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WOMEN IN MANAGEMENT

Analysis of Current Population Survey Data

Statement of Robert E. Robertson, Director
Education, Workforce, and Income Security Issues



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Abstract I am pleased to be here today to discuss the findings from our October 2001 report Women in Management: Analysis of Selected Data from the Current Population Survey (GAO-02-156). In that report, we (1) analyzed key characteristics of women and men in management positions, (2) identified how women were represented in management positions compared to their representation in all positions within particular industries, and (3) identified salary differentials between men and women in full-time management positions.		
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Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the findings from our October 2001 report *Women in Management: Analysis of Selected Data from the Current Population Survey* (GAO-02-156). In that report, we (1) analyzed key characteristics of women and men in management positions, (2) identified how women were represented in management positions compared to their representation in all positions within particular industries, and (3) identified salary differentials between men and women in full-time management positions.

In conducting our work, we relied upon relevant data from the Department of Labor's Current Population Survey (CPS),¹ focusing on 10 industries: communications; public administration; business and repair services; entertainment and recreation services; other professional services; educational services; retail trade; finance, insurance, and real estate; hospitals and medical services; and professional medical services. According to CPS, these 10 industries accounted for about 70 percent of all wage and salary positions filled by women in 2000.² Using existing occupational titles within CPS, we defined managers as all occupational titles that included the words administrator, director, manager, or supervisor.³ To identify salary differentials between male and female full-time managers, we conducted statistical analyses of CPS data, controlling for the effect of education, age, marital status, and race. The source data we relied on has several limitations that need to be considered when reviewing our findings. For example, the CPS data does not contain some of the key information that would be necessary to identify causes for salary differentials, such as years of experience or job responsibility. Also, CPS data are self-reported by respondents and are not independently verified. We conducted our work between August and October 2001 in accordance with generally accepted government auditing standards.

¹ The CPS is a monthly survey of about 50,000 households that obtains key labor force data, such as employment, wages, and occupations. In a supplement to the monthly March survey each year, additional information is obtained, such as for educational attainment. The data collected in March of 2000 represent labor force data for 1999. The information presented in this testimony are estimates and have some sampling errors associated with them.

² Appendix I provides brief descriptions of the types of establishments in these industries.

³ By doing so, we included 39 different occupational titles. These titles included a wide range of positions, for example, general administrators, managers of food or lodging establishments, and sales supervisors.

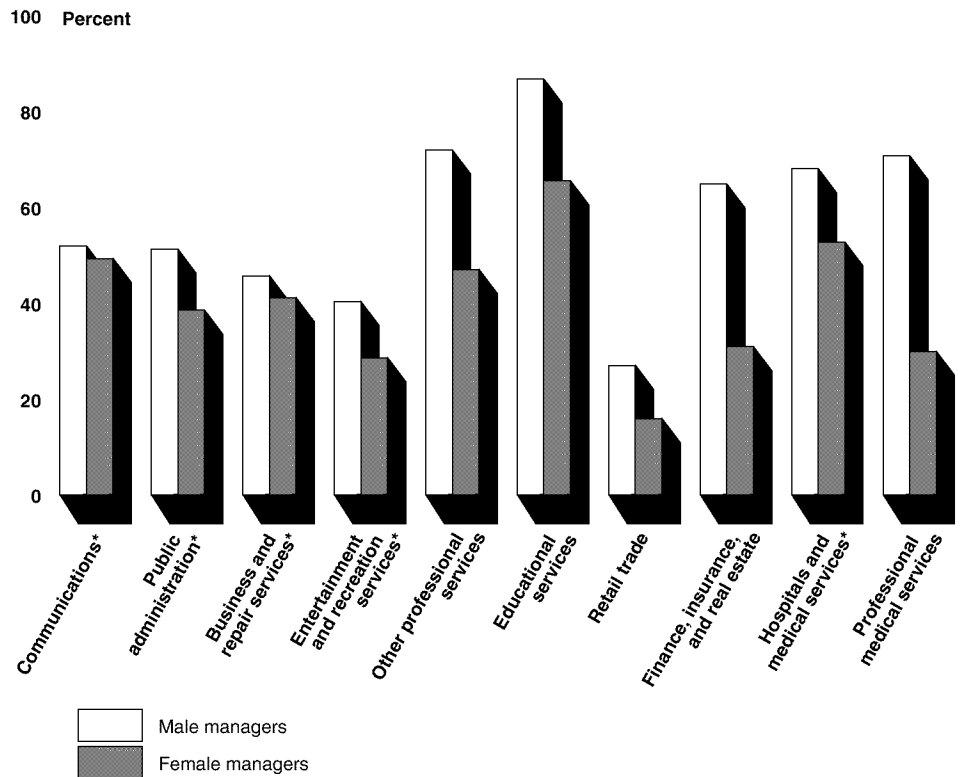
In summary, we found the following:

- Female managers in the 10 industries we examined generally had less education, were younger, were more likely to work part-time, and were less likely to be married than male managers.
- In 5 of these industries, there was no statistically significant difference between the percent of industry positions filled by women and the percent of management positions filled by women. For the other 5, however, statistically significant differences did exist. In 4 of the industries, women were less represented in management positions than they were in all positions. In 1 of these industries, women were represented in management positions to a greater degree than they were in all positions in the industry.
- Full-time female managers earned less than full-time male managers in all 10 industries, after controlling for education, age, marital status, and race. As noted above, we were not able to take years of experience into account.

**Female Manager
Characteristics Differed
from Those of Male
Managers in Terms of
Education, Age, Part-Time
Status, and Marital Status**

According to the March 2000 CPS, a smaller proportion of female managers in 5 of the 10 industries had a college degree or greater, compared to male managers within the same industries. One of the greatest differences between educational levels was in professional medical services (an industry including clinics and physicians' offices), where an estimated 30 percent of female managers had a college degree or greater, compared with an estimated 70 percent of male managers.

Figure 1: Percent of Managers with College Degree or Greater in Selected Industries, 2000



*Denotes differences that are not statistically significant.

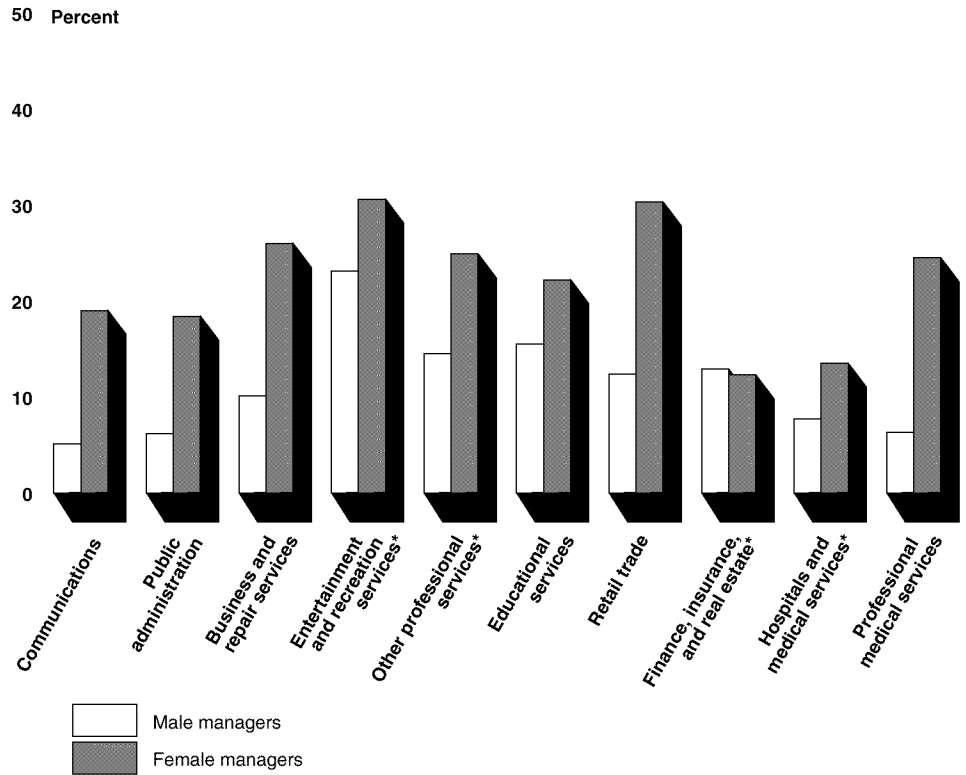
Female managers in most of the industries we examined were younger than their male counterparts, although for both men and women, the youngest managers were, on average, in retail trade (39 and 37 years, respectively) while the oldest, on average, were in public administration (48 and 46 years, respectively). Across the 10 industries, female managers were between 1 and 5 years younger than male managers (see table 1). For example, in other professional services (which includes legal services and accounting/bookkeeping services), female managers averaged about 5 years younger (40 versus 45) than their male manager counterparts. Hospitals and medical services were the only industry where female managers were older than male managers—in that industry, they were about 1 year older than male managers.

Table 1: Average Age of Managers in Selected Industries, 2000

Industry	Average age of managers	
	Male	Female
Communications	42.9	40.4
Public administration	47.6	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

In addition to generally being younger, female managers were more likely to work part-time than male managers in most of the 10 industries we examined (see fig 2). For example, in professional medical services, female managers were an estimated four times more likely than male managers to work part-time. In finance, insurance, and real estate, there was no significant difference between the percent of male and female managers working part-time—both were at about 13 percent.

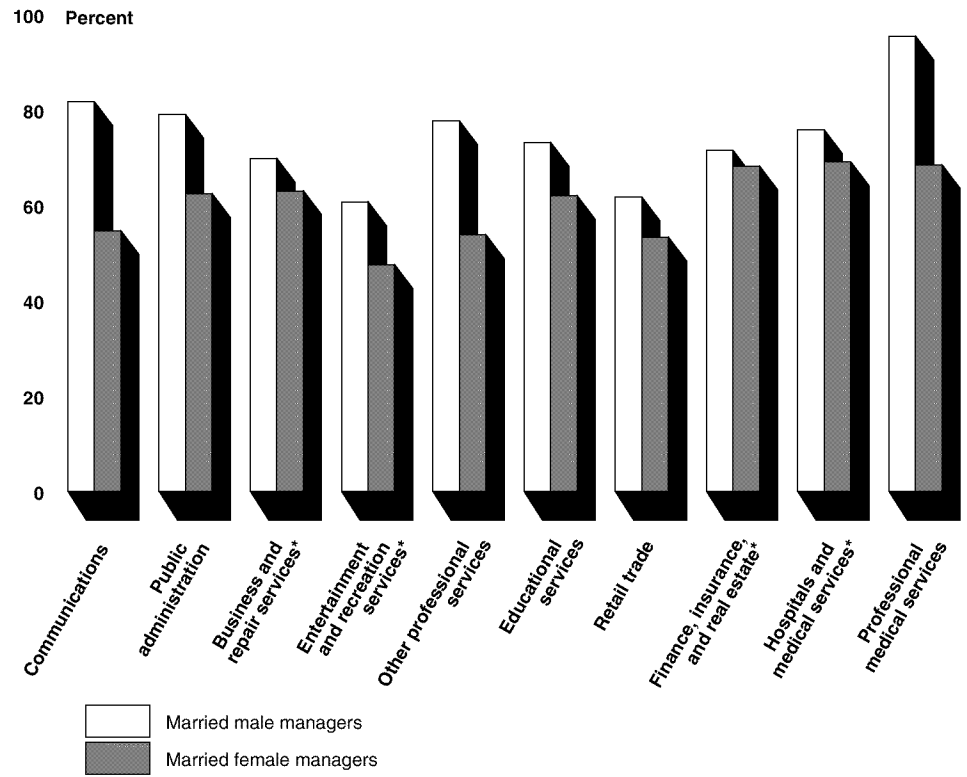
Figure 2: Percent of Managers Working Part-Time in Selected Industries, 2000



*Denotes differences that are not statistically significant.

Female managers were also less likely to be married across most of the 10 industries we examined (see fig. 3). The percent of male managers who were married ranged from an estimated low of 62 percent in retail trade to an estimated high of 96 percent in professional medical services, whereas the percent of married female managers ranged from an estimated low of 48 percent in entertainment and recreation services to an estimated high of only 69 percent in professional medical services.

Figure 3: Percent of Managers Who Were Married in Selected Industries, 2000



*Denotes differences that are not statistically significant.

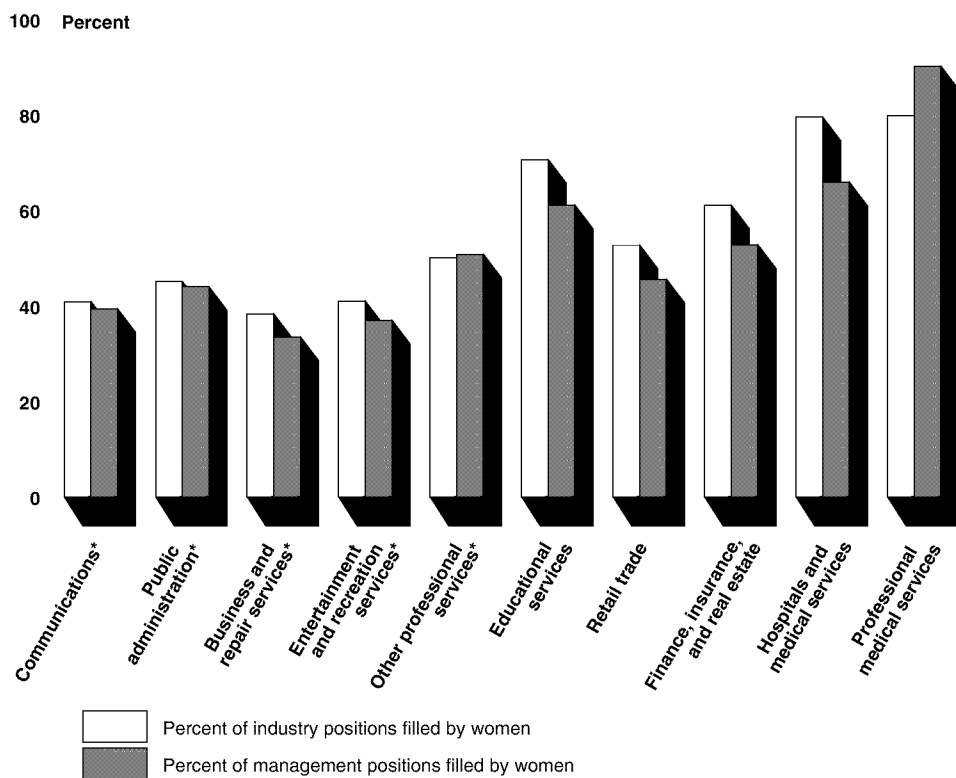
Women Were Proportionately Represented as Managers in Five of the Industries We Examined

For 5 of the industries we studied, the percent of industry positions filled by women was not significantly different from the percent of management positions filled by women, according to CPS 2000 data. In that respect, women were proportionately represented as managers in these 5 industries: communications, public administration, business and repair services, entertainment and recreation services, and other professional services (see fig. 4).

In contrast, for the other 5 industries, the percent of industry positions filled by women was significantly different from the percent of management positions filled by women. For example, in educational services; retail trade; finance, insurance and real estate; and hospitals and medical services women were less represented in management positions than they were in all positions. In professional medical services, the opposite was true: women were represented to a greater degree in management positions (90 percent) than they were in industry positions

(80 percent). We found that these relationships were the same in 1995 as they were in 2000 with the exception of 1 industry. In entertainment and recreation services, women were less represented in management positions than they were in all industry positions in 1995; by 2000, there was no significant difference between the two.

Figure 4: Percent of Industry Positions and Management Positions in Selected Industries Filled By Women, 2000



*Denotes differences that are not statistically significant.

Full-Time Female Managers Earned less than Their Male Counterparts

In all of the 10 industries we examined, we found that full-time female managers earned less than full-time male managers in both 1995 and 2000, after controlling for education, age, marital status, and race, but not for years of experience. For example, in 1995, we found that full-time female managers earned an estimated low of \$0.69 for every \$1 earned by full-time male managers in retail trade to an estimated high of \$0.90 in professional medical services. For 2000, we found that full-time female managers earned an estimated low of \$0.62 for every \$1 earned by full-time male

managers in entertainment and recreation services, compared to an estimated high of \$0.91 in educational services (see table 2).

Table 2: Full-Time Manager Salary Differentials for Selected Industries, 1995 and 2000

Industry	Full-time female manager earnings for every \$1 earned by male full-time managers	
	1995	2000
Communications	\$0.86	\$0.73
Public administration	\$0.80	\$0.83
Business and repair services	\$0.82	\$0.76
Entertainment and recreation services	\$0.83	\$0.62
Other professional services	\$0.88	\$0.83
Educational services	\$0.86	\$0.91
Retail trade	\$0.69	\$0.65
Finance, insurance, and real estate	\$0.76	\$0.68
Hospitals and medical services	\$0.80	\$0.85
Professional medical services	\$0.90	\$0.88

Differences in salary differentials between 1995 and 2000 should not necessarily be seen as a trend. Salary levels in either of these 2 years could represent a temporary fluctuation and 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.

Mr. Chairman, this concludes my prepared statement. I will be happy to answer any questions you or members of the Subcommittee may have.

GAO Contacts and Acknowledgments

For future contacts regarding this testimony, please contact Robert E. Robertson at (202) 512-7215. Key contributors to this testimony were Lori Rectanus and Wendy Ahmed.

Appendix I: Description of Selected Industries and Percent of All Positions Filled by Women, 2000

Industry	Types of establishments in the industry	Percent of all wage and salary positions accounted for by industry
Communications	Radio and television broadcasting, telephone communications.	1.3
Public administration	Executive and legislative offices, general government, and public finance.	4.4
Business and repair services	Advertising, personnel supply, computer and data processing, and electrical repair.	5.2
Entertainment and recreation services	Theaters, motion pictures, videotape rental, bowling centers, and amusement parks.	1.7
Other professional services	Legal services, accounting and bookkeeping, and management services.	4.7
Educational services	Elementary and secondary schools, colleges and universities, vocational schools, and libraries.	13.1
Retail trade	Retail stores, catalog and mail order houses, gas stations, and vending machine operators.	18.5
Finance, insurance, and real estate	Banking, savings institutions, credit agencies, security and commodity companies, insurance, and real estate.	8
Hospitals and medical services	Hospitals, nursing facilities, and health services.	11.4
Professional medical services	Clinics and physicians' offices.	3
Total, 10 industries		71.3