

October 2001

WOMEN IN MANAGEMENT

Analysis of Selected Data From the Current Population Survey



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United States General Accounting Office
Washington, DC 20548

October 23, 2001

The Honorable Carolyn B. Maloney
The Honorable John D. Dingell
House of Representatives

Because of your interest in the challenges women face in advancing their careers, you asked that we obtain information concerning: (1) key characteristics of women and men in management positions; (2) representation of women in management positions compared to their representation in all positions within particular industries, and (3) salary differentials between women and men in full-time management positions.

To address your request, we obtained and analyzed data from the Department of Labor's Current Population Survey (CPS) 1995 and 2000 March supplement.¹ Our analysis was focused on 10 broad industrial classifications. We defined "managers" as all occupational titles within CPS that included the words administrator, director, manager, or supervisor. These 39 occupational titles included a broad range of positions—for example, general administrators, managers of food or lodging establishments, and sales supervisors. The underlying source data have several limitations that need to be considered when reviewing our findings. For example, CPS does not provide information on years of experience or level of managerial responsibility, two factors that are important when determining salary levels. As a result, our analysis of salary differences between male and female full-time managers cannot account for all possible causes of salary differences. Also, because CPS is self-reported, information on demographic factors, occupation, and income is subject to human error and cannot be independently validated. We conducted our work from August to October 2001 in accordance with generally accepted government auditing standards.

On September 26, 2001, we briefed you on the results of our analysis. This report formally conveys the information provided during that briefing (see app. I). In summary, we found:

¹ The CPS is a monthly survey of about 50,000 households that obtains key labor force data, such as employment, wages and occupations. The current CPS sample is drawn from the 1990 Decennial Census. In March of each year, the CPS obtains additional information during its supplement, such as educational attainment. The data collected in March of 2000 represent labor force data for 1999.

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- Female managers in most of the 10 industries examined had less education, were younger, were more likely to work part-time, and were less likely to be married than male managers, according to the March 2000 CPS.
 - There was no statistically significant difference between the percent of management positions filled by women and the percent of all positions filled by women for five of the 10 industries we examined. Statistically significant differences did exist in the other five industries. In 4 of these, women were less represented in management positions than they were in all positions. In 1 of these industries, women were more prevalent in management positions than they were in all positions. Generally, these relationships were the same in 1995 and 2000.
 - In 1995 and 2000, full-time female managers earned less than full-time male managers, after controlling for education, age, marital status and race.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days after its release. At that time, we will make copies available to others upon request. If you or your staffs have any questions about this report, please contact me on (202) 512-7215. Other contacts and acknowledgments are listed in appendix II.



Robert E. Robertson
Director, Education, Workforce,
And Income Security Issues

Appendix I: Congressional Briefing Slides: Women in Management



**Briefing for Congressional Requestors
September 26, 2001**

WOMEN IN MANAGEMENT:

Analysis of Selected Data From the Current Population Survey



OBJECTIVES

You asked that we analyze data from the Current Population Survey (CPS) to identify:

- **Key characteristics of women and men in management positions;**
 - **Representation of women in management positions; and**
 - **Salary differentials between women and men in full-time management positions.**
-



SCOPE AND METHODOLOGY

As requested, we focused on 10 industries:

- 1. Communications**
 - 2. Public Administration**
 - 3. Business and Repair Services**
 - 4. Entertainment and Recreation Services**
 - 5. Other Professional Services**
 - 6. Educational Services**
 - 7. Retail Trade**
 - 8. Finance, Insurance, and Real Estate**
 - 9. Hospitals and Medical Services**
 - 10. Professional Medical Services**
-



SCOPE AND METHODOLOGY

We used March 1995 and 2000 CPS data:

- CPS data on the civilian labor force are collected through monthly surveys, and an annual March supplement, from about 50,000 households selected from 1990 Decennial Census files.
 - We defined “managers” as CPS occupations titled administrator, manager, supervisor, or director.
 - We conducted statistical analysis, controlling for education, age, marital status, and race, to identify differences in male and female full-time manager salaries.
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SCOPE AND METHODOLOGY

Limitations of CPS data:

- **CPS March supplement lacks data on years of experience or degree of managerial responsibility, two factors important for determining salary levels.**
 - **CPS data are self-reported by respondents.**
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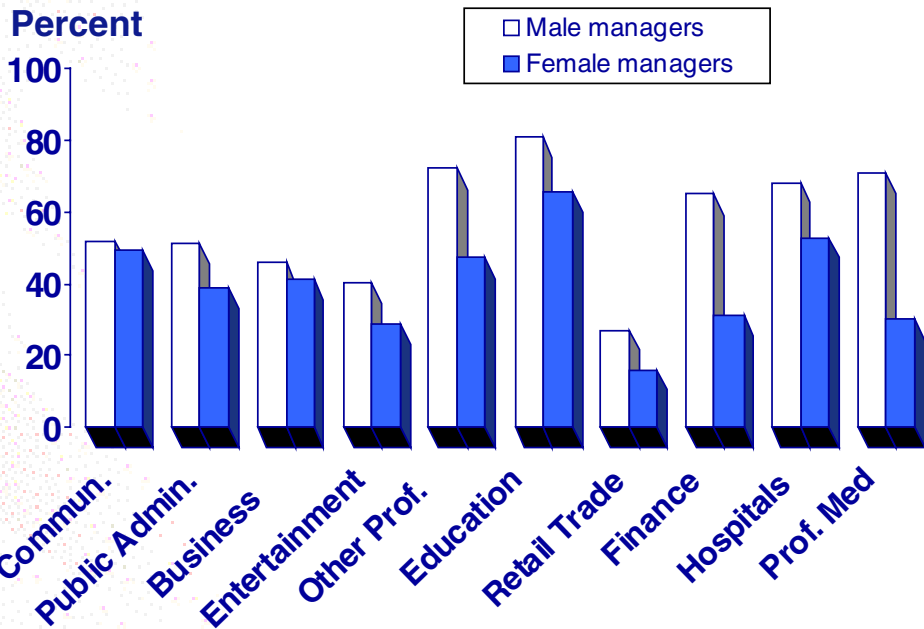


SUMMARY RESULTS: Characteristics of Managers, 2000

- **For most industries in 2000, female managers:**
 - **have less education;**
 - **are younger;**
 - **are more likely to work part-time; and**
 - **are less likely to be married than men who are managers.**
 - **There appears to be little difference in racial composition between male and female managers in most of the industries.**
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Characteristics of Managers: College Degree or Greater, 2000



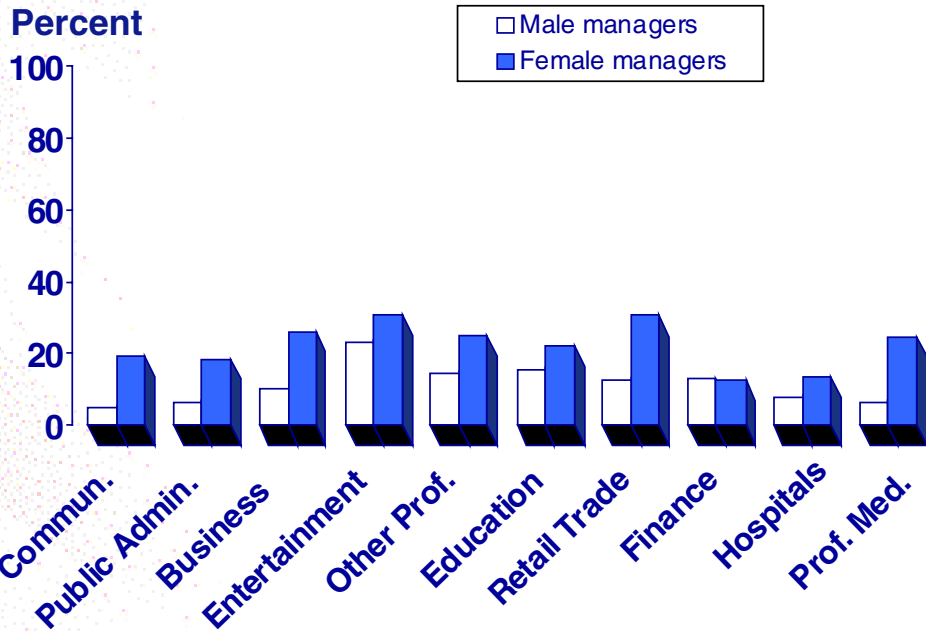


Characteristics of Managers: Average Age, 2000

<u>Industry</u>	<u>Average Age</u>	
	<u>Male Managers</u>	<u>Female Managers</u>
Communications	42.9	40.4
Public Administration	47.7	45.6
Business and Repair Services	40.6	38.3
Entertainment and Recreation Services	39.8	38.4
Other Professional Services	44.5	39.8
Educational Services	46.8	44.3
Retail Trade	38.9	37.3
Finance, Insurance and Real Estate	45.1	41.1
Hospitals and Medical Services	43.7	44.5
Professional Medical Services	42.7	41.6

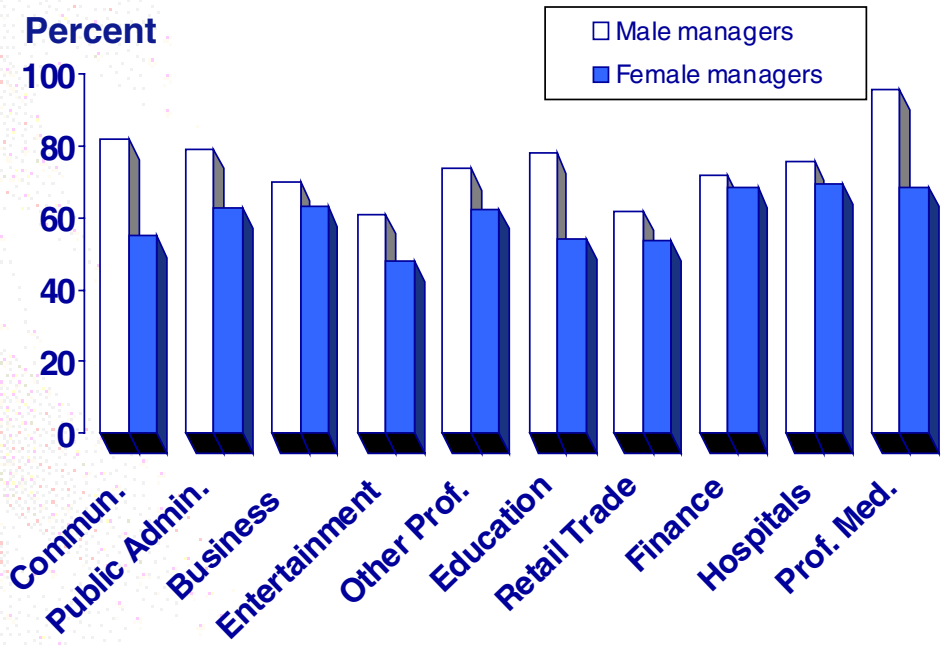


Characteristics of Managers: Part-time Schedule, 2000





Characteristics of Managers: Married, 2000





SUMMARY RESULTS:

Representation of Women in Management

In 2000, 5 industries had no statistically significant difference between the percent of management positions filled by women and the percent of all industry positions filled by women:

- **Communications**
 - **Public Administration**
 - **Business and Repair Services**
 - **Entertainment and Recreation Services**
 - **Other Professional Services**
-



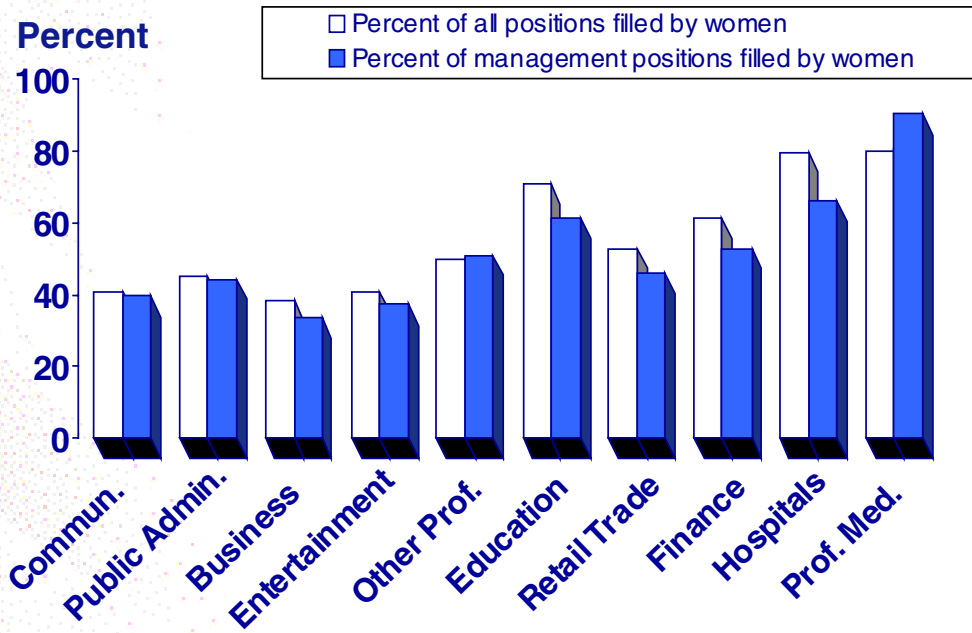
Representation of Women in Management

In 2000, 5 industries had a statistically significant difference between the percent of management positions filled by women and the percent of all positions in the industry filled by women:

- **Educational Services**
- **Retail Trade**
- **Finance, Insurance and Real Estate**
- **Hospitals and Medical Services**
- **Professional Medical Services**



Representation of Women in Management, 2000





Representation of Women in Management, 2000

Industry	Positions Filled by Women		
	All (%)	Management (%)	Percentage Point Difference
Communications	40.9	39.4	1.5
Public Administration	45.1	44	1.1
Business and Repair Services	38.3	33.5	4.8
Entertainment and Recreational Services	41	37	4
Other Professional Services	50.1	50.8	(.7)
Educational Services*	70.6	61.1	9.5
Retail Trade*	52.7	45.8	6.9
Finance, Insurance and Real Estate*	61.1	52.8	8.3
Hospitals and Medical Services*	79.5	65.9	13.6
Professional Medical Services*	79.8	90.2	(10.4)

*indicates a statistically significant difference



Representation of Women in Management

1995 data on representation of female managers was similar to the 2000 data for all industries except for Entertainment and Recreational Services, where:

- In 1995, women were less represented in management positions than they were in all positions.**
- In 2000, there was no statistically significant difference between the two.**



SUMMARY RESULTS: Salary Differentials, Full-time Managers

**Controlling for education, age, marital status,
and race, we found that:**

**In 1995 and 2000, full-time female managers
in each of the 10 industries earned less than
male full-time managers.**



Salary Differentials, Full-time Managers

<u>Industry</u>	Full-time Female Manager Earnings for Every \$1.00 Earned by Male Full-time Managers	
	1995	2000
Communications	\$.86	\$.73
Public Administration	\$.80	\$.83
Business and Repair Services	\$.82	\$.76
Entertainment and Recreation Services	\$.83	\$.62
Other Professional Services	\$.88	\$.83
Educational Services	\$.86	\$.91
Retail Trade	\$.69	\$.65
Finance, Insurance and Real Estate	\$.76	\$.68
Hospitals and Medical Services	\$.80	\$.85
Professional Medical Services	\$.90	\$.88



Salary Differentials, Full-time Managers

- Differences in salary levels between 1995 and 2000 should not necessarily be seen as a trend because salary levels in either of these two years could represent a temporary fluctuation.
 - More extensive analysis over an extended period of time would be needed to determine trends in differences between male and female full-time manager salaries.
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STANDARD INDUSTRIAL CODES AND DESCRIPTIONS

- **Communications (440-449):** Includes radio and television broadcasting, telephone communications, telegraph.
- **Public Administration (900-990):** Includes executive and legislative offices, general government, public finance.
- **Business and Repair Services (721-760):** Includes advertising, personnel supply services, computer and data processing services, automotive rental, electrical repair shops.
- **Entertainment and Recreation Services (800-810):** Includes theaters, motion pictures, videotape rental, bowling centers, recreation services.
- **Other Professional Services (841, 872-893):** Includes legal services, accounting and bookkeeping services, management services.



STANDARD INDUSTRIAL CODES AND DESCRIPTIONS (con't.)

- **Educational Services (842-860):** Includes elementary and secondary schools, colleges and universities, vocational schools, libraries.
- **Retail Trade (580-699):** Includes retail stores, catalog and mail order houses, gas stations, vending machine operators.
- **Finance, Insurance and Real Estate (700-720):** Includes banking, savings institutions, credit agencies, security and commodity companies, insurance, real estate.
- **Hospitals and Medical Services (831-840):** Includes hospitals, nursing facilities, health services.
- **Professional Medical Services (except hospitals) (812-830):** Includes clinics and offices of physicians, dentists, optometrists, chiropractors.

Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

Lori Rectanus, (202) 512-7215

Staff Acknowledgments

Wendy Ahmed, Paula Bonin, Gretta Goodwin, Douglas Sloane, and John G. Smale, Jr. provided extensive computer and data analysis support.

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