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SEX DISCRIMINATION AS INFLUENCED BY UPPER MANAGEMENT
AND ORGANIZATIONAL CLIMATE: A RATIONAL BIAS THEORY
OF DISCRIMINATION

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
in
Psychology

by
Lisa Jennifer Gallo

June 1992

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Abstract

This study explores the subject of sex discrimination in organizations in relation to rational bias theory. Rational bias theory states that discrimination is influenced by situational factors in which sexual bias results in career rewards or punishments. According to this theory, managers react to pressures from powerful constituents of the organization, even though the managers have no personal prejudices and are aware of EEOC laws prohibiting discrimination. Sex discrimination in mentoring relationships, informal networks, and allocation of challenging job tasks in relation to rational bias theory is examined. This study applies the theory in an analysis of discrimination through the use of four situations in which discrimination might occur. In agreement with rational bias theory, the participants indicated that they perceive upper management as biased. The results of this study are important in indicating both where to locate discrimination, and how it may be prevented.

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Table of Contents

Title Page	i
Signature Page	ii
Abstract	iii
Acknowledgements	iv
Table of Contents	v
List of Tables	vi
Introduction	1
Related Theories	2
Organizational Climate and Rational Bias	4
Value of Informal Networks and Mentoring	6
Challenging Job Tasks	8
Method	10
Results	13
Discussion	28
Appendix A: Questionnaire	34
References	42

List of Tables

Table 1. Manipulation Check	21
Table 2. Scales Developed	22
Table 3. Signaling Questions	22
Table 4. Correlation Table	23
Table 5. Crosstabulation Table	23
Table 6. Analyses For Hypothesis 1.	24
Table 7. Analyses For Hypothesis 2.	25
Table 8. Analyses For Hypothesis 3.	26
Table 9. Analyses For Hypothesis 4.	26
Table 10. Sex as a Factor	27

INTRODUCTION

Women still face sex discrimination in organizations, despite laws which prohibit discriminatory policies. Research indicates that discrimination occurs at all stages of the employment process (Brass, 1985). For example, studies have found that women are discriminated against with regard to recruitment, salary, career development, and supervision (Mai-Dalton and Sullivan, 1981). Women account for 44.4% of the labor force, yet only 37% of executive, administrative, and managerial positions are held by women. On average, earnings for men who hold executive positions exceed women's earnings in similar positions by eleven thousand dollars per year. Many explanations for these inequalities have been proposed. Some of the inequality between men and women in organizations may be explained by rational bias theory (Larwood, Szwajkowski, and Rose, 1988).

Rational bias theory states that discrimination is influenced by situational factors in which sexual or racial bias results in career rewards or punishments (Larwood, Szwajkowski, and Rose, 1988). According to this theory, managers react to pressures from powerful constituents of the organization such as superiors and customers, even though the managers have no personal prejudices and are aware of EEOC laws prohibiting discrimination. Discrimination such as this may occur even if the managers themselves are a member of a disadvantaged group (Morrison

and VonGlinow, 1990). Thus, even a well-intentioned manager might "rationally" make discriminatory decisions in order to be viewed favorably by upper management. Most managers in the upper ranks of the organization are quite sensitive to what will help or hinder their careers, and actively seek out information regarding what decisions are expected of them. In this definition, rational does not equate with logical or justified. The term rational is used instead as in classical economics to indicate behaviors consistent with an "instrumental orientation". According to Blau and Ferber's economic theory, organizations with discriminatory practices hire women and minorities into positions only at a rank and wage large enough to compensate for the level of discomfort associated with employing them. Therefore, discrimination which seems irrational in an organization concerned with efficiency and productivity, may be the result of a "rational" decision based on self-interest and the prejudices of upper management. This theory is in agreement with past research by Larwood, Szwajkowski, and Rose (1988) which shows that concern with the impressions of upper management depends on the level of manager's risk in ignoring the demands of upper management and the advantages to be gained by acceding to those demands.

RELATED THEORIES

Rational bias theory is related to valence-

instrumentality-expectancy theory which states that managers prefer alternatives which yield the highest "subjective expected value". Decisions are made either consciously or unconsciously which produce the highest expected reward. Correspondent inference theory also supports rational bias theory. According to correspondent inference theory, people infer the expectancies of a target audience they wish to impress and behave in a way which will be reinforced by the target audience. Therefore, managers infer the beliefs of upper management based on statements and behaviors examined in the organization. Managers will act in accordance with the inferences made regarding the beliefs of upper management (Guttek, Stromberg, and Larwood, 1988).

It may be difficult for a manager who would prefer to behave in a non-discriminatory manner when upper management is biased. The non-discriminatory manager is put in a position of not adhering to well established norms, thereby making himself highly visible. For example, a manager may be held responsible for any failures associated with a female employee he promoted. This places pressure on both the manager and female employee to succeed, which could hinder the performance of both.

In contrast, the manager who adheres to the norms of the organization is only exposed to minimal levels of scrutiny (Morrison and VonGlinow, 1990). This scenario is

in agreement with one of the predictions of rational bias theory which states that a manager is more likely to discriminate if more is at risk. For these reasons, an inexperienced manager or a manager who is not well-established in the organization might be more influenced to behave in a discriminatory manner if this is a norm within the organization (Larwood, Szwajkowski, and Rose, 1988).

ORGANIZATIONAL CLIMATE AND RATIONAL BIAS

An organization's climate is defined as "the relatively enduring quality of an organization's internal environment which distinguishes it from other organizations" (Ritti and Funkhouser, 1987). Upper management usually defines the climate of an organization (Katz, 1987). The climate of an organization has a strong influence on its employees and their socialization into the company. Socialization into an organization is the process of learning the "rituals" and how to act in accordance with them. Organizational climate is a means for maintaining the "status quo" of a company and establishing behavior patterns (Ritti and Funkhouser, 1987). Thus, supervisors and managers may make biased decisions if they perceive the organization's climate as biased in order to act in accordance with current behavior patterns within the organization.

A study conducted at a midwestern university tested

rational bias theory with regard to race discrimination and the perceived organizational climate. Participants were instructed to fill out a questionnaire which asked if they perceived companies, with which they were familiar, to possess discriminatory organizational climates. Participants were then given a fictitious organizational situation where they were to act as a manager who had a choice of promoting one of two employees (of a different sex and race) of equal qualifications. The results indicated that most of the participants believed that upper management preferred a white male be promoted, and the majority of the participants indicated that they would promote a white male (Larwood, Szwajkowski, and Rose, 1988).

As can be seen in the study by Larwood, Szwajkowski, and Rose, an organization's climate can encourage or inhibit discriminatory behavior. While many companies profess to non-discriminatory policies, discriminatory organizational climates may influence managers to behave in ways contrary to the company's public organizational policies (Katz, 1987). Discriminatory organizational climates may influence the behavior and decisions of managers to act in accordance with the climate. Typically, those who are not prejudiced outside the organization may behave differently when in the organization (Ritti and Funkhouser, 1987). In an interview study conducted by Quinn, Tabor and Gordon (1968), 139 managers in three large organizations reported that

organizational climate pressured them to behave in a discriminatory way towards employees with certain religious beliefs.

Upper management and informal networks determine the climate of an organization (Ritti and Funkhouser, 1987). Typically, men who are the dominant group in most organizations are perceived to wish to maintain their dominance by excluding women from informal networks known as "old boy networks" (Brass, 1985). Upper management selects successors who share similar lifestyles, backgrounds, prejudices and goals. Promotions are political in nature and based on "status quo", which suggests that promotions will be given to white males to resist change within the organization or tokens from other groups who share their groups' ideals (Martin, Harrison, and Dinnitto, 1983). Male managers' negative attitudes toward women do not stem from the belief that women are less competent or qualified, but rather from the fact that promoting women would upset upper management and the traditional pattern of inequality between men and women (Riger and Galligan, 1980).

VALUE OF INFORMAL NETWORKS AND MENTORING

The absence of women from informal networks limits their access to information, resources and support. It is through informal networks that employees "learn the ropes" and build coalitions which are necessary for promotions into

upper management (Mainiero, 1986). Organizations may also rely on informal "old boy networks" to publicize job openings, which restrict women's awareness of upper management job openings. Not being included in informal networks inhibits women from achieving power in organizations. Women are promoted into positions with less influence, thereby excluding them from informal networks (Ragins and Sundrom, 1989). Women reach a certain level and then senior managers responsible for their development prevent them from rising any further by excluding them from informal networks (Calise, 1990). For example, in one organization with a discriminatory climate, upper management would hold important "decision making" meetings in the homes of the male executives who were included in the informal networks. This was done to exclude women from high-level decisions (Johnson, 1987).

Women's exclusion from informal networks in an organization influences the availability of mentors. Though it is crucial for women to attain mentors, they may face barriers in attaining one. Male mentors may be reluctant to sponsor female proteges because they perceive them as being a greater risk. The protege's failure may be a reflection upon the competency and judgement of the mentor. Even if women are considered acceptable candidates for a protege role, mentors may choose male proteges because they believe upper management would prefer the development of male

employees (Ragins, 1989). Mentoring relationships can provide the female protege with "inside" information on job openings, and changes in the organization's structure, strategy and technology. Although peer networks are a key source of "inside" information and are related to the development of power in an organization, women are excluded from such networks. Mentors can help employees by providing career guidance and direction. Mentors could also train female proteges on the "ins and outs" of corporate politics. Because women have less experience in corporate politics than their male counterparts, they are at a disadvantage in developing political strategies. Without a mentoring relationship, it is difficult for women to compete effectively with men for upper management positions (Ragins, 1989). Inclusion in informal networks and attaining mentoring relationships is related to rational bias theory; supervisors and managers will not include women in these important relationships in an organization if they perceive upper management as biased.

CHALLENGING JOB TASKS

Organizational climate also influences the assignment of challenging job tasks. The assignment of challenging job tasks plays a major role in the career development and promotion of an employee. Thus, if women are not assigned demanding jobs they are not gaining equal knowledge and

experience as their male counterparts which puts them at a disadvantage when competing for upper management positions. A study which examined how executives allocate challenging job assignments was conducted using a sample of (80) male and (14) female banking executives (Mai-Dalton and Sullivan, 1981). Each participant in the study read a scenario of two assignments which were to be allocated to a male and female employee of equal qualifications. One task was rewarding while the other was unrewarding. The majority of the participants chose the male employee for the rewarding assignment.

The reasons described for choosing the male employee for the challenging assignment were as follows:

- A) The male employee would "fit in" better with senior executives.
- B) There is less chance for conflict with the male employee.
- C) Upper management would prefer the male employee to be assigned the challenging assignment (Mai-Dalton and Sullivan, 1981).

Hence, based on the perceptions that senior executives are biased, supervisors do not allocate challenging job tasks to female employees.

Hypotheses Much of the previous research on sex discrimination in organizations suggests that managers and supervisors may be influenced by the bias of upper management and organizational climate. In many organizations upper management is biased against investing in the career

development of their women employees by limiting the availability of mentors, exclusion from informal networks, and the lack of allocation of challenging job tasks for female employees.

1) In the first hypothesis it will be assessed whether employees perceive management and organizational climate as biased, since this is the assumption on which rational bias theory proposes to operate.

2) The second hypothesis will assess if a male who has a better rapport with upper management will be the preferred choice to send to a contract negotiation and if a female has a better rapport with management she will not be the preferred choice of the employees.

3) The third hypothesis will assess whether a male with a better rapport with management will be the preferred choice when two males are in competition for contract negotiations. Hypotheses two and three will assess if preferences of upper management influences decisions made by employees, as proposed by rational bias theory.

4) The fourth hypothesis will assess whether employees prefer the career enhancement and development of a male employee than a female employee.

METHOD

Subjects. One hundred and sixty five subjects participated in this study. Eighty-two of the subjects in

this study were employed at a mid-sized financial service corporation, and ranged from first level supervisor to upper management. The other eighty-three subjects in this study included students attending California State University, San Bernardino enrolled in the Masters of Business Administration program who were working at least part time.

Procedure. A questionnaire was distributed to the participants to assess whether employees are influenced to make discriminatory decisions based on the prejudices of upper management and whether employees perceive upper management as biased regarding women employees.

Participants were asked to select one of two subordinates to accompany them to hypothetical negotiating sessions with a client in which one of the employees has a better rapport with management and the other employee has superior contract negotiation skills.

Instruments. The instrument used in this study was a combination of two questionnaires (see Appendix A). The first part of the questionnaire was a revision of one that was used in a previous study by Larwood, Szwajkowski, and Rose (1988) regarding rational bias theory. The questionnaire presented a situation to the subject in which the subject acted as a manager and made a decision about which employee they would prefer to send to negotiate a contract. There were four different versions of the questionnaire distributed. One version had two males

in competition, one with a better rapport with management and one with better contract negotiation skills. Another version had a male with better contract negotiation skills and a female with a better rapport with management. Another version had a female with better contract negotiation skills and a male with a better rapport with management. The last version had a male and a female employee with equal qualifications.

The second part of the questionnaire was the Woman as Managers (WAMS) scale. The WAMS scale consists of 21 statements about women in management based on three factors: general acceptance of females as managers, feminine barriers, and manager descriptive traits. The reliability of the WAMS scale is .91. The responses on the questionnaire will be based on a seven-point Likert scale.

Scales were developed using items which measured the same constructs. The scales which were developed were the women as managers scale, a business people's belief about women scale, a client influence scale, and a career development scale.

Analysis For analysis of the first hypothesis, the difference between the mean and the scale midpoint of each item was used. To determine if employees perceived upper management as biased, two-tailed t-tests were used between the mean and the scale midpoint of each item. For the second

and third hypotheses, ANOVAS were run using "signaling" questions constructed by Larwood et. al. (1988) as dependent variables by situation of questionnaire. For the last hypothesis, that employees prefer the career development of the male employee, a oneway ANOVA was used with the career development scale as the dependent variable for the three male-female dyad situations.

RESULTS

A total of 165 questionnaires were collected, 83 students and 82 employees of a New York firm, out of 190 that were distributed. This was a return rate of 87%. Ages of the participants ranged from 23-58, of which 84 were females and 81 were males.

Manipulation Check

As a manipulation check, item 17 "at the Zonix corporation it is ___ likely that Robert fits in with upper management than Elizabeth" was used to detect if participants perceived that the employee with a better rapport with management was the employee that fits in with upper management. This was done because one of the preconditions of rational bias theory is the perception that an employee who fits in with upper management will be more likely to receive career rewards. A oneway ANOVA was performed using item 17 as the dependent variable and scenarios 2,3,4 (see Table 5) as the independent variables.

This analysis yielded a $F=11.246$ ($p<.0005$). Listed in Table 1 is the outcome of the ANOVA. A Tukey's test indicated differences between questionnaires 2 & 3, and 2 & 4. This analysis supported that the scenarios were being seen by subjects as intended; the employee with the better rapport is the employee that fits in with upper management. As a manipulation check for the questionnaire in which two males were being compared, a t -test was performed between questionnaires 1 & 3. This analysis yielded a $t=4.92$ ($p<.005$), which supports the manipulation check that participants identified correctly that the employee with better rapport is the employee that fits in with upper management. Means for this analysis are also listed in Table 1.

Scales Developed and Implemented

WOMEN AS MANAGERS SCALE

A reliability analysis was performed on the Women as Managers (WAMS) scale and yielded a Cronbach alpha of .87. The WAMS scale consists of 21 statements about people's perceptions of women in management.

BUSINESS PEOPLES BELIEF ABOUT WOMEN

A mini-scale was compiled containing business people's beliefs about women using the 9 items listed in Table 2 and yielded a Cronbach alpha of .85. This scale serves as a general indication of participant's beliefs about how business people feel about women in business.

CLIENT INFLUENCES ON EMPLOYEE DECISIONS

Another mini-scale was compiled using the items listed in Table 2 concerning clients' influence on employee decisions. A reliability analysis was performed and yielded a Cronbach alpha of .46. This scale indicates the beliefs of subjects as related to the importance of clients' preferences.

CAREER DEVELOPMENT

A career development scale was also developed using items 3 "The management of Zonix is ___ likely to prefer the career development of Robert than that of Elizabeth" and 14 "The management of the potential client firm is ___ likely to prefer that Zonix enhance the job skills of Robert than that of Elizabeth". The two items examined the view that employees prefer the development of the male employee. A reliability analysis was performed on these two items and yielded a Cronbach alpha of .71.

TOP MANAGEMENT BIAS

An attempt was made to develop a scale regarding top management bias using item 31 "belief that the top of the organization is biased" and item 35 "employee is influenced by top of the organization to discriminate against women", but these items did not correlate highly with each other. These two items appear to measure different constructs.

SIGNALING QUESTIONS

As constructed by Larwood et. al. (1988) "signaling"

questions listed in Table 3 were used as dependent variables in subsequent analysis. These signaling questions were designed to detect sex discrimination in organizations.

CORRELATION OF SCALES AND ITEMS

A correlation was performed between scales and items across subjects. This was done to indicate how well scales and items were related to one another. As can be seen in Table 4 high correlations occurred between item 35 and the client bias scale, item 31 and the business belief scale, and item 16 and item 12. This suggests that these items are measuring similar constructs.

COMPARISON BETWEEN STUDENT AND EMPLOYEE SAMPLE

Comparisons were made between the student subjects and employees of the New York firm using t-tests on the scales developed. Only "signaling" questions used as dependent variables produced significant differences. Consequently, "work" was used as a factor in subsequent analyses. This was done because of the importance of the "signaling" questions at detecting sex discrimination.

A crosstabulation was performed of the variable and situation of questionnaire, and as listed in Table 5. This analysis indicates that subjects were distributed fairly evenly across the four scenarios by the work variable.

Hypothesis 1.

The general hypothesis addressed expectations about people's work bias. Specifically,

- A) Employees perceive business people as biased.
- B) Employees perceive organizational climate as biased.
- C) Clients influence employees to make biased decisions.

These hypotheses were tested as in the Larwood, Swzajkowski, and Rose article. Two-tailed t -tests were used to test the difference between the mean and the scale midpoint for the items listed. As may be seen in Table 6, men were viewed as favored by business people in terms of their capacity to make important decisions, to impress clients, to take risks successfully, to work with numbers, and to make difficult decisions. These results support a stereotypic view of management and provide the preconditions for rational bias theory. This 9-item belief scale does not correlate with the WAMS scale as can be seen in Table 4. Hence, perceptions of how business people feel is not related to one's own belief about women employees. This lends some subtle support to rational bias theory because these results suggest that although one might feel positively about women as managers, one still recognizes that the climate of the organization is likely to be biased against women.

Apparently, the participants believed that there is prejudice within organizations; whether they believe they have the ability to change or ignore it was also tested using the items compiled into the client influence on employee decisions scale. The participants indicated that in working with a client, business people subordinate their

own preferences to those of a client and if a client is biased against women there is little someone could do but go along, was also supported.

Respondents felt people at the top of organizations were more biased than those at the bottom against females. The notion that the employee can do little but go along with employers in discrimination was rejected.

Hypothesis 2.

A) when the male has a better rapport he will be the preferred choice for contract negotiations.

B) when the female has better rapport she will not be the preferred choice for contract negotiations.

To test these hypothesis ANOVAS were run using "signaling" questions as dependent variables by the "work" variable and by the situation of questionnaire. The only effect was for the work variable (see Table 7). The student subjects appeared less biased than the employees of the N.Y. firm when the male had a better rapport with management and the female had better contract negotiation skills. This might be explained by the fact the employees of the N.Y. firm are supervisors or managers and may feel more pressure to act in accordance with the preferences of upper management. Because it was expected that how respondents viewed the climate of the organization and attitudes of business people could affect those preferences, the scales described in the earlier section and items 31 and 35 were used as covariates in repeating the ANOVAS run to test this hypothesis. None of the covariate analyses were

significant. Hence, these perceptions do not appear to predict subjects' ratings.

Hypothesis 3.

The third hypothesis, if there is a choice between two males the one with better rapport will be the preferred choice, was not supported. An ANOVA was run using the "signaling" questions as dependent variables by situation of questionnaire and by the "work" variable. Neither of these analysis provided significance (see Table 8), although the means were in the expected direction. This situation was used as a control group to see if management preferences had an effect if sex of the employee was not an issue. It seems that rational bias theory may operate more strongly when the employee with a better rapport with management is in competition with a female or minority.

Hypothesis 4.

To examine the last hypothesis, that employees prefer the career enhancement and development of the male employee, a oneway ANOVA was used with the career development scale as the dependent variable for the three male-female dyad situations. This analysis was significant (see Table 9). A Tukey's test indicated differences between questionnaires 2 & 3 and 2 & 4. This analysis indicates that when the male has a better rapport with management and when the male and female have equal qualifications, employees prefer the

career development of the male employee. This provides support for why male employees receive more mentoring relationships and challenging job assignments.

Sex of Subject as a Factor

According to rational bias theory, sex of subject is not predicted as being a factor. However, because a considerable amount of research has suggested that sex of subject may be important in evaluating same and other sex employees ANOVAS were run to determine if sex of subject was a factor. Of 12 ANOVAS only one produced an effect. As can be seen in Table 10, only the 3-way interaction was significant. This outcome may have occurred because of the high mean of the student male subjects. These subjects were slightly more likely to send the female to contract negotiations.

Table 1

Manipulation Check

oneway ANOVA to compare Robert and Elizabeth

<u>Source of Variation</u>	<u>MS</u>	<u>DF</u>	<u>F</u>	<u>p</u>
Between groups	18.656	2	11.246	.0000
Within groups	1.659	125		

Mean (Que 3) 2.8667

Mean (Que 4) 3.2195

Mean (Que 2) 4.1429

Tukey's Test: Groups sig. different at .050 level

t-test to compare Robert and Bill (Que 1, Que 3)

t=4.92 p<.005 df=80

Means

Que 1 (n=37) 4.43

Que 3 (n=45) 2.87

Note. Que 1 = Bill has a better rapport with management
Que 2 = Elizabeth has better rapport with management
Que 3 = Robert has better rapport with management
Que 4 = Elizabeth and Robert equal

Table 2

Scales Developed

Belief Scale

18. Business people believe men are ____ capable than women at making important decisions.
20. Business people believe men are ____ capable than women at impressing clients.
21. Business people believe men are ____ capable than women at successfully taking risks.
23. Business people believe men are ____ capable than women at working with numbers.
24. Business people believe men are ____ capable than women at working with people.
25. Business people believe men are ____ capable than women at making difficult decisions.
27. Business people believe men are ____ capable than women at being creative.

Client Influence Scale

32. In working with a client, business people subordinate their own preferences to those of a client.
33. In working with a client, business people can shape the clients preferences to suit themselves.
36. If a client is biased against women, there is little that someone trying to sell to the client can do besides go along.

Other Relevant Items

31. People at the top of the organization are ____ biased against women than people at the bottom.
35. If people at the top engage in discrimination, there is little an employee can do but go along.

Table 3

"Signaling Questions"

12. The potential client firm first contacted your organization through a man on your sales staff.
16. A man will make the final contract decision for the client firm.

Table 4

Correlation Table

Correlations:	Clntbias	Busblf	WAMS	Item31	Item35	Item12
Clntbias						
Busblf	.200*					
WAMS	.221*	.005				
Item 31	-.048	.426**	-.155			
Item 35	.500**	.010	.270**	.082		
Item 12	.029	.079	.179	.075	.185*	
Item 16	.057	.131	.167	.096	.192*	.619*
	1-tail sig.	* -.01	**-.001			

Note. Clntbias is client influence on bias scale
 Busblf is the business peoples belief about women scale
 WAMS is the women as managers scale
 Item 12 Potential client firm first contacted your organization through a man on your slaes staff.
 Item 16 A man will make the final contract decision for the client firm.
 Item 31 People at the top of the organization are ___ biased against women than people at the bottom.
 Item 35 If people at the top engage in discrimination, there is little an employee can do but go along.

Table 5

Crosstabulation Table

	QUE (SITUATIONS)				Row Total
	BILL 1	ELIZA. 2	ROBERT 3	EQUAL 4	
<u>WORK</u> student	20	22	18	23	83
not student	17	20	27	18	82
Coloumn total	37	42	45	41	165

Notes. Situations:
 Que 1 Bill has a better rapport with management.
 Que 2 Elizabeth has a better rapport with management.
 Que 3 Robert has a better rapport with management.
 Que 4 Both Elizabeth and Robert are equal.

Table 6
Analyses for Hypothesis 1

Item #	MN	SD	t	p
18	2.74	1.00	-16.14	p<.001
20	3.07	.92	-12.95	p<.001
21	2.75	.96	-16.68	p<.001
23	2.95	1.13	-11.90	p<.001
24	3.38	1.11	- 7.15	p<.001
25	2.74	1.00	-16.14	p<.001
27	3.59	1.05	- 5.00	p<.001
31	2.87	1.01	-14.33	p<.001
32	3.38	1.05	- 7.56	p<.001
33	4.21	1.23	2.19	p<.05
34	3.02	1.19	-10.59	p<.001
35	3.88	1.29	- 1.19	p=.235
36	3.67	1.38	- 3.06	p<.05

Note. Midpoint is 4.00 (refer to Table 2 for wording of items)
Scale was 1=Definitely more
2=Somewhat more
3=Slightly more
4=Neither more or less
5=Slightly less
6=Somewhat less
7=Definitely less

N=165

Item #	95% Confidence Intervals of Sample Mean
18	2.585 to 2.895
20	2.928 to 3.212
21	2.602 to 2.898
23	2.775 to 3.125
24	3.208 to 3.552
25	2.585 to 2.895
27	3.428 to 3.752
31	2.714 to 3.026
32	3.218 to 3.542
33	4.020 to 4.400
34	2.836 to 3.204
35	3.681 to 4.079
36	3.457 to 3.883

Table 7

Analyses for Hypothesis 2

ANOVA
ITEM 12

Source of Variation	MS	DF	F	p
Work	4.340	1	3.226	.076
Que	2.556	1	1.900	.172
2-way interaction				
Work X Que	.218	1	.162	.688
Error	1.345			

Source of Variation	MS	Df	F	p	Omega Squared
Work	7.439	1	5.594	.020	.049
Que	3.258	1	2.450	.121	
2-way interaction					
Work X Que	.007	1	.005	.944	
Error	1.330				

Means Item 12	Males	Females
Work	3.26	3.75
Students	3.69	3.95

Means Item 16	Males	Females
Work	3.09	3.73
Students	3.62	3.91

Note. Item 12 The potential client firm first contacted your firm through a man on your sales staff.

Item 16 A man will make the final contract decision for the client firm.

Table 8

Analyses for Hypothesis 3

ANOVA
ITEM 12

Source of Variation	MS	DF	F	p
Work	4.167	1	2.904	.093
Que	.384	1	.267	.607
2-way interaction				
Work X Que	.199	1	.139	.711
Error	1.441			

ITEM 16

Source of Variation	MS	DF	F	p
Work	5.006	1	3.304	.073
Que	2.347	1	1.549	.217
2-way interaction				
Work X Que	.245	1	.162	.689
Error	1.515			

Means Item 12 (contacted your firm through a man on your staff)

	Male	Female
Work	3.51	3.98
Students	3.69	3.84

Means Item 16 (a man will make the final contract decision)

	Male	Female
Work	3.49	4.02
Students	3.62	3.97

Table 9

Analyses for Hypothesis 4

Source of Variation	MS	DF	F	p	Omega Squared
Between	66.953	2	13.846	.0000	.167
Within	4.856	125			

Mean Que 3 6.0667
 Mean Que 4 6.3902
 Mean Que 2 8.3810

Tukey's test: groups sig. different at .050 level

Table 10

Sex as a Factor

Women as Managers Scale (WAMS)
 t=6.66 p<.005 df=159
 Means: Women (n=82) = 127.79 SD=13.43
 Men (n=79) = 111.56 SD=17.32

ITEM 35
 t=2.68 p<.008 df=163
 Means: Women (n=84) = 4.14 SD=1.24
 Men (n=81) = 3.62 SD=1.28

Item 12
 By Work
 Sex
 With WAMS

Source of Variation	MS	DF	F	p
Covariates				
WAMS	3.707	1	2.885	.094
Work	4.070	1	3.167	.079
Sex	3.467	1	2.697	.105
Que	.751	1	.584	.447
2-way interactions				
Work X Sex	1.055	1	.821	.638
Work X Que	.570	1	.444	.507
Sex X Que	.208	1	.162	.688
3-way interactions				
Error	5.330	1	4.147	.045
	1.285			

Means	Female	Male	Means	Female	Male
Student	3.43	4.56	Work	3.71	3.26
Work	3.33	3.21	Sex	3.36	3.56
			Que	3.65	3.29

DISCUSSION

This study was designed to test rational bias theory of discrimination in organizations. For employees to make decisions due to the bias of upper management, they must perceive upper management as biased. Therefore, in the first hypothesis it was tested whether employees perceive upper management as biased. As expected, respondents believed that in general, business norms favor discrimination against women, and there is little an employee can do if a client practices discrimination. These are the conditions in which rational bias theory has been proposed to function by Larwood, Swzajkowski, and Rose (1988).

To determine whether respondents would discriminate under certain conditions, they were asked to rate their preference for one of the two subordinates to accompany themselves to hypothetical negotiating sessions with a client in which one of the employees had a better rapport with management and the other employee had superior contract management skills. In support of rational bias theory, when the male had a better rapport with management and the female had superior contract management skills the male was the preferred choice of the respondents who were employed at the New York firm. Since these employees are at a supervisory level or higher they are in a position to make decisions similar to the ones made in the questionnaire.

Hence, it seems that for those employees in this organization, rapport with upper management for a male employee may be an important factor in attaining career rewards. Student subjects' responses were less discriminatory, but that may be attributed to the idea that students may not have been exposed to the norms of business or the way in which actual managers react to those norms.

In contrast, when the female had a better rapport with management and the male had superior contract management skills neither employee was rated more preferred than the other. This outcome may be explained by the notion that if a female has a good rapport with management she may be considered equal to a male with superior contract management skills. Maybe, it is more important for a female to have a good rapport with management than to have superior contract management skills. This notion is in agreement with rational bias theory that rapport with management is essential to attain career rewards. This may provide one explanation for the few women in upper management since women are typically excluded from "old boy networks" and may not be able to attain a good rapport with upper management.

As a control group, a situation where two males, one with a better rapport with management and one with superior contract management skills, were compared. For this situation respondents preferred the male with superior

contract management skills. One explanation for this outcome is that rational bias theory may operate more strongly when the employee with the better rapport with management is in competition with an employee who is a minority or a woman. A more probable explanation may be a shortcoming in the design of the questionnaire. The two signaling questions used as dependent variables were clearly aimed at detecting sex discrimination and may not have been appropriate in detecting discrimination between the two males.

In agreement with past research by Ragins (1989), it was found that the participants preferred the career enhancement of the male employee through mentoring and challenging job assignments. This finding is particularly disturbing. If women are not given equal opportunities in business they will not have a chance to prove their abilities or attain equal experience. Women without equal training or career enhancement are at a disadvantage when in competition for promotions, which might also explain why there are so few women who hold upper management positions. Also, organizations may lose valuable talent if they do not develop the careers of qualified women employees. This is a detriment to both organizations and women employees. Organizational policies which demonstrate that all qualified employees receive equal career enhancement, regardless of gender, may be one solution.

An area of research that has been overlooked is the examination of successful mentoring relationships between male and female employees. Other areas of research which should be studied is the possible problem in a mentoring relationship where a female protege might "eclipse" the career of mentor.

The findings of this study are potentially important in indicating both where to locate discrimination, and how it may be prevented. Preventive measures might be taken for upper management to be visible in expressing their preference for quality employees, regardless of sex. Managers could consciously create environments that encourage non-discriminatory decisions. Studies suggest that variables such as the existence of company "heroes" who are women, non-discriminatory use of language, and an open line of communication between male and female employees can create environments that are perceived as egalitarian (Katz, 1987) This may alleviate employees perceiving upper management as biased.

Other strategies to help end sex discrimination would be to increase the number of women on corporate boards. Many male executives may have little contact with female employees. Female directors could build greater respect and support for women employees among upper management. If employees see women in high-ranking positions, managers might be less prone to show bias.

The presence of a significant number of women in an organization's management structure may contribute to a non-discriminatory climate throughout the company. In one organization women's councils were created to have a line of communication between women employees and upper management. Such councils offer input to top management on workplace issues affecting women and ensure procedures and policies in the organization do not adversely effect women employees. These councils can also provide support for women employees. Learning corporate politics is another important aspect of women's councils.

Job posting systems should be redesigned to ensure women are made aware of upcoming opportunities. (Loden, 1987). Companies can also provide education and awareness training seminars to raise employees' knowledge of the damaging effects of sex discrimination on productivity and work relationships. In companies such as Northwestern Bell these seminars explore such topics as language usage, corporate norms, socialization of employees and perceptions of upper management. It is not enough for organizations to state they are equal opportunity employers, they must prove it by promoting qualified women into upper management positions.

Recommendations for future research include more experiments performed within organizations. The student population may not have experienced either the norms of business or the behavior in which managers react to those

norms. Also, experiments within organizations may educate upper management on the perceptions of their employees. Upper management may unconsciously set a discriminatory organizational climate. Once an organization is aware that they have a discriminatory climate they could implement policies to change to a more egalitarian climate.

APPENDIX A

QUESTIONNAIRE

This questionnaire is an attempt to learn about the ways managers face practical problems everyday. You may have been in some of the situations described. Whether you have or not, try to place yourself in each situation and respond as honestly as possible. Please answer each question. All responses will be kept strictly anonymous. Therefore, please answer as you feel you would in the situation, rather than as you think you "should" or as you think you are "expected" to respond. Answer the questions carefully, but do not spend too much time on any one item. Also try to respond to each question independently when making your choice; do not be influenced by your previous choices.

The Situations

The Zonix Computer Corporation is a member of a rapidly growing industry having both problems and opportunities. You are a middle-level manager at Zonix and work with other client firms. Your department is responsible for obtaining contracts from these firms. Once the contract is obtained for Zonix, other departments work with the firm to execute the project; your responsibility from that point on is simply to make sure the client relationship is as smooth as possible. After all, you want to obtain more contracts in the future.

Situation 1.

Your boss is the contracts manager, who supervises both the negotiation and execution of the contracts. You have personally recruited both of your subordinates-- Robert Smith and Bill Carter. Both Robert and Bill attended the same Big Ten school while working on their MBA's, Robert graduated in the top 10% of his class, while Jack graduated in the top 25% of his class. Although Robert has superior contract management skills and ability, Bill has a better rapport with management.

Situation 2.

Your boss is the contracts manager, who supervises both the negotiation and execution of the contracts. You have personally recruited both of your subordinates-- Robert Smith and Elizabeth Jones. Both Robert and Elizabeth attended the same Big Ten school while working on their MBA's, Robert graduated in the top 10% of his class, while Elizabeth graduated in the top 25% of her class. Although Robert has superior contract management skills and ability, Elizabeth has a better rapport with management.

Situation 3.

Your boss is the contracts manager, who supervises both the negotiation and execution of the contracts. You have personally recruited both of your subordinates-- Robert Smith and Elizabeth Jones. Both Robert and Elizabeth attended the same Big Ten school while working on their MBA'S, Elizabeth graduated in the top 10% of her class, while Robert graduated in the top 25% of his class. Although Elizabeth has superior contract management skills and ability, Robert has a better rapport with management.

Situation 4.

Your boss is the contracts manager, who supervises both the negotiation and execution of the contracts. You have personally recruited both of your subordinates-- Robert Smith and Elizabeth Jones. They were both in the top 10% of the same MBA graduating class at your alma mater, a Big Ten school. Management is pleased and aware of how both individuals are currently performing in their respective job functions.

PROCEDURE

The questions on this survey are multiple choice based on a seven point scale. You need only to circle the number of the answer most consistent with the way you would act in this situation.

MALE

FEMALE

AGE _____

You are currently a(n)

1. Undergraduate business student
2. MBA student
3. Not a student
4. Other (please specify) _____

What is the total number of years of work experience you have?

Which corresponds to your current work situation?

1. Not currently employed
2. Employed part-time (less than 40 hours per week)
3. Employed full-time

Rating Scale:

1=Definitely More 2=Somewhat More 3=Slightly More
4=Neither More or Less 5=Slightly Less 6=Somewhat Less
7=Definitely Less

1. Zonix is _____ likely to obtain an unusually large contract if it sends Robert to negotiate with the client than if it sends Elizabeth.

2. The President of the potential client firm is recognized as being a political activist. Zonix is _____ likely to obtain the contract if it sends Robert, a Republican, to negotiate with the client than if it send Elizabeth, a Democrat.

3. The management of Zonix is _____ likely to prefer the career development of Robert than that of Elizabeth.

4. The President of the potential client firm is widely known as an expert on all aspects of business management and has written a book on how to be an effective manager. Zonix is _____ likely to obtain the contract if it sends Robert to negotiate with the client than if it sends Elizabeth.

5. A black person will make the final contract decision for the client firm. Zonix is _____ likely to obtain the contract if it sends Robert to negotiate the contract than if it sends Elizabeth.

6. Zonix is _____ likely to obtain the contract if it sends Robert, whose style of dress is outdated, to negotiate the contract, than if it sends Elizabeth, whose style of dress is always professional.

7. The contracts manager of Zonix is recognized as being highly experienced in the job, having been there for years. The experienced contracts manager is _____ likely to obtain the contract if Robert is sent to negotiate with the client than if Elizabeth is sent to negotiate with him.

8. You are recognized as being inexperienced in the job, having been there only a few months. You need your assistant to accompany you to the contract negotiations. You are _____ likely to obtain the contract if Robert is sent to negotiate with you than in if Elizabeth is sent to negotiate with you.

9. Zonix has a well established relationship with this client, the two have been working together for ten years. Zonix is _____ likely to get the contract if it sends Robert to negotiate the contract than if it sends Elizabeth.

10. Zonix is _____ likely to obtain the contract if it sends Robert, who has a jovial personality, to negotiate the contract, than if it sends Elizabeth, who has a serious personality.

11. The previous time Zonix sent someone to work with the client, that person did an unacceptable job, and the client has warned Zonix against making another such mistake. Zonix is _____ likely to obtain the contract if Robert is sent to negotiate the contract than if Elizabeth is sent to negotiate the contract.

Rating Scale:

1=Definitely More 2=Somewhat More 3=Slightly More
4=Neither More or Less 5=Slightly Less 6=Somewhat Less
7=Definitely Less

12. The potential client firm first contacted your organization through a man on your sales staff. Zonix is _____ likely to obtain the contract if it sends Robert to negotiate with the client than if it sends Elizabeth.

13. The president of the potential client firm is confined to a wheelchair having been born with cerebral palsy. Zonix is _____ likely to obtain the contract if it sends Robert to negotiate the contract than if it sends Elizabeth.

14. The management of the potential client firm is likely to prefer that Zonix enhance the job skills of Robert than that of Elizabeth.

15. If this was the first time Zonix had the opportunity to work with this client it would be _____ likely they would obtain the contract if Robert was sent to negotiate the contract than if Elizabeth was sent to negotiate the contract.

16. A man will make the final contract decision for the client firm.
Zonix is _____ likely to obtain the contract if it sends Robert to negotiate the contract than if it sends Elizabeth.

17. At the Zonix corporation it is _____ likely that Robert fits in with upper management than Elizabeth.

The following list of questions are to be answered based on your own experiences in business using the rating scale at the top of the page.

18. Business people believe men are _____ capable than women at making important decisions.

19. Business people believe blacks are _____ capable than whites at working with people.

20. Business people believe men are _____ capable than women at impressing clients.

21. Business people believe men are _____ capable than women at successfully taking risks.

22. Business people believe blacks are _____ capable than whites at making innovative decisions.

23. Business people believe men are _____ capable than women at working with numbers.

24. Business people believe men are _____ capable than women at working with people.

25. Business people believe men are _____ capable than women at making difficult decisions.

Rating Scale:

1=Definitely More 2=Somewhat More 3=Slightly More 4=Neither More or Less 5=Slightly Less 6=Somewhat Less 7=Definitely Less

26. Business people believe blacks are _____ capable than whites at impressing clients.

27. Business people believe men are _____ capable than women at being creative.

28. Business people believe men are _____ capable than women of gaining insight and knowledge through mentoring.

29. Business people believe men are _____ capable than women of handling challenging job assignments.

30. People at the top of the organization are _____ biased against women than people at the bottom.

31. People at the top of the organization are _____ biased against women than people at the bottom.

Rating Scale:

1=Always 2=Usually 3=Often 4=Sometimes 5=Seldom 6=Rarely 7=Never

32. In working with a client, business people subordinate their own preferences to those of the client.

33. In working with a client, business people can shape the clients preferences to suit themselves.

34. Clients are influenced by their feelings, desires, and emotions evaluating decision alternatives, business people choose the alternative with the most positive effect on profits.

35. If people at the top engage in discrimination, there is little that an employee can do besides go along.

36. If a client is biased against women, there is little that someone trying to sell to the client can do besides go along.

Rating Scale:

1=Strongly disagree 2=Disagree 3=Slightly disagree 4=Neither agree or disagree 5=slightly agree 6=Agree 7=Strongly agree

37. It is less desirable for women than men to have a job that requires responsibility. _____

38 Women have the objectivity required to evaluate business situations properly. _____

39. Challenging work is more important to men than it is to women. _____

40. Black people are generally not as smart as whites.

Rating Scale:

1=Strongly disagree 2=Disagree 3=Slightly disagree 4=Neither agree or disagree 5=Slightly agree 6=Agree 7=Strongly agree

41. Men and women should be given equal opportunity for participation in management training programs. _____

42. Women have the capability to acquire the necessary skills to be successful managers. _____

43. On the average, women managers are less capable of contributing to an organization's overall goals than are men. _____

45. Blacks are getting too demanding in their push for equal rights. _____

45. It is not acceptable for women to assume leadership roles as often as men. _____

46. The business community should someday accept women in key managerial positions. _____

47. Society should regard work by female managers as valuable as work by male managers.

48. Blacks have more influence since desegregation than they ought to have. _____

49. It is acceptable for women to compete with men for top executive positions. _____

50. The possibility of pregnancy does not make women less desirable employees than men. _____

51. Women would no longer allow their emotions to influence their managerial behavior than would men. _____

52. Over the past few years blacks have gotten more economically wealthy than they deserve. _____

53. Problems associated with menstruation should not make women less desirable than men as employees. _____

54. To be a successful executive, a women does not have to sacrifice some of her femininity. _____

55. On the average, a women who stays at home all the time with her children is a better mother than a women who works outside the home at least half time. _____

56. Women are less capable of learning mathematical and mechanical skills than are men. _____

57. Over the past few years the government and news media have shown more respect to blacks than they deserve.

Rating scale:

1=Strongly disagree 2=Disagree 3=Slightly disagree 4=Neither agree or disagree 5=Slightly agree 6=Agree 7=Strongly agree

58. Women are not ambitious enough to be successful in the business world. _____

59. Women cannot be assertive in business situations that demand it.

60. Women possess the self-confidence required of a good leader. _____

61. It is easy to understand the anger of black people in America. __

62. Women are not competitive enough to be successful in the business world. _____

63. Women cannot be aggressive in business situations that demand it.

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