotype of what women ought to do (Valian, 1999)

Both of these prejudices stemming from descriptive and injunctive norms lead to a stereotype called “think-manager-think-male”, which may lead to gender bias in hiring. Sczesny (2003) analyzed the various facets of the think-manager think-male-stereotype by asking female and male students to evaluate résumés and make hiring decisions based on the fit between a résumé and the job. Her research supports the idea that traditional female gender constructs and leadership roles are incongruent, specifically her results showed that gender stereotypes still influence descriptive aspects in the perception of leadership by others. Sczesny concluded, “the

think manager think male stereotype can still be considered as one possible cause of gender bias in judgment and decision making regarding leadership.” (Sczesny, 2003 p. 362) In additional research reviewed by Eagly & Karau (2002) male managers rated women managers as more agentic and less communal than “women in general” but not as close as “men managers” to a group identified as successful middle managers (Eagly & Karau, 2002, p. 575).

The effects of gender stereotyping have been explored to explain why women are not hired and to demonstrate how it continues to dog women as they climb the organizational ladder. Previous explanations of why there are so few women in leadership such as the “pipeline” theory that lays the blame on time and supply does not apply in the nonprofit sector, if it does anywhere (Heilman, 2001; Joslyn, 2003; Gibelman, 2003; Cejka & Eagly, 1999; Willyerd, 2003). The pipeline is crammed full of women in the nonprofit sector with executive, management and leadership experience. The key is for boards to understand the transferability of skills gained in smaller agencies to larger ones. However, the large number of women working in the nonprofit workplace and their assumption of management and executive roles in small and mid-sized organizations does not appear to preclude gender-stereotyped perceptions in larger organizations (Heilman, 2001). This is an issue with many complex variables including the negotiating skills of women executives and the biases of members of nonprofit boards of directors, however it appears that gender bias and occupational stereotypes has not only reserved the most influential nonprofit CEO jobs for men, but it has also reserved the less prestigious and lower paid CEO jobs for women.

Nonprofit Executive Transition

Recent growth in the nonprofit sector has been explosive. Between 1987 and 1997 the number of charitable organizations in the United States increased at an annual rate of 5.1 percent

which is more than double the growth rate experienced by the business sector (Independent Sector, 2002). In the three year period between 1992 and 1995, over 80,000 501(c)(3) corporations were created (National Center for Charitable Statistics, 1999). Along with growth has come an increase in the challenges presented in recruiting and hiring executive directors. Both healthy and unhealthy organizations are at risk during executive transition but well managed transitions can be viewed as an opportunity for new board leadership, sharpened strategic direction, improved financial management, and may lead to new funding streams and promote new approaches to organizational restructuring and mergers (Adams, 1999; Casey Foundation, 2004). Seizing new opportunities in large nonprofits through executive transition however has come at a price to women in the sector. Two-thirds of executives are recruited from outside their agencies (Peters & Wolfred, 2001), which by definition truncates nonprofit career ladders for the 70% of the nonprofit workforce who are female and limits opportunity for internal promotion.

The challenge of executive transition is on-going and frequent. Thirty-five percent of nonprofit executives surveyed by Peters & Wolfred (2001) for CompassPoint Nonprofit Services anticipated leaving their current jobs within the next two years. Their predicted length of stay, the study found was significantly associated with job enjoyment and satisfaction with compensation. The job stressors facing executives are very significantly related with the budget size of the organizations. The CompassPoint study (2001) found that executive directors of small agencies are more likely to be stressed by low compensation and raising funds than their higher-budget colleagues. Managing personnel was most stressful for mid-sized agencies but in general, executive directors of the largest agencies were less likely to be extremely stressed by any one of the job factors, as they presumably have a management team with which to share the

burden of the multiple functions facing executives (Peters & Wolfred, 2001). The executives of small and mid-sized community agencies “burn-out” and leave at a higher rate than the executives of large organizations. Exhausted by their experience, facing an unfunded retirement and by the real perception that promotion is not possible, women leave the sector, and while their accumulated skills and wisdom may be retained as they move into nonprofit consulting or governance it will not be as powerful or influential as it could have been had they stayed to be promoted or hired into CEO positions of large organizations.

Boards of directors faced with a resigning CEO have the awesome responsibility of finding and hiring a replacement without jeopardizing the effectiveness or stability of the organization. This study aims to examine the process the board moves through to accomplish the task of hiring. Perhaps it is too much to expect an all volunteer board to take a proactive approach, involving time and organizational resources to recruit a diverse applicant pool and put competitive benefits in place in order to attract and retain a leader who will represent the organization in the community for many years to come. Achieving a diverse interview pool, based both on gender and ethnicity is difficult even when it is a priority of a hiring board and nearly impossible when it’s not (Adams, 1999). So what do boards do when faced with transition?

Board of Directors and Hiring

Nonprofit board hiring decisions are mediated by many factors, including the composition of the board, the strengths and weaknesses of the organization and the board’s relationship with the departing CEO. To examine each factor in turn it is helpful to look at empirical research which has sought to predict strategic business decisions made by groups, such as a board of directors. Zajac and Westphal (1996) determined that strategic choices in this case

executive selection are influenced by the personal background and prior experience of top managers. Board members may perceive a greater need for change in the current organizational strategy if it diverges from their own experience, for example in the running of their own business. This may bias board members to select an outside CEO, because they believe that internal candidates, socialized to the organizational culture, are resistant to strategic change. An outside CEO will be free of any attachment to the status quo and will import knowledge about how to implement strategic alternatives (Zajac & Westphal, 1996). Board member's beliefs and prior experiences may influence their hiring decisions and Zajac & Westphal (1996) found that board members were biased toward candidates who share their attitudes and experiences. Additionally, members frequently use their individual personal experience as a reference point or benchmark when evaluating a candidate.

BoardSource (2003) reports that the majority of nonprofit trustees are men. The 43 percent who are women tend to serve on the boards of smaller organizations, with missions focused in human-services, health, arts and culture, and the environment. The boards of larger public benefit nonprofit organizations, such as symphonies, foundations, hospitals and museums, have relatively few women (Gardyn, 2003). Since the majority of board members are male and the majority of employees are female, nonprofit board members of large nonprofit organizations may believe they must look outside the sector for a candidate who shares their attitudes and experiences.

If who gets what job is the product of the actions of the individuals on a board of directors, and their actions are motivated partly by the sex and race group to which they belong as well as the prior experiences they bring to the task then it is critical that we begin to examine board practices that constrain or circumvent an unbiased hiring process.

Hoping to gain some insights into how people's judgments of others are affected by social stereotypes and also to discover methods to circumvent the application of stereotypes that lead to unfair discrimination in hiring decisions, Peter Glick (1988) and his associates sent bogus résumés to 212 business professionals to discover what mediates sex discrimination or gender bias in hiring decisions (Glick, Zion & Nelson, 1988). Consistent with prior research discussed in this paper they found that male applicants were favored for traditionally male jobs and female applicants were favored for traditionally female jobs. Even though the "masculine" female applicant, judged by the individuating or descriptive resume information in Glick's 1988 study was perceived to be just as aggressive, independent, strong and decisive as the "masculine" male applicant, the female applicant was less likely to be either interviewed or hired for the male-dominated job of sales manager. What this suggests is that stereotypes about occupations mediate sex discrimination or gender bias. For example, Glick (1988) speculated that women are preferred as nurses not only because they are thought to be nurturing but also simply because they are female and part of the occupational stereotype is that nurses are women. In the nonprofit sector it may be that part of the occupational stereotype is that influential leaders are men and less influential leaders are women.

Additional analysis further suggests that what matters is not that the women candidate possessed feminine traits thought to be undesirable, but that she is thought *not* to possess the masculine traits required for the job (Glick et al., 1988; Eagly & Karau, 2002). Thus, when a board views executive transition as an opportunity for strategic change and develops hiring criteria and job qualifications as agentic, such as looking for fiscal aggressiveness or stressing high level individual accomplishments, they are, consciously or not, looking for a male with masculine traits to fill the job. Heilman (2001) in agreement with Glick's 1988 study, has

suggested that individuating information on résumés, meaning past experience and its description may combat sex-type preferences and affect an applicants' perceived job suitability, but it does not prevent job discrimination. Heilman (2001) found evidence that diagnostic individuating information on a résumé can reduce sex discrimination only when it is directly relevant to qualifications to the job. In other words, the information on the résumé must leave the perceiver no doubt that the applicant is highly qualified for a specific job. And, since evaluators make stereotyped inferences about the applicant's personality traits purely based on the sex of the applicant (Ridgeway, 2001; Reskin, 2000; Glick et al., 1988), individuals without highly qualifying individuating information on their résumé will not be asked in for an interview when their traits do not match the traits of the job (Glick et al., 1988; Swim, 1994; Schein, 2001; Eagly & Karau, 2002). It is important to note that although both men and women may be discriminated against, women are likely to bear the greatest burden because most of the desirable, high-paying, and high-status jobs such as management positions are stereotyped as male roles (Schein, 1973).

The fact is that women and men relatively seldom have similar jobs, or employment history. Women who want to break into generally more lucrative, traditionally male occupations may not have the type of past job experience that would enable them to provide the right type of individuating information (Glick, 1988). Theory regarding role fit includes perceived job requirements, but there is little research to be found which actually compares perceived job requirements with perceived attributes. Substantial evidence exists to suggest that most executive roles in large corporations are prescribed or expected to display a dominant disposition for agentic styles (Willeyard, 2002). The occupational structure has been profoundly shaped by gender and one method of combating gender bias would be to ensure that stereotypical traits are not associated with the job applicant (Glick, 1988).

Sex discrimination or gender bias in hiring may be the result of the the think manager think male stereotype which perpetuates the perceived lack of fit between a women and the role of powerful leader. Women are damned if they become leaders because they no longer fit the social construct of femininity (Eagly & Karau, 2002) and damned when they are perceived to be feminine because they are believed to lack the masculine sex-traits necessary to be successful in leadership (Glick et al., 1988). The nonprofit sector is challenged by the high rate of executive turnover, and the even higher rate of first time executive directors. Women who perform the CEO role in the majority of small and mid-sized organizations are leaving their jobs, burned out by the multiple demands of a community-based nonprofit CEO position, concerned about the low pay and discouraged by the reality surrounding them from ever breaking through the glass ceiling into the leadership of a large influential organization. Building on this research this study investigates what mediates the hiring of women in large nonprofit organizations. Specifically the aim is to examine in detail the variables that mediate the board hiring process and explore at which points in the process an awareness of the effects of gender and occupational stereotypes could introduce new variables and alter the course of the hiring decision.

METHODOLOGY

The perspective developed in this study is grounded in a qualitative study of nonprofit organizations all of which experienced executive transition over the past 12-18 months. The purpose of this study was to develop theory about the process of hiring nonprofit executives. Since my objective was to develop theory rather than test a hypothesis the study was designed to allow unplanned themes to emerge from the data (Ibarra 1999). Through a detailed process of coding (described later in this section) using Scientific Software Development's Atlas.Ti®

software I was able to discover and develop themes based on the dominance of recurrent codes in interview transcripts.

Research Context

This research was conducted in seven large nonprofit organizations. The revenues of the organizations ranged from \$5 million to \$25 million and assets ranged from \$2 million to \$142 million. To avoid a strictly regional perspective, the organizations studied are located in the Southwest, Midwest, Southeast, and New England. Six organizations are incorporated as a 501(c)(3) with the 7th incorporated as a 501(c)(6). The latter was included in the study because the CEO, until this latest hire, was also responsible for managing a 501(c)(3) foundation which is attached to the larger (c)(6) and the organization had experienced the turnover of 2 executives in the past 3 years.

The board of directors was studied as the unit of analysis because of their central role in the nonprofit CEO hiring process. In the nonprofit sector the hiring decision is uniquely a board decision. Frequently a hiring committee is formed which may include board and staff, or a search firm is engaged and they conduct the actual recruitment and interviews but generally the full board is involved in the final stages and makes the final hiring decision. To familiarize myself with each organization I did an extensive web search including researching the composition of the board of directors, the history of each organization and the current status of their finances based on the 990 IRS Tax Form posted on www.guidestar.com, a public data base of financial data on individual nonprofits. Salient demographic data about each organization is found in Table 1. To the best of my knowledge this information was accurate at the time of the transition, but was not individually verified by members of the organizations in all cases.

Participants

The president of each board of directors and/or the CEO helped me compose the list of study participants. All board participants interviewed were active in the recently completed hiring and included current or former board members of the organization studied. I interviewed board members from each organization but not each CEO. Because I wanted to interview the board members most involved in the search, I did not interview equal numbers of men and women. The group included 9 women and 6 men, or 5 CEOs and 10 board members. The participants were all fairly homogeneous demographically, each participant held a college degree, the majority with an advanced professional degree, and all were white-American with the exception of one white-European and one African American.

Organization Location	Gender of CEO	Gender of Previous CEO	Gender of Board Chair	Gender of board leadership	Participants Interviewed
Southeast	female	female	male	4 officers 3 men 1 woman	(3) board chair; 1 male board member; current CEO
Southwest	female	female	female	6 officers 3 men 3 women	(1) board chair
New England	male	male	male	4 officers 2 men 2 women	(2) female board member; current CEO
New England	male	male	male	4 officers all male	(3) board chair; 1 female board member; current CEO
Midwest	male	female	female	All board members are female by decree of founding benefactor.	(3) current and past board chair; current CEO
New England	male	male	female	5 officers 3 men 2 women	(2) board chair; former CEO
New England	male	female	Co-chairs 1 female 1 male	6 officers 2 women 4 men	(1) co-chair

Table 1: Demographic Data on Organizations Interviewed

Data Collection

All of the interviews were conducted in the late winter of 2004. Interviews lasted between 50 and 90 minutes and all interviews were taped with permission of the participant. Four interviews were conducted in person and the remaining 11 were conducted on the phone using a phone recording attachment. The interviews were transcribed verbatim. The interview questions focused on the key points in the hiring process, including the recruitment, the screening of résumés, interviews and hiring decision as well as the relationship between the board and the previous CEO, the involvement of staff in the interview process and the financial health of the organization. The perceived strength and weakness of each candidate was probed as well as the board members feelings and reactions during actual interviews. The development of the hiring criteria and the use of a search firm was also explored. Board members were asked slightly different questions than the CEOs and each interview protocol is found in the Appendix.

Data Analysis

Using open coding based on the writing of Emerson, Fretz and Shaw (1995) and coupled with Atlas.Ti ® software I developed a coding guide based on the interview questions and then coded each transcript for recurrent themes or salient quotes. The coding guide is found in the Appendix. By engaging in a close line-by-line reading rough categories began to emerge that demonstrated similarity in the process across organizations. Some examples of the 1st level codes are: anxiety on the board, conflict with former CEO, decision to change leadership, relationship with board, qualities in a good decision, and history of previous hiring process. Over 600 such codes were created in the initial reading of the interviews, these were then grouped into 2nd level categories and I began the iterative process of reviewing new literature suggested by the emerging themes. Through the process of delving into new literature

specifically about interview behavior, candidate selection and stereotyping, coupled with a fresh review of the literature I had used to build my original conceptual model, I began to identify particular codes that indicated there were interception points in the interview where an awareness of occupational or gender stereotypes could affect the hiring outcome.

The process of moving the 600 1st level codes into 19 second level categories prompted a second reading of the original transcripts to look more closely for comments about sex-traits and the requirements of the position, comments concerning perceptions of what was needed to move the organization to the next level and the incongruity of those criteria and the skills of candidates. Table 2 provides a visual diagram of the coding process with respect to some comments pertaining to sex-traits. Slowly a conceptual model began to emerge which described the process of hiring for a board of directors of nonprofit organizations.

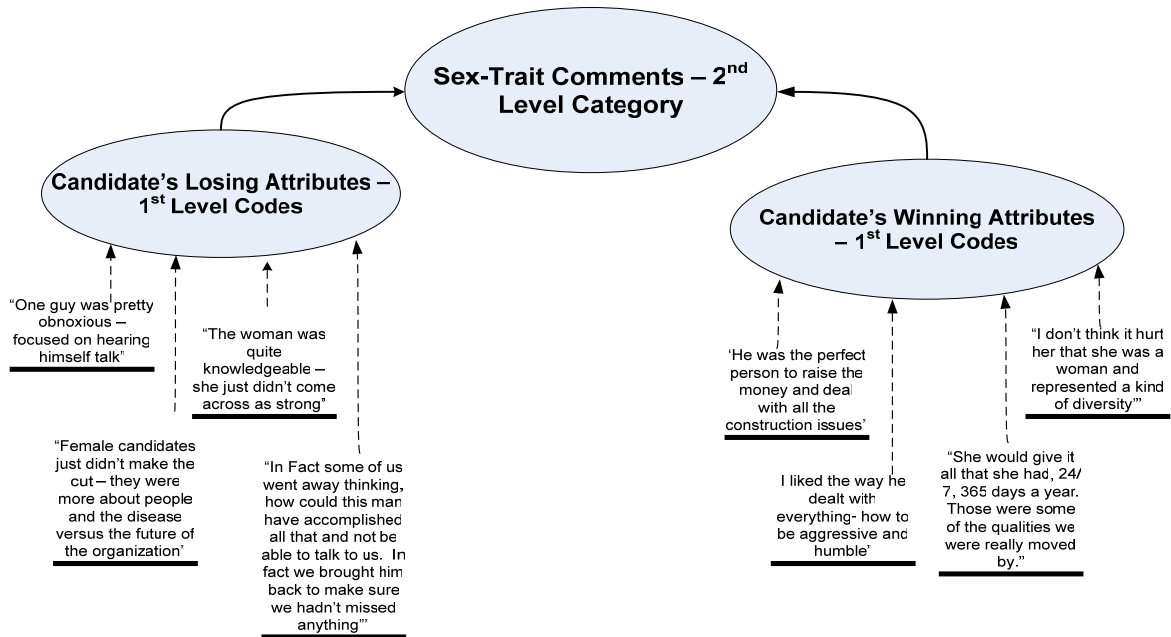


Table2: Data coding as it pertains to sex-traits

RESULTS

The board members interviewed indicated that several factors need to be in place in the board room in order to produce a successful outcome, which the study participants defined as one that produced the best leader available for their organization regardless of gender. These factors include a strong board, meaning a cohesive unit engaged in healthy dialog and shared vision, a willingness to take risks, a serious commitment of time and energy, and a clear understanding of what is needed in a candidate in order to move the organization forward. Table 3 provides a summary of the 1st level codes which prompted the emerging independent variables. Because board participants expressed such high levels of satisfaction with the process and the outcome, it became imperative to dig deeper and let subtle themes emerge in order to build theory as to why women are not hired to run large nonprofit organizations.

Factors for Success	Qualitative Evidence	Total codes
Strong Board:	“board was very collaborative, there were no egos involved, everyone was on the same page” “we really trusted and respected each other” “board members feel their input adds value”	45
Risk Taking:	“CEO we hired may have looked a little riskier, but absolutely every one of us wanted to take him on.” “we could have gone with a safer choice, slam dunk, but the candidate would not be able to take us where we wanted to go” “it was a fairly bold decision, particularly given we had a lot of safe choices” “we made a commitment to a higher salary and we knew we’d take some flak”	34
Time & Energy:	“committee spent hours, weeks and months searching, screening, selecting and interviewing.” “going to be a huge time commitment and everybody has to commit to those time commitments in the beginning.” “we spent a huge amount of time on process- like who would be the best person to make telephone calls” “we worked really hard, more of a volunteer job than we’d ever imagined”	67
Clear under-standing	“looking for someone with skills in strategic planning” “looking for someone who had strong financial background” “needed someone to take us to the next level.” “we focused on what the organization needed, not on former CEO”	51

Table 3 – Factors for a successful hire

Each board member interviewed, with the exception of one, expressed confidence in the hiring process and felt their board contained the factors for success. All embraced the seriousness of their task, and took great pains to ensure it was comprehensive and thoughtful. The process was described as one that built a sense of community on the board or committee (e.g., “It was an absolutely wonderful process.”; “The best I’ve ever seen.”; “We had so much fun, I almost hated to see it end.”). This indicates a high level of confidence in the process and with the work of the full board (e.g., “We really trusted and respected each other.”; “I’ve gotten a chance to work with some extraordinary people on the board.”; “Board was so tight having gone through the process.”). Overall the board members felt that they had met the challenge of executive transition head-on, and had succeeded in hiring the best candidate they could find, (e.g., “I met him and never went back, it was we found it, we got it.”; “We’re fantastically lucky because we ended up with a fabulous candidate.”; “I know the entire board is thrilled with him.”; “By the time we got to the end of the process, he was absolutely the best.”).

Organizational Mediators

What was going on in the organization at the time of the transition that mediated board behavior, and affected the type of candidate chosen by the board? The relationship between the board and the former CEO and the stability of the organization may have acted as mediators of the hiring process. (e.g., “Board’s growing concern about their financial circumstances heavily influenced how they went about the process.”; “Financial situation influenced the types of resumes the board looked at.”). Table 4 provides further examples of organizational concerns expressed by the study participants.

Table 4. Concerns about organization and CEO at time of transition

Examples from transcripts in regard to organization at time of transition
“But I would say it would have to be the performance and gravitas, or lack thereof of the executive leading then to less than stellar performance of the organization, leading then to frustration of some board members and very importantly some funders.”
“And we, actually, over a period of time lost some board members who just got fed up with her way of operating and got off the board. It reached a point, kind of a boiling point, and my predecessor had a lot of ... the chemistry between her and the former CEO was terrible.”
“My sense is that while I believed former CEO did a very credible job there was a sense of relief by some people that she had decided to move on. And that sense came from a feeling that ... there were a number of things happening in our sector all at once that made us perhaps need to consider a new direction, and a new leader to help us chart that course.”
“There were some areas particularly in the fiscal area that needed attention and this was not one of her particular interests or strengths.”
“We really had some major financial issues, we still have them, and the board was in the dark on an awful lot of it because of the style of the former CEO - she'd really been there a long time.”
“Former CEO not bold...kept it together but not able to take us to a new level.”
“Former CEO kept board involved in stuff that obscured the real issues.”

Table 5 quantifies the relationship between the board and both the current and former CEO. All board participants believed that a good relationship with the CEO was extremely important, and when asked to rate the relationship with the current CEO, the majority indicated that it was a good relationship both individually and with the full board. In contrast the relationship between the board and the former CEO was rated lower, understandable perhaps given the transition between the new and old executive and the sense of satisfaction expressed by the board members in the success of their hire. Another obvious reason for the low scores is the fact that in 4 out of the 7 organizations studied, the CEO had been asked or counseled by the board chair to leave. This agrees with the findings of Adams (1999) who studied more than 100 executive transitions and found that the large majority of transitions are nonroutine and quite complex (Adams, 1999).

Table 5: Relationship Assessment between board and CEO

Variable: Relationship with CEO	Mean
Importance of strong relationship between board and CEO	4.875
Relationship of individual participant with former CEO	3.5
Relationship of full board with former CEO, (in opinion of participant)	3.22
Relationship of individual participant with current CEO	4.28
Relationship of full board with current CEO, (in opinion of participant)	4.125

Note: variables were measured on a 5 point scale, with high values indicating higher levels of satisfaction.

Each board studied ended up hiring an outside candidate, which was interpreted as someone both outside the organization and outside the culture, but not necessarily outside the mission area. (e.g., "...I think we favored the outside guy, ... we felt we really needed to bump this up, we had this vision for ourselves and the organization, and actually we wanted to play on the national stage someday."); "Given that she was someone new and fresh, we felt even more comfortable that she should be the candidate."; "He was especially remarkable in all four of his interviews, but I think what hurt him (*internal candidate*) was his connection with what happened prior. And in spite of how he presented I believe that members of the committee felt that the membership would not be comfortable unless there was someone coming from outside").

The board members interviewed were quite clear in each instance about which skills they looked for in a new CEO and clear about wanting a new direction for the organization. At the top of the list was a desire for new vision, and a good grasp of finances. Other criteria included strong leadership, ability to move the organization to the next level, and strong board relations (e.g., "We needed a change in leadership."; "We needed someone with a strong business background."; "We needed someone who could communicate well."; "We needed someone who could build the type of networks that hadn't been there before."). Not one participant said they needed someone who matched the skills or personality of the departing CEO, even one board

member who admitted that the retiring CEO had big shoes to fill said, “we didn’t want to hire his clone.”

Role of the Search Firm

The organizations studied varied in their use of an outside search firm, but the level of satisfaction among those who did hire a firm was very high. (e.g., “Search firm encouraged the board to be up-front with the candidates.”; “Search firm pointed out to us the things we should look for in the candidates.”; “The search professional was a big important part of what happened.”). Boards not hiring a search firm either relied on internal human resources staff, or tapped into a national network of web based job postings. One organization credited their hire with the search firm, noting that the candidate they hired came to them through the search firm’s data banks. The use of a search firm is expensive; typically a percentage of the hired executive’s starting salary and recent research indicates that most executive search firms are not organized to work effectively with the intense board involvement of a community-based nonprofit (Adams, 1999). The boards studied interviewed between three and four search firms and conducted extensive reference checks to assess the extent of nonprofit experience. The boards then worked closely with the search firms both in the development of the hiring criteria and in selecting the candidates to hire.

Hiring Criteria and Applicant Fit

Even though no board member admitted treating or measuring differently candidates based on their gender, board members nevertheless did provide distinctive descriptions of the female candidates in the actual interviews, (e.g., “Her experience was a little different from the two men, in part because she made a big point of her family and so forth and the men interestingly enough did not”; “And the women sold themselves, but they sold themselves in a

much different way, they focused more on this is how I was able to build a team really to accomplish something, and even though they were the ones who did it, they were also giving credit to other people who were involved in that effort.”; “The woman was also quite knowledgeable, but I think that she just didn’t come across as strong, certainly personable, didn’t have as high a level of experience as the others did.”; “You know some people I think can translate their middle management experience very well to the next level, but we just felt on balance that she wasn’t ready.”).

Each board, with the exception of one, interviewed female candidates in their first round, but only three organizations ended up with a woman in their final round, the two that hired a woman and one organization with three finalists: two men and one woman. The remaining four organizations each presented male finalists to the board. Table 6 presents data about each organization. Of the organizations studied, two transitioned from a female CEO to another female CEO. Two transitioned from a female to a male and three transitioned from a male to another male. Because of the small size of the sample it is not possible to draw definitive conclusions, however, based on these results it seems that transitions move from female to female, female to male, male to male but not male to female.

Table 6: Mix of candidates and primary issues of concern

Gender of Former CEO	Notes about previous CEO	1-5 scale of relationship with former CEO	Gender mix of 1 st interview	Gender of Finalists	Use a Search firm?	Primary concern	Gender of Person Hired
female	Been with org ~6 yrs; national org, high visibility, pressure from membership & donors to change strategic direction. Counseled to leave.	3.3	Not certain, some of both	1 woman 1 male (internal)	yes	Finances, donor relations, direction	female
female	Been with org. less than 2 yrs., board blamed itself for lack of supervision leading to poor performance. Asked to leave.	1	3 men; 3 women	2 women	no	Staff morale	female
male	Founded org. 12 yrs ago, very popular, highly visible CEO. Retired voluntarily because of age	4.5	4 men; 2 women	2 men	yes	Vision, growth direction	male
male	Been with org 15 yrs, popular but tired. Retired voluntarily because of age	4	8 men; 2 women	2 men	no-used nat'l network	direction, growth finances	male
female	Been with org 17yrs, "kept board in the dark" lacked vision. Counseled to retire earlier than she had planned.	2.75	6 – "more geared toward men"	2 men; 1 woman	yes	Finances, board relations	male
male	Interim CEO for ~1.5 yrs, former board member, took org through expansion. Planned transition.	4.5	5 men; 0 women	2 men	yes	Vision, growth, donors	male
female	Been with org ~8 years, lacked vision, poor board relations. Asked to leave.	2	5 men; 3 women	4 men	no	Finances, vision, staffing	male

DISCUSSION

The process of executive transition was explored in this study to measure the incongruence between female candidates and the hiring process engaged in by nonprofit boards of directors. The analysis clarified the variables that are present in a nonprofit CEO hiring process and identified important tasks in the process that generated positive outcomes for the organizations studied. The concept that nonprofit boards can slow the tide of male leaders, and increase the trickle of female leaders is supported in this study but the results also suggest some important areas of focus for future research.

The climate on the board and their response to the organization at the point of transition provided the ingredients and motivation for the hiring criteria and subsequent search. The board participants described the criteria they developed or the skills and strengths they looked for in candidates (see Table 7). These criteria may have limited the opportunity for female candidates with nonprofit experience to participate equally in the search because the criteria alone caused the board to cast their eyes outside the nonprofit community based sector to large organizations where they perceived they would find what they needed for their organization. This study gives rise to the speculation that what is going on in the executive hiring process of large nonprofit organizations is a backlash against the communal nature of the entire sector. The leadership, management and financial skills demonstrated by the executive directors of smaller organizations are not perceived as strong as the same skills learned by men in the corporate or large nonprofit world, nor are they seen as transferable from a smaller to a larger organization. Repeatedly board members expressed that they needed someone to take the, to the next level, to really bump up the organization, someone who was very strategic with strong business skills. The nonprofit sector may seem too communal, too closely linked with lower status positions and perceptions of women's work for the board members of large nonprofit organizations. In reaction, in an effort to set themselves apart, and to be taken more seriously by society and funders they may specifically be looking for an agentic, masculine leader with the type of experience not normally found in the sector.

The qualitative evidence reported in Table 7 leads us to three specific points of discussion. First, the board's response to the organization and/or the previous CEO at the time of transition is indicated as an important variable in mediating the desire for an outside candidate. In all cases an outside candidate was hired, and 5 out of the 7 organizations indicated that new

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Factors in Hiring Criteria	Factors which may reduced female opportunity
Financial expertise	<p>“Not that we had to hire a former CFO or accountant or whatever, but someone with good solid experience with budgeting and fiscal experience.”</p> <p>“We were looking for strength in budgeting, financial planning. If they didn’t have that we just said no. If their budgets had been pretty small, that kind of thing.”</p> <p>“That’s why we wanted someone with financial expertise or at least a financial background ... and our staff and our executive directors to this point had been people with social work background, primarily.”</p>
Strategic planning & business development	<p>“We don’t need someone to know a lot about our social service mission, we need someone with a lot of business background. Not that folks in the nonprofit sector don’t have the business background, but we were really looking for someone who was very, very skilled in visioning, strategic planning to take us to the next level.”</p> <p>“We offered more compensation that we had in the past because we wanted somebody who had proven themselves and had some gravitas.”</p> <p>“We needed someone with a business background.” “some who is strategic with a track record”</p>
Leadership	<p>“And she was not...the other 2 candidates were CEO’s in their other jobs, the woman was not. That’s why I say the relevant experience was a little different.”</p> <p>“It’s all men at the top. To find someone who has been a director or as a top level manager with years of experience it’s all men.”</p> <p>“We were looking for museum experience – and that’s not a place where there are senior women.”</p> <p>“Women were more about people than the future of the organization.”</p>

Table 7: Sex-type neutral or agentic descriptors which in effect reduce female participation

direction and vision was the primary concern at the time of transition. This would seem to confirm Westphal’s (2001) research which determined that to the extent board members have already conceived of a different strategy they will favor an outside CEO with experience with that strategy. In addition, because the large majority of nonprofit workers are female, and the majority of experienced nonprofit directors or managers are female a high level of commitment to an outside candidate necessarily means looking at men since to look inside would mean looking at women.

Next, in reaction to poor organizational performance, and/or a desire to take the organization to the next level many board members expressed the need for someone with a strong business background, someone with experience working with large budgets, former executives with track records and not necessarily someone familiar with their social service mission area. By focusing on skills perceived to be found only in large organizations, nonprofit board members may have positioned themselves as more likely to hire a male because the characteristics contained in the stereotypes they held about men and management matched the characteristics of what they believed were necessary for their next CEO. These criteria and the hiring results in the organizations studied support Glick et al (1988) whose research suggests that once an occupation becomes designated male or female even if stereotypes about men and women change, discrimination may continue.

Third, even when boards expressed that they were open minded, and wanted to look at non-traditional candidates, they ended up interviewing and hiring men (e.g., “We told the search firm that we’d look at non-traditional candidates; we’re not going to be closed minded on this. By non-traditional I mean people who were crossing over in some respects. We were not saying the candidates had to have a top job in an agency. We were looking at people who might be sort of second tier, but at a point in their career where they were able to make a step up to running an institution the size of ours.”). Despite the stated commitment to look at candidates who were not in the top tier, woman finalists didn’t get either an interview or the job (e.g., “we were not willing to compromise just to get a woman.”). This supports Heilman’s (1983, 2001) view on gender stereotyping as an explanation of why women are not hired and why it continues to dog women as they climb the organizational ladder. Women must have highly qualified

individuating information that leaves no doubt to the perceivers that they are the best fit for the position.

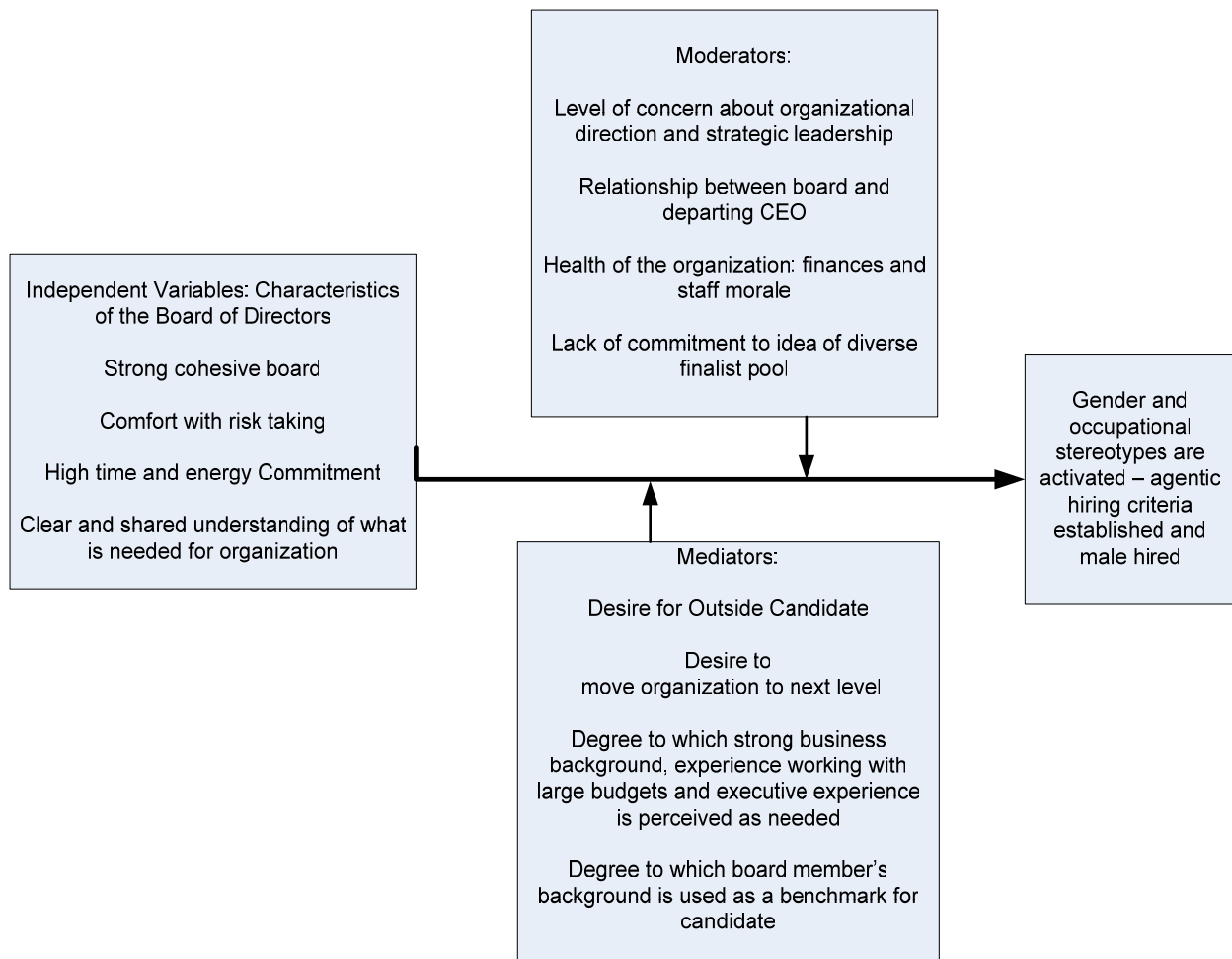


Table 8 Conceptual Model of variables triggering “think manager think male” gender bias in hiring.

An understanding of gender and occupational stereotypes may mediate the hiring process at several points, such as in a commitment to a broad search, and a commitment to a diverse pool of applicants. Variables have been identified in this research which may, if unchecked result in a hiring decision which is biased by gender and occupational stereotypes about women and management. To combat bias board members must be committed to being on the look out for occupational stereotypes and hiring discrimination. Further research is needed to determine if an

awareness of gender bias introduced at specific points in the hiring process will stimulate recognition of the think manager think male stereotype and prompt a closer look at the résumés of women in a concerted effort to bring qualified women into the applicant pool. Table 8 presents a conceptual model of the hiring process which results in a hiring decision affected by gender bias

This study contributes to nonprofit and gender research by joining the recent studies on executive directors and leadership in the nonprofit sector in general, and the rarity of women leaders of influence in specific. The study discovered thoughtful, lengthy, detailed and thorough hiring processes, some lasting over one year, and none less than 3 months. Explaining how and why boards act they way that they do as they navigate executive transitions raises some important questions about the sequence of events, and how an awareness of gender bias or stereotyping can be introduced into the process as it unfolds. Such an intrusion into the process diverts nonprofit boards from feeling that they must find the best person regardless of gender to feeling committed to a broad interpretation of women's leadership experience and a redefinition of the job criteria. For example, requisite experience managing a large budget could be redefined as experience with complex financial negotiations, a skill many nonprofit executives who support their organizations with federal and private foundation grants have acquired regardless of the size of their budget.

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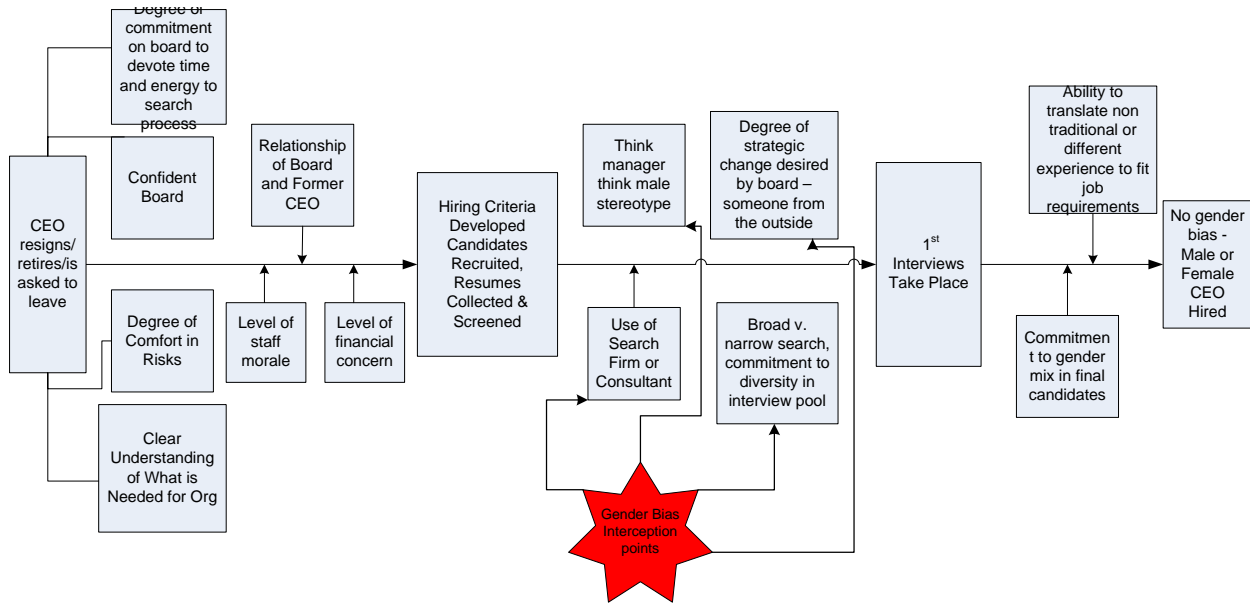


Table 9: Conceptual model of hiring process in mid and large sized nonprofit organizations where an awareness of gender bias introduced at different points may help boards transgress stereotypes

Such a view of hiring criteria and skill interpretation requires an upfront commitment from the nonprofit board of directors. The nonprofit sector will be well served by research which focuses on exactly how to move boards to that level of awareness and commitment. A model emerged based on qualitative evidence in this study that theorizes where an awareness of gender bias could alter the outcomes of an executive search. The role of an outside executive search firm, the transparency of the search, the degree of radical strategic change desired and the think manager think male stereotype are all variables that may benefit from a proactive awareness of gender bias. Table 9 illustrates a model of the hiring process and possible interception points. Although the data presented here cannot be used to do more than suggest interception points where an awareness of possible gender bias could be introduced into the hiring process these interception points suggest some promising directions for further research.

Future Research

Personnel Policies. One expected result of this study was to gain an understanding of how internal personnel policies can influence the transparency of executive transition. Research across sectors has highlighted factors that contribute to a glass ceiling for women in management which includes job ladders, personnel policies, limited enforcement of employment laws, and employer discrimination (Horvath & Ryan, 2003; Cotter et al., 2001). Few corporations, nonprofit or otherwise are completely comfortable exposing their underbellies to their membership, donors or constituents. While all of the boards studied felt they had conducted an open search, the variance was noticeable. Two organizations actively engaged their “customers” in a variety of round tables and focus groups; in contrast, one board decided not to advertise locally for fear of being inundated by resumes.

Transition Policies. None of the organizations studied had existing policies that addressed executive transition, and none had engaged in any succession planning, with the exception of one that followed a failed search with an interim CEO and a plan. Over half of all current nonprofit executive directors anticipate retiring within the next five years (Annie E. Casey Foundation, 2004), but the vast majority of organizations have no succession plans in place, nor have they taken any steps to train the next generation of leaders (Gardyn, 2003). This research may suggest that taking the steps to develop a succession plan would help boards in terms of providing a focus and perhaps reducing the amount of time they spend on transition. It also points to another area of future research. How do the existence of a succession plan and internal policies influence the hiring process and specifically do they help or hinder women as they attempt a push through the glass ceiling?

Use of Search Firm. One limitation of this study is an insufficient exploration of the dynamic relationship between the board and the search firm, and as a result the influence of the search firm could not be sufficiently probed. A search firm may increase or decrease the breadth of the search depending on how they interpret managerial sex-traits and apply gender stereotypes. They may play a role in helping the board step outside acceptable parameters and entertain résumés even when the diagnostic individuating information is slightly off the traditional track. Future research is necessary in this area to explore these variables.

CONCLUSION

The results of this study have helped develop theory about why women are not being hired as executives in large nonprofit organizations and have confirmed that the board of directors can play a key role in undoing the stereotypes that mediate decisions on boards. This study was motivated by statistics that confirm for us that women are not the leaders of large nonprofit organizations (GuideStar, 2003), and by the knowledge that the nonprofit sector is losing leadership at all levels (Adams, 1999). From a starting point well grounded in the most recent nonprofit research, conducted for the most part not in academia but by practitioners in the field, the study moved through contemporary literature on gender bias in management and stereotypes that perpetuate discrimination against women.

There was no reason to believe that nonprofit boards of directors would face the challenge of executive transition any differently than public sector personnel departments or the boards of for-profit, publicly traded companies. In general, we can assume bias exists everywhere given the fewer numbers of women than men in executive leadership across sectors. However, the difference between the sectors is fairly stark in terms of mission, and greater numbers women are drawn to work in the nonprofit sector. Preston (1990), Joslyn (2003) and Odendahl (1994)

added to our understanding by discussing the increased options for women in the nonprofit sector as compared to the other sectors, i.e, women experience executive leadership in small organizations, but cautioned that the nonprofit sector traps women into lower paid work, and reminded us of the shared societal sense that charities perform “women’s work.” Greed (2000) writing about surveying calculations that can be performed as “piecework” at home with a modem, points out that male professionals in her experience think this an ideal area for women to work while bringing up their children. Convenient work often carries the cost of marginalization (Greed, 2000). Women executives of small nonprofit organization face the same marginalized professional life.

Reskin & McBrier (2000) determined that informal recruitment practices are more likely to disadvantage women, and speculated that recruitment to higher positions more often uses these informal mechanisms than do promotions or raises at lower levels (Cotter et al, 2001). This study, in direct contrast to Reskin & McBrier suggests that less structured or more informal recruitment practices may be more beneficial to executive women candidates than formal ones. Without the flexibility to take risks and interpret skills within broad criteria boards will continue to automatically fall back on gender and occupational stereotypes. Women applying for executive positions in the nonprofit sector will continue to be disadvantaged with a structured scoring system, or a rigid interpretation of qualifications because matched one on one with a male applicant their experience will usually appear to be less significant (e.g.,” the other two candidates were CEO’s in their other jobs, the woman was not.”).

We must understand that in most executive situations women begin at a slight disadvantage. Because her experience is historically different, less influential and lower in status, women are disadvantaged if hiring practices are rigid and do not allow for different

interpretations of similar skill. Further research is necessary to determine how boards can change the hiring criteria and job description to include more women rather than trying unsuccessfully to find female candidates to fit criteria that they are not perceived as possessing.

The results of this study have helped develop theory about why women are not being hired as executives in large nonprofit organizations. The board members interviewed did not admit to gender bias on the board or prejudicial behavior that might have limited their ability to hire a female executive, and board members denied treating female candidates differently from male candidates. And yet, even though most board members expressed a desire for a diverse balance in their candidate pool, only two achieved that balance (see table 6). The participants blamed a lack of women with appropriate skills (e.g., “there were very few, really there were no women candidates that we could pull”), the blame never lay in the board’s inability to recruit and attract female candidates. Given the majority of male board members this seems to support Hultin & Szulkin (1999) who theorized that men have the resources but lack the interest and motivation to undo gender-biased treatment. In this study, the high level of trust and loyalty among board members posed a challenge in the research. It was not possible given the scope of this study to dig very deeply into who was more influential on the board and why. This study did not determine how much influence the men on the board had over the hiring process. If complacency existed about gender based treatment it was very implicit. Gender is so entwined in the process of self-assertion, performance evaluation and influence (Ridgeway, 2001) that it becomes very challenging to tease out how and where discrimination occurs.

Explaining how and why boards hire executives necessarily raises fundamental questions about discrimination, bias, group process, mix-gender group dynamics and decision making. It also presents researchers and nonprofit practitioners with the opportunity to model change and

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engage in, and disseminate best practices in hiring. As Table 10 illustrates, removing gender stereotyping from our concept of manager will result in more women hired into the CEO positions in large nonprofit organizations. Sex discrimination in hiring can be avoided when stereotypical traits are no longer associated with the job applicant. The challenge, of course is getting there.

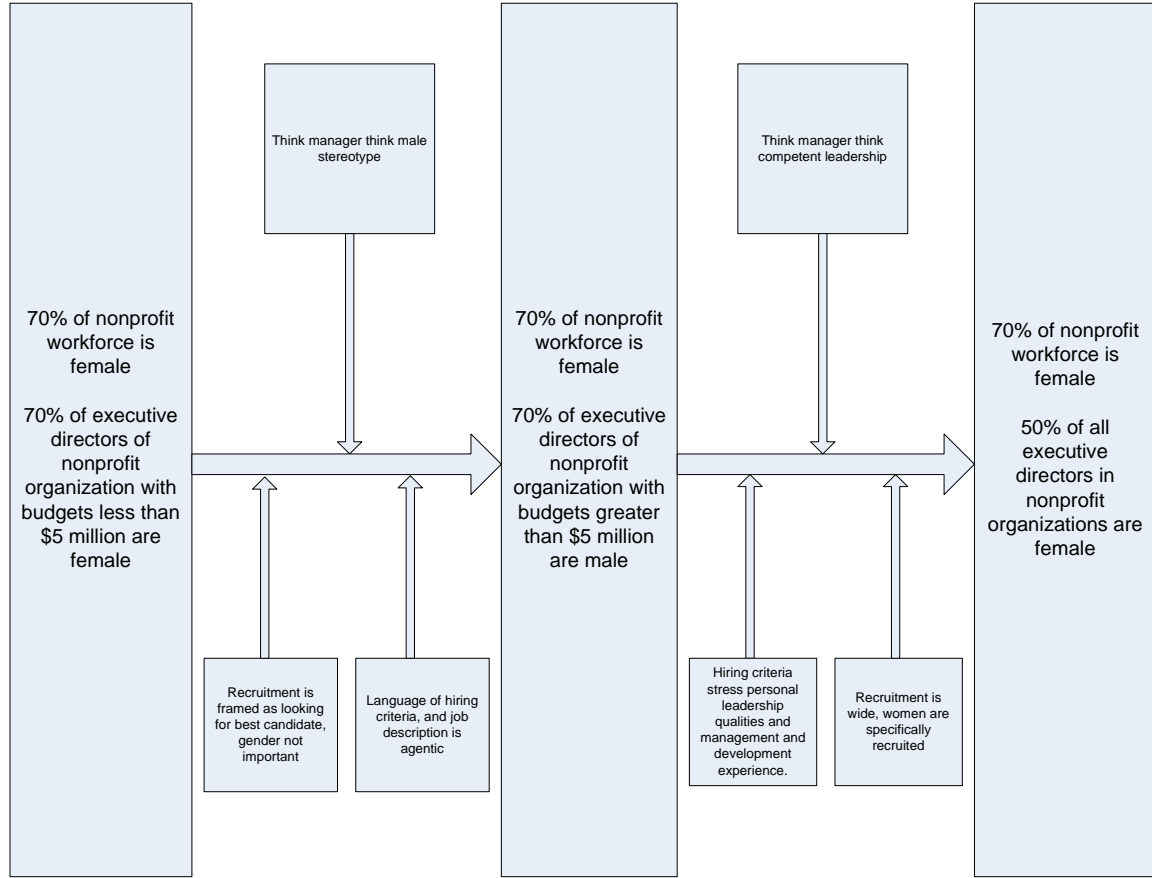


Table 10. A concept of hiring when gender stereotyping is removed from our concept of manager.

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APPENDIX I

INTERVIEW PROTOCOL GUIDE: CEOs

OBJECTIVES

- I. To explore the process of hiring a nonprofit executive director/CEO to determine the factors that influence the hiring decision.
- II. To explore the specific role that board members participation, use of voice and degree of openness in the process plays in influencing the hiring decision. Openness in the hiring process is defined as how and where the position was advertised, how else the position was recruited, whether or not staff members participated in the hiring process and degree of full board involvement.
- III. To explore how much staff turnover and financial stability determines the outcome of quality hiring decisions.

INTERVIEW

Name _____

Organization _____

Position _____

INTRODUCTION

Thank you for meeting with me today. I have some questions about the recent executive transition at the Greater Burlington YMCA. The purpose of my research is to explore the process a board of directors goes through when recruiting, interviewing and selecting a new CEO or executive director. Over the next month or two I will be interviewing approximately 18 people, the CEO's and 2 board members from 6 large nonprofit organizations, locate here and in two other U.S. cities. Your interpretation of the process will be very useful to me in my research.

I'd like to get started with some basic demographic information and some questions about your background.

1. Tell me a little about yourself, your background and your family.

(Make sure he/she covers: years in school, training, prior positions and family life, i.e., number of children and their ages. Years in the nonprofit sector.)

EXPLORATORY QUESTIONS REGARDING MEDIATING VARIABLES

2. Now, I would like to ask you about the process you went through recently as a CEO candidate. I am looking for your story based on what you were thinking and feeling before during and after the interview process.

- a. How did you hear about the position?
 - b. Were you seeking a change, or a transition at the time that you became aware of the opening?
 - c. What parts of the actual position attracted you to apply?
 - d. How did you come to understand those aspects of the position, (for example by reading an ad, a job description, a conversation with a recruiter or by direct contact with the board?)
 - e. How much time elapsed between your initial interest and the first interview?
 - f. How much contact, if any did you have with the organization in the intervening time?
 - g. How many interviews did you have?
 - h. Who was present at each interview?
 - i. Can you tell me how you felt after each interview?
 - j. Did the board members have prepared questions to ask you?
 - k. What were some of the questions asked of you during the interview?
 - l. What board members made an impression on you and why?
-
- a. Were there any specific events that occurred during the interview process that stick out in your mind as significant?
 - b. What was your impression of the board at the time of the interview?
 - c. In the process of your interviews did you develop any impressions of what the board members may have been looking for in the interviews?
 - d. On a scale of 1- 5 how informed were you during the interview process of the board's hiring process?

1=not informed. 5=very informed
-
- e. How open or closed was the hiring process from your point of view?
 - i. was the advertising public?
 - ii. was recruitment wide spread?
 - iii. was the staff involved in the hiring process at any level?
 - f. Why do you think the board offered you the job?
 - g. Do you feel that their reasons have been validated?

EVERYWHERE EXCEPT ON TOP: WOMEN EXECUTIVES IN THE NONPROFIT SECTOR

- h. Now that you have been on the job a few months can you describe some ways in which your style is similar or different from your predecessor?
- i. On a scale from 1 to 5 would you describe your relationship with the board as weak or strong with 1=very weak and 5=very strong.
- j. What, in your opinion is the role of the CEO with the board?
- k. What, in your opinion is the most important job the board can be doing for the organization?

Now I would like to ask you some demographic questions about the board.

- 8. Has there been turnover on the board since you were hired? If yes, please answer these questions based on the demographics of the board which hired you, as best as you can remember.
- 9. How many board members?
- 10. How many women?
- 11. What is the professional experience of the board members?
- 12. Please tell me who held leadership positions on the board at the time of your hire.
- 13. In your opinion, does each board member's opinion carry equal weight? If not, why do you suppose that is?

EXPLORATORY QUESTIONS REGARDING MODERATING VARIABLES

Now I have a few, very general questions about the organization.

- 14. Would you say the organization is financially stable?
- 15. Was it financially stable at the time of your hire?
- 16. If it is stable now and wasn't at the time of your hire, what do you think is responsible for the improvement?
- 17. Many nonprofit organizations complain of staff turnover. Do you experience a high amount of staff turnover? If yes, why do you think that is?
- 18. Would you say turnover is higher now than it was when you were hired or lower?

Thank you very much. Is there anything else you would like to add? Please feel free to say anything, I find all of your comments interesting and helpful to my research.

INTERVIEW PROTOCOL GUIDE: Board Members

OBJECTIVES

- I. To explore the process of hiring a nonprofit executive director/CEO to determine the factors that influence the hiring decision.
- II. To explore the specific role that board members participation, use of voice and degree of openness in the process plays in influencing the hiring decision. Openness in the hiring process is defined as how and where the position was advertised, how else the position was recruited, whether or not staff members participated in the hiring process and degree of full board involvement.
- III. To explore how much staff turnover and financial stability determines the outcome of quality hiring decisions.

INTERVIEW

Name _____

Organization _____

Position _____

INTRODUCTION

Thank you for meeting with me today. I have some questions about the recent executive transition at the Greater Burlington YMCA of which you were a part. The purpose of my research is to explore the process a board of directors goes through when recruiting, interviewing and selecting a new CEO or executive director. Over the next month or two I will be interviewing approximately 18 people, the CEO's and 2 board members from 6 large nonprofit organizations, located here and in two other cities in the U.S. Your interpretation of the process will be very useful to me in my research.

I'd like to get started with some basic demographic information and some questions about your background.

1. Tell me a little about yourself. What is your background?

(Make sure he/she covers: years in school, training, years on board, experience and profession.)

EXPLORATORY QUESTIONS REGARDING DEPENDENT VARIABLES

2. I want to ask you about the recent executive transition at your organization. Specifically I am interested in better understanding the process a board goes through to reach a hiring decision.
 - a. How did the board organize itself for the CEO search?
 - b. How did you come to organize yourselves this way?
 - c. On a scale of 1-5 would you consider the process an open one or a closed one?
1=very closed 5=very open
 - d. How did you advertise?
 - e. How did you screen and select candidates to interview
 - f. How many candidates did you interview?
 - g. Do you remember the gender distribution of the candidate pool?
 - h. What, for you made a resume stand out?
3. What do you see as the positive consequences of conducting a search in this way? What, if any are the negative consequences?
4. Did the organization have personnel procedures that addressed executive hiring at the time of the transition? If yes, were they used to guide the board during the process?
5. If procedures existed but weren't used please tell me why you think that was.
6. On what basis was the hiring decision made? i.e, was there a scoring system, or was it consensus based on discussion?
7. Do you feel that each candidate was measured in the same way during the interview process? If no, what were the differences? If yes, what were they measured against?

EXPLORATORY QUESTIONS REGARDING MEDIATING VARIABLES

Now, I'd like to ask you some questions about the actual interviews.

8. Can you describe a typical interview for me?
9. What was the tone of the interviews? What kind of an experience was it for you on an emotional level?
10. Did anything in particular happen that seemed important in influencing your decision about whom to hire?
11. For yourself personally, do you feel that you interacted differently with a male candidate than a female candidate? If yes, how?

12. Can you please, describe what qualities you think are important in a good decision
13. Did the entire board have an opportunity to interview the candidates? Was the staff involved at any level?
14. Do you feel, speaking for yourself, that your voice and opinion had as much weight as other board members?

EXPLORATORY QUESTIONS REGARDING MODERATING VARIABLES

Now I have a few questions about the organization

15. What was happening at the organization at the time of the search? I ma interested in your general impressions and comments.
16. Would you have considered the organization financially stable at the time of the transition? Do you consider it financially stable today? If there is a difference in the two time periods, to what do you attribute the difference?
17. Would you say staff turnover is higher or lower now than it was when the new CEO was hired? Again, if there is a difference to what do you attribute the difference?

Now I want to ask you a few questions about the board.

18. Can you describe the general mood of the board during the executive transition?
 - a. what kind of experience on the board?
 - b. how long had most members served?
19. How is the board organized? Do you have committees, if yes what are they?
20. What role do you see the executive director performing with the board?
21. On a scale of 1 to 5 would you describe a good relationship with the CEO as very important or not so important? 1=not so important; 5=very important.
22. On a scale of 1-5 where would you place your relationship with the current CEO?
1=very poor; 5=very good
23. On a scale of 1 to 5 where would you place the relationship of the full board, in your opinion with the current CEO?
24. On a scale of 1-5 where would you place your relationship with the former CEO? 1=very poor; 5=very good

25. What about the relationship of the full board, again in your opinion with the former CEO?
26. If you could go back and do it all over again is there anything you would have changed about the transition and hiring process?
27. Is there anything else you would like to add? I am interested in any of your comments or observations that I might have neglected to ask you about.

Thank you very much for your time. Your insights are invaluable to my research.

APPENDIX II

CODING GUIDE

- A. FRAMING: What are the features of the board deliberations that differ among organizations?
- a. Structure of Search Committee – early stage activities that determined what followed
 - i. Role of board chair
 - ii. Role of non-board members on committee
 - iii. Use of search firm
 - iv. Previous hiring experience on board
 - v. Process for reaching consensus
 - b. Level of full board engagement
 - c. candidate pool – how did they narrow down?
 - d. Rhetoric, intention and practice
 - e. broad v. narrow
- B. QUALITY DECISIONS: How does the respondent articulate the features of a good outcome?
- a. why does he/she feel they got best candidate?
 - i. Open/closed recruitment process
 - ii. Screening of resumes
 - iii. Structure of interviews
 - b. How can they be sure they didn't miss someone?
 - c. was there an internal monitoring of their own process?
 - d. what process did they use to determine agency needs?
- C. OUTCOME INDICATORS: What aspects of the decisions process indicate the outcome?
- a. how open was the recruitment?
 - b. does the respondent talk about being bold or taking risks.
 - c. situational events occurring in org at time of transition, i.e., stability of staffing, moral and finances.
 - d. degree of openness to non traditional candidates

Reading One:

In the mind of the respondent what framed the way the board structured the recruitment process?

Reading Two:

What aspects, according to the respondent, of the recruitment process influenced the outcome of the search?

Reading Three:

How does the respondent characterize a good decision? What qualities need to be present?