

catalyst

# *Knowing the Territory: Women in Sales*

A Catalyst Performance Report



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# *Knowing the Territory: Women in Sales*

## A Catalyst Performance Report

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# *Foreword*

Three years ago, Catalyst began studying some of America's largest sales organizations to determine how women were faring. At the time, we believed that because to a large degree, success in sales is measured objectively, women would attain leadership positions. This turned out not to be the case.

In interviews and focus groups, both female and male sales representatives, along with female and male managers and human resources professionals, revealed to Catalyst many of the issues and biases that keep women from advancing into sales management. We also learned about programs and policies that foster success.

*Knowing the Territory: Women in Sales* pinpoints the issues and offers insights as to their sources in organizational structure, behavior patterns, and beliefs. Catalyst joins together thirty years of experience in the area of women's advancement with the qualitative and quantitative data from this study to offer recommendations on how corporations can attract women into sales and advance them into management.

It is hoped that this study, with its section of proven "Best Practices," will assist sales organizations and others interested in these issues in creating a diverse sales force that reflects today's customers.

A handwritten signature in dark ink, reading "Sheila W. Wellington". The signature is fluid and cursive, with the first name "Sheila" being the most prominent.

Sheila W. Wellington  
*President, Catalyst*

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# *Introduction*

Sales are of critical importance to the economic viability and profitability of America's companies. The nation's 3.1 million business-to-business sales representatives — of which roughly one-third are women — form a company's public "face," representing the mission, values, and service goals of the corporation as a whole. Moreover, a career in sales is often a crucial step on the path to promotion to senior management and corporate leadership. A recent survey conducted by Heidrick and Struggles found that more chief executive officers in U.S. companies rose through sales and marketing than through any other single function in corporations.<sup>1</sup>

“Women in sales are able to advance only to the district manager level before running into the 'glass ceiling.'”

As this study demonstrates, women who manage to forge a successful career in business-to-business sales face barriers that prevent them from moving into significant management roles. Data collected for this Catalyst study *Knowing the Territory: Women in Sales* show that almost without exception, women in sales are able to advance only to the district manager level before running into the “glass ceiling.”

Many companies right now are experiencing increased pressures to allow more room at the top for women. Expanding women's opportunities in sales will enable companies to recruit the best sales talent from the available pool and increase their likelihood of advancement into senior management. Promoting women in sales will provide an internal group of trained and tested candidates for upper management positions.

According to the Department of Education, women earn 52 percent of Bachelor of Arts degrees and one-third of all business degrees. Women in the 1990s are thus well equipped to handle the increasing complexity and professionalization of today's sales careers. By the end of the decade, nearly half of

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<sup>1</sup>Heidrick & Struggles, “Chief Executive Officer,” 1987, p.7.

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all workers and new entrants to the work force will be women.<sup>2</sup> Put these facts together — women as a growing percentage of the potential talent pool for senior sales management and as a growing percentage of the labor market for entry-level sales positions — and it becomes clear that it is imperative both for companies and for women to clear the barriers to women's success in sales.

Yet despite these favorable factors and despite the diversity and affirmative action programs long in place in most corporations, women are not choosing sales careers, staying in them, or rising at the rate their qualifications and numbers would suggest. Some companies fail to recruit sufficient numbers of women. Others experience excessive turnover of qualified females because of low job satisfaction or poor opportunities for advancement.<sup>3</sup>

Even more pressing from an economic point of view, companies are finding that they need women in sales to compete effectively for customers within the setting of increasing diversity. Today, a large number of business customers are women who expect to see women among the salespersons with whom they do business. Yet it is not enough for companies to recruit female sales representatives if they fail to retain these women. Turnover of seasoned female sales representatives prevents companies from leveraging their investment in recruitment and training and has a negative impact on productivity in sales, not to mention that it dries up the talent pool from which sales managers will be drawn.

While the work life of a saleswoman who meets with physicians to encourage the use of new pharmaceutical products may seem very different from that of one who calls on buyers of petroleum products or who visits local bars to sell beer, Catalyst finds that female sales representatives in all industry groups face similar barriers to success.

The key determinant of career success in sales is found in the salesperson's relationship with her or his sales manager. (See Chapter 6.) In most companies, the manager decides all critical matters, including salary, account

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“Catalyst finds that female sales representatives in all industry groups face similar barriers to success.”

<sup>2</sup>William B. Johnston, *Workforce 2000: Work and Workers for the 21st Century* (Indianapolis: The Hudson Institute, 1987), p. 95.

<sup>3</sup>For more on barriers to women's success in the sales force, see Sumru Erkut and Jacqueline P. Fields, “Is There Discrimination Against Women and Minorities in High Technology Sales? A Case Study,” Wellesley College Center for Research on Women, 1990).

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staffing, territories, bonuses and rewards, and promotions. The manager also serves as a conduit for information from headquarters regarding policies and opportunities. Historically, Catalyst has found that one of the thickest barriers to advancement faced by women across all occupations results from the biases, preferences, and assumptions of single individuals. Too often, Catalyst learned, managerial assignments result from the luck of the draw, with managers often insufficiently trained in issues of diversity. Catalyst recommends that sales organizations focus on the role of the manager and offers recommendations in how to plan initiatives and programs so that managers work for and not against increasing the diversity of sales forces.

*Knowing the Territory* documents the current scope of opportunities and barriers to women in business-to-business sales. It identifies the problems and offers the solutions that can improve the sales field for qualified women. Catalyst makes recommendations by drawing from research findings, from our 30-year perspective of working with women and business, and from the insights of participants. Catalyst offers these recommendations to sales and human resources management to enhance the recruitment, advancement, and retention of female sales representatives. We stress that, by implementing these recommendations, companies will increase the productivity and job satisfaction of both female and male sales representatives.

The report that follows documents and describes the key problems for women in a number of different areas:

- How male stereotypes of the “sales personality” create a barrier for women during the recruitment process;
- How compensation inequities arise out of gender differentials in starting salaries, account assignments, and other barriers;
- How companies and women themselves need to pay more attention to networking opportunities that lead to better training, business development, and advancement opportunities;
- What issues exist for women in the external work environment, such as safety and harassment;
- How excessive turnover of women sales representatives is caused by lower job satisfaction;
- What barriers to advancement and promotion make entry into management positions difficult for women.

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Each section in this solutions-oriented study contains recommendations from Catalyst on effective ways to remedy key problems. Model practices detail initiatives from companies with whom Catalyst has worked over the past five years; these may be used for benchmarking. These recommendations and best practices can also be found grouped in the Appendices.

## Methodology

Catalyst worked for three years with 21 major companies to gather data for this report; 90 companies were contacted to participate in the research. (See Table I for industry analysis.) Preliminary work for the study was done in 1992, and all interviews and focus groups took place in 1993, as did the analysis of the study data. Participation in the research required the involvement of a company's sales management to help ensure that the research be geared to sales organizations' needs and be solutions-oriented.

The companies studied were geographically diverse and represent three broad industry sectors:

- Nondurable consumer goods companies: seven companies were studied, three in healthcare, and four in the food and beverage industry,
- Service industry companies: six companies were studied, three in transportation and three in insurance;
- Industrial good suppliers: eight companies were studied, one steel company, one energy company, two forestry/paper companies, and four chemicals companies.

“The study covered the key areas of concern for sales managers and human resources personnel.”

This study combined focus groups, in-depth interviews, and a quantitative survey to provide companies with information for maximizing the utilization of women in sales. (See Appendix A for further details on methodology.) The study covered the key areas of concern for sales managers and human resources personnel, including recruitment, compensation, the internal and external work environments, retention, and career advancement.

TABLE I

<b>OVERVIEW OF COMPANIES TAKING PART IN STUDY, BY INDUSTRY SECTOR</b>			
	<b>Consumer Goods (nondurable)</b>	<b>Services</b>	<b>Industrial Products</b>
Female Employees, as percent of workplace	44%	49%	* %
Female Sales Reps, as percent of sales force	32%	30%	14%
Female Sales Managers, as percent of all sales managers	16%	18%	6%
Number in sales force (mean)	1740	1500	490
* A few of the participating companies did not share information about their female employee percentages, resulting in too few responses to this question from industrial companies to report an accurate percentage.			

## *Context for Findings*

According to a 1992 Dartnell Corporation survey of sales force compensation,<sup>4</sup> women comprise 26 percent of all U.S. sales representatives and 13 percent of all sales managers. While Dartnell's industry categories do not correspond perfectly to the companies Catalyst studied, when the figures are broken down into corresponding categories, the Dartnell percentages are in line with Catalyst's. They also correspond closely to the figure provided by the Bureau of Labor Statistics of 3.1 million business-to-business sales representatives nationwide, about one-third of whom are women.

Dartnell reports that in consumer products, 24 percent of the sales representatives are women and 11 percent of the sales managers are women. In business services, women make up 36 percent of the sales representatives and 14

<sup>4</sup>"A Portrait of Today's Sales Force," *Sales Force Compensation: Dartnell's 27th Survey* (Chicago: The Dartnell Corporation, 1992), p. 57. For 75 years, Dartnell has been a source of sales training materials and information, with offices in Chicago, Boston, London, and Sydney.

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percent of the sales managers; and in the insurance industry, women comprise 33 percent of the representatives and 19 percent of the managers. These approximate Catalyst's services industry grouping.

There is less agreement between Catalyst's industrial products sector and Dartnell's data. Dartnell provides data about the chemicals industry, as well as wholesale industrial goods. Dartnell reports that in chemicals, 11 percent of the sales representatives are women, while 1 percent of the managers are women; and in wholesale industrial goods women make up 15 percent of the representatives and zero percent of the managers.

## *Overview of Qualitative Findings*

Catalyst learned that today's sales representatives are called upon to do much more than sell and service accounts. They need to learn the technological aspects of increasingly complex and changing product groups and find ways to help their customers make full use of their products and realize cost savings. This new professionalization of selling makes the field attractive to many job candidates.

Yet focus group participants pointed out that there is a down side to being in sales for both women and men, including the unpleasantness of rejection and the pressures of quotas, among others. It also means considerable administrative work and a need for technological expertise. Both men and women complained about the difficulty of balancing work and personal life. One female sales representative in consumer goods said, "The phone can be ringing at six in the morning or eleven at night."

The most frustrated salespeople are those who feel they are being ignored because they were hired, or are viewed as having reached a plateau at field sales rep levels, rather than as management candidates. Virtually every salesperson complained about paperwork and bureaucratic procedures; downsizing was reported to be exacerbating this problem. Catalyst's qualitative findings cover the obstacle course of barriers women face in entering, sustaining, and advancing in a sales career.

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# *Chapter One*

## *Recruitment: Multiplying Women's Opportunities*

“The percentage of women in the field of business-to-business sales is considerably lower than the percentage of women in the total work force.”

The percentage of women (26 percent) in the field of business-to-business sales is considerably lower than the percentage of women in the total work force (46 percent). Focus groups and in-depth interviews yielded the following:

- That women are not as attracted as men to sales positions and apply in fewer numbers; and
- That it is harder for female than male applicants to obtain a sales position.

This chapter presents information on the reasons for the relatively low representation of women in the sales profession. It focuses on one aspect of the problem: the obstacles impeding the recruitment of qualified women and how to overcome them. It is clear that these issues must be addressed by sales organizations if they are to reap the economic benefits of increasing the size and diversity of the candidate pool from which they select their sales forces.

## The Case for Diversity

Tradition, inertia, and prejudice all play a role in keeping women out of sales jobs. Participants in this study confirmed previous Catalyst findings that managers, left to their own devices, tend to hire people who are like themselves. Thus, traditional recruiting practices tend to reproduce a sales force that is largely male and white in composition.<sup>5</sup> Not only women, but also men in the sales profession reported becoming uneasy about the lack of diversity in their workplace. Said one white male rep in insurance, “To stick with us is to stick with the dinosaurs of society.”

“Not only women, but also men in the sales profession reported becoming uneasy about the lack of diversity in their workplace.”

As reported to Catalyst, most sales organizations recognize two strong business reasons for recruiting women:<sup>6</sup>

- To tap the best of the current talent pool requires hiring women as well as men; and
- To be competitive in the current decade requires that a sales force mirror the increasingly diverse customer base by sending women into the field as sales representatives.

<sup>5</sup>For further information on how the culture self-perpetuates through recruitment of similar people, see Edgar H. Schein, *Organizational Culture and Leadership* (San Francisco: Jossey-Bass, Inc., 1985), pp. 235-236.

<sup>6</sup>The business case for recruiting a diverse work force is presented in Susan E. Jackson and Associates, *Diversity in the Workplace: Human Resources Initiatives* (New York: Guilford Publications, Inc., 1992). Basic demographic information on recruitment trends can be found in L. Patrick Scheetz, Ph.D., *Recruiting Trends 1992-93: A Study of Businesses, Industries and Governmental Agencies Employing New College Graduates* (East Lansing: Michigan State University, 1992).

## *Why Candidates of Both Genders Choose Sales*

Catalyst sought to determine why candidates are attracted to sales in order to gain insights into what companies can do to plan and carry out effective recruitment strategies. What we learned was that men and women offer similar reasons for choosing the field, such as the following:

- Good entry-level job for college graduates seeking to learn about business in general or a specific field or company;
- Superior training program at a specific company;
- Compensation system and levels providing opportunities for high earnings;
- Escape from a nine-to-five desk job;
- Freedom and independence;
- Opportunity to work with people;
- Prospect of a challenging job.

Along with these emerged one almost universal motivation for taking a particular job: the candidates liked and respected the people who interviewed them. Once hired, reps reported that that respect, along with that of co-workers, made a major contribution to their job satisfaction.

## *Why Female Candidates Reject Sales*

Catalyst heard from focus groups and interview participants several reasons why women who might consider a sales career are put off by the prospect:

- Sales requires an aggressive, pushy attitude;
- It is a male-dominated field;
- Salespeople demonstrate questionable ethics;
- Sales is too demanding a profession;
- There is little support for women;
- There are no visible female sales managers.

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We also heard that because potential young women candidates do not personally know a female sales representative, they have trouble visualizing success in the field, and so do not apply.

## *Differing Approaches to Recruitment*

Catalyst's research shows that companies use a variety of methods for screening candidates for sales positions, ranging from highly informal practices, such as referrals by members of their sales force, to use of commercial testing organizations to screen candidates. Types of tests used by companies include career profile, "personality," and psychological tests.

Interviewing of candidates for sales positions is also handled in a number of different ways, including one-on-one interviews with the sales manager in whose territory a vacancy exists, multiple interviews with persons ranging from the sales manager to human resources personnel and successful sales representatives, and group interviews. Sales representatives are used by companies in campus recruiting and interviewing when a company is attempting to attract a specific type of candidate (e.g., from a particular campus or geographical region, a woman, a minority). Companies may also use a combination of testing and interviews to select sales representatives.

In some companies, recruiting is highly standardized and closely supervised by headquarters human resources staff. But in many cases, Catalyst found that recruiting is a more random or haphazard process. Sales managers frequently recruit sales representatives without much input from anyone else. There are reasons for this. Vacancies often cannot be predicted and need to be filled quickly, since a vacancy affects not only a company's bottom line, but often also the bonus of the district manager as well; downsizing has reduced the number of people available to do recruiting; sales managers have considerable autonomy at most companies and often believe they are the best judge of whether a candidate will be successful at selling. (See Chapter 6.) While such an approach allows managers to hire candidates with whom they feel chemistry, it also leaves room for discrimination in recruiting practices.

As noted above, some companies use successful sales representatives in recruiting. If a company's existing sales force is largely composed of white males, this practice may perpetuate a homogeneous sales forces. One male

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"Some companies use successful sales representatives in recruiting."

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sales representative in insurance observed that the people who pass through the interview process “look like me. It’s the same if you go to your yacht club or golf club or wherever you’re associated; that’s why you go there.”

## Assessing Candidates: Career Profile, Personality, and Psychological Tests

Companies either administer tests themselves or hire outside testing organizations to help screen candidates. Ideally, such tests are designed to measure work-related skills — those core competencies that have been shown to be associated with a successful career in sales, e.g., verbal skills, quantitative skills, computer skills, and prior job experience.

However, many of the testing instruments reviewed for this research included a number of other types of questions that seek information not related to the sales field or that might possibly lead to discrimination. An advertisement for a personality test reviewed by Catalyst states that it is designed to assess six dimensions of personality: methodicalness, agreeableness, extroversion, independence, industriousness, and openness to experience. Another test instrument used extensively by insurance companies tells the candidate that it is:

*A research-based questionnaire designed to give you an idea of your potential for success in a \_\_\_\_\_ sales career...Your responses to questions about your past experiences, expectations, goals, and attitudes will be compared with those of candidates similar to you who have become sales representatives...The [career profile] does not evaluate your intelligence, personality, or style...*

Then it says, “There is no definitive profile of the successful sales representative.” Questions in the test vary from “How much experience have you had selling X?” to “In an average week, how many hours do you spend watching television?”

Companies need to ask several questions about the use of such tests for selecting successful sales representatives (or any professional employee):

- What does the test communicate about the professionalism of the sales positions in the organization?
- Is the test effective in selecting the most qualified salespersons? (Among the industries represented in this research, the insurance industry appears to rely most heavily on paper tests, yet has the highest reported turnover due to poor performance and lack of compatibility between employee and position.)

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- Does the test discriminate among candidates on the basis of work-related behaviors and skills or on the basis of individual attributes and traits?

Of interest is that in our research, Catalyst found instances of both employees and managers subverting the purpose of tests. Sales representatives reported that a manager favoring a particular candidate might coach on responses. In particular, a female representative in insurance reported that the first time she took a personality test, “I flunked, but they wanted to hire me so they told me how to answer the questions. I took it again and scored 19 out of 19.” Sales representatives also talked about how candidates can easily outwit profile tests.

“Sales representatives reported that a manager favoring a particular candidate might coach on responses.”

Catalyst found that recruiters for sales positions often hold prejudicial beliefs about women or their capabilities. As reported by study participants, some common misperceptions or biases found to be held by recruiters included the following:

- Sales is too demanding a job for women;
- Women can’t handle travel and relocation requirements;
- Management holds higher standards for female candidates;
- Women have insufficient knowledge of certain products (e.g., industrial, automotive, sports, machinery);
- Women should be steered into traditional “female” jobs, such as customer service;
- Customers don’t want to work with women reps.

These misperceptions and negative beliefs keep too many qualified, highly talented women out of sales — and should they land jobs, undermine their ability to succeed.

Interviews with sales managers suggest that some traditional stereotypes of women may have a positive impact on their recruitment into sales. For example, the stereotype of women as the ultimate consumers may motivate packaged goods companies to hire more women; or they may believe that women possess better interpersonal skills than men, are more organized and detail-oriented, and therefore more likely to follow-through with clients. While these may be perceived as “positive” stereotypes of women, they should be recognized for what they are: another set of assumptions and preconceptions

## *Lingering Stereotypes and Biases*

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about women's abilities and suitability for a particular professional role. When a manager says, "I've observed that the women are more detail-oriented and better at the paperwork," one needs to be aware that he may also be thinking, "but...women aren't as good at cold calling, at closing a deal, or at handling really tough customers." In the long run, it will not benefit women to create a whole new set of stereotypes to characterize their performance in sales.<sup>7</sup>

## Interviewing Candidates

“Inappropriate interviewing methods and poorly trained interviewers introduce as much bias into the selection of sales personnel as poor testing methods.”

Catalyst was told by sales representatives that inappropriate interviewing methods and poorly trained interviewers introduce as much bias into the selection of sales personnel as poor testing methods. In a textbook on interviewing methods for social science research, McCall and Simmons discuss what are called “contaminating influences” in the interview process, factors that impede the collection of accurate and meaningful information in an interview.<sup>8</sup> The authors observe that in addition to limitations on information that may arise from the inadequacies of the respondent (reportorial ability, knowledgeability, ulterior motives), the interviewer needs to be aware of and take responsibility for biases that may be introduced through his or her role in the interview.

One form of interviewer bias as described by McCall and Simmons is “ethnocentrism,” which occurs when the interviewer imposes his or her own experience, interpretations, and predispositions on the responses or non-verbal behavior of the person being interviewed. An opposite, but equally biased, response on the part of the interviewer involves what McCall and Simmons refer to as “going native,” where the interviewer may over-identify with the respondent due to some similarity in background or experience and be unable to evaluate the candidate objectively. In the first instance, the interviewer

<sup>7</sup>The case of Joan Ganz Cooney, who has served on the boards of a number of *Fortune* 500 companies, serves an example of what can be termed assuming behavior (in this case, shopping) from an observed trait of an individual (gender). Cooney describes being interviewed by a male board member representing a large grocery chain: “The guy came here and took me to dinner, a perfectly nice guy, and said that they had decided not to add a woman to their board, but rather to interview prominent women on the subject of what they look for when they go shopping in retail food stores. And they thought that was better than just having a token woman on their board...Just think of it, coming to me as a housewife when I’d just been profiled in *Forbes*!” From “A Woman in the Boardroom: An Interview with Joan Ganz Cooney,” *Harvard Business Review*, Jan.-Feb., 1978, pp. 77-86.

<sup>8</sup>George J. McCall and J.L. Simmons, eds., *Issues in Participant Observation: A Text and Reader*. (Reading, MA: Addison-Wesley Publishing Co., 1969).

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may reject a good candidate whose attributes and experiences are different from his or her own. In the second case, the interviewer may choose a poorly qualified candidate for similarities in background that create comfort with that candidate.

This research suggests that companies need to examine whether the tests or interviewing methods they employ to screen candidates and recruit individuals for sales positions favor male candidates over female applicants or are biased in other ways that will limit the diversity of their candidate pool. One female representative in insurance summed up a profile test by saying, "It's not a gauge of whether you'd be good in sales...it's more based on...some sort of industry profile of people who have been successful in the past. But there haven't been many women up to this point."

Company representatives who participated in a series of roundtables at Catalyst before and after this research on women in sales generally agreed that behavioral interviewing is a more appropriate and the least biased method of interviewing. When sales managers and other corporate personnel involved in recruiting are trained to use behavioral interviewing, companies report that it is effective in broadening the pool of candidates they might consider for sales positions and ultimately has helped them meet their goal of increasing the diversity of their sales forces.

Behavioral interviewing attempts to elicit from the candidate examples of behavior that would be representative of his or her job-related ability. Behavioral interviewing shifts the focus away from individual traits and attributes that interviewers may interpolate into labels or stereotypes. It looks instead at behaviors and activities of the applicant that would be predictive of success in a sales position. Since traits are usually based on self-descriptions, a focus on behavior also cuts through the tendency of candidates for self-promotion.

"Companies need to examine whether the tests or interviewing methods they employ to screen candidates and recruit individuals for sales positions favor male candidates over female applicants..."

"...behavioral interviewing ...is effective in broadening the pool of candidates..."

“Most interviewers agreed that they would look for ‘leadership’ potential in a candidate for a sales position.”

Most interviewers agreed that they would look for “leadership” potential in a candidate for a sales position. Most of us have an image of what constitutes leadership, one that results from our personal experiences and cultural background. It was reported to Catalyst by both senior sales managers and human resources professionals that male interviewers frequently think of leadership in the context of team sports (captain of the football team, etc.). Interestingly, many of the first women to break through the glass ceiling into sales management in their companies reported to us in interviews that they were athletic, and that this attribute enabled them to establish rapport with and convince an interviewer that they might be good in sales, even though there were no women in sales at their company.

“Many of the first women to break through the glass ceiling into sales management in their companies reported...that they were athletic.”

One highly successful female sales manager in consumer goods reported that she was a natural athlete and highly talented tennis player. She got her first job in sales at a sports equipment company through the father of a friend with whom she played on the high school tennis team. Another female sales rep in consumer goods who, when she was hired for her first sales job, was the first woman in the company’s sales force, told the following story to a member of the research team. She had walked several miles to the interview and had arrived very early, allowing extra time to make sure she wouldn’t be late. The interviewer was so impressed at the distance she had walked, he hired her on the spot.

This is reminiscent of a story a male sales representative told us of being hired by a transportation company after he described to the interviewer how in a previous job loading produce, he had to climb into stifling hot trucks to make sure there were no gaps between boxes that would cause the load to shift when the truck was moving. The interviewer believed this stamina would translate to a successful career in sales.

Some companies in this study reported that by broadening the pool of interviewers to include women and persons of color, by increasing the sensitivity of white male interviewers to the range of experiences that might be indicative of success in sales, and by using interview teams, they have reduced the chances that candidates will be rejected on the basis of a single interviewer’s bias.

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What particular attributes are desirable in a sales candidate? Qualities that come to mind when we think of the quintessential salesman are “masculine,” (as almost all the images in literature and the media have been male) and include aggressiveness, self-confidence, charisma, and even courage. “Feminine” qualities like empathy and relating skills are not part of the traditional sales image. Many women sales representatives reported to us that they feel they must suppress so-called “feminine” traits, at least until hired, to avoid being stereotyped. But they reported great success later; one female rep in industrial goods pointed out, “I’m closer to my purchasing guys than the salesmen are because they open up personally to me.”

Interestingly, the qualities listed as predictive of success in sales by the human resources personnel, sales managers, and sales representatives interviewed for this research are largely gender-neutral. Catalyst learned what makes the profile of a successful sales representative across the industries and companies studied: having a college degree and excellent communication skills, as well as the following:

- Hard working
- Self-starting
- Persistent and able to deal with rejection
- Flexible
- Willing to relocate
- Team-playing
- Ambitious and aggressive
- Well-rounded
- Problem-solving
- Creative
- Mature

When Catalyst asked male and female focus group participants and managers to list the skills needed to close a sale, the response was almost unanimous: versatility and responsiveness to the needs and the personality of the customer, “to be a chameleon,” said one male industrial goods representative. While sales reps believed they shared this key skill, they differed in outside interests and personalities.

*A Successful  
Candidate  
Will Have the  
Following  
Qualifications...*

“‘Feminine’ qualities like empathy and relating skills are not part of the traditional sales image.”

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## *Keeping Women Out*

“Most women perceive a sales career less favorably than do men and feel less confident about their potential for success.”

Negative images of sales as a career also deter women who might want to enter the field. Few college students, female or male, aspire to become salespeople because of what they perceive as the status of the occupation and the sales culture. Most women perceive a sales career less favorably than do men and feel less confident about their potential for success, calling sales a male-dominated occupation.

Potential female employees are generally unaware of the growing presence of women in business-to-business sales. (See Chapter 3 on female role models/mentors and how to provide them.) An informal grapevine among job candidates steers people toward and away from certain companies. When the old-boys' network dominates an organization, word gets around.

A perception exists among female candidates that some companies set a different — at times higher — standard for hiring women than men. Several women in a focus group at one company said that their firm looks for women who are single as an indication that they are “career-oriented.” Catalyst found general agreement that a woman with children would have a hard time being hired; “I think the person would basically have to be...exceptional,” said one female rep in transportation.

## *Training Program Reputation*

Recruiting women today takes place against a backdrop of smaller numbers of new hires and reduced funds for training programs. Catalyst heard from study participants that a strong reputation for training programs brings in the women recruits.<sup>9</sup> A significant number of research participants identified training programs as the actual reason they chose their company, and some reported their programs had industry-wide reputations.

Many companies maintain thorough training programs. Often a group of new salespeople will be brought together for classes that last a few weeks. Sometimes an individual sales representative is trained rigorously over a period of several months. (See Best Practices, Chapter 6 for one company's program.)

<sup>9</sup>Training programs for women have not advanced much in the past decade; for a basic background on female sales representatives' views on the weaknesses of training, see Rosabeth Moss Kanter and Barry A. Stein, eds., *Life in Organizations* (New York: Basic Books, 1979), pp. 137-138.

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However, downsizing and belt-tightening have significantly effected recruitment and training. Where once large numbers of salespeople were hired simultaneously and offered several weeks or months of group training, now fewer salespeople are added at a time and training programs have been scaled down. “We now have on-the-job training,” said a male manager in industrial goods, a pattern echoed by managers in all categories throughout the study.

## Conclusions

In sum, study participants reported the following about sales recruitment:

- Many women (and men) are unaware of the attractive aspects of a sales career, including the chance to learn about business, the freedom and independence of the job, the challenges of working with customers, and the relatively high compensation potential.
- Deterrents to prospective female applicants include beliefs that sales is too demanding for women, that an aggressive attitude is essential, and that ethical standards are low.
- Women and men consider the reputation of the company’s sales training program of particular importance when selecting a prospective employer.
- Recruiters are not sufficiently trained in how to overcome their own biases and to encourage a diverse group of applicants to avoid the de facto discrimination of hiring people who “look like you.”
- Female recruiters — in person and in recruitment videos — are effective role models and do much to allay doubts and to encourage women to apply. Recruitment teams that reflect the growing diversity among candidates are far more successful in today’s changed marketplace.
- Internships for female college students in the sales departments of companies provide opportunities for a first-hand look at what the career involves.
- A company’s reputation for encouraging and advancing women increases the likelihood of female applicants.

# *Recommendations*

**Accentuate women's successes.** When producing recruitment videos and other corporate materials, target women by showing women in sales roles.

**When recruiting, enhance the image of sales careers by emphasizing the opportunities and professional nature of sales.** In particular,

- Target advertisements to women highlighting the advantages of a business-to-business sales career;
- Emphasize skills and knowledge involved;
- De-emphasize role of “sales personality;”
- Emphasize the consultant nature of sales.

**Provide a realistic picture of sales jobs during interviews.** For example, allow candidates to ride with a representative for a day. This reduces turnover, as inappropriate candidates tend to drop out of consideration. (See Chapter 5 for more on retention of women.)

**Use unbiased interview methods to assess job candidates,** not personality profile tests based upon a profile of past successful salespeople (typically white men). Instead, use behavioral interviewing and role-playing where candidates can demonstrate skills used in sales, e.g., negotiation and communication. A majority of human resources managers and sales managers in this study reported that these methods provide a more accurate assessment and eliminate gender bias, thus aiding in recruiting top female candidates.

**Consider a central recruiting strategy.** It will minimize the influence of manager bias or of networks on the hiring process. Companies can monitor the composition of recruiting teams and train members to be aware of their stereotypes and selection biases. Centralized recruiting communicates to sales managers the company's commitment to diversity and provides opportunities for developing the business case for diversity with managers.

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**Train recruiters uniformly to look for specific characteristics and experiences in candidates** and to use similar recruiting and interviewing methods. Women benefit more from standard policies; the ad hoc is detrimental to the recruitment of women.

**Bring recruiters together to learn and be trained**, and especially to understand the rationale behind a company's achieving diversity in hiring.

**Re-define the qualities appropriate for sales in the changing marketplace**, e.g., remove emphasis on aggressiveness and emphasize customer relationship-building.

**Assemble a recruiting team diverse by gender and race**; diversity attracts diverse candidates.

**Institute a training program for new recruits**; such programs enhance the attractiveness of an organization in the eyes of new recruits. Moreover, these programs help to level the playing field for women.

**Create an incentive for diverse hiring by holding sales managers accountable.** (See Chapter 6.)

**Create summer intern programs for college students.**

**Recruit at events or locations targeted to women**, e.g., at sororities or at women's job fairs sponsored by professional associations, such as the Society of Women Engineers. Set up cooperative programs, seminars, and tours with nearby colleges.

**Look internally for sales candidates.** Current employees know and are committed to the company. Customer service — where one typically finds a high percentage of women — is a rich pool for sales hiring because that function maintains close contact with sales and customers.

**When a woman does not accept a sales job offer, discuss with her specifically why she declined.**

## *Best Practices*

### *Johnson & Johnson*

In its Consumer Sector Sales divisions, **Johnson & Johnson** has implemented a recruiting strategy that allows sales candidates to get a taste of the job before hiring decisions are made. This is particularly valuable for young recruits, as many college students are not taught about sales careers and therefore do not know what to expect from a sales job. After initial interviews that serve as a screening mechanism, the District Manager arranges for the candidate to spend a day in the field with an Account Manager. This experience allows the candidate to see first hand what sales at J&J is all about, and it gives her or him the opportunity to talk with a successful representative in a setting more casual than a formal interview where candidates may feel uncomfortable asking questions. Also, the candidate is given a chance to evaluate for her- or himself whether or not this job will be a good fit.

After the ride-along, the Account Manager fills out a form with his or her impressions about how the day went. Although this feedback is important, the more valuable outcome is clearly the candidate's own evaluation. Generally candidates feel more excited about the job after the ride-along, but occasionally recruits realize that the job is not for them.

One important outcome is that candidates hired by J&J after going through this process already know someone in the field who can act as an informal mentor or "buddy." They have already worked with a sales representative in the company and therefore have begun to establish a valuable work connection. These relationships give the new employees a company contact other than the trainer to turn to for questions and advice.

### *The Principal Financial Group*

**The Principal Financial Group** has developed a recruitment brochure and video targeted to women in order to increase its representation of female field agents. Increasing female agents was a priority for a number of reasons: to help reach the "women's market," to compensate for the decline of men inter-

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ested in an insurance sales career, and to respond to a shift of sales presentation style from the aggressive hard-sell to a softer, more needs-based approach.

To develop these recruiting tools, The Principal engaged in an extensive literature search through trade journals, conducted focus groups of successful women agents in the company and separate focus groups with their male managers, and utilized outside research on women at other agencies. This research process was directed by Valerie Deaton, Manager of Market Research, who remarked, “By investing the time and resources needed to develop these tools, senior management demonstrated a real commitment to bringing more women into the firm and made a statement of support and appreciation to the women who are already here.”

Indeed, the brochure prominently states the president of the company’s commitment to a diverse work force. In addition to detailing the qualities which contribute to a successful career in insurance sales, the brochure stresses the training, independence, flexibility and financial rewards that women can realize with careers at The Principal. In addition, the brochure highlights the careers of ten highly successful female agents. These profiles describe how the women decided to go into insurance sales — many had no previous financial or sales backgrounds — and describes their successes. The 9-minute video showcases these successful female agents, in addition to providing information about the company. In the video, several of the women profiled in the brochure talk about how they came to The Principal and about their careers.

The brochure and video are used in trade shows, seminars, and job fairs. Recruiters also hand the brochure out to female prospects. The Principal’s efforts have been met with a measurable increase in their representation of women field agents — from 17 percent to 24 percent of the career field force in one year. The profiles serve the additional function of recognizing and rewarding top performing women.

*Franklin Life  
Insurance Co.:  
Targeted Recruitment  
for Women*

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**Franklin Life Insurance Co.** has increased the percentage of women in its sales force from 12 percent in 1990 to 23 percent in 1993. During the first half of 1994, contracts for women associates have increased to 28 percent. Franklin has focused on increasing the number of women in sales for two reasons: they want to attract the best candidates, and they feel that women are particularly good at selling insurance and have a lot of credibility selling these products.

They have increased the number of women in sales by targeting recruiting efforts specifically to women. According to Peg Manola, Vice President of Marketing at Franklin, "A woman is not going to believe a company is seriously interested in her if all she sees pictured are successful male agents." As a result, Franklin has placed advertisements in trade journals and women's magazines featuring successful female agents. These advertisements also focus on the earnings opportunities and the lack of barriers to advancement for women at Franklin, as well as stressing that insurance sales is the ultimate service industry.

Franklin has created a variety of recruiting materials to attract women, including a video that can be shown at meetings of women's groups and a recruiting booklet which outlines the many programs available and features women who have succeeded. The recruiting materials also highlight the scheduling flexibility available at Franklin, which can be particularly important to women with home and family obligations.

Franklin has also worked internally to increase the number of female agents by communicating to managers why it is smart to hire women. While previously, managers had been recruiting primarily men, they now make special efforts to look for qualified women recruits.

*The Dow  
Chemical Company:  
Internship Program*

**The Dow Chemical Company** has a summer internship program which they use as a recruiting tool for college students. The internships provide a chance for the students and Dow to see, if they are a good fit for each other. Recently, about 50 percent of the interns have been women.

A group of interns usually starts on the same day in May. They have orientation and then begin work for three months on various marketing and strategic research projects. Each intern is assigned a sales trainee as a mentor.

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During the summer, interns usually have the chance to go out in the field to see what selling is like. They can take trips with sales representatives, be in front of customers, and see first hand some of the rewards and frustrations of selling. Dow reports that students with technical majors often need this exposure to sales before they realize that sales, as opposed to more traditional career paths such as manufacturing, is a good career for them.

This internship program gives Dow a more accurate picture of job candidates than the interviewing process does. It also gives potential sales candidates a much clearer idea of what a sales job entails. This should reduce turnover and increase job satisfaction of sales representatives in the long-run. Having a full-time sales trainee as a mentor also means that interns not only learn about a sales job before they accept it, it also gives them someone to turn to if they do accept a full-time position with Dow. The sales trainee can provide them with support and information to help them with their job. Moreover, interns get to know each other over the summer and can provide each other with an instant peer network if they accept full-time positions at Dow.

At the beginning of 1994, the Paper Division of **Boise Cascade Corporation** decided to create a training pool of employees who would be able to take over vacant sales representative positions. The Division posted the training pool openings on company-wide electronic mail and bulletin boards. Pool members were selected through a behavioral interviewing process which assessed candidates' demonstration of key competencies required for sales representatives. By March, the Division had filled the pool with nine employees from a range of positions at Boise Cascade, including customer service and technical positions.

*Boise Cascade  
Corporation:  
Sales Representative  
Pool*

After the pool members were chosen, they continued at their regular jobs within Boise, but also received preparation for the sales job. They took a week away from their full-time job and attended a one-week sales training course. In addition, the pool members periodically spent a day of on-the-job training, such as calling on customers with a sales rep or visiting mills.

The Division has been using the pool members to fill all sales representative positions that do not require an experienced sales representative. The Division will add members to the pool about twice a year through company-wide job posting.

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The Division has benefited from the creation of the training pool in a number of ways. First, it has reduced the time needed to fill a sales representative vacancy from two to three months to less than one month. Filling positions more quickly provides better service to customers, increased sales volume for the Division, and less work for the remaining salespeople. Second, the pool members are well prepared to be sales representatives because the Division has had time to select new representatives carefully and to train them. Pool members also already know a lot about the company and its products because they have already worked elsewhere within the company. Third, the extra time available to select pool members allows the Division to examine a range of candidates, making it more likely that a diverse group of candidates will be hired. Fourth, by providing cross-functional opportunities, the training pool system enhances career opportunities for all Boise Cascade employees.

*Federal Express:  
“Is Sales for Me?”*

A group of sales managers designed a course to teach couriers, customer service representatives, and other **Federal Express** employees about careers in the sales function. The one-day course called “Is Sales for Me?” is designed to give a realistic picture of a career in sales at Federal Express, describing the tasks and responsibilities, including negative aspects, such as rejection and administrative work. It benefits both genders, but particularly women, who have fewer role models in sales and often do not consider sales as a career choice; with this course, women have the opportunity to look at a field they may not have considered.

The course encourages qualified employees to seek sales positions because it shows them they are a good match for the position. It discourages unqualified employees from seeking sales positions because they realize why they would not want a job in sales or why they do not meet the job requirements. Sales managers believe the course enhances job satisfaction. It can reduce turnover in sales because representatives know what to expect when they start the job. It also helps unsuccessful sales candidates understand why they were not appropriate for a sales position.

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Within the sales function at Federal Express, candidates for managerial positions are typically interviewed by a panel of three managers. Federal Express is now implementing a policy to require that these panels have at least one “nontraditional” member — a woman or a person of color. If a manager who is a woman or a person of color is not immediately available, the panel is expanded to include a fourth non-voting member who is in management training. This provides the panel with a “nontraditional” viewpoint and provides a developmental opportunity for the management trainee.

To facilitate this process, the sales function distributed a resource directory which lists all women and people of color eligible to serve on the interviewing panel. This list identifies “nontraditional” employees from a variety of sources, including sales management, operations management, human resources, customer service, customer automation, and hub management.

The diverse panel requirement seeks to remove any bias that might occur with a panel consisting solely of white men. It also gives visibility to managers who are women or people of color and ensures that they are included in hiring decisions.

The Federal Express task forces on women in sales management and minorities in sales management have sought to communicate effectively their diversity efforts to the entire sales organization. Part of their communication efforts has been to publish an article on diversity each month in the sales function’s newsletter “Sales Perspective.” They have also had spots on the company’s television network.

The monthly newsletter articles have addressed a range of topics related to diversity. Early articles explained why diversity efforts were so important for Federal Express, emphasizing the business rationale behind improving diversity. Subsequent articles have explained the actions that the task forces and senior sales management are taking to enhance diversity in the sales force. One month’s article addressed the issue of white male backlash. A white male manager discussed his initial resistance to diversity efforts and described how he was brought around to embracing diversity because he realizes it is imperative to the future productivity of Federal Express’ sales function.

## *Diverse Hiring Panels*

## *Communicating the Importance of Diversity and Diversity Efforts*

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The purpose of the newsletter articles and television spots is to communicate why diversity is necessary so that employees have a chance to understand and embrace diversity efforts. The articles also seek to communicate exactly what the diversity task forces are doing so that employees do not speculate about what actions will be taken and are not taken by surprise when an initiative is implemented.

*Amoco  
Corporation:  
Diversity — Managing,  
Rewarding, and  
Dealing with Backlash*

**Amoco Corporation** has used its company-wide computer system in original ways to deal with diversity issues at the company. By creating an on-line diversity database, the Human Resources department has provided employees with a convenient way to access information about diversity topics. The database provides a diversity menu which summarizes information, gives the names of contacts within the organization, and lists relevant books, articles and videos. The database also answers frequently asked questions. The database is on an open system so that all employees can use it to find out everything that's going on with diversity throughout the company.

A second effort was introduced by Mark Wojcik, then Amoco's Director of Diversity and currently Manager of Organizational Capability Consulting, who used the company's electronic mail system to set up an open bulletin board to encourage a dialogue about diversity issues. Wojcik posed questions on perceptions about diversity and provided information about company policies to stimulate on-line conversations. Employees who read these items and wished to respond then picked up the ball by entering their thoughts. Thus an open, informal dialogue was generated, in which the many different sides of the issue were aired. By conducting this experiment, Amoco demonstrated the respect for different opinions which is a critical facet of building diversity in an organization.

At times the dialogue became emotionally-laden. Wojcik therefore stressed that when considering such an experiment, "organizations must be prepared to deal with heavy issues in a public forum." Carol Bullock, Amoco's newly appointed Manager for Diversity, reports that "one of the envisioned outcomes is for the bulletin board to provide a mechanism to assess the levels of support and resistance, and thus help us formulate interventions to address these dynamics, including education and communications."



## Chapter Two

### *The Internal Work Environment: Networking, Mentors, Peers, and Role Models*

Creating a work environment that rewards individual effort and fosters positive team- and company-wide interactions is a key challenge for managers. An individual's productivity is often closely tied to an informal web of mentoring and networking relationships. Much on-the-job learning, self-evaluation, sharing of techniques and leads, knowledge about opportunities to advance, and moral support takes place as a result of these relationships. In a Korn/Ferry study,<sup>10</sup> corporate leaders rated mentoring second only to education as a significant factor in their own success.

“Women have been faced with a corporate culture that is both subtly and overtly male-oriented.”

As relatively recent entrants into the professional work force, women have been faced with a corporate culture that is both subtly and overtly male-oriented. At many companies the informal web of professional relationships has only just begun to open up to women. Women often are not welcomed into predominantly male networks of salespeople. Studies refer to the “screening mechanisms” used by mentors to select protégés that result in women having more difficulty than men in attracting mentors.<sup>11</sup> Women themselves do not always realize the crucial importance of these relationships to their career success and cling to the belief that hard work is sufficient.

<sup>10</sup>“Executive Profile: A Survey of Corporate Leaders in the Eighties,” Korn/Ferry International, 1986.

<sup>11</sup>For further information, see “Executive Mentoring: Myths, Issues, Strategies,” Office of Educational Research and Improvement, Women's Educational Equity Act, U.S. Department of Education, Newton, MA, 1990.

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Catalyst's quantitative data on job satisfaction in sales reveal that women are significantly less satisfied than men with how they are perceived by their colleagues. (See Table II.) While the majority of survey respondents of both genders are satisfied with the respect and recognition they receive from their companies, women report less satisfaction with respect from co-workers (men 98 percent; women 83 percent); with recognition for expertise (90 percent of men are satisfied; 79 percent of women); with recognition of contributions to the organization (87 percent of men satisfied; 76 percent of women); and most significantly, with opportunities to develop professionally (71 percent of men satisfied; 46 percent of women). Lack of recognition has a negative impact on opportunities to expand professionally. (See Chapter 6 for further material on advancement.)

SATISFACTION WITH ON-THE-JOB RELATIONSHIPS		
	Men (percent very or somewhat satisfied)	Women
Respect of your coworkers	98%	83%
Recognition of your expertise in the field	90%	79%
Recognition of your contributions to the organization	87%	76%
Opportunities to develop and expand professionally	71%	46%

TABLE II

For salespeople of both genders, maintaining a support network within the company can be problematic. Salespeople are often away from the corporate base and have difficulty maintaining visibility or staying in touch. In fact, the sales profession as a whole may need special company-wide programs in order to initiate and maintain nourishing networks within the organization. Catalyst found that representatives often do not know to whom to turn with a problem, and they generally rely on the manager assigned to them, who may not be trained or may not have the time to respond effectively.

## *Internal Networking, Internal Selling of Oneself*

Relationships are key to advancing in a sales career. Successful salespeople communicate well within their companies. Managers report that they like a lot of self-assured communication regarding accounts, signaling that the rep is not a pawn of the customer. Many managers expect decisiveness regarding the type of career path a salesperson seeks. A female manager in consumer goods explained, "People have to let you know that they want a promotion. And if they don't let you know, then you assume that they're really not interested."

"Women are sometimes left out of the informal networks."

Women may stumble by not selling themselves. One male insurance manager noted that "when women see me [about promotions] the conversation isn't as long. They get some information, take it back and think about it. Maybe they appear a...weaker candidate, because of that, which may or may not be true. The women who know what they want and are aggressive have done very well. [But] there are definitely women out there that you wonder why they haven't done more."

The skills for internal selling and the knowledge of career opportunities often grow out of informal networks of co-workers within a company and an industry. Catalyst research confirmed that women are sometimes left out of the informal networks. Male coworkers often do not invite women to lunch or to go out after work. Many activities involve entertainment considered for men only (e.g. sporting events or topless bars). Women can miss what is happening in the company or what opportunities are available. If important career information is passed along during these events, it can be demoralizing to women to be excluded, as well as cheat them of opportunities. The environment can seem hostile. Women may — and do — counter this by forming their own social networks.

A valuable networking opportunity occurs at sales conferences and meetings, events all reps reported anticipating positively. However, some women feel a need to be careful in behavior at such events, while men can get away with anything, and many women have been excluded from activities (i.e. golf), and therefore from networking.

## Mentoring

A mentor is someone in a superior position or with more experience in the field who takes on the assigned or voluntary role of guiding, educating, and encouraging a less experienced co-worker. Mentors can provide on-the-job training, answer questions that arise during selling, and provide refresher training.<sup>12</sup>

A mentor may be a senior sales manager or the salesperson's direct supervisor, but representatives also report the benefits of having a mentor who is a sales representative senior by a year or two, who shows them the most efficient way of doing things and teaches them about the political aspects of the company.

Mentors may be particularly important in sales because most salespeople work in the field, rather than in a central office, and so have fewer opportunities to network internally. Focus group participants of both genders strongly felt the need for mentors, whom they noted encourage them to take risks, correct mistakes, and stay in good spirits. A male manager in industrial goods declared, "You have to have a mentor. Somebody has to take enough interest to get to know you and be comfortable with your skills and then to encourage you on the way."

A majority of the salespeople surveyed stated that a mentor is crucial to on-the-job development and advancement; 48 percent call it critical, 39 percent fairly important. A male rep in the consumer goods industry asserted that "if you have a godfather, someone who can get you into that position, then it's your position." Even more than men, women attributed importance to having a mentor (91 percent of women versus 83 percent of men).

Advancement depends on whom you know and how visible you are to those in power, according to focus group participants, who often look to a mentor to pull strings, as well as answer questions. An industrial goods male rep said of

"Mentors can provide on-the-job training, answer questions that arise during selling, and provide refresher training."

"A majority of the salespeople surveyed stated that a mentor is crucial to on-the-job development and advancement."

<sup>12</sup>For detailed information about mentoring and profiles of innovative corporate programs, see *Mentoring: A Guide to Corporate Programs and Practices*, Catalyst, 1993.

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a mentor, "You'll have a person that can pull you to the side, explain what you're getting into, and kind of guide you along. This has helped a number of people who are in top positions today."

A problem endemic to sales is how difficult it can be for a rep to talk with his or her manager. More frequently than men, women report that managers are often difficult to get hold of. One female rep in the insurance industry said, "I don't think the sales managers have a lot of time. It's very difficult to get in the door and to sit down and to talk at any length."

When they do meet, women often feel uncomfortable discussing certain issues with their managers. If a mentor other than the manager can be found, he or she can be available when a salesperson needs feedback or experiences low morale and can alleviate feelings of separateness that result from low female representation in sales organizations.

Catalyst has found that women need mentoring more than men do because they tend to be excluded from informal activities in largely male organizations where workers and supervisors share information. A male representative in consumer goods said women are left out of activities like golf because they are "more of a male pastime than female." If she can't build relationships with colleagues and managers on the golf course and in other informal activities, she can get pointers from her mentor on how to gain visibility in other ways. A mentor may get to know a saleswoman's particular strengths and may find opportunities to help her stand out. Moreover, since historically, women have needed more encouragement than men to take career risks, mentors can coach them in this area, as well.

"A mentor may get to know a saleswoman's particular strengths and may find opportunities to help her stand out."

### *Gender and Mentoring Relationships*

Male/female mentoring is often necessary since there is a shortage of female mentors, and Catalyst has found that male mentors are often helpful, providing insights into how to succeed and be part of the network, crucial steps to advancement. "Just by being around them," reported one woman in industrial goods, "watching them, and seeing how they acted, I could change. I changed from being this shy little naive person..." Cross-gender mentoring also gives male managers insights into the unique career issues faced by women in their organization.

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Female reps reported finding that cross-gender mentoring worked because male mentors in predominantly male sales organizations were the ones who were visible and could further the careers of their protégés. Some women without mentors expressed the fear that they would be perceived as too aggressive — or might invite sexual innuendo — if they initiate a mentoring relationship with a man. Many men in the study expressed discomfort at initiating a mentoring relationship with a young woman that might be misconstrued as a sexual advance.

Female mentors, although scarce, offer things to their female protégés that males cannot. In a field with so few females, they can be particularly helpful as role models.<sup>13</sup> A female manager in consumer goods stated, “I had such a wonderful set of mentors...women that just took me places I wasn’t sure I could even go because they would say ‘hey, you know, why aren’t you pushing this limit or why haven’t you tried this, or what’s next on your agenda?’” Yet there are few female mentors available, since there are few senior women in sales; clearly, this is another indication of the need for sales organizations to increase the number of women in sales management.

Spontaneous mentoring relationships are thought to benefit people more than formal ones assigned by a company. Sometimes a representative’s manager will become his or her informal mentor. Of course, informal mentors benefit only those lucky enough to find them, and there is evidence that more men find them than women. One female rep in industrial goods said, “In my company you are required to find a mentor your first year. And [women] are less likely to find mentors. Men can find mentors their first year; typically women cannot.”<sup>14</sup>

Salespeople may not have a natural inclination to mentor their juniors, and even when required to do so as part of their jobs, they may resist. Salespeople are often hired for their independence and may not initially want a mentor or may not accept that role themselves. If salespeople view time as money, they may resist losing selling time to mentor a new person — particularly when they are paid straight commission.

<sup>13</sup>See Belle Rose Ragins and Dean B. McFarlin, “Perceptions of Mentor Roles in Cross-Gender Mentoring Relationships,” *Journal of Vocational Behavior* 37, 1990, pp. 321-339.

<sup>14</sup>For another option, see Kathy E. Kram and Lynn A. Isabella, “Mentoring Alternatives: The Role of Peer Relationships in Career Development,” *Academy of Management Journal* 28, No.1, pp. 110-132.

“Female mentors, although scarce, offer things to their female protégés that males cannot.”

## *Resistance to Mentoring in the Sales Environment*

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For example, mentoring in some insurance sales presents such an issue. The need for experienced salespeople to travel with new hires is recognized, but it may be resisted so long as the mentor does not receive a share of the commission.

“Establishing a formal mentoring program demonstrates to the sales force that the company is serious about helping women.”

Formal mentoring programs were being instituted at a number of companies in the Catalyst study in response to the dilemma women face in gaining access to informal mentoring relationships. Catalyst has found, however, that any formal mentoring program should include both male and female participants so as to avoid stereotyping women as needing special help. Establishing a formal mentoring program demonstrates to the sales force that the company is serious about helping women.

## *Role Models and Visible Achievers*

In order to attract, support, and retain women, companies need to be able to point to female role models in sales management and other departments. Saleswomen expressed their need for female role models, even if from other areas or other companies. Such women can demonstrate that women do indeed reach senior positions, important to the morale of women in sales. Female role models can help younger women navigate the challenges particular to women, as well as work out ways to balance work and family based on their own experiences.

“Cultivating female role models is an important company responsibility.”

Cultivating female role models is an important company responsibility. Senior-level women need to be made aware that they serve as role models for other women to encourage their helping other women. Senior women may find this flattering and motivating. Said a female sales manager in consumer goods, “I’ve had women come up to me and say, ‘It’s just great that we know you’re there. You really are a role model for me.’ And I certainly feel a sense of obligation to say, ‘What have I done lately for women?’ I do have a sense of wanting to give back to the young women in the organization.” A female manager from industrial goods, when promoted, heard from one female rep: “You are our guardian now. Remember that.”

A senior level saleswoman can promote the cause of lower level women at predominantly male managers’ meetings by pushing to advance them. A female manager in industrial goods reported that in a meeting regarding suc-

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cession planning, she said, ““You don’t have any women here. What are we going to do about this?” If you’re not saying it you know that there’s no male manager that’s going to say ‘where are the women?’”

If a company achieves a critical mass of senior women, company leaders can ensure that missteps made in the normal course of business are not generalized into “women’s mistakes” and assumptions about women’s competence. Male managers may be less than competent on occasion, but the errors they make are not characterized as “male incompetence”; the presence of a significant female talent pool, achieved by hiring senior women and advancing current female employees, will alleviate this problem for women.

One way senior-level role models are provided is by recruiting from other companies. A consumer goods female manager noted, “The company has recently brought in some people from the outside such as myself to kind of substantiate the upper ranks of women. You suddenly see more women at my level, but that wasn’t because they were home-grown.”

“One way senior-level role models are provided is by recruiting from other companies.”

## *Women's Networks*

It is also important for women to have a network of peers and supporters. Women need to network with male salespeople, but there is particular value in networking with other saleswomen to share ideas and solutions to issues unique to women's experience in sales.<sup>15</sup>

A female manager from industrial goods found it "really enlightening for me when one of our female vice presidents had a luncheon for all company women at a certain level and above." Many of the saleswomen Catalyst talked with expressed pleasure at getting together in the focus group setting.

When women do get together, however, men may become wary of this separatism. This in turn makes some saleswomen reluctant to join groups that single them out as women. A female rep in insurance, who considered joining a life insurance women's group commented, "I was told, 'Don't go to that. If you're an agent in the business, you need to hear the same thing that the men are hearing.' I agree...but there's another whole side of it. We have issues that they don't have, problems and concerns and considerations." Most women, however, reported they enjoy sharing insights and experiences with an informal network of female colleagues and soon realize its importance to their careers.

“Women's groups can make an important contribution to increasing job skills and satisfaction.”

Catalyst research has demonstrated that women's groups can make an important contribution to increasing job skills and satisfaction. A 1991 Catalyst report<sup>16</sup> established that women's groups serve as an information source on the needs and problems of women employees, offer a forum for sharing ideas and experiences, and give women the opportunity to develop leadership and management skills. Women's networks can help companies recruit women, improve retention, and increase company loyalty.

<sup>15</sup>See *Building an Effective Corporate Women's Group*, Catalyst, 1988, and Catalyst's forthcoming 1995 publication *Corporate Women's Groups in the 1990s*.

<sup>16</sup>*Women in Corporate Management: Model Programs for Development and Mobility*, Catalyst, 1991.

## *Conclusions*

The following conclusions about mentoring and networking emerged from each area of Catalyst's study of women in non-retail sales, including quantitative data, focus groups, and in-depth interviews:

- Dissatisfaction with on-the-job relationships is more common among women than men in sales. Women are less likely to feel they have respect and recognition from their co-workers and managers. Women are much less likely to be satisfied with their opportunities to develop and expand professionally.
- Most people in sales feel that having a mentor is crucial to on-the-job development and advancement (48 percent say it is "critical," and 39 percent "very important"). Women (91 percent) in sales were even more likely than men (83 percent) to feel that having a mentor was critical or important.
- Women in particular need mentors, yet often have difficulty finding them in male-dominated companies because there are fewer senior-level women than men and studies have demonstrated that people tend to choose those most similar to themselves to mentor. Providing formal procedures for mentoring can help the process, but these should be set up for both men and women.
- Networking with co-workers is essential to advancement. Many women are not aware of the role that internal networking and communication play in career advancement.
- Much information is shared by male colleagues after-hours; women are often left out of these informal networks.
- Female sales representatives need and want female role models.
- Some women are reluctant to join women's groups and be separated by gender. However, many report that all-women networking groups provide needed information and contacts.

## *Recommendations*

**In training or coaching sessions, teach all employees — particularly women — the importance of networks and internal self-promotion.** Reinforce this with ongoing employee communications, such as articles in the company newsletter on networks, professional associations.

**Develop group training programs,** where networks of contacts can be initiated, and where trainees receive support from peers and from trainers.

**Eliminate networking that excludes women or makes them uncomfortable,** e.g., golf that excludes women during certain hours.

**Set up a mentoring program.** To assure its success, make mentoring a job responsibility and include men, as well as women. To overcome any resistance, reward salespeople who mentor, e.g., incorporate into bonus, split commissions. Mentoring can be structured in several different ways: same-level mentoring, with a new representative pairing with a more senior representative; same-gender mentoring; or cross-gender mentoring.

**Encourage networking by providing more opportunities to bring salespeople together.** For example: hold more sales meetings and conferences; set up satellite offices which provide representatives with a place where they can meet, feel included, and network.

**Encourage female salespeople to set up a corporate women's group.** These groups offer women opportunities to interact, to learn from each other, exchange sales tips, find role models.

**Provide saleswomen with access to high-achieving women** from other areas of the company to help redress the current paucity of female role models.

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**Encourage female representatives to join professional associations to increase networking opportunities.**

**Look for entertainment opportunities that are not gender-linked.**

**Provide sensitivity and diversity training for the sales force.**

**Encourage sales managers to make calls regularly with sales representatives to combat the perceived lack of coaching.** Require managers to have set office days so that representatives can get in touch.

**Ensure that women achieve visibility** by making presentations at conferences and meetings and by serving on internal committees and task forces.

## *Best Practices*

### *Dain Bosworth Incorporated: Corporate Women's Groups/Combating Isolation*

In April, 1992, the top producing 22 of the 44 women brokers at **Dain Bosworth Incorporated**, a brokerage firm in Minnesota, met to form a group to help combat the isolation many of them felt on the job. At that time, approximately 7 percent of the firm's brokers were women and few knew one another. All expenses for this 3-day initial conference were covered by Dain Bosworth. After a reception and dinner (until midnight), the group met from 8 a.m. to midnight the second day, and 8 a.m. to 4:30 p.m. the next. Mary Olson, a broker and original group member said, "We could not stop meeting and talking and listening and planning. It was wonderfully intense."

At this initial meeting, the group (the Association of Women Brokers) decided to invite all female brokers to subsequent meetings. The meetings have maintained the three-day format of the initial gathering, opening with a welcome reception and dinner and a talk either by the CEO and President of Dain Bosworth or by a sales manager. Meeting topics have included "Challenges of the Female Entrepreneur," "How to Give Effective Seminars," "The Theory of Value Investing," and "Negotiating with Your Branch Manager." Attendance has been about 90 percent.

Participants have felt much more connected to the company as a result of these meetings, which has enabled them to become more involved and successful in the firm. At a major company meeting, the accounting department presented data which showed that the money brought in by women who participate in the group grew at a faster rate than the firm's average: women in the group increased their productivity 25 percent in 1993, compared with a 17 percent average increase for the firm.

The group has several explicit goals: to support one another, to enhance the members' professional expertise, to increase productivity, and to help Dain Bosworth recruit and retain female brokers. These goals are manifested in a

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formal mentoring program set up by the Association's board; if a newer broker wants guidance, the group provides her with an experienced broker with similar interests or style to serve as her mentor.

There are two key factors related to the Association's success. First, the management at Dain Bosworth supports the group's efforts unconditionally. For example, the group's annual meetings are funded and arranged by the firm. Second, the women in the group are committed to helping each other and to making Dain Bosworth the best firm in the country.

From 1986 to 1988, the Human Resources Department at **SC Johnson Wax** held a series of roundtables to determine why female sales representatives were leaving the company at a disproportionately high rate. Each roundtable brought together approximately 20 women representatives, two sales managers, and an executive-level woman from company headquarters, who served as a role model.

In addition to providing a forum for communicating company policies on sexual harassment and maternity leave, the meetings addressed the women's feelings of solitude by giving them an opportunity to meet and discuss their unique frustrations. To encourage continued connections, one representative created a Women in Sales newsletter covering news and highlights from every region and listing the phone numbers of women in the field.

The roundtables also increased managers' awareness of women's sales issues. Examples of women's issues from the sessions were used to design a training program for all of sales management. This training helped the mostly male managers understand how their leadership could support or detract from female sales representatives' productivity. The training also helped open the dialogue between women and management.

**Franklin Life Insurance Co.** believes that the increased productivity of female sales agents results in part from its efforts to let these agents know they are valued. Franklin's top women have more than doubled their commissions earnings in three years, due to increased sales and agency building activities. In addition, more women are receiving monthly and yearly company awards and qualifying for Franklin's annual convention.

*SC Johnson Wax*

*Franklin Life  
Insurance Co.:  
Showcasing Women's  
Achievements*

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Franklin communicates these female agents' accomplishments to the rest of the company. Successful female agents are featured in the company's monthly magazine, *The Franklin Field*, which is distributed to all sales agents. Franklin also publishes and distributes the productivity statistics of the top female agents to demonstrate how well women are doing.

Franklin realizes that women's networking with other women is important, so they hold annual meetings for the top female agents at the home office each spring. They call these meetings the Women's Roundtable.

*The Dow  
Chemical Company:  
Mentoring*

To supplement informal mentoring, **The Dow Chemical Company** has implemented a pilot mentoring program in sales which begins the first week that trainees start. Dow is trying team mentoring because it found that individual mentoring followed one of two extremes: the mentoring pair either hit it off or did not. Now a group of about five managers meets with about five sales trainees. Human resources management gives them an initial agenda, and then they develop their own agendas. The group can decide what it wants to focus on and how frequently it wants to meet.

Group mentoring provides trainees with a range of benefits related to coaching and networking. Trainees can take advantage of the individual talents of each manager, rather than just learning the techniques or tips of one manager. They have a panel of experts they can question. They can have their own questions answered and learn about issues that other trainees raise. Trainees get a chance to network with their own peers in group mentoring which can help them later with combatting isolation and sharing information. In addition, the group mentor panels can be structured to represent a diversity of managers including diversity of gender, age, level in the company, ethnic or cultural backgrounds, and educational or functional backgrounds.

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## *Chapter Three*

### *Compensation in Business-to-Business Sales*

Catalyst undertook this research anticipating that the sales field would present opportunities for women to achieve compensation based on objective criteria. However, our research found a variety of subjective factors that figure into compensation. It is interesting, therefore, that today many sales organizations are moving away from commission-based compensation methods. How do women fare in the sales field, in comparison to other fields?

#### *Historical Context*

“In 1992, black and Hispanic women earned 64 cents and 55 cents, respectively, for every dollar earned by white men.”

Catalyst finds that thirty years after passage of the 1963 Equal Pay Act, female workers in the United States still earn only 70 cents for every dollar a man makes for a comparable job. Minority women fare worse. In 1992, black and Hispanic women earned 64 cents and 55 cents, respectively, for every dollar earned by white men, according to median annual wage data from the Census Bureau.<sup>17</sup> These figures are averages, aggregating wages/salaries for jobs ranging from filing clerk to executive vice president and from security guard to securities analyst.

Among individual professions, U.S. Census data show that hourly workers come closer to parity than some white-collar workers; some women in white collar occupations earn as little as half what men earn. In fact, research shows the better the job, the larger the gap between what men and women earn for

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<sup>17</sup>U.S. Bureau of the Census, Current Population Reports, Series P60-184, *Money Income of Households, Families, and Persons in the United States: 1992*. (Washington, DC: U.S. Government Printing Office, 1993).

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performing the same function.<sup>18</sup> Female cashiers in 1992, for instance, averaged 87 cents on the dollar earned by male cashiers, while female securities brokers earned only 65 cents to the dollar earned by male brokers.<sup>19</sup>

Between 1973 and 1991, real income grew primarily for those at the very top of the occupational ladder — “and the people at the top were predominantly male,” says Harvard economist James Medoff.<sup>20</sup> The difference between median pay and top salaries was increasing, and by the end of the 1980s, women’s salaries had begun to stall, even in percentage terms. Women with college degrees saw their salaries drop in 1992 in relation to similarly situated males, widening the wage gap from 71.6 percent to 69.8 percent (U.S. Bureau of the Census). A 1994 survey revealed the average salary of female executives to be \$90,168, the average male executive’s \$129,580, both working about 55 hours per week.<sup>21</sup>

Some economists argue that the wage gap is closing for women and that younger women’s wages more closely approximate those of their male counterparts than do the wages of older females and males (Mahar, p. 52). Other economists argue that the wage gap has narrowed largely because real earnings for men have declined.<sup>22</sup>

Historically, younger women have always faced a smaller gap and watched it grow as they climbed the job ladder, with men and women coming out of the gate close together, but women earning less as they get older. This is supported by data showing that while women age 25-34 earn 79.6 cents for every dollar earned by males in that age group, it is the very youngest women ages

## Wage Gap Theories

“Younger women have always faced a smaller gap and watched it grow as they climbed the job ladder, with men and women coming out of the gate close together, but women earning less as they get older.”

<sup>18</sup>National Committee on Pay Equity, 1991.

<sup>19</sup>“Median Weekly Earnings of Full-Time Wage and Salary Workers by Selected Characteristics,” *Employment and Earnings*, U.S. Department of Labor Statistics, January, 1994, p.23.

<sup>20</sup>James Medoff, as quoted in Maggie Mahar, “The Truth about Women’s Pay,” *Working Woman*, April, 1993, p. 55.

<sup>21</sup>Study by Cornell University’s Center for Advanced Human Resources Studies and Paul Ray Berndtson Inc, a Texas-based executive search firm, quoted in *Across the Board*, Vol. XXXI, No. 9, October, 1994.

<sup>22</sup>*Declining Wages for High School and College Graduates*. (Washington, DC: Economic Policy Institute, 1994).

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25-29 whose earnings are closest to males' salaries (85.7 percent); women ages 30-34 see earnings drop to 76.3 percent of male wages (U.S. Bureau of the Census).<sup>23</sup>

## *Compensation in Business-to- Business Sales*

U.S. Department of Labor statistics report that the compensation differential for men and women in business-to-business sales is similar to that found across the board for all occupations.

According to 1993 data from the Department of Labor comparing compensation for different occupations, the median weekly earnings for women working full-time were 76.9 percent of the median weekly earnings of men in the same field. Female business-to-business sales representatives selling commodities wholesale made 77 cents to the dollar that male sales representatives made; female sales representatives in insurance and in financial services made 80 cents and 66 cents, respectively, to every dollar made by males representatives.<sup>24</sup>

## *Commission: Going the Way of the Dinosaur?*

“Findings from this survey of 222 sales forces show that companies change their sales compensation programs frequently.”

Contrary to popular belief, compensation in the sales arena is not always based solely on individual sales volume. The number of companies paying simple commission for everything sold is diminishing rapidly, according to a Hewitt and Associates Management Compensation Services Division study.<sup>25</sup> Findings from this survey of 222 sales forces show that companies change their sales compensation programs frequently: only one in five of the companies surveyed kept the same compensation program for as long as even five years, and from one-third to one-half had modified their programs every one to two years. Team selling, reinforced by team bonuses, is fairly prevalent in both the consumer and industrial goods sectors studied; while in the insurance sector of the service industry, commission-based compensation practices are the most prevalent method of rewarding sales personnel.

<sup>23</sup>For further information on the gender pay gap, see the following: Francine Blau and Marianne Ferber, *The Economics of Women, Men and Work* (Englewood Cliffs, NJ: Prentice-Hall, 1992); Claudia Golden, *Understanding the Gender Gap: An Economic History of American Women* (New York: Oxford University Press, 1990); Robert T. Michael, Heidi I. Hartmann, and Brigid O'Farrell, *Pay Equity: Empirical Inquiries* (Washington, DC: National Academy Press, 1989); and Elaine Sorensen, *Gender and Racial Pay Gaps in the 1980s: Accounting for Different Trends* (U.S. Department of Labor, 1991).

<sup>24</sup>“Usual Weekly Earnings of Employed Wage and Salary Workers Who Usually Work Full-Time,” Bureau of Labor Statistics, U.S. Department of Labor, 1993.

<sup>25</sup>*Human Resource Management News*, February 21, 1994.

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Achieving high earnings in direct relation to individual effort and ability is a key factor in the decisions of both male and female representatives in choosing a career in sales and in subsequent job satisfaction, according to research data from the focus group discussions carried out for this study (See Table III.) Many sales representatives indicated they entered sales with the expectation that compensation would be based on such measurable goals as sales volume. It is no surprise, then, that individuals entering sales under one compensation method may be dissatisfied when a new compensation method is introduced.

## *Job Satisfaction and Compensation*

MOST IMPORTANT FACTORS IN JOB SATISFACTION		
	Male	Female
Opportunities to increase compensation	27%	17%
Time you have with your family	25%	17%
Opportunities to develop and expand professionally	12%	16%

TABLE III

Sales representatives interviewed for this research preferred bonuses and commissions for individual performance over salaries. Those representatives whose companies had changed from a commission-based system to salary as the sole method of remuneration generally expressed the view that the change had negatively affected their morale and motivation. There was less agreement among respondents regarding compensation methods that provide bonuses and other incentives for team, rather than individual, efforts.

Companies participating in the research that have discontinued using commissions to compensate sales personnel reported they did so with several purposes in mind. Some mentioned it enabled them to address concerns related to quality improvement processes by shifting sales representatives' priorities from volume sold to customer satisfaction and relationship-building. Other companies found salaries to be the best way to address compensation inequities resulting from biases in the way managers assign territories and key accounts — biases that may work against goals to achieve pay equity for female and minority sales representatives.

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“Only two companies reported using a commission-only system of compensating sales personnel.”

The compensation systems of the companies in the Catalyst study varied by industry and individual company. Of the companies that provided information to Catalyst about their compensation systems, about two-thirds used a combination salary/bonus or salary/commission system for compensating sales representatives. Most of the remaining companies used a salary-only approach. Only two companies reported using a commission-only system of compensating sales personnel.

Among the three industry sectors examined in this research, the salary-plus-bonus method of compensation was most likely to be used in consumer goods (72 percent used this method) and least likely to be used in industrial products sales. The only examples of a commission-only approach were found among insurance companies in the services sector. Companies in the industrial products and services sectors were twice as likely as those in consumer goods to offer salary-only to sales representatives.

## *Effects on Compensation*

“A number of non-objective factors often affect compensation in sales.”

One working hypothesis behind this Catalyst research was that the field of sales presents compensation and advancement opportunities for women not available in other functional areas of companies — areas where there are fewer objective measures of performance and means by which women can objectively demonstrate their contributions to the bottom line.

However, we found a number of non-objective factors that often affect compensation in sales. The largest of these is the subjective criteria used by sales managers in evaluating soft areas of sales representatives' performance — “commitment,” “leadership style,” “teamwork,” “aggressiveness.” These influence decisions about assignments of territories and accounts and in turn, affect compensation and promotions.

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Before detailing compensation findings, it needs to be explained that to develop a profile of participants in the *Women in Sales* research and to obtain data on perceptions and experiences that participants might prefer not to share in a group setting, research respondents were asked to fill out a brief questionnaire at the conclusion of the focus groups. Three hundred twenty questionnaires were provided by focus group participants, with almost equal numbers coming from male and female respondents.

Data from these questionnaires should be interpreted with caution. Since we were not able to randomize the selection process, there was no way of determining whether this particular group of research respondents is a representative group; nor can we generalize from their responses to the broader population of U.S. sales representatives. Female focus groups in some of the companies studied contained virtually all of the current female sales force. At other companies, female focus group members were drawn from a larger pool of female sales representatives, with all the attendant potential for response bias that such a selection process introduces. Nonetheless, quantitative data obtained from the questionnaires and reported throughout this report can be suggestive of trends or areas requiring further research on the part of individual companies or industry groups.

In responding to the questionnaire, focus group participants were asked to provide information on the total amount of compensation they had received the previous year. (See Table IV.) Not all respondents answered this question. In the case of one company, no respondents answered due to a company policy forbidding compensation disclosure.

Responses to the compensation question show that across the three industry sectors represented in the research, the median compensation for males based on self-reported data was \$51,000; for females it was \$47,000. (See Table V.) In this group studied by Catalyst, female sales representatives earned 92 cents for every one dollar male representatives earned, a much smaller wage gap than that reported both for all occupations in the U.S. and by other studies of business-to-business sales positions.

Participants from insurance companies reported the highest compensation and the highest compensation averages for both males and females. As a consequence, we also see the largest differential in comparing average compensa-

## *The Catalyst Data*

## *Compensation Figures for Sales*

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“Participants from insurance companies reported the highest compensation and the highest compensation averages for both males and females.”

tion for male and female respondents in this group: \$75,593 for females compared to \$106,400 for males. However, an analysis of median compensation for men and women in insurance shows a lower compensation differential — women earn 88 cents for every dollar men earn — than in the services sector generally, or in the consumer goods sector, where women earn 85 cents to the dollar earned by males. The lowest compensation differential is found among the industrial products companies, where women’s earnings are virtually equal to men’s: 98 cents to every dollar.

TABLE IV

COMPENSATION, FOCUS GROUP PARTICIPANTS		
	Male	Female
Mean	\$ 62,798	\$ 52,529
Median	\$ 51,000	\$ 47,000

TABLE V

COMPENSATION BY INDUSTRY SECTOR, FOCUS GROUP PARTICIPANTS				
	Consumer Goods	Services (Insurance)	Services (Transport)	Industrial
Products Compensation Range	\$ 24,400 - 100,000	\$ 22,000 - 400,000	\$ 27,000 - 400,000	\$ 30,000 - 80,000
Median Compensation				
Male	\$ 47,000	\$ 79,500	\$ 53,500	\$ 50,000
Female	40,000	56,000	44,500	51,000
<b>Total</b>	45,000	70,000	46,500	50,000

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The relatively low pay differential between men and women in this study may result from sales being a field where individuals' contributions are measurable, where high-performing women are more likely to be rewarded for their efforts than in fields where there are fewer tangible performance measures.

However, some researchers have suggested that roughly half of the differential between male and female compensation can be explained by factors such as differences in education, experience, tenure, time out of work for maternity, and women's continuing greater involvement with family responsibilities. Possibly owing to selection criteria companies used in choosing participants for this study, the ages, years at the organization, and years in sales were similar for participating men and women. Typically, respondents were six to eight years into their sales careers, with a mean age of 35. In addition, no gender-based difference in educational level was found for the group. Nearly half — 42 percent — of the women were not married, and only 24 percent had children under age 13.

The fact that there are fewer women in the sales forces of industrial products companies studied may account for the somewhat higher compensation of these women compared to the men. Industrial companies work harder to recruit women and may offer higher starting compensation to increase the representation of women in their traditionally all-male sales forces.

We frequently heard from sales managers and from human resources representatives that women are often their best contributors in sales. This may be particularly true in product lines where, because there are so few women, female sales representatives have had to be extraordinary to thrive. The outstanding track record of these female pioneers in sales will contribute to paving the way for other women.

A number of the companies Catalyst studied are concerned about the recruitment, retention, and advancement of women in their work forces generally and in their sales forces specifically. Their participation in the research is an indicator of that concern. Many have implemented initiatives designed to level the playing field for women in sales.

As noted above, the compensation data presented here should be interpreted with caution. A great deal of research exists suggesting that gender bias can enter into managers' decisions about compensation and advancement, espe-

## *Explanations*

“Roughly half of the differential between male and female compensation can be explained by factors such as differences in education, experience, tenure, time out of work for maternity, and women's continuing greater involvement with family responsibilities.”

“Industrial companies work harder to recruit women and may offer higher starting compensation to increase the representation of women in their traditionally all-male sales forces.”

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cially in fields where women are relative newcomers and where the success profile has been defined by male attributes. The relative isolation of many sales people and the high degree of autonomy of sales managers in many companies suggest that this is a functional area where increased attention needs to be paid to how women and minorities are faring.

## *Perceptions of a Gender Gap in Compensation*

“Both males and females in this study reported that achieving high earnings for individual effort and ability was why they chose a sales career.”

It is also important to note that, whether or not it is an accurate perception, many female focus group participants reported they believe there is a gender gap in compensation in their companies. It is critical for companies to address this issue, since both males and females in this study reported that achieving high earnings for individual effort and ability was why they chose a sales career. Despite the relatively low differential in median compensation reported here, numerous male and female focus group participants voiced their belief that especially for women, there is too little correlation between pay and performance.

The reason they gave was that managers control the distribution of territories and accounts; and when compensation is salary-based, managers often set starting salaries. Research exists that suggests that women accept a starting salary offer, rather than negotiate. Linguistics professor Deborah Tannen points out that girls are taught at an early age not to stand out. “Asking for a raise requires a kind of self-promotion that negates this training,” Tannen argues.<sup>26</sup> Tannen’s research is supported by Catalyst qualitative data obtained from focus group participants, who reported that female sales representatives are not as aggressive as males in initially obtaining a high base pay or in seeking raises. A small number of focus group participants had received guidance from co-workers or friends in negotiating salaries and raises. For instance, one female rep in industrial products reported, “We had a lot of aggressive young salesmen here who talked to me about strategy. They guided me in how to handle situations. If no one tells you, you don’t know.”

Participants in Catalyst’s research discussed reasons for managers’ offering women lower compensation. We were told by managers and representatives that many managers — who have wives who do not work outside the home — believe women do not need to support themselves. Light was shed on this during interviews with senior sales managers, most of whom were male.

<sup>26</sup>Tannen, Deborah, *You Just Don’t Understand: Men and Women in Conversation*. (New York: William Morrow, 1990).

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Many told Catalyst they had relocated over a dozen times in order to advance in their careers, creating situations that would have been impossible for spouses with careers.

Women in the focus groups reported that managers often assume that the male member of a dual-career couple has the “lead career.” Women perceive that this frequently-held assumption of male managers (especially older ones) influences decisions about assigning accounts or territories requiring extensive travel, relocation, or demanding schedules. A male manager in industrial products said, “I really believe that all things being equal, the man is going to have the primary career. If suddenly he moves, she’s out of there. Or she can’t move because of his career. I’ve seen it too many times.”

Women also reported that many managers embrace the common stereotype that women who become mothers will quit at the first opportunity — or difficulty — they encounter in the job. A male manager in consumer goods said, “Women get the maternal instinct and suddenly decide they want children and don’t want to come back to work. I’ve seen that a number of times. Can’t argue with it. I understand it. I have children and a wife.”

One female rep in industrial sales said, “I heard from somebody they’d never give women more money because they’re not in charge of taking care of the family finances. But for the last four years I’ve been the only breadwinner in my family.” In another instance, a female rep in consumer goods attempting to negotiate a salary increase was told by her manager, “My wife would be glad to make the kind of money that you make.”

The factors sales representatives identified as negatively affecting women’s earnings in business-to-business sales included the following:

- Lower entry-level salaries for women in sales;
- Managers’ use of a narrowly-focused, male success model in training sales personnel and evaluating performance for compensation increases and promotions;
- Stereotyping of female sales personnel by male managers, which leads to assumptions that women will have a lower commitment to their careers, that they won’t relocate, and that women are unable or unwilling to travel extensively or put in long or unusual hours;

“Many managers — who have wives who do not work outside the home — believe women do not need to support themselves.”

“Managers often assume that the male member of a dual-career couple has the ‘lead career.’”

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- Exemption of sales personnel from coverage by policies that provide for adequate maternity/parental leave and/or flexible work arrangements;
- Managers' failure to communicate and/or implement maternity/parental leave and flexible work arrangement policies and benefits; and
- Women's exclusion from informal networks of communication and from mentoring relationships that participants in this study report are necessary for advancement.

## *Compensation Studies Needed*

Since the data presented here are based on a relatively small, non-random sample of sales representatives, Catalyst recommends that companies undertake systematic compensation surveys to ensure that the criteria used to evaluate women's performance, assignments of territories and accounts, and opportunities for coaching and finding mentors are working for, not against, the retention and advancement of women in their sales forces. Since the compensation differentials reported here are small in comparison to those for more systematic national salary surveys, it is critical that companies undertake such research.

## *Conclusions*

Catalyst quantitative data and focus group and in-depth interview findings lead to the following conclusions:

- Looking at the median compensation for study participants, women sales representatives earn 92 cents for every dollar male sales representatives earn when age, education, and experience (both years with the company and years in their sales position) are held constant.
- Among the companies studied, there were exceptions to this pattern, and in one industry — industrial products — women sales reps participating in the research actually reported earning somewhat higher compensation than those reported by male sales representatives.
- The compensation differentials reported for male and female sales reps participating in this research are considerably smaller than those reported in the aggregate nationally, both for all occupations and for business-to-business sales specifically. Therefore, individual companies should undertake

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systematic compensation surveys of their sales forces to ensure compensation parity for male and female sales representatives with comparable education, experience, and tenure.

- Many salespeople work on a salary-only basis. The common perception that compensation is a direct result of individual effort and ability does not necessarily hold true across companies and sales divisions. In some systems, bonuses and commissions are determined both by individual and team efforts, allowing room for a number of non-objective evaluation criteria to influence managers' compensation decisions.
- Gender stereotyping is a subtle barrier that has the potential to affect managers' decisions about women's starting salaries, compensation increases, and promotions. Women frequently reported that they were not offered opportunities that would have resulted in higher compensation because managers believed their priorities to be elsewhere. In sales, as in other fields, some managers continue to judge women on the basis of gender, rather than by potential or actual contributions.
- Many saleswomen reported that they believe that flexibility and managers' sensitivity help retain working mothers and enable them to continue to be productive in their sales jobs. Some women had experienced this in their own companies or knew women who had benefited from good practices in other companies. Many women in this group had not had children and reported being uncertain or even intimidated by how motherhood would affect their manager's evaluation and their opportunities to advance.

## *Recommendations*

**Conduct systematic compensation surveys at regular intervals** to monitor compensation by gender to ensure that sales representatives and managers at similar levels are rewarded for comparable performance.

**Monitor the process for assigning sales territories, prospects, and accounts.**

**Recognize high-performing female sales representatives.** Provide male and female salespeople with more opportunities for bonuses and commissions, whether for individual or team-based performance. Both male and female study participants expressed the view that they are not rewarded for activities they have responsibility and control over, such as customer satisfaction.

**Review the types of incentives offered to sales personnel** to ensure that they are equally attractive to male and female representatives.

## *Best Practices*

Catalyst's research determined that gender-based pay inequities for sales representatives do not exist at **Nabisco Foods Group**. Holding all relevant factors constant, compensation (salary plus bonus) was equivalent for female and male representatives. A number of practices ensure that comparable representatives' total compensation is equal:

### *Nabisco Foods Group*

#### **UNIFORM SALARY GRADES**

Nabisco has a salary range for each job position; all employees in a particular position earn within that salary range. Therefore, when Nabisco hires for the same job in the same region, initially all employees are paid the same salary. The salary ranges limit disparities between employees in the same job.

#### **OBJECTIVE OBJECTIVES**

Nabisco seeks to ensure that sales representatives are given comparable objectives by using a standard model to determine objectives for every territory. The model uses a set of common assumptions to determine each territory's objective, including the territory's historical sales volume and plans for any sales promotions within the territory. This standard objective-setting model assures that representatives are given comparable objectives, regardless of any differences between territories. Representatives can receive the same compensation level even when they sell different volumes, because the model takes into account how "easy" or "difficult" a territory is. This method of objective setting helps alleviate the problem of managers' discriminating in assigning territories.

Once the model has set a sales objective, it cannot be adjusted unless there is just cause, e.g., events that are out of representatives' control, such as a store in a territory burning or closing down. Any adjustments to objectives must be approved by senior sales management. This approval ensures that representatives are not given undeserved objective adjustments or are not penalized for circumstances beyond their control.

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The objectives are published so that all representatives can see each others' objectives and know that they are being treated fairly. Representatives who believe that their objective is unfair can appeal their objective to a manager.

### **PERFORMANCE RATINGS**

Representatives' performance ratings are determined primarily by quantifiable measures. These measures include the sales objective, the level of display activity, the introduction of new products, and customer satisfaction. Performance ratings are recommended by the employee's boss, and reviewed and approved by the boss' boss and a human resources manager. This multiple-level approval process ensures integrity and equity of performance ratings.

### **SALARY INCREASE PROCESS**

Salary increases are based on performance ratings and on where the employee's salary fits in the salary grade range, e.g., employees who receive a higher performance rating or are lower in the salary range receive a larger percent increase.

Salary increases go through multiple levels of approval before becoming effective. Salary increases are recommended by the employee's boss and reviewed and approved by the boss' boss and a member of human resources. This three-tier approval process ensures compensation equity, as no manager has carte blanche to reward or penalize employees.

### **ANNUAL SALARY REVIEW**

An annual company-wide review of salaries provides an additional check for pay equity. The human resources function conducts an audit of all salaries within each salary grade. It compares salaries of all employees in each salary grade by gender and by race. If they find a deviation in individuals' salaries, they will examine the employees' records to see if the salary discrepancy is explained by a legitimate difference in criteria, such as work experience or performance rating.

Employees are encouraged to contact the human resources function if they feel there are compensation inequities. The human resources function can look into the alleged salary discrepancy and either adjust salaries or adequately explain to the employee the reason there is a discrepancy.

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In late 1991, **Hercules Incorporated**, through the Pay Equality Team of the Hercules Women's Club, began an 18-month study of pay equality of U.S. exempt women and men. The Pay Equality Team was led by the then Senior Vice President of Administration and was made up of women and men, exempt and nonexempt employees, and the Director of Compensation. The objective was to identify to what extent, if any, Hercules pays women less than men, and if the team found inequality, to develop a plan to eliminate it.

*Hercules  
Incorporated:  
Pay Equality Study*

The study looked within functional groupings of jobs at whether the disparity between the average male salary and the average female salary at any given level could be explained by other factors, such as differences in education level or years of service. A statistical analysis was conducted by selected members of the team, the Director of Compensation and a statistician. Adjustments were made to women's salaries to the extent that the disparities were not explainable by other factors. At the time of the study, there were about 4000 exempt U.S. employees, approximately 600 women and 3400 men. In July of 1993, a substantial percentage of female exempt salaries were adjusted an average of 2-3 percent.

Nonexempt salaries at Hercules are set on a local basis with a heavy dependence on market information. Consequently, pay equality analyses must be done on a local basis. In April of 1994, the Team completed a Wilmington-area study (corporate headquarters) and identified two job titles where adjustments were made to the vast majority of women. Average adjustments of 2 percent were made to most of the women's salaries in the two job titles. The overall analysis covered about 600 nonexempt employees, approximately 230 women and 380 men. Plans are underway to do similar analyses on the nonexempt employee salaries at all the Hercules plant locations.

The pay equality study at Hercules went a long way toward leveling the playing field for salaries of men and women. It drew attention to and educated employees and managers about the issue of pay equality. The changes made so far and the continuing efforts of the team should foster pay equality in the future.

## *Chapter Four*

### *The External Work Environment: Travel, Safety, Sexual Harassment, Bias and Customer Relations*

A work environment where an individual may thrive and perform best is one of the keys to employee job satisfaction, retention, and advancement. For a sales organization, fostering such a work environment for employees poses particular challenges, since salespeople work primarily with customers and spend little time in a location where the company controls the environment. Virtually all of the salespeople who participated in the Catalyst study spend most of the workweek on the road.

#### *Travel*

“Most salespeople reported enjoying the opportunity for travel, but also pointed to its drawbacks, especially the time commitment.”

Most salespeople reported enjoying the opportunity for travel, but also pointed to its drawbacks, especially the time commitment. (See Table VI.) Both male and female reps found travel to be time-consuming and exhausting, leaving little personal time. More women than men reported that time pressures make it difficult to balance work and family.

TIME REQUIRED FOR SALES		
	Male	Female
	(percent somewhat satisfied and very satisfied)	
Time commitment expected of you	62%	45%
The flexibility of your work schedule	88%	78%
Time you have with your family*	55%	44%
Time you have to develop/pursue interests outside of work	52%	37%
Items are statistically significant at $p \geq .05$ level.		
*Statistical differences between men and women are $p < .06$ .		

TABLE VI

Crime looms large in the minds of both male and female reps, even when travel does not involve overnight stays. During the focus groups, Catalyst heard many stories of car break-ins, muggings, and even, though rare, of car-jacking and kidnapping. There is a general sense among individuals of both genders that travel can be dangerous.

For women, safety threats during business travel are a compelling issue. Women are vulnerable on the road, especially when they are lost, when the car breaks down, or when they are alone in an airport late at night. One saleswoman in industrial products reported she has a hotel employee accompany her to her room when checking in late at night. Women reported more concern than men about the need to be more wary when in some neighborhoods, hotels, or remote locations with customers. Some managers report that these pressures may contribute to higher turnover rates for women.

### *Safety on the Road*

“Crime looms large in the minds of both male and female reps, even when travel does not involve overnight stays.”

## *Sexual Harassment*

Sexual harassment remains a prevalent problem in the American workplace. For instance, a 1990 *New York Times* article noted that as more women enter the legal profession, law firms that hire them are increasingly confronting the problem of sexual harassment in their own offices. A 1989 study by the *National Law Journal* and the West Publishing Company found that 60 percent of the 900 female lawyers surveyed said they had experienced some form of sexual harassment in the workplace.<sup>27</sup>

National surveys based upon random samples of women at all levels of employment in various sectors have found that the following percentages of women have experienced job-related sexual harassment at some point in their careers:

- 42 percent of female federal employees, according to a survey by the U.S. Merit Systems Protection Board, 1988;
- 53 percent of women responding to a National Association of Female Executives Survey, 1991; and
- 58.8 percent of female executives surveyed by Korn/Ferry, 1993.

Sexual harassment is defined in Title VII of the Civil Rights Act of 1964 as “unwelcome and demeaning sexually related behavior that creates an intimidating, hostile and offensive work environment.” In 1993, the Supreme Court defined a “hostile work environment” in *Harris v. Forklift Systems* as one that “can and often will detract from employees’ job performance, discourage employees from remaining on the job, or keep them from advancing in their careers.”

Despite the prevalence of sexual harassment, few victims report incidents. For instance, 57.2 percent of the women executives queried in the 1993 Korn/Ferry survey said they had ignored the problem of sexual harassment in their careers;<sup>28</sup> and a 1991 *New York Times* poll found that only about 10 percent of victims report harassment.<sup>29</sup> What about those who have reported it?

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<sup>27</sup>*The New York Times*, Section B, November 9, 1990, p. 5.

<sup>28</sup>Korn/Ferry, *Decade of the Executive Woman*, 1993.

<sup>29</sup>*The New York Times*, October 11, 1991, p.1.

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A survey published in *Working Smart* reported that almost half of women who reported cases of sexual harassment to their employers felt the incidents were not handled satisfactorily.<sup>30</sup>

A female rep in consumer goods reported, "I've had situations in the past...where I was put up against the wall by a disgusting buyer...physically put up against a wall in a small room. I pushed him back and I ran out. I got on the phone with my district manager and I cried."

Third party harassment — that by a client rather than within the organization itself — was reported in *The Wall Street Journal* as a subject about which many women are silent when it occurs; they don't want to be perceived as unable to handle their job responsibilities.<sup>31</sup>

Women sales professionals fit this pattern. Most study participants reported to Catalyst that they had had at least one experience of sexual harassment by a customer, and that they did not report the incident because they believed that handling difficult customers "went with the territory" of a sales job. They stated that they are reluctant to "make an issue" out of sexual harassment by customers. Very few of these women believed that their manager was aware of a situation where a customer was harassing them. Some women sales representatives reported sexual harassment within their own companies, but this was far less common than by customers. While men occasionally suffer from sexual harassment, not one man in the study reported such victimization.

Catalyst heard from women about varying forms of what were reported as sexual harassment, ranging from certain types of language (patronizing, hostile, or obscene) to inappropriate behavior (asking for a date), to physical intimidation. Women reported that this behavior often coincides either with a customer's uneasiness in dealing with women or with an overt bias against women. Unwelcome sexual advances were reported as most often occurring while entertaining customers, an activity expected of many salespeople.

## *Third Party Harassment*

"Most study participants reported that they had had at least one experience of sexual harassment by a customer."

"Unwelcome sexual advances were reported as most often occurring while entertaining customers."

<sup>30</sup>*Working Smart*, January 28, 1991, p.1.

<sup>31</sup>Winokur, L.A., "Workplace: Harassment of Workers by 'Third Parties' Can Lead into a Maze of Legal, Moral Issues," *The Wall Street Journal*, Section B, October 26, 1992, p. 1.

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The most threatening situations for saleswomen — infrequently mentioned — occurred when in a remote location with a customer. One female rep in industrial goods stated, “The worst part is ones that you feel very comfortable with and you don’t think a thing about getting into their vehicle and you get out in the middle of nowhere and they start saying odd things that make you nervous.”

“Women reported frequent verbal abuse.”

Women reported frequent verbal abuse. An informed male manager in consumer goods stated, “They give them a hard time, it’s the comments, the off-color remarks, it’s the following them around the store, that kind of junk and crap our women do have to put up with.” A female rep in the same industry told us, “You’re honey, you’re chickie, you’re baby.” This type of comment, reported study participants, is undermining of the credibility and professionalism of the saleswoman.

## *The Harassment “Test”*

“Women reported occasions of colleagues behaving badly in front of customers.”

Many saleswomen said they viewed customers’ sexual harassment as a “test.” The customers, they believed, wanted to see how they would respond, and if the customer felt the rep passed the test, sometimes it would not recur. In other cases, the harassment persists.

Sometimes this kind of behavior comes as an attempt to humiliate them, reported the study participants. A female rep in consumer goods stated that when her team of representatives visited a broker in New Jersey, “the guys were purposely so vulgar the whole time I was in there...to try to get a reaction out of me. They had all these pornographic cartoon things they put on a computer screen. I mean it was no big deal except they were doing it not as a friendly thing...They wanted to watch me and see if I could handle it.”

Women reported occasions of colleagues behaving badly in front of customers. A female rep in insurance services explained how she “was with another broker in front of a big account we were trying to save. The customer said, ‘Well, you know the competition brought in all these nice graphs.’ Our rep said, ‘I brought this pretty girl with me.’”

It is revealing that although many of the saleswomen in the Catalyst study encountered sexual harassment on the road, most tended to downplay its significance and to insist that it was not a significant barrier to their success.

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Many saleswomen are reluctant to discuss the issue of harassment, so male managers and representatives are largely unaware of the extent of sexual harassment women contend with. One male manager in industrial goods commented, "I think there's a good percentage of people that aren't comfortable saying to any senior manager the truth...that they're uncomfortable...for fear they may be viewed as weak."

Most of the women Catalyst spoke with stated that they prefer to take an "I can handle it myself" attitude, that they are in the business of dealing with difficult clients. Most often, they try to manage harassment situations themselves to appear capable to managers and peers. They do not want to appear as weak or to spotlight the fact that they are female or different.

Most women in sales have devised a number of strategies to cope with harassment. A female manager in consumer goods said, "When I was a hospital rep, I dealt with young residents. You just set people straight and I think they would respect you for it and back off." A male manager in consumer goods reported a solution: "What Elizabeth used to do is to not go back in the office for a while, say no, and hope that might be the end of it. One physician stopped using our products for a period of time. He wanted to go out with her, and he asked her two or three times and she said no. It got uncomfortable [but] we sort of let it die a slow death and she went back and everything worked out fine."

A *Working Woman* magazine study (June, 1992) of sexual harassment found that women who had been harassed reported ill effects (60 percent of those surveyed). Reported as results of harassment: fired or forced to quit (25 percent), seriously undermined self-confidence (27 percent), impaired health (12 percent) and long-term career damage (13 percent). Only 17 percent reported no ill effects.

In the Catalyst focus groups, some women reported that building rapport with male customers takes longer than with female customers because they want to make sure they are not sending the wrong message about sexual matters. They report that a typical sales approach — either aggressive or friendly — can be misinterpreted. These women also pointed out how they can't let a situation get to the point where they are asked for a date, because turning down a customer might lead to a loss of business.

## *Women Don't Talk About It*

"Many saleswomen are reluctant to discuss the issue of harassment, so male managers and representatives are largely unaware of the extent of sexual harassment."

## *The Price Women Pay*

## Corporate Policy

“Many companies decide what to do on the basis of the account’s importance.”

Companies vary in their approaches to managing sexual harassment issues. We learned of companies that have policies that preclude women from dealing with any customers that harass their salespeople. We learned of others that move another representative onto the account. Some haven’t communicated policies effectively, as focus group participants didn’t know their company policy on the subject. Many companies decide what to do on the basis of the account’s importance.

In companies where individual managers determine how a case is handled, there is room for mishandling. While one male manager in consumer goods indicated a strong stand (“Where you have a male broker who’s...harassing, I won’t have anything to do with him. I just cut it off. I’d rather lose the business”), other managers have told women they are making too big a deal out of it. The managers and human resource professionals interviewed reported backing up their salespeople, but many focus group participants said their managers did not do so. A sales manager in transportation presented what Catalyst finds an effective method of dealing with harassment: “We have procedures to follow if the customer is persistent...what we do is talk to our legal department. Our company then talks with the customer’s legal department and has them deal with that employee.”

“Corporate policy should make it easy for saleswomen to consult their managers when harassment situations occur.”

Corporate policy should make it easy for saleswomen to consult their managers when harassment situations occur. For women who experience problems with customers, the most important issue is how comfortable they feel talking about it with their managers. “I’ve had two situations where I’ve brought it up to my managers and they were males and they were very supportive,” said one woman in consumer goods. “In fact, they refused to let anyone else in the office work with those people, which I found very supportive. In one situation, I just suggested they work with a male and not pass them off to a female ever again.”<sup>32</sup>

<sup>32</sup>For more on how companies can develop sexual harassment awareness training and policies, reduce the incidence of harassment claims, and respond to those that do occur, see the following: Jonathan A. Segal, “Seven Ways to Reduce Harassment Claims,” *HR Magazine* (January, 1992), pp. 84-86; and *Sexual Harassment: How to Develop and Implement Effective Policies*, National Association of Manufacturers (Washington, DC: 1987). For what women can do to help make the workplace harassment-free, see William Petrocelli and Barbara Kate Repa, *Sexual Harassment on the Job* (Berkeley: Nolo Press, 1992).

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While many women cope with harassment themselves, they shouldn't have to. A formal corporate-wide policy on sexual harassment might help them do their sales jobs more effectively. Such a policy shows women that the issue is important to the company, and that women are important to the company, and might encourage them to report incidents of harassment.

Sexual harassment from customers is episodic, and as already indicated, most women reported it was not a major issue for them. However, they reported that gender bias is endemic to the sales business and far more difficult to deal with than harassment, and many female focus group participants indicated they take refuge in hard work and good service. In many cases, they believed there is nothing to do or say to improve the situation.

But men and women read the situation differently. Male managers and representatives stated their belief that the bias women may face stems from problems with customers, while female focus group participants almost universally stated that their biggest problems are biases within their companies, not with customers. "The customer's easy compared to getting along within the organization," said a female rep in industrial products. Women reps said they must work hard to prove themselves initially with customers, but find for the most part that, once they have proved themselves with a customer, they were fine. By contrast, they indicated they have to prove themselves over and over within the company.

There are some customers who do not want women to handle their account. One male manager in consumer goods alluded to how "There are still brokers out there who don't want to deal with anything except the white Anglo-Saxon male." Another manager in industrial goods said, "This one old crotchety guy...she went out and met him and my sales manager was there and [the customer] turned to [him] and said, 'I don't do business with women.' Now it happens we don't do a lot of business with the guy so [I said], 'Let Helen work on it. Let's leave her alone for a while.' She overcame it and apparently they're on fine terms."

As in this instance, some customers need time to adjust to having a female sales rep. As mentioned above, women reported to Catalyst that they do not have the initial credibility of men and must overcome doubts. But "any guy, young, old, walking in there doesn't have to prove anything," said a female

## *The Burden of Bias*

"Gender bias is endemic to the sales business and far more difficult to deal with than harassment."

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rep in industrial goods; “he’s relating to them on their level and...what he has to say is accepted. With us, they have to decide if we’re credible, if we’re okay, if we know our stuff.”

Some younger men in focus groups attributed this bias to age, believing women face more problems with older male customers and managers. But many saleswomen disagreed, finding younger men more resistant to women’s succeeding. An industrial goods female rep commented that such men are “having families right now, too...they and their wives may be making the choice that [the woman] is going to stay home. And they become very adamant that that’s the right way to do things. So when someone their age, a woman with a child is successfully managing things...I think it all really comes down to a threat.”

A problem surfaces when male managers project their own biases onto customers and then tell a female representative she cannot have a particular territory because customers there will not deal with her. One female manager in industrial goods reported that “We have managers who tell us, ‘I don’t think our customer base would work well with women.’ But normally customers are much more accepting than managers.”

“We have managers who tell us, ‘I don’t think our customer base would work well with women.’ But normally customers are much more accepting than managers.”

Such bias, said many saleswomen, makes them feel ever in the spotlight because they are female, ever critiqued as women, and ever forced to critique themselves on that basis. One woman rep in consumer goods told us, “If a male curses, if he yells, if he wimps out and walks out the door, it’s accepted. If a female...gets mad, ‘Oh, she must have PMS.’ Or, if she’s aggressive, she’s a bitch.” The constant worry about how one’s behavior is perceived drains women’s energy. Some women reported they have to overcompensate to ensure being taken seriously. Then they find they may be labeled as too serious. A female rep in transportation found, “For me, the best approach is to be very, very business-like with them...There’s very little laughter and there’s nothing personal.”

In this atmosphere, most women reported that working with female customers is a relief and often a real joy. One woman in industrial goods reported, “For the first time in 13 years my largest customer is a woman buyer. And I have a partnership there that is unlike any other partnership I’ve had.” Female customers remain relatively rare in the industrial goods sector, but are becoming more common in all other industry sectors.

## *Entertainment*

Some companies insist that sales representatives entertain customers. This is particularly true in those companies with older management that tend toward traditional ways of selling. Catalyst found that for women in sales, entertaining clients poses specific problems. When women entertain male clients, there are few models for women's behavior, and men may be uncomfortable with the concept or may draw inappropriate conclusions.

Client entertainment is a significant activity in transportation, beverage, and industrial goods companies; but less so in consumer goods where customers are highly educated and government restrictions apply to type and amount of entertainment, as, for example, in pharmaceutical sales. The food industry has little budget for entertainment. But even in companies that do not pay for entertainment, sales involves socializing with the customer and suppliers.

Women are frequently excluded from social occasions with co-workers or clients, because it is assumed that they're not interested (e.g., sports events) or because their presence is perceived as dampening a good time (e.g., fishing trips, strip clubs). One woman in industrial goods reported a manager coming "into my office and he was so hesitant, we've got these football tickets, do you think you might want some? I mean I've got some of the same customers that were wined and dined the year before, I'm not going to have them be denied." We heard from a male rep in industrial goods, "Maybe they can't go out and be one of the boys after hours and drink beers and whatever. You know, they're women and these guys might not feel comfortable about it."

Entertaining in strip clubs in certain industries and geographical areas is a long-standing practice and obviously offensive to women representatives. The saleswomen we spoke to had individual ways of dealing with the issue. One saleswoman in industrial goods reported she told customers wanting to go to strip clubs that she would take them after they went with her to a male strip club. "Thank God none of them have ever taken me up on it. Customers will say that just to see your reaction." A female rep in industrial goods noted the hypocrisy of one manager who "would go to these diversity type meetings at the same time the company is writing the check for a table dance."

"When women entertain male clients, there are few models for women's behavior, and men may be uncomfortable with the concept or may draw inappropriate conclusions."

## *Topless Bars*

"One saleswoman in industrial goods reported she told customers wanting to go to strip clubs that she would take them after they went with her to a male strip club."

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While some saleswomen reported being discomfited or outraged by the trend toward strip club entertainment, most report their belief that exclusion from golf and sports takes a heavier toll on their careers.

## *Entertainment Dynamics*

“Entertainment is reported as an uncomfortable issue for women in sales, who find they can miss out when not included in activities.”

Business entertainment can be problematic for women even when the activity itself does not exclude them. When women entertain, they choose group activities more often than men do because they feel more comfortable than when alone with a male customer. Some women entertain with their managers to avoid awkward or unsafe situations, but this can later result in the customer's turning to the manager for business. An industrial goods male manager said, “Female reps have said can you come along with me? You know I don't want to be alone with the guy.”

A female rep in industrial goods explained her experience: “I had him and his wife out for dinner and he says, ‘Oh you'll have to have dinner with us sometime.’ Oh fine. ‘How about next week?’ Well, I went there... ‘Oh, my wife's out of town this week.’ It was kind of like a dance around the table.”

Managers cite cases where men have not done entertaining and yet their careers have thrived. But the fact remains that entertainment is reported as an uncomfortable issue for women in sales, who find they can miss out when not included in activities. One female manager in consumer goods pointed out, “They discuss a lot of business over lunch. And the only people sitting in the waiting room at lunchtime are the females.”

Some companies prohibit forms of entertainment that exclude women. A number of companies have established policies against topless entertainment; and clearly, companies that forbid entertainment in strip clubs provide a less hostile environment for women employees.

## *Conclusions*

Focus group sessions revealed reports of safety hazards, sexual harassment and gender bias in the external work environment, leading to the following conclusions:

- Women report feeling more vulnerable to the commonplace dangers of travel, e.g., flat tires, inadequate hotel security, being alone in a strange town. Fear may prevent women from taking certain assignments.
- A majority of women reported being sexually harassed by customers at some point in their careers; no men did. Women in sales reported preferring to take an “I can handle it” attitude. Many male managers are aware of the problem and help women deal with problematic cases. A company policy on sexual harassment makes the issue easier for managers to deal with it.
- Innuendo and hostility, as well as more subtle discrimination from colleagues and customers, has a deleterious effect on women’s work, and women have to work hard to compensate.
- Women have developed many strategies to cope with gender bias; but to fight it effectively, women need more support from their companies.
- Entertaining customers can pose a problem for women sales reps. Many companies believe entertainment necessary to build a good relationship with customers, but many of the standard perks that customers are accustomed to are male-oriented.

## *Recommendations*

**Encourage open discussions between managers and representatives,** such as candid discussions with women on the locations they are comfortable with so women are not placed in threatening situations.

**Company policy should encourage frank discussions of safety with sales representatives,** which will reveal issues of concern to the sales force in general. Respond by offerings safety tips and by providing security measures like automatic car door locks, car phones, team selling for accounts in dangerous neighborhoods, and safety training for all representatives.

**Have a clear company policy on how to handle internal and external sexual harassment.** Communicate it effectively to all employees.

**Treat sexual harassment as a specific company-to-company issue, where appropriate.** The salesperson's legal department should talk with the customer's legal department.

**Set up uniform policies for introducing new reps to clients.** Managers can explain in person to the customer why she is the best of all possible reps, citing experience and qualifications. This routine would help new men and women representatives alike establish good business relationships.

**Do not pay for, sponsor, or sanction customer entertainment at strip clubs or at golf clubs that do not admit women or that discriminate against women,** even clubs that assign women odd-hour tee times that make it difficult for women to do business. Recognize that strip clubs may use a misleading name on receipts.

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**Help representatives find other forms of entertaining, such as seminars or group lunches.** In today's business environment, with leaner staff and greater professionalism in sales, many companies are already moving in this direction.

**Create access (e.g., networking events) to higher level women to help saleswomen develop their own strategies for entertaining.**

**Reduce entertainment requirements or expectations, save money, and free your sales force, helping those who shoulder family duties.**

## *Best Practices*

### *SC Johnson Wax: Car Safety*

Given the increase in car-related crimes throughout the country, **SC Johnson Wax** paid attention to what it was hearing from salespeople regarding their safety concerns. After a Human Resources-sponsored women-in-sales round-table, the company provided automatic door locks on company cars.

### *Monsanto Company: Personal Safety*

In 1990, **Monsanto Company** purchased DuPont's Personal Safety Program. This educational package provides women with information about rape, such as how to prevent an attack, how to handle an attack if one occurs, and how to deal with the workplace issues that arise after an attack. A corresponding course for managers addresses how to deal with the workplace issues affecting rape victims. Although the program was purchased for use by the entire company, Monsanto was particularly eager to target the course to women who travel for the company (e.g., sales representatives) and are at risk, as well as their managers. The program is now offered to all female employees and all people managers, and it is required for some management groups.

As many of the managers are men, the managers' unit serves an additional function as a diversity training piece. The session begins with a discussion of the differences between male and female reactions to a hang-up phone call at home; frequently, the discussion moves beyond issues of personal safety and serves to educate male managers about how differently women and men may perceive certain comments, issues, and situations.

The program is a two-day training course team-taught by two internal facilitators. The format consists of interchanging discussions and video instruction. Monsanto reports the Personal Safety program has succeeded in two key areas: for women, who benefit from thinking ahead about personal safety, and for managers, who become more aware of how women view and react to situations which threaten their safety.

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DuPont created a formal sexual harassment policy that states that “personal safety and dignity and the ability to perform effectively without distractions or interference are of prime concern. A comfortable working environment is essential to the well-being of employees and it has been a long-standing policy that harassment of any type not be tolerated. In particular, there will be no tolerance of the sexual harassment or abuse of any employees — whether the initiator is a DuPont employee or a customer, client, or other business associate. Any employee violating this policy will be subject to disciplinary actions, up to and including discharge.”

DuPont defines sexual harassment as any unwelcome verbal, non-verbal or physical advance, request for sexual favors, or other verbal or physical conduct of a sexual nature where submission to such conduct is a term or condition of an individual's employment; submission to or rejection of such conduct is used as the basis for making business decisions; or such conduct creates an intimidating, hostile or offensive working environment, or interferes with an individual's work performance. DuPont administers a comprehensive program, including the Catalyst Award-winning *Personal Safety Program*, to help prevent sexual harassment and sex discrimination and promote individual safety. Managers should sensitize their employees to the issues of sexual harassment. Guidelines include the following:

- Disseminate the policy statement to all employees and emphasize that sexual harassment will not be tolerated;
- Establish reporting procedures at all sites;
- Communicate about issues clearly, directly and seriously. Spell out standards of appropriate and inappropriate behavior;
- Designate resource people who are sensitive to and understand the issues at each site;
- Encourage employees to report incidents of sexual harassment; and
- Investigate all observed and reported incidents of sexual harassment and take corrective action.

DuPont requires that managers continually monitor the work environment, be receptive to employee concerns, and act on all complaints. Efforts must be aimed at prevention and communicating the company's position. DuPont provides training about these and related issues to all new employees, including salespeople as part of a proactive effort to ensure equitable treatment of women and men within the corporation.

## *DuPont: Sexual Harassment Policy*

## Chapter Five

### *Retention: Turnover for Women in Sales*

This chapter focuses on the issues critical to a company's retention of women; however, frequently the issues overlap with concerns of male employees.<sup>33</sup> Excessive turnover of employees has a variety of negative effects on any business. Companies must cope with a loss of experience and knowledge, the cost of recruiting and training new people, and injury to the morale of other employees.<sup>34</sup>

“In the sales business when the turnover rate is high, customer dissatisfaction gets added to the mix.”

In the sales business when the turnover rate is high, customer dissatisfaction gets added to the mix. Salespeople have earned the trust and confidence of a customer, and the latter doesn't like having to acclimate to a new person or to training him or her in the ways of the account.

Catalyst quantitative data and focus group discussions identified a number of reported reasons for turnover in sales applicable to both genders:

- Perception of inadequate compensation.
- Restructuring and layoffs.
- Desire for a more structured and predictable job.

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<sup>33</sup>A number of companies in the Catalyst study maintained records of turnover by gender; many did not. Those companies that did found that the retention of women ran consistently at a lower rate than of men, according to in-depth interviews with human resources managers.

<sup>34</sup>Studies indicate that turnover costs to a corporation can range from 90 percent to 150 percent of the annual salary of the position. For more information on the cost of turnover, see J. Douglas Phillips, “The Price Tag on Turnover,” *Personnel Journal*, Vol. 69, No. 12 (December, 1990), pp. 58-61; and Dana Friedman et al., *Parental Leave and Productivity: Current Research* (New York: Families and Work Institute, 1992).

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- Burn-out. Reps report being worn down by rejection, lack of support and recognition from managers, little support staff, and time pressures. They state that they meet annual goals, only to have them raised. The fast pace is hard to maintain over the years; one female rep in industrial goods said, “You just sometimes think, man, I’ve just lugged this suitcase all over the country...physically it was hard for me.”
- Lack of opportunity. Women indicate greater dissatisfaction in this area than men. (See Chapter 6.)
- Poor or inconsistent management practices. (See Chapter 6.)
- Insufficient training. (See Chapter 6.)
- Relocation requirements. Even those informed at hiring of relocation requirements find family situations have changed or fear isolation.
- Difficulty reconciling work, family, personal life. This affects single, as well as married, people. A majority of reps voiced difficulties in scheduling personal engagements; they usually cannot go out during the week at night.

## *Women’s Retention*

Company policies around maternity are critical when it comes to retention of women. Women face particular work-related issues that men do not, and company policies often determine whether they stay or leave. These issues include maternity leave, re-entry programs, and part-time work assignments. Catalyst has found that how a woman is treated before, during, and after maternity leave all affect retention. Moreover, other women watch how companies treat their peers and make decisions about remaining based on such models.

“Company policies around maternity are critical when it comes to retention of women.”

## Insufficient Training

“Training now is often left to managers in the field, and their time, resources, and discretion dictate the extent of preparation reps receive.”

Some salespeople reported that they did not receive adequate sales training. Reps see a need for structured training, and many managers in the study acknowledged the need as well.<sup>35</sup> Downsizing has exacerbated the problem, in that many companies are doing little hiring; and with fewer recruits, formal training drops by the wayside. In fact, training now is often left to managers in the field, and their time, resources, and discretion dictate the extent of preparation reps receive.

Formal training, when it exists, may still be geared to men. Discussions with both male and female sales representatives suggest that too frequently trainers communicate a rigid formula for selling that may not appeal to women. One female rep in industrial goods reported, “When I took negotiating classes here, I was the only female in the class. They teach a real aggressive approach to negotiating...I’m a woman, I can’t do this. What they are going to see is a pushy broad...I’m going to use a soft, gentle approach and it works every time and I’ll get the order...”

## Relocation

“We heard from some men, as well as from many women, that their spouse’s careers hinder their movement.”

Research participants believed that salespeople of both sexes are less willing to relocate now than they were ten or twenty years ago. In the past, said a male human resources manager in consumer goods, “Individuals...expected to go where the company sent them. That is not the case any more, for men or women.”

What makes relocation more difficult today than in the past? Both men and women pointed to the dual-career family as one of the key issues; we heard from some men, as well as from many women, that their spouse’s careers hinder their movement.<sup>36</sup> Catalyst found that some companies are involved in a reassessment of methods of staffing accounts in order to accommodate the needs and desires of their sales representatives regarding relocation.

<sup>35</sup>The role of training is delineated in Lisa M. Lynch, “Using Human Resources in Skill Formation: The Role of Training,” in Thomas A. Kochan and Michael Useem, eds., *Transforming Organizations* (New York: Oxford University Press, 1992), pp. 143-144.

<sup>36</sup>Recent research confirms that the single most important predictor in willingness to relocate is spouse willingness. See Jeanne M. Brett, Linda K. Stroh and Anne H. Reilly, “Pulling Up Roots in the 1990s: Who’s Willing to Relocate?,” *Journal of Organizational Behavior*, Vol. 14, 1993, pp. 49-60.

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Attitudes toward work and lifestyle balance are changing throughout corporate and professional America, and the sales profession is no exception. Workers place greater emphasis on family and personal life. A male transportation manager noted that “Ten, fifteen years ago, a lot of people did subscribe to ‘I understand in order to advance my career work has to come first for ten, fifteen years.’ But I think that’s changing, and people are demanding now to see more of a balance.”

To retain women sales representatives, companies must create ways to accommodate women who, like this female insurance rep, want “to establish some kind of balance in my life and I don’t know that management would allow me that, although the opportunity to go into management is appealing.”

In this study, Catalyst found that male sales reps (38 percent) were more likely to have children under 13 than female reps (24 percent). Women were less likely to be satisfied with the time commitment expected of them (45 percent) than men (62 percent).

## *Work/Family Issues*

Managers need to talk to their sales representatives about work/family issues.<sup>37</sup> The women in this study expressed great concern over supervisor assumptions about their career commitment and mobility. Most women and some men whom we interviewed agreed that it is unfair to women for managers to assume they are limited in their career choices due to family responsibilities.<sup>38</sup> Managers clearly need to test their assumptions by discussing career options with female employees. (See Chapter 6 for manager assumptions and advancement issues.) Many women admitted a reluctance to initiate conversations about their personal lives with managers for fear of being written off for assignments and promotions. Men stated they feel awkward, too,

## *Changing Realities*

“People are demanding now to see more of a balance.”

“The women in this study expressed great concern over supervisor assumptions about their career commitment and mobility.”

<sup>37</sup>For more on work/family issues, see the following: “Strategies for Promoting a Work-Family Agenda,” The Conference Board, Report Number 973 (New York: 1991); *Effective Employer Policies for Family Leave*, William M. Mercer Inc. (New York: 1993); and Bradley K. Googins, *Work/Family Conflicts: Private Lives — Public Responses* (New York: Auburn House, 1991).

<sup>38</sup>The Bureau of Labor Statistics reported in 1991 that 52.3 percent of women return to work by the time their children are one year old; many return sooner, with even shorter interruptions in career.

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but their careers don't require this type of conversation. Female representatives reported that, if lucky enough to have a responsive manager, then discussing work and family issues reduces stress.

“Female representatives reported that, if lucky enough to have a responsive manager, then discussing work and family issues reduces stress.”

The time flexibility built into a sales career can be a big plus for salespeople with families. However, because of the long hours required in sales, representatives are helped when there is a supportive spouse at home, a situation that occurs more often for male reps. Both men and women in the study believed that women had more problems balancing work and family because they carry more family responsibility. The reality continues that women in our society assume more responsibility for child care than do men. A male rep in insurance summarizes the problem for women: “I just think there's a price to be paid any time you go into a man's business, that the company wants you to be able to give your all. The company becomes priority number one, and your family second. Where women can't afford to make the family second, men can because they have a wife who's putting the family first.”

Women reported running into various kinds of awkward situations. The following was described by a female industrial products rep: “I have a friend who is back from maternity leave...when she leaves [for the day] her boss says, ‘So soon?’ As a company, we don't have what I would consider a good process to deal with the family care issue.” Another female rep from industrial goods reported an incident in which a woman was told that day, “‘You're going to join us for dinner aren't you?’ She said, ‘Somebody's got to pick up my child from day care. If you had told me before...’ They literally expect you to work 24 hours a day or work at the drop of a hat.”

“Women are left to manage it on their own. I think it's kind of a ‘Don't clutter me with your problem. You want equal status, come to work and figure it out.’”

An industrial products manager saw the problem: “Women are left to manage it on their own. I think it's kind of a ‘Don't clutter me with your problem. You want equal status, come to work and figure it out.’”

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A company pays a price when it fails to take into account the needs of its female work force, and women leave to find other jobs where they are permitted greater flexibility. The Family and Medical Leave Act exempts work sites with fewer than 50 employees that are more than 75 miles from another work site of the same company; this potentially exempts most sales representatives from coverage.

Most corporations that participated in this research reported that they would not discriminate between headquarters and field staff in providing leave for maternity and other reasons covered by this Act. Indeed, some companies, especially in the consumer goods sector, had comparable or more generous leave policies prior to the implementation of the FMLA. Nonetheless, findings from this research suggest that sales managers are less likely than headquarters staff to be well informed about their companies' parental leave and other work/family policies (often good ones). In some cases, the sales managers do not support the policies because they believe them impossible or impractical to implement.

Catalyst was told of discrepancies between flexible arrangements taken at headquarters and in the field; part-time is not always made available to field staff/employees. Often policies are not communicated to the field, and if the reps are unaware of options, how can they use them? Catalyst found that those companies with policies that mandate such discussions regarding flexibility retain talented women in sales.

The high turnover of sales managers reported to us by many companies in this research contributes to managers' lack of familiarity with their companies' work/family benefits. Because of the relative isolation of sales personnel in most companies, sales managers and especially sales representatives are disconnected from normal channels of communication and training opportunities — those that inform headquarters staff of company policies. Moreover, the high degree of autonomy granted to sales managers by many companies permits them leeway in implementing company policies they may believe are unworkable for field staff.

## *Headquarters and Field*

“Sales managers are less likely than headquarters staff to be well informed about their companies' parental leave and other work/family policies (often good ones).”

“Catalyst was told of discrepancies between flexible arrangements taken at headquarters and in the field; part-time is not always made available to the field.”

## Parental/Maternity Leave

“Companies with formal parental leave policies have more success at retaining women than those that do not.”

“When there is no established company policy on maternity leave, and little communication with managers, women report experiencing anxiety over their return to work.”

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Companies with formal parental leave policies have more success at retaining women than those that do not.<sup>39</sup> Catalyst research has shown they experience fewer problems with coverage for women who are out and less resentment from other employees. The companies participating in our research covered for maternity leave in a variety of ways, some with greater success than others.

To be effective, maternity leave policies must be communicated to sales managers and representatives in the field. When it comes to maternity leave, a major consideration is arranging coverage in a way that makes sense internally. Poor planning for leaves means not only that women suffer, but also that co-workers may feel resentment — especially if they believe women are taking undeserved vacations or that they themselves must do extra work without compensation.

It was surprising to find in the Catalyst research that many companies have no set policy for leaves of a month or more. Instead, it is left to managers to decide how leaves are handled, a situation that places the woman's future in the hands of someone who may or may not be a supportive manager.

We were informed by a female insurance industry rep that “The managers of each office decided how they were going to deal with that maternity leave. And that is the biggest joke. I mean the company has not set a standard about when someone goes out, this is how much time they have, this is how their comp is affected...”

Some companies do not guarantee the same territory to a woman when she returns after maternity leave. When there is no established company policy on maternity leave and little communication with managers, women report experiencing anxiety over their return to work. Sometimes managers assume that women will not return from maternity leave even when they say they will, obviously a frustrating situation for women. A male manager in consumer goods underscored this point, stating that “Whenever women are pregnant and ready to leave they're very concerned over how their career will be managed and will they get back in the same kind of prominent position they were in and will their job be left for them. Some women will even wonder if they'll have a job.”

<sup>39</sup>Catalyst's 1992 report, *The Corporate Guide to Parental Leaves*, presents designs for parental leave policies, handling work during leave, guidelines for returning, and paternity leave.

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Companies also must assure that salespeople who have taken maternity leave are treated fairly with respect to compensation. For example, some women reported that, despite solid performances well before and after maternity leave, they do not get top selling awards because the time they were out on leave is not pro-rated, but viewed as a time when they sold nothing.

Management must provide a replacement for the employee on leave to cover her customers, a situation that is complex if representatives have no other company person geographically near them. Many companies, while a woman is on leave, simply split the territory between neighboring reps. Several problems may result, including that only one or two leaves at a time can be covered; it creates an increased burden on neighboring reps; and reps filling in on a territory typically do maintenance work, rather than aggressive selling.

Covering remote territories can be expensive, as pointed out by a male manager in transportation, who said, "Since it's remote, I can't move anybody down there. I can't put up anybody in a hotel because I don't have the funds. I took another account executive who was in the area, covered the critical accounts, did the rest by telephone and even took on a couple myself."

Catalyst heard of various ways companies and reps dealt with maternity leaves. A few companies use a regular back-up person, although one female rep in industrial goods told us her problem: "We have a sales support group...but it's not aligned individually. I mean, I don't have a certain person that takes care of the accounts that I work on...and I have fought and fought and fought for that. I think that's a strength, and that you just reinforce the relationship with a customer if, after they can't get to you, they can get to somebody else that's familiar with them."

One male consumer goods human resources manager explained his company's policy as assuring the woman who "is going to be gone for twelve months...that others will be assigned to that business, but work will be available to her when she returns...It may be different work, but it would still be at that same level. But say a woman decides, 'I am only going to be gone for four weeks after the child is born.' Then we cover that piece of business with a temporary plan."

## *Covering Territories During Leaves*

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“Women report sometimes finding an advantage in working part-time during maternity leave, a situation that allows them to keep up communication and relationships within their own companies and informed about the status of their accounts.”

Women report sometimes finding an advantage in working part-time during maternity leave, a situation that allows them to keep up communication and relationships within their own companies and informed about the status of their accounts. One consumer goods female rep reported, “I basically worked out of my home during my full maternity leave...there were certain accounts that I always kept in touch with...I did a lot of paperwork...I wanted to come back to a nice smooth [operation] and it worked out great; and I didn’t perceive anyone looking at me any differently.”

Another woman, a female manager in industrial products, said, “I sneaked work. I kept my voice mailbox pretty clear. I felt it necessary to listen so that I knew what was going on. And my colleagues, the other two sales managers, would call me at home once in a while...just to kind of keep up on what’s going on so it wasn’t a total shock when I came back.”

In order to minimize resentment, companies have developed various methods for compensating representatives who cover for someone on maternity leave. Some give the covering representatives the commission on anything sold during that time. Others reward them through the part of a bonus that reflects the district. Then, said a male consumer goods manager, “They know that certainly the divisional outcome plays a role in their bonus structure so they want to keep it growing.”

## *Paternity Leave*

Some men in the Catalyst study said they would welcome the opportunity to take paternity leave — if they could afford it. A male rep in industrial goods stated wistfully, “I’m not independently wealthy. I would love to take that kind of time off...I would love to be able to be home when the time comes.”

However, most of the men rejected the possibility of paternity leave. They felt that they could not afford to take time off for a new baby, as their managers would consider them not committed to their careers. A male rep in insurance said, “I wouldn’t feel comfortable doing it. No matter what [the company] says, if a male went out and did that, they would be looked at as not being very serious about their job.” Another proclaimed, “You kill yourself if you do that because your accounts are going to go to hell in a hand-basket, and that’s what you’re compensated on.”

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Such attitudes reflect the prevalent misconception that women's careers are less important than men's, or that women are not as committed as men, as well as the male perception that their own careers suffer during absence. Yet these same men discount any strong negative effect on a woman's career from taking maternity leave. One male insurance rep stated, "Most women if they are pregnant have been here a few years...so normally those relationships are established, so for them to be out for a couple of months, really I don't think affects the sales. It doesn't hurt them at all."

Catalyst's findings demonstrate that women of childbearing age are in the work force to stay. To retain these women, sales organizations must accept this reality and implement programs that offer women flexibility.<sup>40</sup> A number of companies have successfully used part-time work arrangements on a limited basis, but a fair number of other managers and salespeople said that part-time would never work and so never have tried it. A female rep in industrial products pointed out the futility of training salespeople without offering them flexible arrangements: "I see women leave that could be excellent part-time workers. Heaven forbid they can't, they don't think you can do business like that. They haven't even thought about job sharing here."

Despite the acknowledged success of such arrangements, there is still resistance to implementing part-time options in some companies, perhaps because it goes against tradition. Two women reps in insurance who are job-sharing reported that they felt that everyone waits for them to fail. Each time they get a new manager, they have to convince him of the soundness of sharing a job.

## Success Stories

When set up properly, part-time schedules benefit both the company and the salesperson. Flexible work arrangements can lower turnover rates without affecting business goals. And they benefit salespeople, who can work the number of hours they want and can achieve better work and lifestyle balance.

<sup>40</sup>See Catalyst's *Flexible Work Arrangements I & II* for the effect of flexibility on employees and organizations and strategies for successful programs, and the forthcoming Catalyst manual for implementation strategies. See also *Workplace Flexibility: A Strategy for Doing Business*, Work/Family Directions (Boston: 1993); Linda Thornburg, "Change Comes Slowly," *HR Magazine* (February, 1994), pp. 46-49; and Barney Olmsted and Suzanne Smith, *Creating a Flexible Workplace: How to Select and Manage Alternative Work Options* (New York: AMACOM, 1989).

"Some men in the Catalyst study said they would welcome the opportunity to take paternity leave — if they could afford it."

## Flexible and Part-time Work Arrangements

"Catalyst's findings demonstrate that women of childbearing age are in the work force to stay."

Many companies have set up successful flexible schedules, and Catalyst learned of several variations and interpretations, including the following:

“When set up properly, part-time schedules benefit both the company and the salesperson.”

- Compensation for individuals on flexible schedules can be strictly commission or can be a pro-rated salary. Often the arrangement is subject to renewal every year, dependent upon the approval of the sales manager.
- A male consumer goods manager reported, “It’s worked out very well...It has to meet our needs and the flex reps’ needs. If we find, for example, that all the doctors in that territory will only be seen in the afternoon and the flex rep says, ‘I can only work mornings,’ that’s not good. We understand their needs, but they have to understand the business needs.”
- The success of part-time arrangements depends on standardized policies, but individual managers can make things happen. A female industrial goods rep told the story of a friend who “had her second baby [and] she was going to leave the company and stay home with her children. And our general manager convinced her to come back part-time. She’s been doing that now for three or four months. The customer likes it, the rep is happy, and we’re happy with her results.”
- A male manager in a consumer goods company commented, “I think our group has done an unbelievable job at keeping women in the workplace. We had two reps, they were outstanding reps, who recently had babies. [They] didn’t want to work full time anymore, but they didn’t want to lose the job. So we’ve created all kinds of different assignments. But one is working flex.” Managers like this can help companies work out company-wide policies on flextime.
- Companies find successful arrangements do not relegate participants to second-class status. They encourage manager and co-workers to view part-time representatives as just as committed and talented as full-time representatives, and managers provide the same guidance and communication as they do to full-time representatives.
- One solution was presented by a male consumer goods manager, who said, “We try to avoid using the word part-time. We see them as valued employees, we communicate with them as a colleague, not as some group of resources that does a lot of gopher work. We try to involve them in the communication, what’s going on, so that they feel part of the team.”

## Conclusions

Catalyst studied the reasons for representatives leaving the sales field and learned the following:

- “Burn-out” is a significant factor in poor retention for both genders, and is blamed on long hours, travel demands, lack of managerial support and recognition, insufficient compensation, little support staff, and pressure to increase sales goals each year.
- The need to relocate to get ahead negatively affects retention of married women bound by their husband’s career obligations. There is evidence that the reverse situation — in which men cannot relocate because of their wife’s career — is becoming more common, though men may prefer not to cite this as a reason.
- One of the most important issues for retention of women involves how companies treat maternity leave, including compensation and coverage of accounts and flexible work arrangements upon return. These issues affect not only women having children, but also other women who anticipate having children in the future. Good maternity leave policies help recruit and retain women.
- Many companies have not formulated detailed policies on maternity leaves: how to arrange for them, how to cover for them, how to make the organization comfortable with them. Existing policies often are not communicated well. Managers often don’t know how to handle the issue and women are left floundering. Companies should be sure that maternity leave and flexibility policies are consistent for headquarters and field.
- While paternity leaves are explicitly permitted at some of the companies studied, the vast majority of salesmen do not perceive this as an option, citing financial loss, career setbacks, and the perception that they are “not serious.”
- There was some evidence that males and females in sales are placing more emphasis on having time with families and achieving a better balance between work and family life.

# *Recommendations*

**Enhance positive perceptions of sales careers**, such as the intrinsic independence.

**Provide uniform training** so all representatives are given the instruction they need to succeed.

**Communicate clearly to representatives all relocation requirements, options, and expectations.** In particular, discuss with representatives the reasons for relocations.

**Be creative in getting around relocation requirements.** For example: allow representatives to remain in field sales without having to relocate; allow representatives servicing a few major accounts or national chain accounts to live in their current location and fly to accounts; stretch out the time between relocations; let salespeople be promoted to head their current work group and to supervise their former peers as happens in other functions.

**Reduce the need for relocation by moving jobs to locations other than headquarters or by having a number of “hub headquarters.”** Hubs can allow salespeople to live further from regional offices and telecommute or report monthly. Hubs provide flexibility in promotions, field resources, and housing for such functions as marketing.

**Facilitate dual career relocation by providing the trailing spouse with such things as resume preparation and contacts.**

**Attempt to relocate representatives where they would like to move.**

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**Emphasize open communication and create opportunities for managers and reps to discuss relocation, maternity and paternity leaves, and other issues.**<sup>41</sup>

**Implement a standard maternity leave policy and communicate it effectively to everyone,** with special emphasis on sales managers relaying information to the field.

**Encourage managers to hold open discussions with representatives about maternity or other short-term leaves.** This helps managers and representatives to plan and establish realistic expectations.

**Cover territories during maternity leaves, where appropriate, with sales trainees;** this ensures customers are taken care of, provides additional training for new sales reps, and maintains profits.

**Have performance appraisals account for maternity leave,** including a revision of sales goals to account for leaves of absence.

**Develop uniform methods of compensating representatives who cover for maternity leaves,** whether it be full commission on whatever is sold, a bonus that reflects the district, or other plan.

**Implement and communicate a standard flexible work arrangement policy.** Valuable salespeople will be retained and business needs met. In consumer goods, services, and industrial companies, there are numerous cases of successful part-time sales reps carrying reduced loads or shared territories.

**Make group presentations on sensitive topics like maternity leave or flexible work arrangements.** This makes it easier for managers and representatives to discuss issues later. Avoid confusion and resentment by ensuring that coworkers understand the set-up for those using flexible work arrangements, e.g., that part-time reps earn part-time salaries.

<sup>41</sup>For additional information on work and family training for managers, see "Work-Family Roundtable: Educating Managers," The Conference Board, Vol. 2, No. 1 (New York: March, 1992).

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To facilitate flexible work arrangements, use full-time equivalency, rather than head count, for human resources and payroll record keeping. Use scaled benefits for part-time salespeople to alleviate the financial strain of too many people on payroll.

Consider implementing a child care referral program. Consider forming a consortium to support child care or give non-headquarters employees vouchers to subsidize child care.<sup>42</sup>

Perform turnover studies to find out the turnover rates for different groups in sales, e.g., women versus men, and reasons for leaving the company.

<sup>42</sup>The Catalyst study *Child Care in Corporate America: Quality Indicators and Model Programs*, 1993, offers an overview and how-to of corporate-sponsored child care, how it decreases absenteeism and stress and increases productivity. *Child Care Centers: Quality Indicators*, Catalyst, 1993, offers criteria for assessing center-based child care. For lowering costs of work and family programs, see *Work & Family and the Bottom Line: Cutting Costs in a Recession*, The BNA Special Report Series on Work and Family, Special Report #49 (New York: BNA PLUS, Jan./Feb., 1992).

## *Best Practices*

When the Human Resources-sponsored women in sales roundtables at **SC Johnson Wax** generated a discussion of the company's part-time policy, one group of participants designed and piloted a job-sharing and part-time work option tailored to women in sales. This option allowed sales representatives to split their territories in half or reduce their schedules to 20 hours per week. Job-sharing and part-time schedules have continued in the sales department of SC Johnson Wax, as well as in the corporate offices on a small scale. A newly formed corporate work/family committee is investigating ways to provide more flexibility in work schedules.

### *SC Johnson Wax: Flexible Work Arrangements*

**UNUM Corporation** has piloted flexible work arrangements in two different locations where two top female sales representatives share a territory. They coordinate schedules to ensure full coverage of the territory and meeting of all sales goals. Each sales rep works three days a week; generally Wednesday is a transition day when both are in the office, or when they visit mutual clients and/or discuss issues and pending sales. Their customers are aware of the flexible work arrangement, leaving messages or calling the other partner when an immediate response is needed. Both representatives share one office, with two desks and separate phone lines.

### *UNUM Corporation: Flexible Work Arrangements*

The company is also piloting a reduced week for another top female sales representative, who works four days with a slightly reduced territory. The company reports all these flexible arrangements as successful to date for the customers, company, and employees.

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UNUM has made a conscious effort to recruit more women. The company has developed a model recruiting process that includes Regional Assessment Centers (RACs). The RAC selection process is a day-long program consisting of both interviews and an in-depth role-playing exercise that offers the opportunity to demonstrate specific skills, such as persuasiveness and effective communication. This method has provided equal opportunities for all candidates, regardless of gender or ethnicity.

*Warner-Lambert  
Company:  
Flexible Work  
Arrangements*

**Warner-Lambert Company** has implemented a part-time policy in some of its sales divisions which allows representatives to work 20-29 hours a week. Depending on the needs of the territory, flex-time sales representatives can move in and out of their flexible schedules. A number of sales representatives have taken advantage of this option, moving from full-time schedules to part-time, perhaps after maternity leave, and then back to full-time when they desire. To date, all of the representatives who have chosen the part-time option are women.

The flex-time sales representatives are valued employees and are treated as such. In the Parke-Davis division, for example, flex-time sales reps are considered as much members of the sales team as their full-time colleagues. All flex-time reps participate in the same training programs as full-time reps, including new hire training and new product introduction training. Flex-time reps are eligible to participate in a number of the company's benefits programs, and are eligible for incentive compensation (based on performance to objectives), merit increases, promotions, and sales contests.

*The Dow  
Chemical Company:  
Maternity Leave  
Coverage*

When **The Dow Chemical Company** sales representatives take medical leaves for the purpose of giving birth, their leaves are often covered by sales trainees. By the time trainees fill in on leave, they have gone through about seven months of training, including classroom training and on-the-job training in customer service and marketing. Trainees usually have the opportunity to work with the representative before she goes on leave. This way, the trainee can learn about the accounts directly from the representative. Once the representative goes on leave, the trainee assumes full responsibility for servicing the territory.

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There is a range of benefits from trainees covering leaves. First, trainees gain valuable sales experience before taking over their own territories. Second, customers have the full-time attention of a Dow employee rather than being a low priority for representatives who are working full time in adjacent territories. Customers also know that they will get their original representative back within two or three months, rather than having to adjust to a new representative. Third, the representative on leave knows that she can have her same territory back and that it will have been serviced while she was away.

In September 1993, **Miles Inc.** introduced the Spouse Career Transition Pilot Program in recognition of the increasing number of dual career couples in the work force and their difficulties during relocation. The idea for the program came from the Pharmaceutical Division's Sales Diversity Advisory Group in its efforts to identify ways to eliminate barriers for women in accepting promotional opportunities that require relocation.

The pilot provides to all spouses of transferring exempt employees in the Pharmaceutical Division:

- Access to career transition counseling and services;
- Access to local placement services (Miles has contracted with two national out-placement firms to provide these services, including personal assessment, objective setting and strategies, execution/networking and support services);
- Reimbursement for travel expenses during job hunting;
- Reimbursement for child care expenses during relocation.

It is too soon to evaluate the pilot experience and its long-term impact, but it can be noted that the current Miles-wide policy includes spousal employment assistance features, as well.

**Hewitt Associates**, a consulting firm specializing in designing compensation and benefits programs, reimburses associates for babysitters while they are on overnight business trips. According to company policy, if employees incur additional dependent care expenses because they are out of town on business or working significantly later than normal work hours, expenses may be reimbursed. If an employee is married, her or his spouse must also be out of town or unable to care for the child.

*Miles Inc.:  
Spousal Relocation*

*Hewitt Associates:  
Child Care  
Reimbursement*

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Hewitt also offers a dependent care account, which provides tax-free reimbursement for dependent care expenses. Hewitt works with local hospitals and social service organizations to provide sick/emergency child care arrangements for up to five days for parents who work.

*Weyerhaeuser Co.:  
Resource and  
Referral*

Based on the recommendations of a Child Care Task Force, **Weyerhaeuser Co.**, a forest products company based in Washington state, implemented a comprehensive dependent care resource and referral program. Weyerhaeuser contracted with a resource and referral service, Working Solutions, that employees may call 24 hours a day, seven days a week. A dependent care specialist assesses the situation and can help find an affordable day care provider in the employee's community. Working Solutions has a database of more than 12,000 independent child- and elder-care services and access to a network of thousands more; providers are screened for availability and other criteria specified by the employee; three choices are then identified for the employee to investigate.

Working Solutions also helps employees with other family-related stresses, such as divorce, sibling rivalry, behavior or learning disorders in school, peer pressure, self-esteem problems, and the general pressures in balancing work schedules and family life. Employees are provided with information sheets or referred to appropriate resources for assistance. Working Solutions compiles confidential quarterly reports on the exact nature of callers' needs. Each report specifies the number of calls, the nature of the requests, demographics of the caller and other statistical information. Weyerhaeuser now has trend data on employee needs to be used by the company as it explores further work and family benefits.

*Lost Arrow  
Corporation:  
Family Child Care*

Four years ago at the **Lost Arrow Corporation**, parent of sports clothing maker Patagonia, officials found that the company's on-site child care center was filled, with no room for expansion; in addition, some workers were quitting work to stay home with infants who hadn't responded well to the busy child care center. Lost Arrow wanted to develop a model that could be easily implemented at other sites. Therefore, the company — with women representing about 60 percent of employees — decided to set up a network to improve family child care in the community.

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The 24 family child care providers in Lost Arrow's Ventura, California, area network must undergo CPR and first aid training, attend at least 12 hours of child development sessions annually, allow monthly spot visits from a network consultant and quarterly reviews of the home, maintain \$300,000 in liability insurance, and be accredited through the NAFCC. The company provides training and covers the accreditation costs, and it offers providers such benefits as a toy-lending library. The same requirements apply and the same services are available to seven child care providers in Bozeman, Montana.

Anita Garaway-Furtaw, Director of Family Services for Lost Arrow, says the company spends \$25,000 a year for the child care network, compared to \$200,000 to subsidize the company's on-site center. "It's about 65 percent more cost-effective to operate a network than to operate a center," she says. Despite a significant expense for all its child care programs, the company actually saves money, Garaway-Furtaw says, because the company retains employees and therefore avoids recruitment and training costs.

## Chapter Six

### *Promotion/Advancement: Moving Women Ahead*

“With women represented in senior managerial positions, a company's ability to recruit other women increases.”

Many companies in the nineties understand the reasons for moving more women into management positions, not the least of which are to achieve the largest possible pool of candidates, to attract the most talented individuals, and to use women's expertise to appeal to today's diverse customer base.<sup>43</sup> Then, with women represented in senior managerial positions, a company's ability to recruit other women increases because the company becomes attractive to the female applicant.

### *A Matter of Time?*

Many people have assumed that, given time, women will progress, or that once women have proved themselves, they will advance. In other words, some assert that women need merely wait a little longer for positive changes to happen. A male manager in the consumer goods industry said, “I don't see...many women who are in upper management yet...Women started later...within the last twelve years in consumer goods. So I don't think that's the company's problem as much as it is just the timing issue.”

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<sup>43</sup>The Catalyst study *Women in Corporate Management: Model Programs for Development and Mobility*, 1991, presents issues affecting women in senior management throughout corporate America and analyzes model programs to enhance their mobility. *Women in Corporate Management: Results of a Catalyst Survey*, 1990, presents the results of a survey of CEOs and senior human resources professionals of the top 1000 companies in the U.S. on women in corporations. Catalyst will publish the results of a new survey of CEOs on women in corporate management in 1995.

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The belief that women have not been in the pipeline long enough to advance is frequently reported to Catalyst researchers and is prevalent throughout corporate and professional America. A male insurance manager said, "The reason the men keep getting promoted is there are more to choose from."

However, in this study, Catalyst has found that even when men and women in business-to-business sales held comparable jobs for comparable time periods, the percentage of female managers — 14 percent — remained low compared to the percentage of women in the sales force — 26 percent.

The paucity of women managers does not result from a difference in career goals between the genders. This Catalyst study found that virtually the same percentage of women representatives as men hope to move into management (41 percent vs. 45 percent). However, while 68 percent of men were very or somewhat optimistic about their chances for career advancement, only 58 percent of women felt the same way. Men were more than twice as likely as women to be very optimistic about their opportunities (26 percent to 12 percent), and women were twice as likely to be very pessimistic (12 percent to 6 percent). (See Table VII.)

"While 68 percent of men were very or somewhat optimistic about their chances for career advancement, only 58 percent of women felt the same way."

OUTLOOK FOR CAREER ADVANCEMENT		
	Male	Female
Optimistic	68 %	58 %
Pessimistic	32 %	42 %

TABLE VII

Clearly, companies must find ways to change such perceptions if they intend to make use of the talent pool available and strengthen management reserves for the future. Advancing more women to sales management will lead to changed attitudes, the first step toward encouraging still more women to prepare for advancement.<sup>44</sup>

<sup>44</sup>For more on the barriers that exist for women and ways they can be overcome, see the following: *Cracking the Glass Ceiling: Strategies for Success*, Catalyst, 1994; Ann Morrison et al., *Breaking the Glass Ceiling* (Reading, MA: Addison Wesley, 1992); Barbara White et al., *Women's Career Development: A Study of High Flyers* (Oxford: Blackwell Publishers, 1992); Nancy J. Adler and Dafna N. Izraeli, eds., *Women in Management Worldwide* (Armonk, NY: M.E. Sharpe, Inc., 1988); *Pipelines of Progress: A Status Report on the Glass Ceiling*, U.S. Department of Labor (August, 1992).

## *Not Everyone Wants to Advance*

“A substantial segment of both women and men in sales positions stated they were not interested in moving up the career ladder.”

A substantial segment of both women (32 percent) and men (33 percent) in sales positions stated they were not interested in moving up the career ladder, but intend to remain in field sales. Focus group participants enumerated many reasons for their choice:

- Compensation. Many reps would make less money in their first management job than they do in sales.
- Job security. The belief that managers get laid off or fired more often than salespeople holds some back, including an industrial goods female rep, who said, “As soon as you start moving up the ladder, you have no idea whether this job is going to be there in three months.”
- Leaner staff. With the downsizing in companies, some salespeople are cutting expectations.
- Lack of management training. Sales reps worry they will be ill prepared for managerial jobs.
- Lack of information about opportunities. Reps in the field hear about few managerial job openings.
- Lack of interest. Management involves different skills from sales (e.g., supervision, administration), as well as a loss of the flexibility and independence of lifestyle.
- Wrong personality. Some qualities that make good salespeople would make bad managers.

## *Switching Functions*

“A significant number of both women and men expressed interest in transferring from sales, but reported difficulties doing so.”

A significant number of both women (27 percent) and men (22 percent) expressed interest in transferring from sales into another functional area, but reported difficulties doing so. They seek transfers for various reasons, including burn-out or the desire for diverse experience or contacts.

The sales representatives we interviewed believed that with their knowledge of both the product and the customer, they are in a unique position to contribute to other areas of their companies. For instance, a number of salespeople interviewed for this research majored in marketing and hoped to transfer to marketing departments. However, in a number of companies we studied,

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there is no lateral movement between marketing and sales. In fact, based on interviews we conducted, the separation between marketing and sales is not a benign happenstance; rather there appears to be active resistance to cross-overs between these two areas in some companies studied.

In a number of studies carried out by Catalyst and other research organizations, cross-functional opportunities have been shown to be effective in retaining high-performing employees. Some companies reported that they include exposure to other functional areas as part of sales training. These companies report that when sales reps meet people in other departments like manufacturing and systems, it helps them to see the bigger business picture. It also provides them with a network of professionals in headquarters and plant sites who can be helpful to them in their work in the field.

Another way that companies can broaden the experience of sales reps is by assigning them to cross-functional sales teams. While team selling is not unusual, use of cross-functional teams by companies is not yet commonplace. Typically, these teams are used with sizeable accounts or in large metropolitan areas. Sales representatives who had participated in such teams reported to us that the experience was stimulating and broadening and that it enhanced their effectiveness in sales.

Companies that are concerned about increasing the representation of women professionals should consider recruiting internally among female sales professionals who may be seeking a career switch. Given that over one-fourth of the female sales professionals (and almost as many males) we interviewed are interested in moving into another career field, companies need to provide more opportunities for lateral mobility in order to retain these seasoned professionals, who are knowledgeable about their products and their customers.

A small number of companies studied offer training assignments to representatives that allow them to try out specific management tasks in a low risk environment. (See Best Practices.) Salespeople like this, as it gives them the chance to see if they want to become managers. The way it works, according to a male consumer goods human resources manager, is that “they go into a training program where they can learn how to manage more complicated and larger customers, as well as how to manage other people.”

“Some companies studied reported that they include exposure to other functional areas as part of sales training.”

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Many companies have sessions for managers to discuss individual reps and their careers. Reps want to give their input to such sessions, and many feel they do not get that chance.

## *Unclear Path for Advancement*

“More than four out of ten salespeople (male and female) are interested in pursuing a management career.”

More than four out of ten salespeople (male and female) are interested in pursuing a management career. What was surprising in the Catalyst study is that few salespeople reported knowing what to do to advance. Most — but women especially — have experienced considerable confusion in figuring out how to advance.

“Most saleswomen reported feeling they must work extremely hard to get ahead — initially proving themselves with customers and constantly proving themselves with coworkers and managers.”

In almost 20 percent of the companies studied, frequent reorganizations and manager turnover have obscured career advancement paths. But Catalyst learned from representatives that for most companies, the career path is rarely reported as clear. “I’ve been with the company 20 years and I’ve always looked to get into management and it just hasn’t happened. And for the life of me I can’t figure out why,” said a male rep from consumer goods.

Most saleswomen reported feeling they must work extremely hard to get ahead — initially proving themselves with customers and constantly proving themselves with coworkers and managers. A female representative in industrial goods stated what Catalyst often heard: “We have to really work hard to prove ourselves. And that doesn’t stop. It’s every step that you take you have to work harder to be taken seriously and to get to that point.”

## *Performance, Image, Exposure*

Research shows that getting ahead involves a combination of three factors: performance, image, and exposure. But data from the female focus groups suggest that women don’t know about these three factors, and that they focus primarily on performance, with little or no attention to managing image or gaining exposure in the organization. Many women, we found, truly believe that a focus on hard work and customer service is sufficient to warrant advancement.

Women have no one to assist them in the areas of image and exposure. Many women in the field lack access to the company’s political arena in their organizations, as they lack mentors or are excluded from informal avenues of

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influence. Women are often reluctant to self-promote. They may not realize the importance of tooting their own horns, or they may not be bold enough to do so. Without others to further their cause, their exposure is limited.

Hard work and competence alone are not enough to get ahead in the sales profession. Catalyst asked sales representatives of both genders to delineate their perceptions of evaluation criteria for advancement into management and heard the following generalizations: sales results, leadership, image, and ability to manage company politics. In addition, they said, a rep needs to have had a good track record in sales and thus warrant the respect of subordinates; and a male manager in consumer goods concurred, saying, "You have to show that you're at least above average with sales; I think that builds tremendous credibility."

Who gets promoted, according to the managers we spoke with? The majority of managers indicated the ones to promote are the salespeople who are self-motivated and who take responsibility. Here's what a few of them said:

- "The people who are generally self-starters, self-motivators, they're willing to do a little bit extra. Actually a lot of extra. You know, they keep themselves informed. They do before they're asked to do, the people who seem to care just as much as I care about what's going on or more in their territory" (a female manager in consumer goods).
- "They should be mature and responsible. I think that's very important, that people be able to take responsibilities for their actions and behaviors within this company" (a male insurance manager).
- "They show a lot of initiative. They're very positive. They go the extra mile...they meet their revenue goals, or all of their goals...they take on more than what is usually requested of them. And they offer to help out on any special projects" (a male transportation manager).
- "Somebody who will work through a problem, bring me their problems, but already have solutions" (a consumer goods company female manager).
- "New ideas. Constantly coming back to the customer with better ways to do things" (a female manager in industrial goods).

"Women are often reluctant to self-promote."

## *Criteria for Advancement*

"The majority of managers indicated the ones to promote are the salespeople who are self-motivated and who take responsibility."

How does this list compare to what sales representatives stated in focus groups and interviews?

- “Some of the best managers were coaches in sports. I didn’t have to like them, but they made me play harder for them, work harder for them and in turn work harder for myself” (a male rep in insurance).
- “They have to be able to read personalities and make them want to work as a team, I think. We’ve had our best years when we’ve had the office working together, we’ve all been more successful” (a female rep in insurance).
- “Visibility with senior management” (92 percent of reps).
- “Sometimes it seems like favors” (a male rep in consumer goods).

“A large percentage of sales reps think ‘resemblance in appearance/style to senior management’ is important.”

Table VIII delineates the factors reps believe determine advancement; reps overwhelmingly view the more subjective issues as crucial. The sole objective standard listed: sales performance and track record.

While 94 percent of reps identify job performance as critically or fairly important to getting ahead, a large percentage of sales reps (85 percent) think “resemblance in appearance/style to senior management” is critically or fairly important. Clearly this belief can be discouraging to women, since most senior managers are male.

TABLE VIII

WHAT SALES REPS THINK IT TAKES TO GET AHEAD		
	Important	Unimportant
Job performance/track record	94%	5%
Willingness to work long hours	93%	7%
Opportunities for visibility with senior management	92%	7%
Willingness to relocate	88%	12%
Having a senior person or mentor to look out for you	87%	13%
Resemblance in appearance/style to senior management	85%	16%
Developmental assignments	79%	21%
Informal social contacts with senior managers	75%	24%
Formal educational credentials	73%	27%

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The majority of representatives — across the industries and in all research modalities — expressed frustration at the lack of clear advancement criteria. Many of the reps who were unsure about requisites for advancement pointed to inadequate company communication on this issue.

A female industrial goods rep expressed her feelings: “I don’t think there’s a clear path of what they want. They can’t say ‘This is what we want five years from now from you and these are the things that we think you need to do in order to be eligible for that.’ And I think that’s a real downfall because there’s no vision.” Employees become demoralized when they don’t know the rules; they feel they have little control over career paths.

Company policies and communication of those policies, or the lack thereof, are considered the crux of the problem. Catalyst heard that not only did few salespeople understand the criteria, but also that few companies took enough time to fill management openings. Sales is revenue-producing and companies feel they can’t afford to waste time. Even when companies offer management training, individuals “can be hired into a management positions before they finish the training program,” according to a female insurance rep. Companies rarely develop pools of candidates, since reps are out in the field and not at the corporate home base.

In the long run, these are usually not wise choices, because when sales managers are placed into the job without adequate training, they may perpetuate the problems in communication.

Catalyst concludes from its research that advancement into sales management is based on many subjective factors — for both men and women. A male manager in transportation said, “I’m not sure I can tell you the profile of a great performer because it’s very inconsistent...I guess it’s up to the manager to make sure that person is known, and that their accomplishments are seen by a lot of people.”

“It’s up to the manager” was the phrase we heard throughout the study. When managers have little training and inconsistent styles, widely diverse criteria are applied when assessing representatives for advancement. Catalyst found

## *No Established Criteria*

“Many of the reps who were unsure about requisites for advancement pointed to inadequate company communication.”

*“It’s Up to the Manager”*

“Companies with management training programs not only prepare managers, but also provide uniformity in standards for evaluating candidates.”

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that those companies with management training programs not only prepare managers, but also provide uniformity in standards for evaluating candidates for advancement.

Such standard approaches, however, do not solve the problems that may result from manager autonomy. For example, a large number of study participants of both genders reported that managers sometimes block a rep's advancement in order to keep a good sales performer. This stumbling block is endemic to sales because a good rep has a direct effect on the manager's bottom line, even on the manager's bonus, an unfortunate situation that also helps the company's bottom line in the short term. Long-term it does not, as the salesperson may find another company that will offer advancement, and turnover costs will rise.

## *Manager Autonomy and Advancement*

Research participants reported that advancement for all representatives — female or male — is largely determined by their managers. This is also true in other professions; but in sales, the sales representatives' sole contact with the company is usually through a manager, and salespeople's isolation makes it difficult for them to network with other people in the company and to find out about promotional opportunities. This affects both genders, but as women have less access to informal networks among both peers and superiors, they receive even less information than their male counterparts.

“Managers make decisions in all critical matters relating to their sales representatives, including salary, staffing of accounts, assigning of territories, bonuses and other rewards, and advancement.”

The manager is frequently the sole source of information regarding promotion opportunities, as well as the sole judge of the salesperson. In most of the organizations participating in the Catalyst study, managers make decisions in all critical matters relating to their sales representatives, including salary, staffing of accounts, assigning of territories, bonuses and other rewards, and advancement.

In many companies it was reported that managers pick future managers through an informal, in-group process rather than getting input from employees or letting employees self-nominate. This method may lead to missing out on the less obvious choices; many women, for instance, are left out of these informal arrangements.

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Lack of formalized structure may lead not only to the perception of unfairness, but also to actual unfairness. Women and men are both hurt by these closed processes, but since there are fewer women insiders, the negative impact is higher on them.

The linchpin to solving the problem of how to advance women in the sales profession is found in the manager's role.

There's enough subjectivity even in quantifiable accomplishments to trouble salespeople seeking advancement. Representatives cannot control what will happen in their market, such as when stores or plants close or when crises occur at a customer's facility. There can be ambiguity in obvious success, as indicated by the male manager in industrial products who said, "If they bring in a tremendous account, probably they had technology people, plant people, and a lot of help including mine and my boss's. And if they lose a big one they probably didn't lose it alone either. So I don't give salary increases, bonuses, whatnot, based on how much they sold this year or last year."

On what, then, do managers base their decisions? Catalyst was told of the following negative influences shaping managers' decisions about women's advancement:

- Assignment of the best territories to others.
- Biases against working mothers; the belief that women are less career-committed.
- Paternalism, the tendency to "protect" women, to decide for them regarding relocation or family duties or possible discomfort with assignment of particular territories, prospects, or customers.
- Instinctive mentoring of male subordinates by male managers to the exclusion of women.

Managers who have not worked with many women but who generalize from the behavior of a few sometimes deny all women choices. These managers create a barrier that prevents women from developing professionally, from proving themselves with major customers or key territories, and from achieving higher compensation by serving the largest and best customers.

"The linchpin to solving the problem of how to advance women in the sales profession is found in the manager's role."

## *Managerial Subjectivity*

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In focus groups, Catalyst heard specifics about the ways that sales representatives feel that management attitudes can hold back women:

“The problem is not that women refuse offers to advance, but that there have not been that many offers extended.”

- “In some cases male managers just make assumptions that...exclude women from consideration” (a male human resources official in consumer goods).
- “The amount of [advancement] offers is not the same for women as it has been for men. The problem is not that women refuse offers to advance, but that there have not been that many offers extended” (a male rep in industrial products).
- “Twelve of us were brought here in the same class. Six were men, six were women. Five of the six men are promoted, five of the six women haven’t been — to district manager level. Now, that is not because the performance was that different. I think it’s the system. The district managers and division managers, who are all men, are making a judgment on whose performance tops the others and I think, candidly, it’s easier to judge someone’s performance when it looks a lot more like yours” (a male manager in consumer goods).
- “My boss is more male-oriented. He feels women belong at home. He’s discussed career advancement with every one of the men. He has yet to discuss it with me or the other woman. He will never promote us for any job; he’ll never look for something for us to move to” (a female rep in transportation).

“A manager’s attitude toward his salespeople thus can make or break a salesperson’s career — male or female.”

A manager’s attitude toward his salespeople thus can make or break a salesperson’s career — male or female. Catalyst heard that if the manager likes you, respects your work, trusts your capabilities, then you will be assigned the most desirable territories or accounts and be rewarded most fully.

## *Maternity and Promotions*

Catalyst learned that, in companies that lack corporate-wide policies regarding maternity leave and flexibility for women, managers also often make decisions based on long-held beliefs. (See Chapter 5.) One male industrial products manager stated forthrightly, “I don’t see how you can avoid the whole issue around child rearing. I think it has a subtle influence on [women’s] promotability. I don’t really think it’s ‘Oh god when they get that baby in their arms they’re going to stay home.’ I think there is the issue around career

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interruption...the challenge of child care, the restricted travel and those kinds of things. You can't possibly hire a woman at the age of 25 and have her look me in the eye and say 'trust me I'm never going to have kids.'"

Although some companies are re-thinking policies on relocation, most reps still reported that refusing to relocate may limit opportunities. A male rep in consumer goods reported that "If you choose not to, for whatever reasons, you're looked at with a jaundiced eye...I moved my family four times in six years."

Catalyst's findings reveal that women are perceived as being less able to relocate than men. A consumer goods manager said, "When I [offer a promotion to district manager] to men, I've never had one come back and say, 'No I can't do it because of my wife's job...Yet when I look for getting a woman in that position, always they say I have to talk to my husband. So that's where I see the inequality. They say why don't we have women district managers? I can't find women that will move. And I'm talking about the top five people who were candidates.'" (See Chapter 3 for perceptions of "lead career" and effect on compensation.)

It is true that some women may be unwilling to relocate. However, many women are as mobile or even more mobile than men and simply need to be identified by their managers. When a manager assumes a married woman does not wish to relocate or does not hold the lead career in a dual-career family, he may make a decision detrimental to that woman's career and to company sales.

While women holding lead careers are not the norm, the phenomenon is increasingly evident. It is obviously essential, therefore, that there be more communication between managers and reps on relocation-related matters to avoid incorrect conclusions about what women want regarding relocation. (See Chapter 5.)

## *Relocation and Promotions*

"Many women are as mobile or even more mobile than men and simply need to be identified by their managers."

## Professional Style and Promotion

“Some companies demand a set selling style and penalize deviation, even when the style is successful. Such a policy hurts women who deviate from the style norm established by men.”

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A manager appraises professional manner and style when weighing a decision to assign salespeople better territories, better accounts, and other advancement opportunities. Catalyst heard from focus groups and interviews that although many managers want their reps to appear in control, a woman with such a demeanor may be viewed as too aggressive or cold. What is the right style?

“I asked what...the ideal sales manager would be, what kind of an image comes to mind,” said a female rep in industrial products. “[The manager] described something very militaristic, someone that would lead the troops into battle and destroy the competition and all this army stuff...” A female human resources manager from the insurance industry notes that being “very cold-hearted, very manipulative, out for themselves, works for the men. It’s demonstrated that it doesn’t work for the women. Service-oriented women tended to succeed more than their more aggressive counterparts. And I have tried to do extensive training to the managers to alert them to those profiles.” So although some women may be very good at a more aggressive approach, experience often tells them that such behavior is inappropriate. However, their failure to meet their manager’s expectations may be held against them, even when they succeed in selling to customers.

Catalyst was told that some companies demand a set selling style and penalize deviation, even when the style is successful. Such a policy hurts women who deviate from the style norm established by men. Even in companies that claim to allow for different styles, the preferred one is the aggressive male model. A consumer goods female rep explained that “The man may just approach this as ‘one, two, three, here’s what you need to do.’ [A woman] may just do it a different way...and come out with, maybe a better order, a bigger order. And she’ll be critiqued for her style, that she didn’t do it the right way, the [company] way.”

A female consumer goods company manager commented that “anybody can learn to close, but you have to do it in your own style. There’s some people who do it in a much more relaxed way. Some people are real aggressive and they say, ‘Hey doctor, you know, why aren’t you prescribing this product?’” A male manager in industrial goods concurs: “I have some [women reps] who are absolutely tenacious as hell. ‘What do you mean you’re going to give

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that order to [our competitor]? Doggone it, I earned that order. Give it to me!’ And they get away with it. And I’ve got some who are much more subtle about it.”

There was evidence that in companies that do not require a certain style, women are given more of a chance to shine. A female manager at a consumer goods company recounted her story as follows: “My manager said to me when I took the job, ‘Not everybody does things the way you do things, and that’s probably going to be the most difficult thing for you to accept, because you’ve been successful and you’ll want everybody else to be successful so you’re going to kind of try and make them do it your way.’ And he’s very accurate in that. All different styles work. I have eight people working for me and they have eight very different ways of doing things and yet most of them are very successful.”

Many focus group participants of both genders were dissatisfied with performance reviews. They called them one-sided, superficial, “bogus.” They said reviews are not taken seriously.

Sales managers at some companies are seeking new ways to review performances, using input from peers or even customer feedback. Customer feedback is likely to help women in sales, who report good relationships with their customers. But peer review may create a barrier to women if male peers are gender-biased.

Catalyst learned that to get a promotion, a sales representative needs to ask his or her manager in no uncertain terms. We found that in career fields that are heavily operational, there may be an unwarranted assumption that women are not interested in management; cited was the grocery field.

However, in all fields, “I want a promotion” must be articulated clearly. One female manager in consumer goods declared, “People have to let you know they want a promotion. [Otherwise] you assume they don’t.” A female human resources manager in insurance suggested that employees have to “express an interest so their manager can do things like put them on committees, have them help recruit, have them mentor a trainee.”

“There was evidence that in companies that do not require a certain style, women are given more of a chance to shine.”

### *Inadequate Reviews by Managers*

### *“I Want a Promotion”*

## Reverse Discrimination

“Catalyst found throughout this study the widespread belief that no barriers exist to women’s advancement in sales.”

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Catalyst found throughout this study the widespread belief that no barriers exist to women’s advancement in sales. Despite the evidence that women hold fewer managerial positions and earn less than men, male human resources professionals, sales managers, and sales representatives consistently expressed ignorance of the key issues.

On the other hand, in virtually every focus group, men discussed “reverse discrimination” when it came to women’s advancement. Since they perceive no barriers to women’s advancement, some men view any programs to advance them as unfairly favoring women.

For the most part, neither men nor women favored quotas or other actions related to reverse discrimination but many men believed they exist. Men expressed anger at what they perceive as unfairness and cited examples of women promoted over more deserving men solely because of gender. Some men believed that reverse discrimination outweighed traditional discrimination, including a male industrial goods rep, who said, “If it’s not reality, it’s certainly the perception that the opportunities are definitely there if you’re flexible and you’re a female.” Male reps and managers told stories about management “going to extra lengths because this person was a woman.”

With companies downsizing, many salespeople of both genders said they worry about keeping their jobs and their chances of promotion. A male rep in industrial goods reported that “We keep talking about women moving up in this organization. Well, men are not moving up as well.” Male anxiety about reverse discrimination often was keyed to company layoff periods.

The perception of reverse discrimination may well be caused in part by expectations that males will continue to dominate the workplace. Thus a sales team with a female manager and mostly female sales reps is considered unusual, while a sales team with a male manager and mostly male reps is standard. Many men that Catalyst spoke with appeared to generalize from one woman to many; e.g., having any women around meant that women were equally represented — despite most holding low-level positions. The presence of women in important positions in the workplace may be so unexpected that they are noticed unduly. For instance, it might be remarkable for a man to encounter two women product managers in the same division, while if there are 20 male managers, it would be considered typical.

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If programs to increase women in management are handled incorrectly, they can create a sense of reverse discrimination among salesmen. Catalyst's research participants expressed confusion about the goals, implications, and methods of their companies' diversity programs and reported resultant bad feelings between men and women.

One female rep from an industrial products company stated that her company's program "wasn't really explained. This letter came out and that was that. 'We are going to accelerate or work on promoting women and minorities.' Nobody understood what it meant. It created animosity. The women were anxious about it...nobody wants to be singled out. And the men of course reacted."

Companies must clearly communicate the rationale and goals of programs to advance women, or else risk employees' concluding that promotions are being granted on the basis of gender. If salesmen do not know enough about the reason behind a woman's promotion, they tend to believe the woman did not deserve it. Companies can avoid this problem by communicating the accomplishments of those promoted.

"Companies must clearly communicate the rationale and goals of programs to advance women, or else risk employees' concluding that promotions are being granted simply on the basis of gender."

## Conclusions

Catalyst's quantitative data makes it clear that the sales force contains a large reservoir of potential managers of both genders.

- Women in the Catalyst sample were almost as likely (41 percent) to want to move into management as men (45 percent), yet women comprise less than 14 percent of sales management.
- Women's experience in sales, as well as their perceptions about opportunities, makes them less likely to be very optimistic about their opportunities to advance (12 percent of women compared to 26 percent of men) and twice as likely to be very pessimistic (12 percent to 6 percent).
- About a third of the reps of both genders expressed no interest in moving into management. However, burnout can result among valuable employees if other opportunities within sales or other functional areas do not exist.
- Those reps interested in management lack information about advancement, including training, opportunities, and how to approach managers.

- In many companies, candidates for promotion are chosen through an informal networking process. Women report that they are often left out of these arrangements.
- Many managers have little training in diversity or communication.<sup>45</sup> Male managers may not recognize leadership qualities beyond the classic, aggressive male style. Women often feel they cannot discuss sensitive issues with these men, and they often feel the managers are not honest with them.
- Helping women move ahead requires moving beyond stereotyped thinking and toward judging each individual on the basis of his or her performance. Untested perceptions of managers about saleswomen's abilities or suitability for assignments may have a negative impact on women's opportunities for advancement. This is mitigated when company policies are designed to level the playing field.
- Women need more encouragement than men to put themselves forward. By failing to ask for promotions, women contribute to their own lack of advancement, for managers may assume that those who don't ask aren't interested.
- Reverse discrimination, the favoring of women and minorities for promotion, was a common concern among men, exacerbated by downsizing and layoffs.
- Poorly explained or badly structured diversity programs can create the perception of reverse discrimination and add to the tension women face in the workplace. Not understanding why a woman was promoted, some tend to believe she did not deserve it.

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<sup>45</sup>For information on diversity training, see Elsie Y. Cross et al., eds., *The Promise of Diversity*, (Burr Ridge, IL: Irwin Professional Publishing, 1994).

# *Recommendations*

**Set up a task force** to explore the important issues for women in sales.

**Track statistics for the representation of women at each level** in your sales organization.

**Undertake a comparative analysis of turnover rates for male and female sales representatives and managers to determine reasons for turnover that may be associated with gender.** In addition to holding exit interviews, follow-up with sales alumnae six months to a year later with an anonymous telephone interview or mail survey to learn more about why representatives and managers are leaving your sales force and to determine whether anything could have been done to retain valued, high-performing employees.

**Address the issue of the high turnover of sales managers.** Sales representatives reported to Catalyst that excessive manager turnover affects their performance in a variety of ways, including morale and productivity. In addition, reps reported that high turnover often means new managers without adequate training who may not be informed about corporate policies and benefits (particularly in the area of human resources management), or who may feel too harried to communicate or implement these policies with their sales reps.

**Encourage women to enter sales management.** Build a career interest component into the performance appraisal process. Require managers to create development plans for each staff member. Add a written item to performance reviews, such as an annual “willing to relocate for specified development opportunities” question. Monitor managers’ performance in developing and promoting women.

**Increase the number of opportunities available for sales personnel to move laterally within an organization.** Create a field sales career ladder, where people can stay in sales and with increased earnings and titles to reflect

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increased responsibilities (comparable to technical career ladders that some companies have developed for scientists and engineers). Good salespeople will be retained instead of forced into management or out to another job. Career sales reps will feel more valued and experience less “burn-out.” Identifying ways to increase the job satisfaction of sales representatives will, in turn, improve customer satisfaction. The field sales ladder could also serve as a challenge to representatives, the sales job structure changing as reps move up; for example, reps could switch products, serve on task forces, or move into more challenging territories, as they do in some companies. Examples mentioned during the study: offering sabbaticals to try other work assignments within companies; using experienced reps for mentoring, training, and recruiting (offering extra compensation); creating a senior sales rep or global sales rep to handle an entire company’s account, rather than just one division or product.

**Create a field sales ladder**, where people can stay in sales and earn more money and titles, reflecting increasing responsibility.

**Include rotations as part of training for new sales representatives.** Rotating sales trainees through other functional areas of the company provides opportunities for sales reps to understand the perspectives of staff in marketing, customer service, human resources, purchasing, and production, all of which have bearing on the sales function. Rotations also increase opportunities for sales personnel to develop networks throughout the organization that will provide both business and personal resources to them in their field positions. Familiarizing sales representatives with other functional areas also prepares them for participation in cross-functional sales teams, which are used by some companies and generally contribute to breaking down functional “glass walls” or “silos” in companies.

**Communicate with both male and female sales personnel about alternative career paths and criteria for advancement within sales.** Explain career paths and job requirements in group presentations, sales meetings, conferences, or newsletters. Have a “corporate educator” who travels throughout the field to inform salespeople of career opportunities and requirements.

**Provide equal access for representatives to apply for sales manager positions**, including the opportunity for self-nomination.

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**Create a succession-planning process for sales manager positions to increase the diversity of sales managers at your company.** Identify a pool of high-potential candidates for sales management that includes female and other non-traditional sales representatives. Ensure that female sales representatives are getting the kinds of developmental assignments necessary to compete with male co-workers for sales management positions through use of a committee to monitor regularly the developmental plans for high-potential candidates.

**Consider using inter-departmental teams for interviewing and selecting sales managers.** For example, one company in the study used panels that include human resources manager, hiring manager, and a vice president or director from hiring to evaluate candidates for sales manager positions. All panel members receive training in interviewing methods before serving on a panel. The interview process, designed by an in-house industrial organization psychologist, consists of situational or behavioral questions leading candidates to discuss handling actual work incidents. Such an approach evaluates job-related skills; use of diverse panels reduces the chances of interviewer biases influencing hiring and promotion decisions.

**Implement a job posting system** (one of the most common recommendations by male and female reps). One company maintains a system of reverse job posting. Employees may fill out a standardized form with qualifications, including training, course work, work experience, educational history, licenses, languages, awards, professional associations, external activities, and willingness to relocate; these are entered in a database which yields a large pool of candidates. A sizeable percentage of both male and female sales reps reported they would like to move out of sales into another functional area. Job posting, rotations, and use of developmental plans and reviews as an integral part of performance appraisals enable employees to assess their career goals realistically. Companies report that these approaches are effective in retaining high-performing, seasoned sales representatives whose knowledge of their customers and product sales can be valuable in either sales management or another functional area of the organization.

**Provide uniform training for new managers, especially people-management skills and diversity training.** Create management trainee positions to prepare potential managers for supervisory roles.

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**Consider using cross-functional sales teams to provide opportunities for salespeople to work with employees from other areas of the company.**

The research uncovered a small number of examples of cross-functional selling teams that have been used by companies to address customer service needs of both large corporate accounts and large metropolitan territories.

**Use newsletters and other corporate communication vehicles to profile the performance and contributions of sales representatives who are promoted; this will dispel charges of tokenism when female and minority sales representatives are promoted.**

**Fight perceptions of reverse discrimination by clearly communicating the goals of diversity programs, as well as by citing statistics of work force demographics.**

## *Best Practices*

**CIGNA HealthCare** recognizes its top sales representatives by awarding them Gold Circle status: membership into the honors group in sales. Gold Circle status is reserved for the top third of field sales representatives, with assessments made objectively based on calendar year sales results.

### *CIGNA HealthCare: Recognition*

The first woman qualified for Gold Circle in 1978, and since that time the representation of women in the Circle has risen to approximately 15-24 percent. As more women join the sales ranks (currently 26 percent of sales reps are women), their representation in Gold Circle increases.

From these top performers, a Gold Circle Cabinet of 10-12 employees is selected by senior sales management based on sales performance and leadership qualities. The Cabinet then represents the field sales staff on key issues and serves in an advisory capacity to senior sales management. This highly visible group meets quarterly, and frequently its meetings are attended by other high level people at CIGNA. As women gain representation in Gold Circle, they become correspondingly more visible on the Cabinet: currently two of the 11 members are women, and last year a female sales representative served as the Cabinet's chair. The chairperson is selected by the Senior Sales Vice President, who looks for a well-respected individual with leadership qualities and a stellar sales record.

Since 1991, **Corning Incorporated** has annually distributed a newsletter to all salaried employees that gives detailed information on the work force demographics of all exempt employees at the company. The newsletter provides information by gender and race on the following: the number of employees at each level; the number and level of employees hired during the year; and the number and level of employees who left the company during the year. In addition, Corning posts its internal diversity targets during the first quarter of each year.

### *Corning Incorporated: Combating Perceptions of Reverse Discrimination*

Corning began publicizing its work force demographics in order to improve communication around diversity issues. By providing precise data, the company was able to dispel the belief some employees held that reverse discrimination existed at the company. Gail Baity, a team leader of Human Resources Consulting and Services, said, "White males are asking questions like 'The demographics show there will be fewer white males entering the work force. Will we be in the minority?' Or they're asking about parity. 'You have all these programs focused on women and people of color. What about me?'" In fact, although the number of women and people of color being hired and promoted at Corning is increasing, white men still comprise the majority of exempt employees hired and promoted, as in most major corporations.

*The Dow  
Chemical Company:  
Training Program*

Recent college graduates typically enter sales training programs at **The Dow Chemical Company** twice a year — in January and July. Each training class consists of an average of 10 people. The training program lasts for approximately a year and consists of classroom seminars and work internships in three functional areas: customer service, marketing and strategic research, and field sales. The first seven months of training are at Dow's headquarters in Michigan. During the entire training process, trainees report into the commercial development manager. This manager ensures that trainees are developing properly and are not encountering any major problems.

The classroom seminars last for about five weeks. Trainees attend classes to develop a variety of business skills, including learning about sales techniques and enhancing writing proficiency. Trainees also attend courses to learn about the Dow corporate culture. These courses cover topics such as Dow's policies and standing on diversity and sexual harassment.

The classroom portion of training provides trainees with a variety of benefits to help them in their career at Dow. First, they meet a group of their peers, who form a network of contacts for the future. These contacts can provide each other with social support while they are adjusting to a new corporate culture and can also provide each other with advice on how to handle difficult or new work situations. Second, the uniform classroom training ensures that all trainees receive the same information on how to perform their jobs. Receiving the same information means that all trainees start out on a level playing field by having the information necessary for them to perform their job. It also increases consistency in how sellers are servicing customers. Third,

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trainees learn about the Dow corporate culture; combined with their job performance, this should help them advance within the company because they will be better prepared to navigate through the policies that govern the company.

Each work internship lasts for about three months. The first internship is in the customer service center. Trainees are each assigned to a full-time customer service professional, who mentors and coaches them. Trainees work as customer service representatives — taking orders, handling customers who call in with problems, and coordinating with the shipping and manufacturing functions. Trainees learn about the range of services that customer service can provide internally and externally.

The second internship is in the marketing function. Each trainee is assigned to work on a project investigating a potential market niche and is assigned to marketing and strategic research managers. As part of their assignment trainees typically travel to interview potential customers. In this way they are getting their first exposure to business travel and to meeting with customers.

The third internship is in the field sales function. Trainees can be assigned to a variety of sales projects to gain their first exposure to actual selling, including calling on emerging markets or supporting a sales representative in developing his/her accounts. For every assignment, trainees are each assigned to a district sales manager.

These three internships provide trainees with a range of benefits. First, trainees gain exposure to and knowledge of the customer service, marketing, and sales functions. This helps them to utilize effectively company resources when they are later servicing customers. Second, internships provide them with contacts to serve as their mentors. These mentors can help them in the short and long term by coaching them on how to do their job better and by coaching them on functioning effectively within the corporate culture.

After finishing the classroom training and three work internships, trainees typically are assigned to a full-time sales position. If no position is immediately available, trainees will continue their internship in the sales function. Thus, the trainees form a pool of sales candidates trained and ready to fill any sales staffing needs. This pool means that Dow does not have to assign an unprepared salesperson to a territory when there is an opening.

## *Federal Express: Leadership Evaluation and Awareness Process*

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**Federal Express** has a Leadership Evaluation and Awareness Process (LEAP) which is mandatory for all employees interested in becoming managers. LEAP is designed to evaluate a candidate's leadership potential and to force candidates to examine their own interest in and aptitude for management. LEAP seeks to identify candidates who have nine leadership behaviors and qualities. These are: charisma, individualized consideration, intellectual stimulation, courage, dependability, flexibility, integrity, judgment, and respect for others. These behaviors and qualities are specifically defined by Federal Express and were selected based on a study of successful managers.

Candidates can nominate themselves to go into LEAP. LEAP consists of four steps. First, candidates take an introductory one-day course entitled "Is Management for Me?" which familiarizes them with managerial responsibilities. The course is taught during non-work time by current Federal Express managers.

Second, candidates go through a three- to six-month period during which their managers evaluate and coach them on improving their leadership attributes. At the end of this period, candidates' managers must make a written recommendation supporting or opposing the candidates' bid for management. During this period candidates also create an Employee Leadership Profile (ELP). The ELP is a document in which candidates record specific experiences that demonstrate their capabilities in each of the nine leadership traits. Managers then work with candidates on developing activities to strengthen any weak areas.

Third, three to ten of a candidate's coworkers are selected by the candidate's manager to do a peer assessment of the candidates. Peers complete confidential assessment forms, indicating whether the candidate is or is not a promising prospect for management.

Fourth, candidates must go through a LEAP panel evaluation with a group of three managers trained to serve in the LEAP assessment. Candidates present written and oral arguments to the panel regarding specific leadership scenarios. The panel also interviews candidates and reaches a consensus on whether each should be endorsed for leadership potential. Before issuing its opinion, however, the panel compares its finding with those of the Peer Assessment, Manager's Focused Recommendation, and Employee's Leadership Profile. If

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not endorsed by the LEAP Panel, candidates are allowed six months at minimum to improve on the attributes and skills deemed lacking, then reapply. If endorsed, candidates are eligible to apply for management positions.

Human resources regularly tracks the LEAP process to monitor and ensure that proportionate numbers of women and people of color are being endorsed through LEAP. They also track the performance of LEAP-endorsed candidates to ensure that candidates are performing at a level that their endorsement says they should be.

This program is beneficial for a number of reasons. First, it allows employees to nominate themselves to be endorsed for management positions which eliminates potential bias of managers who do not want to promote women. When combined with job posting, it allows employees to push themselves into management.

Second, it gives managerial candidates an idea of what management jobs are like and what the requirements are for managerial jobs. This prepares candidates for a managerial job and also gives them the chance to opt out of pursuing a management job. Some candidates drop out during the LEAP process, particularly after the course “Is Management for Me?” as they see that management is not a good match for them. Federal Express human resources professionals believe that the LEAP process has helped reduce the turnover rate among managers and has improved the performance review scores of LEAP-endorsed managers.

Third, it provides managers with a pool of screened applicants to fill job openings. This saves the hiring managers some time in finding qualified applicants. It also encourages internal hiring which is good because Federal Express avoids losing good people with company-specific knowledge who may be tired of their current job.

The Vice President of Sales at Federal Express created a Women in Management Task Force in 1993. The Task Force is charged with finding out why there are so few women in sales management and with breaking the barriers to women advancing in sales.

*Women in  
Management  
Task Force*

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The composition of the task force is diverse by level, gender, and race. This diversity of task force members ensures that a wide range of issues is addressed by the task force, because each member can draw on a different background to inform and motivate the group. Also, it is a learning process for all task force members — particularly for the men who may not have fully understood some of these issues before.

The task force has begun to identify some of the reasons why so few women seek sales management positions. One way they have done this is with a sales force survey. They have now begun to implement some policies to level the playing field in sales. (Some of these policies are highlighted as best practices in other sections of this report.)

Starting a task force on women in sales is a good idea because it (1) shows the commitment the company has to addressing the issue of women's advancement; (2) taps into employee's knowledge of the company and provides a forum for examining the company-specific reasons why women are not advancing; (3) builds task force members' enthusiasm and commitment to diversity; (4) brings credibility to the company's diversity efforts, as initiatives originate with a group of fellow employees; (5) provides visibility and developmental opportunities for task force members, many of whom are women.

### *Miles Inc.: Management Intern Program*

For some time, **Miles Inc.**'s Management Intern Program has brought sales representatives into the Pharmaceutical Division headquarters from the field for six months to two years; typically, such representatives have been selling for three to five years. Representatives are nominated by their managers and are assessed by Miles' senior management. Miles, with the help of the Hay Consulting model, then assesses the representatives by conducting a four-day session of role plays and simulations to examine representatives' competencies. After the assessment session, Miles chooses the best representatives to participate in the Management Intern Program, and these representatives then move into headquarters and continue to receive periodic training conducted by Miles, such as learning how to interview job candidates.

At division headquarters, most of the representatives serve as sales trainers in the training program for new sales representatives. As trainers they conduct lectures, coach the new representatives, and coordinate other aspects of the

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training program. Next, they are generally promoted to district sales managers. If district manager jobs are not available immediately, or if the interns do not work as sales trainers, they work in other areas, such as product management, advertising, or marketing research.

The Management Intern Program provides representatives with valuable exposure to division headquarters. They are able to build internal networks and to hone their writing, coaching, and teaching skills.

## Conclusion

Catalyst's research for *Knowing the Territory: Women in Sales* revealed that women are not choosing sales careers, staying in them, or rising at the rate their qualifications and numbers would suggest. When compared to the number of women in the labor force, women are currently under-represented in business-to-business sales positions and severely under-represented in sales management. Some companies fail to recruit sufficient numbers of women. Others experience excessive turnover of qualified females because of low job satisfaction or poor opportunities for advancement.

Twenty-one companies — in beverages, foods, health care, in transportation and insurance, and in industrial goods, including steel, energy, forestry/paper, and chemicals — participated in the research for *Knowing the Territory*. These companies recognize the value of having women in their sales forces, and for that reason, offered focus groups of female and male sales representatives, in-depth interviews with senior sales managers and human resources professionals, and the opportunity for Catalyst to disseminate a written survey to sales reps. Participating companies sent representatives to an advisory group that met both prior to and following the research phase and helped guide the project.

*Knowing the Territory* was designed both to help companies identify the barriers facing women in non-retail sales and to devise policies and programs to eliminate these barriers. Catalyst foresees not only increased profits, but increased efficiency for companies that implement the recommendations of this study for attracting, retaining, and promoting women. Catalyst identifies a number of areas in which companies can take positive action to recruit more women into sales and to foster the job satisfaction and advancement that leads to retention.

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The benefits are clear: sales will be more attractive to young women candidates, the talent in the sales force will be augmented, and companies will have a pool of trained and tested candidates for upper management positions. Happily, the research suggests that implementation of these recommendations will lead to increased job satisfaction and productivity for men in sales as well, since many of the problems identified here block the success of both genders, though they have particular bearing for women.

## *Recruitment*

Few college graduates of either gender plan on a sales career. Many are unaware that today's sales representatives do much more than sell and service accounts or that the "professionalization" of sales requires a grasp of technology and a high level of customer service. This, along with generally high compensation levels, should make a sales career more attractive to young women and men. Recruitment efforts should highlight what salespeople perceive as the prime benefits of the field: independence, fast pace, excitement, relatively high compensation, and an essential role in the economic health of the company.

The percentage of women (26 percent) in sales is lower than the percentage of women in the total workforce (46 percent). Catalyst's research found that paper tests used to screen candidates, as well as inappropriate interviewing methods of managers, work against the recruitment of qualified women in field sales and sales management. Recruiters need to be trained to recognize their biases and to increase their knowledge of the range of backgrounds and leadership experiences that are predictive of success in sales, since the research showed a narrow focus on typically male experiences and "masculine" attributes.

Companies reported that certain specific recruiting techniques and approaches have enabled them to broaden their pool of candidates for sales positions and increase the diversity of their sales force. These include using behavioral interviewing techniques (and behavior-focused evaluation), increasing the diversity of company personnel who do recruiting, and developing recruiting teams.

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Since potential women applicants may believe sales requires an aggressive attitude and low moral standards, companies can use female recruiters to allay fears. Internships for female college students in the sales departments of companies provide opportunities for a first-hand look.

## *Inequities in Compensation*

Catalyst's quantitative findings showed that the median compensation for women in sales in the companies studied is \$47,000 a year, compared to \$51,000 for men. Looking across industries and companies, women in sales earn 92 cents for every dollar earned by men in sales among the companies studied. The differential varies somewhat by industry: compensation reported by women in industrial products sales was actually slightly higher than that reported by men. In some companies, no difference was found.

Since the men and women participating in this research do not constitute a random sample, caution should be used in interpreting or generalizing from these findings on compensation. The wage gap observed in this research is considerably less than that found nationally. This may be explained by the factors such as selection or response bias; by the fact that the age, education, experience, and tenure in sales and at their companies were comparable for the men and women studied; by the special interest in barriers to women's advancement in sales of these companies, evidenced by their participation in this research, and by the model practices implemented by many of these companies to enhance their effectiveness in recruiting, retaining, and promoting women in sales. The research suggests that systematic compensation studies should be continued — or be undertaken where they do not currently exist — to determine any biases in compensation that result from managers' decisions about starting salaries, assignment of prospects, territories, and accounts, and promotions for women.

## *Job Satisfaction*

Women in sales express lower job satisfaction than men. Women are less likely than men to feel that their expertise (90 percent of males are satisfied; 79 percent of females) and contributions (87 percent males satisfied; 76 per-

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cent females) are recognized, and much less likely to be satisfied with opportunities to develop and expand professionally (71 percent of men; 46 percent of women); and they express more dissatisfaction than men with necessary time commitment (62 percent of men; 45 percent of women) and with the culture and work environment of their organizations (83 percent of men; 68 percent of women).

The majority of women representatives spoke of incidents of sexual harassment from male customers, but reported that they rarely talk about it with managers and generally prefer to handle it themselves. However, they reported having to cope with less basic anti-female bias from their male customers than they do within the culture of their own organizations.

## *The Policy/Practice Gap*

Sales representatives are fairly isolated, with less access to corporate communication networks and vehicles than headquarters staff. Today, most sales representatives work out of their cars and homes, with infrequent visits to satellite or headquarters offices; and unless they are part of a team-based approach to selling, they have only occasional contact with other sales personnel. Catalyst's research showed that sales managers have considerable autonomy, and in some companies, fail to communicate or implement human resources policies that have been proven effective in retaining women in sales, as for example, policies relating to family leaves and flexible work schedules. "It's up to the manager," said many sales representatives of both genders, whose salaries, territory assignments, and promotions depend totally on this single individual.

The research shows that there are many problems associated with such autonomy. Sales managers are often selected from the field on short notice and receive little formal training. They may be transferred frequently from location to location. Managers (knowingly or unknowingly) may embrace gender stereotypes; they may have little time to discuss career plans with reps; they may always believe the man in a dual-career family has the lead career and therefore assume women can't or won't re-locate; they may not be up-to-date on company-wide policies and practices.

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The result: too few of the current excellent, company-wide policies — on diversity, sexual harassment, maternity/ paternity leave, and advancement — trickle down to field sales. Many saleswomen reported particular difficulties in arranging maternity leaves and with re-entry after childbirth. Catalyst concludes that companies need to institute improved, standardized training for sales managers in order to create a satisfactory work environment for women in sales.

## *Advancement Barriers*

The research suggests that there is a low glass ceiling for women in sales. The percentage of female managers — 14 percent — is low compared to the percentage of women in the sales force — 26 percent. Furthermore, most female sales managers are at the lower end of management. Few have made it to the district manager level or above.

About four out of ten women and men in sales said they have long-term career plans to move into management. Yet many fewer women (35 percent) than men (50 percent) were satisfied with opportunities for advancement to senior management in their companies. Men were twice as likely as women (26 percent to 12 percent) to be “very optimistic” about the outlook for career advancement with their current employer.

Most representatives, female and male alike, indicated a basic lack of information regarding advancement opportunities. Job posting and clear guidelines for criteria for promotion can help remedy this problem. Corporate women’s groups can help saleswomen air problems, find solutions, and increase their visibility in the company. Mentoring programs can be instituted so that women have advocates within the company’s power structure.

A company’s reputation for encouraging and advancing women increases the likelihood of more female applicants, so the positive steps a company takes today can create an important ripple effect for reaping the benefits of female sales talent in the future.

Many of the companies that participated in the Catalyst study have implemented programs or practices to enhance their success in recruiting and retaining women in sales and in advancing women into sales management.

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These innovative approaches, along with models of strategic approaches that have worked in other organizations, such as those that have won the Catalyst Award, are described in the Best Practices Appendix of *Knowing the Territory*. Catalyst finds that these Best Practices can work to enhance the morale and increase the success of both women and men in sales and the companies that employ them.

# Appendix A

## Methodology

Data were gathered using a variety of standard research methods:

- In-depth interviews. Catalyst conducted in-depth interviews with two senior sales managers and one human resources professional at each of the companies and compiled profiles of the companies and their human resource policies and practices through the interviews and follow-up questions. Interviews with senior sales managers and human resources professionals (most in-person, some by phone) ranged in length from 45 minutes to one and one-half hours.
- Focus groups. Focus groups of approximately two hours in length were conducted at each of the 21 companies: one with female sales representatives and a second with male representatives. Each of the participating companies selected eight to twelve men and eight to twelve women for each of the two focus group sessions. Female focus group facilitators worked with male and female groups. A total of 42 focus groups were conducted. All interviews and focus group discussions were transcribed and content-analyzed.
- Survey. Following the focus groups, an anonymous questionnaire was distributed to participants; it measured general demographic characteristics, compensation, job attitudes, and career expectations. A total of 320 questionnaires were combined for the quantitative database. (See Appendix D for questionnaire.)
- An advisory group of project funders and corporate participants/non-participants in the research convened prior to and following the research for three half-day roundtables at Catalyst. The group first met prior to the final design of the research to identify interests and concerns of companies regarding the recruitment, retention, and advancement of women in sales

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and to ensure that the research would focus on meaningful issues and be solutions-oriented. Twenty-six companies in up to eleven industries were represented in these sessions.

Three half-day roundtables were held at Catalyst at the conclusion of the data collection and analysis phases of the research. Funders, companies participating in the initial roundtables, and companies participating in the research attended this meeting. Catalyst presented preliminary findings and recommendations to elicit feedback on the following: (1) strategies that would be effective in addressing barriers to women's success in business-to-business sales; and (2) strategies that would be effective in disseminating the results of the research to the business community.

Prior to going out into the field, pilot interviews of up to one and one-half hours in length were conducted with women in senior levels of sales management to enhance the research design and inform the development of interview protocols to be used with focus groups and one-on-one interviews with senior sales managers.

Catalyst obtained secondary data from companies on representation of women at various levels of sales, turnover (where available), work/family and flexibility policies and practices, and special initiatives that companies had in place to enhance their efforts recruiting, retaining, and advancing women in sales.

Model programs that were identified were reviewed by company representatives to ensure that they are currently in use and that Catalyst's descriptions of the initiatives and the companies' motivations for implementing them were accurate and up-to-date.

# Appendix B

## Participant Profiles

The following statistics provide a demographic profile of the focus group participants. The statistics are meant to describe the sample, and not necessarily to point out significant differences between the men and women who participated in the focus groups. The first group of data aggregates all the *Knowing the Territory* focus group participants who completed a questionnaire, and thus does not necessarily reflect the patterns found in any one particular company in the study.

TABLE I

TOTAL SAMPLE OF WOMEN IN SALES FOCUS GROUP PARTICIPANTS (N=320)			
<b>SEX</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
	156	164	320
<b>AGE</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
Range	—	—	22 - 74
Mean	36 (SD 9)	34 (SD 8)	35 (SD 8)
Median	34	32	33
<b>RACE</b>			<b>Total</b>
White			91%
African-American			7%
Asian/Hispanic			2%
<b>EDUCATION</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
High School	15%	12%	14%
Bachelor's Degree	73%	78%	75%
Master's/JD	12%	10%	11%
<b>MARITAL STATUS</b>			
Married	<b>Men</b>	<b>Women</b>	
	72%	58%	

Table continued on next page.

<b>CHILDREN</b>	<b>Men</b>	<b>Women</b>	
<b>Yes, under 13</b>	38%	24%	
<b>Yes, 13 and older</b>	12%	8%	
<b>No</b>	50%	68%	
<b>YEARS AT ORGANIZATION</b>			
	<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Range</b>	—	—	1-42
<b>Mean</b>	9 (SD 7)	8 (SD 6)	8 (SD 7)
<b>Median</b>	6	5	6
<b>YEARS IN SALES POSITION</b>			
	<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Range</b>	—	—	1-42
<b>Mean</b>	8 (SD 7)	6 (SD 5)	7 (SD 6)
<b>Median</b>	5	5	5
<b>SALARY*</b>			
	<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Range</b>	—	—	22,000 - 400,000
<b>Mean</b>	62,798 (SD 41,472)	52,529 (SD 27,639)	57,439 (SD 35,247)
<b>Median</b>	51,000	47,000	50,000

\* 21.5% of respondents did not answer.

The sample was comprised primarily of white respondents (91 percent), and since participating companies determined which of their employees would be included in the groups it is possible that people of color are slightly overrepresented in the Catalyst sample as compared to the sales force population at large (7% African-American, 2% Asian/Hispanic). The majority of the respondents have bachelor's degrees, and there is not much difference between men and women in terms of education.

More men than women in the sample are married and have children, which is interesting in light of the fact that the participants were generally in their childbearing years. There is little difference between how long men and women have held their jobs, which indicates that arguments explaining away different work experiences by differences in tenure should be re-examined.

There is a notable difference in salary between men and women, with men earning \$10,000 more than women on average. Even when the influence of outliers is discarded by comparing medians there is a \$4,000 gap between men and women. This difference in compensation remains even when years in the organization is held constant. When education is held constant, men's

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salaries are higher than women's through the bachelor's degrees, but  
women's salaries average higher among the 11% of total respondents with  
advanced degrees.



# Appendix C

## Key Differences Among Industry Sectors

As Table II clearly illustrates, the similarities are more striking than the differences in the relative position of female and male sales representatives among the industry sectors studied by Catalyst. Nonetheless, some interesting industry-related differences did emerge from both the quantitative study and focus group discussions. These will be of particular interest to sales managers and human resource managers who work in the industries studied.

TABLE II

CATALYST STUDY GROUPS, BY INDUSTRY SECTOR			
	Consumer Goods (nondurable)	Services	Industrial Products
NUMBER OF RESPONDENTS	131	96	93
MEDIAN AGE	32	36	33
Female	31	33	33
Male	33	37	33
MEDIAN YRS. IN ORG.	7	6	6
Female	5	5	8
Male	7	7	5
MEDIAN YRS. IN SALES POS.	5	4	5
Female	5	4	5
Male	7	4	5
PERCENT MARRIED			
Female	62%	45%	65%
Male	78%	72%	63%
NO CHILDREN			
Female	71%	65%	66%
Male	44%	51%	56%

Table continued on next page.

<b>CHILDREN UNDER 13</b>			
<b>Female</b>	23%	18%	30%
<b>Male</b>	40%	38%	35%
<b>CHILDREN 13 AND OLDER</b>			
<b>Female</b>	6%	16%	4%
<b>Male</b>	16%	11%	9%
<b>MEDIAN SALARY</b>			
<b>Female</b>	40,000	48,000	51,000
<b>Male</b>	47,000	72,500	50,000

Women are relatively recent entrants into the sales forces of industrial goods firms, making up just 14 percent of sales reps and six percent of sales managers in the companies studied. There are few women customers, and women sales reps are still rare enough to attract attention. Companies are sometimes reluctant to hire women for fear customers will be hostile or crude. Women are also considered to be less attracted to or knowledgeable about such products as paper and petroleum. Role models are particularly difficult for women to find in the industrial goods sector, because there are so few women. For the same reason, women are made to feel as if they are tokens. Interestingly, however, this is the one industry sector in which women's earnings are comparable to men's. There is a less pronounced difference in the marital and child-bearing status among men and women in this sector.

It was reported to us that industrial products companies, more than companies in other sectors, require sales representatives to entertain customers. One focus group participant reported that the wife of a male sales rep called to ask, "Did you know that your sales offices host parties with strippers?" These activities reportedly had been concealed from headquarters.

Such situations create obvious problems for female sales reps in industrial goods. If key customers are led to expect such entertainment from sales representatives, women are excluded from working with them and women's opportunities in sales are thereby diminished.

Women make up 32 percent of the sales representatives and 16 percent of the sales managers in the companies studied. Focus group respondents reported that in consumer goods, women are often considered the experts on the products and women are often the ultimate consumer. Women make up 44 per-

## *Industrial Goods*

## *Nondurable Consumer Goods*

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cent of the total employees in the consumer goods sector and many of them work in customer relations and sales-related positions. This offers a large talent pool from which companies can recruit knowledgeable women to become sales representatives.

Some representatives in the Catalyst study come from the grocery business, which as of now is predominantly male. In the companies studied, the men have held their jobs a median of two years longer than the women. Almost one-third of participants did not answer the question about compensation, including all those from one of the companies where company policy prohibited it.

Sexual harassment was found to be more prevalent in a subgroup of the consumer goods sector, the beverage companies. The reasons seem to be that (1) reps are with customers in isolated situations more often than in other sectors; (2) customer sites more often contain offensive visual materials (such as pornographic pictures); (3) standards are more lax about acceptable behavior, particularly in the beverage industry. These factors also exist more commonly in some industrial goods companies.

## *Service Industry*

Women comprise 30 percent of the sales representatives and 18 percent of the sales managers in the service companies studied. In this sector, women comprise 49 percent of the total workforce, many of whom are in customer relations and sales-related positions, forming a talent pool for potential recruiting into sales. Catalyst separated two subgroups of this sector because the statistics from the transportation and insurance industry groups were quite distinct. In transportation services, for example, women are much less likely to be married than are men (45% to 72%), and a quarter of both men and women did not attend college. Of all the industry groups studied, the transportation industry alone was found to have clear guidelines for advancement. Because advancement requirements are more objective, regulated, and standardized, women may have more opportunities to advance than in other sectors in which promotion recommendations are left to the judgment of individual managers.

Insurance services are often sold in an office environment and sales representatives do less traveling than those in other sectors. This may make insurance a more desirable field for women. However, recruitment methods in this sec-

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tor tend to rely on word-of-mouth or sphere-of-influence methods, which tend to favor the recruitment of males, since it is largely men who do the recruiting. The frequent use of psychological profiles based on past successful reps (male in the main) has a similar effect. The male-dominated customer base in insurance, such as brokerage firms, is hard for women to break into. However the industry is beginning to target the female market and express more interest in women as agents.

A clue to high turnover rates for women in insurance is the response by both genders on the “career plans” questions: twice as many men (50%) as women (27%) planned to move into management. The insurance sector shows the largest male/female salary gap of any group in the study (the mean, \$79,500 to \$56,000).

Other industry differences in such areas as compensation system differences, entertainment, and travel and relocation requirements, are discussed throughout the study.

# Appendix D: Questionnaire

## DEMOGRAPHIC INFORMATION

Please take a few moments to complete the following information. It will be combined with information from other participants as a part of this research study. Do not sign your name. Thank you for your cooperation.

1. Job Title: \_\_\_\_\_

2. Division: \_\_\_\_\_

3. Years at this Organization: \_\_\_\_\_ 4. Years in Sales: \_\_\_\_\_  
(at this org.)

5. Education: Highest degree and area of specialization: \_\_\_\_\_

6. How *satisfied* are you with the following aspects of your current position:

	<i>Very Satisfied</i>	<i>Somewhat Satisfied</i>	<i>Somewhat Dissatisfied</i>	<i>Very Dissatisfied</i>
a. Recognition of your contributions to the organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Opportunities for increasing compensation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. The respect of your coworkers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Recognition of your expertise in the field	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Opportunities for advancement to senior management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Opportunities to develop and expand professionally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. The time you have to develop/pursue interests outside of work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. The time you have with your family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. The time commitment expected of you	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. The flexibility of your work schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. The culture and work environment of your organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. List the three factors above that are *most important* to you, in order of importance (use the letter):

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

8. What factors are *most important* to career advancement in your organization?

	<i>Critical</i>	<i>Fairly Important</i>	<i>Not very Important</i>	<i>Unimportant</i>
a. Formal educational credentials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Job performance/track record	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Resemblance in appearance/style to those in senior management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Developmental assignments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Willingness to work long hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Opportunities for visibility with senior management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Having a senior person or mentor to look out for you	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Informal social contacts with senior managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Willingness to relocate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. Taking things altogether, how do you feel about the outlook (opportunities) for your career advancement with your current employer?

1. — Very Optimistic    2. — Somewhat Optimistic    3. — Somewhat Pessimistic    4. — Very Pessimistic

10. What are your long-term career plans?

- ☐ Staying in field sales
- ☐ Moving into sales management
- ☐ Moving into another functional area of this company or another company

11. Age: \_\_\_\_\_

12. Race/Ethnicity:

- ☐ Caucasian/White                      ☐ Asian-American
- ☐ African-American/Black              ☐ Hispanic/Latino(a)
- ☐ Other: \_\_\_\_\_

13. Marital Status:

- ☐ Single                                      ☐ Separated
- ☐ Unmarried/With a partner              ☐ Divorced
- ☐ Married                                      ☐ Widowed
- ☐ Spouse works full-time
- ☐ Spouse works part-time
- ☐ Spouse at home full-time
- ☐ Other

14. Do you have children?    ☐ Yes    ☐ No    Ages: \_\_\_\_\_

15. 1992 Total Compensation:

# *Appendix E*

## *Recommendations*

### *Recruitment*

**Accentuate women's successes.** When producing recruitment videos and other corporate materials, target women by showing women in sales roles.

**When recruiting, enhance the image of sales careers by emphasizing the opportunities and professional nature of sales.** In particular,

- Target advertisements to women highlighting the advantages of a business-to-business sales career;
- Emphasize skills and knowledge involved;
- De-emphasize role of “sales personality”;
- Emphasize the consultant nature of sales.

**Provide a realistic picture of sales jobs during interviews.** For example, allow candidates to ride with a representative for a day. This reduces turnover, as inappropriate candidates tend to drop out of consideration. (See Chapter 5 for more on retention of women.)

**Use unbiased interview methods to assess job candidates,** not personality profile tests based upon a profile of past successful salespeople (typically white men). Instead, use behavioral interviewing and role-playing where candidates can demonstrate skills used in sales, e.g., negotiation and communication. A majority of human resources managers and sales managers in this study reported that these methods provide a more accurate assessment and eliminate gender bias, thus aiding in recruiting top female candidates.

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**Consider a central recruiting strategy.** It will minimize the influence of manager bias or of networks on the hiring process. Companies can monitor the composition of recruiting teams and train members to be aware of their stereotypes and selection biases. Centralized recruiting communicates to sales managers the company's commitment to diversity and provides opportunities for developing the business case for diversity with managers.

**Train recruiters uniformly to look for specific characteristics and experiences in candidates** and to use similar recruiting and interviewing methods. Women benefit more from standard policies; the ad hoc is detrimental to the recruitment of women.

**Bring recruiters together to learn and be trained,** and especially to understand the rationale behind a company's achieving diversity in hiring.

**Re-define the qualities appropriate for sales in the changing marketplace,** e.g., remove emphasis on aggressiveness and emphasize customer relationship-building.

**Assemble a recruiting team diverse by gender and race;** diversity attracts diverse candidates.

**Institute a training program for new recruits;** such programs enhance the attractiveness of an organization in the eyes of new recruits. Moreover, these programs help level the playing field for women.

**Create an incentive for diverse hiring by holding sales managers accountable.** (See Chapter 6.)

**Create summer intern programs for college students.**

**Recruit at events or locations targeted to women,** e.g., at sororities or at women's job fairs sponsored by professional associations, such as the Society of Women Engineers. Set up cooperative programs, seminars, and tours with nearby colleges.

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**Look internally for sales candidates.** Current employees know and are committed to the company. Customer service — where one typically finds a high percentage of women — is a rich pool for sales hiring because that function maintains close contact with sales and customers.

**When a woman does not accept a sales job offer, discuss with her specifically why she declined.**

### *Internal Work Environment*

**In training or coaching sessions, teach all employees — particularly women — the importance of networks and internal self-promotion.** Reinforce this with ongoing employee communications, such as articles in the company newsletter on networks, professional associations.

**Develop group training programs,** where networks of contacts can be initiated, and where trainees receive support from peers and from trainers.

**Eliminate networking that excludes women or makes them uncomfortable,** e.g., golf that excludes women during certain hours.

**Set up a mentoring program.** To assure its success, make mentoring a job responsibility and include men, as well as women. To overcome any resistance, reward salespeople who mentor, e.g., incorporate into bonus, split commissions. Mentoring can be structured in several different ways: same-level mentoring, with a new representative pairing with a more senior representative; same-gender mentoring; or cross-gender mentoring.

**Encourage networking by providing more opportunities to bring salespeople together.** For example: hold more sales meetings and conferences; set up satellite offices which provide representatives with a place where they can meet, feel included, and network.

**Encourage female salespeople to set up a corporate women's group.** These groups offer women opportunities to interact, to learn from each other, exchange sales tips, find role models.

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**Provide saleswomen with access to high-achieving women** from other areas of the company to help redress the current paucity of female role models.

**Encourage female representatives to join professional associations to increase networking opportunities.**

**Look for entertainment opportunities that are not gender-linked.**

**Provide sensitivity and diversity training for the sales force.**

**Encourage sales managers to make calls regularly with sales representatives to combat the perceived lack of coaching.** Require managers to have set office days so that representatives can get in touch.

**Ensure that women achieve visibility** by making presentations at conferences and meetings and by serving on internal committees and task forces.

## *Compensation*

**Conduct systematic compensation surveys at regular intervals** to monitor compensation by gender to ensure that sales representatives and managers at similar levels are rewarded for comparable performance.

**Monitor the process for assigning sales territories, prospects, and accounts.**

**Recognize high-performing female sales representatives.** Provide male and female salespeople with more opportunities for bonuses and commissions, whether for individual or team-based performance. Both male and female study participants expressed the view that they are not rewarded for activities they have responsibility and control over, such as customer satisfaction.

**Review the types of incentives offered to sales personnel** to ensure that they are equally attractive to male and female representatives.

## *External Work Environment*

**Encourage open discussions between managers and representatives,** such as candid discussions with women on the locations they are comfortable with so women are not placed in threatening situations.

**Company policy should encourage frank discussions of safety with sales representatives,** which will reveal issues of concern to the sales force in general. Respond by offerings safety tips and by providing security measures like automatic car door locks, car phones, team selling for accounts in dangerous neighborhoods, and safety training for all representatives.

**Have a clear company policy on how to handle internal and external sexual harassment.** Communicate it effectively to all employees.

**Treat sexual harassment as a specific company-to-company issue, where appropriate.** The salesperson's legal department should talk with the customer's legal department.

**Set up uniform policies for introducing new reps to clients.** Managers can explain in person to the customer why she is the best of all possible reps, citing experience and qualifications. This routine would help new men and women representatives alike establish good business relationships.

**Do not pay for, sponsor, or sanction customer entertainment at strip clubs or at golf clubs that do not admit women or that discriminate against women,** even clubs that assign women odd-hour tee times that make it difficult for women to do business. Recognize that strip clubs may use a misleading name on receipts.

**Help representatives find other forms of entertaining, such as seminars or group lunches.** In today's business environment, with leaner staff and greater professionalism in sales, many companies are already moving in this direction.

**Create access (e.g., networking events) to higher level women to help saleswomen develop their own strategies for entertaining.**

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**Reduce entertainment requirements or expectations, save money, and free your sales force,** helping those who shoulder family duties.

## *Retention*

**Enhance positive perceptions of sales careers,** such as the intrinsic independence.

**Provide uniform training** so all representatives are given the instruction they need to succeed.

**Communicate clearly to representatives all relocation requirements, options, and expectations.** In particular, discuss with representatives the reasons for relocations.

**Be creative in getting around relocation requirements.** For example: allow representatives to remain in field sales without having to relocate; allow representatives servicing a few major accounts or national chain accounts to live in their current location and fly to accounts; stretch out the time between relocations; let salespeople be promoted to head their current work group and to supervise their former peers as happens in other functions.

**Reduce the need for relocation by moving jobs to locations other than headquarters or by having a number of “hub headquarters.”** Hubs can allow salespeople to live further from regional offices and telecommute or report monthly. Hubs provide flexibility in promotions, field resources, and housing for such functions as marketing.

**Facilitate dual career relocation by providing the trailing spouse with such things as resume preparation and contacts.**

**Attempt to relocate representatives where they would like to move.**

**Emphasize open communication and create opportunities for managers and reps to discuss relocation, maternity and paternity leaves, and other issues.**

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**Implement a standard maternity leave policy and communicate it effectively to everyone**, with special emphasis on sales managers relaying information to the field.

**Encourage managers to hold open discussions with representatives about maternity or other short-term leaves.** This helps managers and representatives to plan and establish realistic expectations.

**Cover territories during maternity leaves, where appropriate, with sales trainees;** this ensures customers are taken care of, provides additional training for new sales reps, and maintains profits.

**Have performance appraisals account for maternity leave**, including a revision of sales goals to account for leaves of absence.

**Develop uniform methods of compensating representatives who cover for maternity leaves**, whether it be full commission on whatever is sold, a bonus that reflects the district, or other plan.

**Implement and communicate a standard flexible work arrangement policy.** Valuable salespeople will be retained and business needs met. In consumer goods, services, and industrial companies, there are numerous cases of successful part-time sales reps carrying reduced loads or shared territories.

**Make group presentations on sensitive topics like maternity leave or flexible work arrangements.** This makes it easier for managers and representatives to discuss issues later. Avoid confusion and resentment by ensuring that coworkers understand the set-up for those using flexible work arrangements, e.g., that part-time reps earn part-time salaries.

**To facilitate flexible work arrangements, use full-time equivalency, rather than head count, for human resources and payroll record keeping.** Use scaled benefits for part-time salespeople to alleviate the financial strain of too many people on payroll.

**Consider implementing a child care referral program.** Consider forming a consortium to support child care or give non-headquarters employees vouchers to subsidize child care.

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**Perform turnover studies to find out the turnover rates for different groups in sales, e.g., women versus men, and reasons for leaving the company.**

## *Promotion/Advancement*

**Set up a task force** to explore the important issues for women in sales.

**Track statistics for the representation of women at each level** in your sales organization.

**Undertake a comparative analysis of turnover rates for male and female sales representatives and managers to determine reasons for turnover that may be associated with gender.** In addition to holding exit interviews, follow-up with sales alumnae six months to a year later with an anonymous telephone interview or mail survey to learn more about why representatives and managers are leaving your sales force and to determine whether anything could have been done to retain valued, high-performing employees.

**Address the issue of the high turnover of sales managers.** Sales representatives reported to Catalyst that excessive manager turnover affects their performance in a variety of ways, including morale and productivity. In addition, reps reported that high turnover often means new managers without adequate training who may not be informed about corporate policies and benefits (particularly in the area of human resources management), or who may feel too harried to communicate or implement these policies with their sales reps.

**Encourage women to enter sales management.** Build a career interest component into the performance appraisal process. Require managers to create development plans for each staff member. Add a written item to performance reviews, such as an annual “willing to relocate for specified development opportunities” question. Monitor managers’ performance in developing and promoting women.

**Increase the number of opportunities available for sales personnel to move laterally within an organization.** Create a field sales career ladder, where people can stay in sales and with increased earnings and titles to reflect increased responsibilities (comparable to technical career ladders that some companies have developed for scientists and engineers). Good salespeople

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will be retained instead of forced into management or out to another job. Career sales reps will feel more valued and experience less “burn-out.” Identifying ways to increase the job satisfaction of sales representatives will, in turn, improve customer satisfaction. The field sales ladder could also serve as a challenge to representatives, the sales job structure changing as reps move up; for example, reps could switch products, serve on task forces, or move into more challenging territories, as they do in some companies. Examples mentioned during the study: offering sabbaticals to try other work assignments within companies; using experienced reps for mentoring, training, and recruiting (offering extra compensation); creating a senior sales rep or global sales rep to handle an entire company’s account, rather than just one division or product.

**Create a field sales ladder**, where people can stay in sales and earn more money and titles, reflecting increasing responsibility.

**Include rotations as part of training for new sales representatives.** Rotating sales trainees through other functional areas of the company provides opportunities for sales reps to understand the perspectives of staff in marketing, customer service, human resources, purchasing, and production, all of which have bearing on the sales function. Rotations also increase opportunities for sales personnel to develop networks throughout the organization that will provide both business and personal resources to them in their field positions. Familiarizing sales representatives with other functional areas also prepares them for participation in cross-functional sales teams, which are used by some companies and generally contribute to breaking down functional “glass walls” or “silos” in companies.

**Communicate with both male and female sales personnel about alternative career paths and criteria for advancement within sales.** Explain career paths and job requirements in group presentations, sales meetings, conferences, or newsletters. Have a “corporate educator” who travels throughout the field to inform salespeople of career opportunities and requirements.

**Provide equal access for representatives to apply for sales manager positions**, including the opportunity for self-nomination.

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**Create a succession-planning process for sales manager positions to increase the diversity of sales managers at your company.** Identify a pool of high-potential candidates for sales management that includes female and other non-traditional sales representatives. Ensure that female sales representatives are getting the kinds of developmental assignments necessary to compete with male co-workers for sales management positions through use of a committee to monitor regularly the developmental plans for high-potential candidates.

**Consider using inter-departmental teams for interviewing and selecting sales managers.** For example, one company in the study used panels that include human resources manager, hiring manager, and a vice president or director from hiring to evaluate candidates for sales manager positions. All panel members receive training in interviewing methods before serving on a panel. The interview process, designed by an in-house industrial organization psychologist, consists of situational or behavioral questions leading candidates to discuss handling actual work incidents. Such an approach evaluates job-related skills; use of diverse panels reduces the chances of interviewer biases influencing hiring and promotion decisions.

**Implement a job posting system** (one of the most common recommendations by male and female reps). One company maintains a system of reverse job posting. Employees may fill out a standardized form with qualifications, including training, course work, work experience, educational history, licenses, languages, awards, professional associations, external activities, and willingness to relocate; these are entered in a database which yields a large pool of candidates. A sizeable percentage of both male and female sales reps reported they would like to move out of sales into another functional area. Job posting, rotations, and use of developmental plans and reviews as an integral part of performance appraisals enable employees to assess their career goals realistically. Companies report that these approaches are effective in retaining high-performing, seasoned sales representatives whose knowledge of their customers and product sales can be valuable in either sales management or another functional area of the organization.

**Provide uniform training for new managers, especially people-management skills and diversity training.** Create management trainee positions to prepare potential managers for supervisory roles.

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**Consider using cross-functional sales teams to provide opportunities for salespeople to work with employees from other areas of the company.**

The research uncovered a small number of examples of cross-functional selling teams that have been used by companies to address customer service needs of both large corporate accounts and large metropolitan territories.

**Use newsletters and other corporate communication vehicles to profile the performance and contributions of sales representatives who are promoted; this will dispel charges of tokenism when female and minority sales representatives are promoted.**

**Fight perceptions of reverse discrimination by clearly communicating the goals of diversity programs, as well as by citing statistics of work force demographics.**

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## *Appendix F*

### *Best Practices*

#### *Recruitment*

##### *Johnson & Johnson*

In its Consumer Sector Sales divisions, **Johnson & Johnson** has implemented a recruiting strategy that allows sales candidates to get a taste of the job before hiring decisions are made. This is particularly valuable for young recruits, as many college students are not taught about sales careers and therefore do not know what to expect from a sales job. After initial interviews that serve as a screening mechanism, the District Manager arranges for the candidate to spend a day in the field with an Account Manager. This experience allows the candidate to see first hand what sales at J&J is all about, and it gives her or him the opportunity to talk with a successful representative in a setting more casual than a formal interview where candidates may feel uncomfortable asking questions. Also, the candidate is given a chance to evaluate for her- or himself whether or not this job will be a good fit.

After the ride-along, the Account Manager fills out a form with his or her impressions about how the day went. Although this feedback is important, the more valuable outcome is clearly the candidate's own evaluation. Generally candidates feel more excited about the job after the ride-along, but occasionally recruits realize that the job is not for them.

One important outcome is that candidates hired by J&J after going through this process already know someone in the field who can act as an informal mentor or "buddy." They have already worked with a sales representative in the company and therefore have begun to establish a valuable work connection. These relationships give the new employees a company contact other than the trainer to turn to for questions and advice.

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**The Principal Financial Group** has developed a recruitment brochure and video targeted to women in order to increase its representation of female field agents. Increasing female agents was a priority for a number of reasons: to help reach the “women’s market,” to compensate for the decline of men interested in an insurance sales career, and to respond to a shift of sales presentation style from the aggressive hard-sell to a softer, more needs-based approach.

*The Principal  
Financial Group*

To develop these recruiting tools, The Principal engaged in an extensive literature search through trade journals, conducted focus groups of successful women agents in the company and separate focus groups with their male managers, and utilized outside research on women at other agencies. This research process was directed by Valerie Deaton, Manager of Market Research, who remarked, “By investing the time and resources needed to develop these tools, senior management demonstrated a real commitment to bringing more women into the firm and made a statement of support and appreciation to the women who are already here.”

Indeed, the brochure prominently states the president of the company’s commitment to a diverse work force. In addition to detailing the qualities which contribute to a successful career in insurance sales, the brochure stresses the training, independence, flexibility and financial rewards that women can realize with careers at The Principal. In addition, the brochure highlights the careers of ten highly successful female agents. These profiles describe how the women decided to go into insurance sales — many had no previous financial or sales backgrounds — and describes their successes. The 9-minute video showcases these successful female agents, in addition to providing information about the company. In the video, several of the women profiled in the brochure talk about how they came to The Principal and about their careers.

The brochure and video are used in trade shows, seminars, and job fairs. Recruiters also hand the brochure out to female prospects. The Principal’s efforts have been met with a measurable increase in their representation of women field agents — from 17 percent to 24 percent of the career field force in one year. The profiles serve the additional function of recognizing and rewarding top performing women.

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*Franklin Life  
Insurance Co.:  
Targeted Recruitment  
for Women*

The Franklin Life Insurance Co. has increased the percentage of women in its sales force from 12 percent in 1990 to 23 percent in 1993. During the first half of 1994, contracts for women associates have increased to 28 percent. Franklin has focused on increasing the number of women in sales for two reasons: they want to attract the best candidates, and they feel that women are particularly good at selling insurance and have a lot of credibility selling these products.

They have increased the number of women in sales by targeting recruiting efforts specifically to women. According to Peg Manola, Vice President of Marketing at Franklin, "A woman is not going to believe a company is seriously interested in her if all she sees pictured are successful male agents." As a result, Franklin has placed advertisements in trade journals and women's magazines featuring successful female agents. These advertisements also focus on the earnings opportunities and the lack of barriers to advancement for women at Franklin, as well as stressing that insurance sales is the ultimate service industry.

Franklin has created a variety of recruiting materials to attract women, including a video that can be shown at meetings of women's groups and a recruiting booklet which outlines the many programs available and features women who have succeeded. The recruiting materials also highlight the scheduling flexibility available at Franklin, which can be particularly important to women with home and family obligations.

Franklin has also worked internally to increase the number of female agents by communicating to managers why it is smart to hire women. While previously, managers had been recruiting primarily men, they now make special efforts to look for qualified women recruits.

*The Dow  
Chemical Company:  
Internship Program*

The Dow Chemical Company has a summer internship program which they use as a recruiting tool for college students. The internships provide a chance for the students and Dow to see if they are a good fit for each other. Recently, about 50 percent of the interns have been women.

A group of interns usually starts on the same day in May. They have orientation and then begin work for three months on various marketing and strategic research projects. Each intern is assigned a sales trainee as a mentor.

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During the summer, interns usually have the chance to go out in the field to see what selling is like. They can take trips with sales representatives, be in front of customers, and see first hand some of the rewards and frustrations of selling. Dow reports that students with technical majors often need this exposure to sales before they realize that sales, as opposed to more traditional career paths such as manufacturing, is a good career for them.

This internship program gives Dow a more accurate picture of job candidates than the interviewing process does. It also gives potential sales candidates a much clearer idea of what a sales job entails. This should reduce turnover and increase job satisfaction of sales representatives in the long-run. Having a full-time sales trainee as a mentor also means that interns not only learn about a sales job before they accept it, it also gives them someone to turn to if they do accept a full-time position with Dow. The sales trainee can provide them with support and information to help them with their job. Moreover, interns get to know each other over the summer and can provide each other with an instant peer network if they accept full-time positions at Dow.

At the beginning of 1994, the Paper Division of **Boise Cascade Corporation** decided to create a training pool of employees who would be able to take over vacant sales representative positions. The Division posted the training pool openings on company-wide electronic mail and bulletin boards. Pool members were selected through a behavioral interviewing process which assessed candidates' demonstration of key competencies required for sales representatives. By March, the Division had filled the pool with nine employees from a range of positions at Boise Cascade, including customer service and technical positions.

After the pool members were chosen, they continued at their regular jobs within Boise, but also received preparation for the sales job. They took a week away from their full-time job and attended a one-week sales training course. In addition, the pool members periodically spent a day of on-the-job training, such as calling on customers with a sales rep or visiting mills.

The Division has been using the pool members to fill all sales representative positions that do not require an experienced sales representative. The Division will add members to the pool about twice a year through company-wide job posting.

*Boise Cascade  
Corporation:  
Sales Representative  
Pool*

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The Division has benefited from the creation of the training pool in a number of ways. First, it has reduced the time needed to fill a sales representative vacancy from two to three months to less than one month. Filling positions more quickly provides better service to customers, increased sales volume for the Division, and less work for the remaining salespeople. Second, the pool members are well prepared to be sales representatives because the Division has had time to select new representatives carefully and to train them. Pool members also already know a lot about the company and its products because they have already worked elsewhere within the company. Third, the extra time available to select pool members allows the Division to examine a range of candidates, making it more likely that a diverse group of candidates will be hired. Fourth, by providing cross-functional opportunities, the training pool system enhances career opportunities for all Boise Cascade employees.

*Federal Express:  
“Is Sales for Me?”*

A group of sales managers designed a course to teach couriers, customer service representatives, and other **Federal Express** employees about careers in the sales function. The one-day course called “Is Sales for Me?” is designed to give a realistic picture of a career in sales at Federal Express, describing the tasks and responsibilities, including negative aspects, such as rejection and administrative work. It benefits both genders, but particularly women, who have fewer role models in sales and often do not consider sales as a career choice; with this course, women have the opportunity to look at a field they may not have considered.

The course encourages qualified employees to seek sales positions because it shows them they are a good match for the position. It discourages unqualified employees from seeking sales positions because they realize why they would not want a job in sales or why they do not meet the job requirements. Sales managers believe the course enhances job satisfaction. It can reduce turnover in sales because representatives know what to expect when they start the job. It also helps unsuccessful sales candidates understand why they were not appropriate for a sales position.

*Diverse Hiring Panels*

Within the sales function at Federal Express, candidates for managerial positions are typically interviewed by a panel of three managers. Federal Express is now implementing a policy to require that these panels have at least one “nontraditional” member — a woman or a person of color. If a manager who

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is a woman or a person of color is not immediately available, the panel is expanded to include a fourth non-voting member who is in management training. This provides the panel with a “nontraditional” viewpoint and provides a developmental opportunity for the management trainee.

To facilitate this process, the sales function distributed a resource directory which lists all women and people of color eligible to serve on the interviewing panel. This list identifies “nontraditional” employees from a variety of sources, including sales management, operations management, human resources, customer service, customer automation, and hub management.

The diverse panel requirement seeks to remove any bias that might occur with a panel consisting solely of white men. It also gives visibility to managers who are women or people of color and ensures that they are included in hiring decisions.

The Federal Express task forces on women in sales management and minorities in sales management have sought to communicate effectively their diversity efforts to the entire sales organization. Part of their communication efforts has been to publish an article on diversity each month in the sales function’s newsletter “Sales Perspective.” They have also had spots on the company’s television network.

The monthly newsletter articles have addressed a range of topics related to diversity. Early articles explained why diversity efforts were so important for Federal Express, emphasizing the business rationale behind improving diversity. Subsequent articles have explained the actions that the task forces and senior sales management are taking to enhance diversity in the sales force. One month’s article addressed the issue of white male backlash. A white male manager discussed his initial resistance to diversity efforts and described how he was brought around to embracing diversity because he realizes it is imperative to the future productivity of Federal Express’ sales function.

The purpose of the newsletter articles and television spots is to communicate why diversity is necessary so that employees have a chance to understand and embrace diversity efforts. The articles also seek to communicate exactly what

*Communicating the  
Importance of Diversity  
and Diversity Efforts*

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the diversity task forces are doing so that employees do not speculate about what actions will be taken and are not taken by surprise when an initiative is implemented.

*Amoco Corporation:  
Diversity — Managing,  
Rewarding, and Dealing  
with Backlash*

**Amoco Corporation** has used its company-wide computer system in original ways to deal with diversity issues at the company. By creating an on-line diversity database, the Human Resources department has provided employees with a convenient way to access information about diversity topics. The database provides a diversity menu which summarizes information, gives the names of contacts within the organization, and lists relevant books, articles and videos. The database also answers frequently asked questions. The database is on an open system so that all employees can use it to find out everything that's going on with diversity throughout the company.

A second effort was introduced by Mark Wojcik, then Amoco's Director of Diversity and currently Manager of Organizational Capability Consulting, who used the company's electronic mail system to set up an open bulletin board to encourage a dialogue about diversity issues. Wojcik posed questions on perceptions about diversity and provided information about company policies to stimulate on-line conversations. Employees who read these items and wished to respond then picked up the ball by entering their thoughts. Thus an open, informal dialogue was generated, in which the many different sides of the issue were aired. By conducting this experiment, Amoco demonstrated the respect for different opinions which is a critical facet of building diversity in an organization.

At times the dialogue became emotionally-laden. Wojcik therefore stressed that when considering such an experiment, "organizations must be prepared to deal with heavy issues in a public forum." Carol Bullock, Amoco's newly appointed Manager for Diversity, reports that "one of the envisioned outcomes is for the bulletin board to provide a mechanism to assess the levels of support and resistance, and thus help us formulate interventions to address these dynamics, including education and communications."

## *Internal Work Environment*

In April, 1992, the top producing 22 of the 44 women brokers at **Dain Bosworth Incorporated**, a brokerage firm in Minnesota, met to form a group to help combat the isolation many of them felt on the job. At that time, approximately 7 percent of the firm's brokers were women and few knew one another. All expenses for this 3-day initial conference were covered by Dain Bosworth. After a reception and dinner (until midnight), the group met from 8 a.m. to midnight the second day, and 8 a.m. to 4:30 p.m. the next. Mary Olson, a broker and original group member said, "We could not stop meeting and talking and listening and planning. It was wonderfully intense."

At this initial meeting, the group (the Association of Women Brokers) decided to invite all female brokers to subsequent meetings. The meetings have maintained the three-day format of the initial gathering, opening with a welcome reception and dinner and a talk either by the CEO and President of Dain Bosworth or by a sales manager. Meeting topics have included "Challenges of the Female Entrepreneur," "How to Give Effective Seminars," "The Theory of Value Investing," and "Negotiating with Your Branch Manager." Attendance has been about 90 percent.

Participants have felt much more connected to the company as a result of these meetings, which has enabled them to become more involved and successful in the firm. At a major company meeting, the accounting department presented data which showed that the money brought in by women who participate in the group grew at a faster rate than the firm's average: women in the group increased their productivity 25 percent in 1993, compared with a 17 percent average increase for the firm.

The group has several explicit goals: to support one another, to enhance the members' professional expertise, to increase productivity, and to help Dain Bosworth recruit and retain female brokers. These goals are manifested in a formal mentoring program set up by the Association's board; if a newer broker wants guidance, the group provides her with an experienced broker with similar interests or style to serve as her mentor.

*Dain Bosworth  
Incorporated:  
Corporate Women's  
Groups/Combating  
Isolation*

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There are two key factors related to the Association's success. First, the management at Dain Bosworth supports the group's efforts unconditionally. For example, the group's annual meetings are funded and arranged by the firm. Second, the women in the group are committed to helping each other and to making Dain Bosworth the best firm in the country.

### *SC Johnson Wax*

From 1986 to 1988, the Human Resources Department at **SC Johnson Wax** held a series of roundtables to determine why female sales representatives were leaving the company at a disproportionately high rate. Each roundtable brought together approximately 20 women representatives, two sales managers, and an executive-level woman from company headquarters, who served as a role model.

In addition to providing a forum for communicating company policies on sexual harassment and maternity leave, the meetings addressed the women's feelings of solitude by giving them an opportunity to meet and discuss their unique frustrations. To encourage continued connections, one representative created a **Women in Sales newsletter covering news and highlights from every region and listing the phone numbers of women in the field.**

The roundtables also increased managers' awareness of women's sales issues. Examples of women's issues from the sessions were used to design a training program for all of sales management. This training helped the mostly male managers understand how their leadership could support or detract from female sales representatives' productivity. The training also helped open the dialogue between women and management.

### *Franklin Life Insurance Co.: Showcasing Women's Achievements*

**Franklin Life Insurance Co.** believes that the increased productivity of female sales agents results in part from its efforts to let these agents know they are valued. Franklin's top women have more than doubled their commissions earnings in three years, due to increased sales and agency building activities. In addition, more women are receiving monthly and yearly company awards and qualifying for Franklin's annual convention.

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Franklin communicates these female agents' accomplishments to the rest of the company. Successful female agents are featured in the company's monthly magazine, *The Franklin Field*, which is distributed to all sales agents. Franklin also publishes and distributes the productivity statistics of the top female agents to demonstrate how well women are doing.

Franklin realizes that women's networking with other women is important, so they hold annual meetings for the top female agents at the home office each spring. They call these meetings the Women's Roundtable.

To supplement informal mentoring, **The Dow Chemical Company** has implemented a pilot mentoring program in sales which begins the first week that trainees start. Dow is trying team mentoring because it found that individual mentoring followed one of two extremes: the mentoring pair either hit it off or did not. Now a group of about five managers meets with about five sales trainees. Human resources management gives them an initial agenda, and then they develop their own agendas. The group can decide what it wants to focus on and how frequently it wants to meet.

*The Dow  
Chemical Company:  
Mentoring*

Group mentoring provides trainees with a range of benefits related to coaching and networking. Trainees can take advantage of the individual talents of each manager, rather than just learning the techniques or tips of one manager. They have a panel of experts they can question. They can have their own questions answered and learn about issues that other trainees raise. Trainees get a chance to network with their own peers in group mentoring which can help them later with combatting isolation and sharing information. In addition, the group mentor panels can be structured to represent a diversity of managers including diversity of gender, age, level in the company, ethnic or cultural backgrounds, and educational or functional backgrounds.

## *Compensation*

Catalyst's research determined that gender-based pay inequities for sales representatives do not exist at **Nabisco Foods Group**. Holding all relevant factors constant, compensation (salary plus bonus) was equivalent for female and male representatives. A number of practices ensure that comparable representatives' total compensation is equal:

*Nabisco Foods  
Group*

### UNIFORM SALARY GRADES

Nabisco has a salary range for each job position; all employees in a particular position earn within that salary range. Therefore, when Nabisco hires for the same job in the same region, initially all employees are paid the same salary. The salary ranges limit disparities between employees in the same job.

### OBJECTIVE OBJECTIVES

Nabisco seeks to ensure that sales representatives are given comparable objectives by using a standard model to determine objectives for every territory. The model uses a set of common assumptions to determine each territory's objective, including the territory's historical sales volume and plans for any sales promotions within the territory. This standard objective-setting model assures that representatives are given comparable objectives, regardless of any differences between territories. Representatives can receive the same compensation level even when they sell different volumes, because the model takes into account how "easy" or "difficult" a territory is. This method of objective setting helps alleviate the problem of managers' discriminating in assigning territories.

Once the model has set a sales objective, it cannot be adjusted unless there is just cause, e.g., events that are out of representatives' control, such as a store in a territory burning or closing down. Any adjustments to objectives must be approved by senior sales management. This approval ensures that representatives are not given undeserved objective adjustments or are not penalized for circumstances beyond their control.

The objectives are published so that all representatives can see each others' objectives and know that they are being treated fairly. Representatives who believe that their objective is unfair can appeal their objective to a manager.

### PERFORMANCE RATINGS

Representatives' performance ratings are determined primarily by quantifiable measures. These measures include the sales objective, the level of display activity, the introduction of new products, and customer satisfaction. Performance ratings are recommended by the employee's boss, and reviewed and approved by the boss' boss and a human resources manager. This multiple-level approval process ensures integrity and equity of performance ratings.

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### **SALARY INCREASE PROCESS**

Salary increases are based on performance ratings and on where the employee's salary fits in the salary grade range, e.g., employees who receive a higher performance rating or are lower in the salary range receive a larger percent increase.

Salary increases go through multiple levels of approval before becoming effective. Salary increases are recommended by the employee's boss and reviewed and approved by the boss' boss and a member of human resources. This three-tier approval process ensures compensation equity, as no manager has carte blanche to reward or penalize employees.

### **ANNUAL SALARY REVIEW**

An annual company-wide review of salaries provides an additional check for pay equity. The human resources function conducts an audit of all salaries within each salary grade. It compares salaries of all employees in each salary grade by gender and by race. If they find a deviation in individuals' salaries, they will examine the employees' records to see if the salary discrepancy is explained by a legitimate difference in criteria, such as work experience or performance rating.

Employees are encouraged to contact the human resources function if they feel there are compensation inequities. The human resources function can look into the alleged salary discrepancy and either adjust salaries or adequately explain to the employee the reason there is a discrepancy.

In late 1991, **Hercules Incorporated**, through the Pay Equality Team of the Hercules Women's Club, began an 18-month study of pay equality of U.S. exempt women and men. The Pay Equality Team was led by the then Senior Vice President of Administration and was made up of women and men, exempt and nonexempt employees, and the Director of Compensation. The objective was to identify to what extent, if any, Hercules pays women less than men, and if the team found inequality, to develop a plan to eliminate it.

*Hercules  
Incorporated:  
Pay Equality Study*

The study looked within functional groupings of jobs at whether the disparity between the average male salary and the average female salary at any given level could be explained by other factors, such as differences in education level or years of service. A statistical analysis was conducted by selected

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members of the team, the Director of Compensation and a statistician. Adjustments were made to women's salaries to the extent that the disparities were not explainable by other factors. At the time of the study, there were about 4000 exempt U.S. employees, approximately 600 women and 3400 men. In July of 1993, a substantial percentage of female exempt salaries were adjusted an average of 2-3 percent.

Nonexempt salaries at Hercules are set on a local basis with a heavy dependence on market information. Consequently, pay equality analyses must be done on a local basis. In April of 1994, the Team completed a Wilmington-area study (corporate headquarters) and identified two job titles where adjustments were made to the vast majority of women. Average adjustments of 2 percent were made to most of the women's salaries in the two job titles. The overall analysis covered about 600 nonexempt employees, approximately 230 women and 380 men. Plans are underway to do similar analyses on the nonexempt employee salaries at all the Hercules plant locations.

The pay equality study at Hercules went a long way toward leveling the playing field for salaries of men and women. It drew attention to and educated employees and managers about the issue of pay equality. The changes made so far and the continuing efforts of the team should foster pay equality in the future.

### *External Work Environment*

#### *SC Johnson Wax: Car Safety*

Given the increase in car-related crimes throughout the country, **SC Johnson Wax** paid attention to what it was hearing from salespeople regarding their safety concerns. After a Human Resources-sponsored women-in-sales roundtable, the company provided automatic door locks on company cars.

#### *Monsanto Company: Personal Safety*

In 1990, **Monsanto Company** purchased the DuPont Rape Awareness program. This educational package provides women with information about rape, such as how to prevent an attack, how to handle an attack if one occurs, and how to deal with the workplace issues that arise after an attack. A corresponding course for managers addresses how to deal with the workplace issues affecting rape victims. Although the program was purchased for use by the entire company, Monsanto was particularly eager to target the course to

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women who travel for the company (e.g., sales representatives) and are at risk, as well as their managers. The program is now offered to all female employees and all people managers, and it is required for some management groups.

Monsanto has since changed the program's title from "Rape Awareness" to "Personal Safety" to be sensitive to victims and to signal the course's broader benefit. As many of the managers are men, the managers' unit serves an additional function as a diversity training piece. The session begins with a discussion of the differences between male and female reactions to a hang-up phone call at home; frequently, the discussion moves beyond issues of personal safety and serves to educate male managers about how differently women and men may perceive certain comments, issues, and situations.

The program is a two-day training course team-taught by two internal facilitators. The format consists of interchanging discussions and video instruction. Monsanto reports the Personal Safety program has succeeded in two key areas: for women, who benefit from thinking ahead about personal safety, and for managers, who become more aware of how women view and react to situations which threaten their safety.

**DuPont** created a formal sexual harassment policy that states that "personal safety and dignity and the ability to perform effectively without distractions or interference are of prime concern. A comfortable working environment is essential to the well-being of employees and it has been a long-standing policy that harassment of any type not be tolerated. In particular, there will be no tolerance of the sexual harassment or abuse of any employees — whether the initiator is a DuPont employee or a customer, client, or other business associate. Any employee violating this policy will be subject to disciplinary actions, up to and including discharge."

DuPont defines sexual harassment as any unwelcome verbal, non-verbal or physical advance, request for sexual favors, or other verbal or physical conduct of a sexual nature where submission to such conduct is a term or condition of an individual's employment; submission to or rejection of such conduct is used as the basis for making business decisions; or such conduct creates an intimidating, hostile or offensive working environment, or interferes with an individual's work performance. DuPont administers a comprehensive

*DuPont:  
Sexual Harassment  
Policy*

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program, including the Catalyst Award-winning *Personal Safety Program*, to help prevent sexual harassment and sex discrimination and promote individual safety. Managers should sensitize their employees to the issues of sexual harassment. Guidelines include the following:

- Disseminate the policy statement to all employees and emphasize that sexual harassment will not be tolerated;
- Establish reporting procedures at all sites;
- Communicate about issues clearly, directly and seriously. Spell out standards of appropriate and inappropriate behavior;
- Designate resource people who are sensitive to and understand the issues at each site;
- Encourage employees to report incidents of sexual harassment; and
- Investigate all observed and reported incidents of sexual harassment and take corrective action.

DuPont requires that managers continually monitor the work environment, be receptive to employee concerns, and act on all complaints. Efforts must be aimed at prevention and communicating the company's position. DuPont provides training about these and related issues to all new employees, including salespeople as part of a proactive effort to ensure equitable treatment of women and men within the corporation.

## *Retention*

### *SC Johnson Wax: Flexible Work Arrangements*

When the Human Resources-sponsored women in sales roundtables at **SC Johnson Wax** generated a discussion of the company's part-time policy, one group of participants designed and piloted a job-sharing and part-time work option tailored to women in sales. This option allowed sales representatives to split their territories in half or reduce their schedules to 20 hours per week. Job-sharing and part-time schedules have continued in the sales department of SC Johnson Wax, as well as in the corporate offices on a small scale. A newly formed corporate work/family committee is investigating ways to provide more flexibility in work schedules.

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**UNUM Corporation** has piloted flexible work arrangements in two different locations where two top female sales representatives share a territory. They coordinate schedules to ensure full coverage of the territory and meeting of all sales goals. Each sales rep works three days a week; generally Wednesday is a transition day when both are in the office, or when they visit mutual clients and/or discuss issues and pending sales. Their customers are aware of the flexible work arrangement, leaving messages or calling the other partner when an immediate response is needed. Both representatives share one office, with two desks and separate phone lines.

The company is also piloting a reduced week for another top female sales representative, who works four days with a slightly reduced territory. The company reports all these flexible arrangements as successful to date for the customers, company, and employees.

UNUM has made a conscious effort to recruit more women. The company has developed a model recruiting process that includes Regional Assessment Centers (RACs). The RAC selection process is a day-long program consisting of both interviews and an in-depth role-playing exercise that offers the opportunity to demonstrate specific skills, such as persuasiveness and effective communication. This method has provided equal opportunities for all candidates, regardless of gender or ethnicity.

**Warner-Lambert Company** has implemented a part-time policy in some of its sales divisions which allows representatives to work 20-29 hours a week. Depending on the needs of the territory, flex-time sales representatives can move in and out of their flexible schedules. A number of sales representatives have taken advantage of this option, moving from full-time schedules to part-time, perhaps after maternity leave, and then back to full-time when they desire. To date, all of the representatives who have chosen the part-time option are women.

The flex-time sales representatives are valued employees and are treated as such. In the Parke-Davis division, for example, flex-time sales reps are considered as much members of the sales team as their full-time colleagues. All flex-time reps participate in the same training programs as full-time reps, including new hire training and new product introduction training. Flex-time

*UNUM Corporation:  
Flexible Work  
Arrangements*

*Warner-Lambert  
Company:  
Flexible Work  
Arrangements*

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reps are eligible to participate in a number of the company's benefits programs, and are eligible for incentive compensation (based on performance to objectives), merit increases, promotions, and sales contests.

*The Dow  
Chemical Company:  
Maternity Leave  
Coverage*

When **The Dow Chemical Company** sales representatives take medical leaves for the purpose of giving birth, their leaves are often covered by sales trainees. By the time trainees fill in on leave, they have gone through about seven months of training, including classroom training and on-the-job training in customer service and marketing. Trainees usually have the opportunity to work with the representative before she goes on leave. This way, the trainee can learn about the accounts directly from the representative. Once the representative goes on leave, the trainee assumes full responsibility for servicing the territory.

There is a range of benefits from trainees covering leaves. First, trainees gain valuable sales experience before taking over their own territories. Second, customers have the full-time attention of a Dow employee rather than being a low priority for representatives who are working full time in adjacent territories. Customers also know that they will get their original representative back within two or three months, rather than having to adjust to a new representative. Third, the representative on leave knows that she can have her same territory back and that it will have been serviced while she was away.

*Miles Inc.:  
Spousal Relocation*

In September 1993, **Miles Inc.** Pharmaceutical Division introduced the Spouse Career Transition Pilot Program in recognition of the increasing number of dual career couples in the work force and their difficulties during relocation. The idea for the program came from the Pharmaceutical Division's Sales Diversity Advisory Group in its efforts to identify ways to eliminate barriers for women in accepting promotional opportunities that require relocation.

The pilot provides to all spouses of transferring exempt employees in the Pharmaceutical Division:

- Access to career transition counseling and services;
- Access to local placement services (Miles has contracted with two national out-placement firms to provide these services, including personal assessment, objective setting and strategies, execution/networking and support services);

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- Reimbursement for travel expenses during job hunting;
- Reimbursement for child care expenses during relocation.

It is too soon to evaluate the pilot experience and its long-term impact, but it can be noted that the current Miles-wide policy includes spousal employment assistance features, as well.

**Hewitt Associates**, a consulting firm specializing in designing compensation and benefits programs, reimburses associates for babysitters while they are on overnight business trips. According to company policy, if employees incur additional dependent care expenses because they are out of town on business or working significantly later than normal work hours, expenses may be reimbursed. If an employee is married, her or his spouse must also be out of town or unable to care for the child.

Hewitt also offers a dependent care account, which provides tax-free reimbursement for dependent care expenses. Hewitt works with local hospitals and social service organizations to provide sick/emergency child care arrangements for up to five days for parents who work.

Based on the recommendations of a Child Care Task Force, **Weyerhaeuser Co.**, a forest products company based in Washington state, implemented a comprehensive dependent care resource and referral program. Weyerhaeuser contracted with a resource and referral service, Working Solutions, that employees may call 24 hours a day, seven days a week. A dependent care specialist assesses the situation and can help find an affordable day care provider in the employee's community. Working Solutions has a database of more than 12,000 independent child- and elder-care services and access to a network of thousands more; providers are screened for availability and other criteria specified by the employee; three choices are then identified for the employee to investigate.

Working Solutions also helps employees with other family-related stresses, such as divorce, sibling rivalry, behavior or learning disorders in school, peer pressure, self-esteem problems, and the general pressures in balancing work schedules and family life. Employees are provided with information sheets or referred to appropriate resources for assistance. Working Solutions compiles confidential quarterly reports on the exact nature of callers' needs. Each

*Hewitt Associates:  
Child Care  
Reimbursement*

*Weyerhaeuser Co.:  
Resource and Referral*

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report specifies the number of calls, the nature of the requests, demographics of the caller and other statistical information. Weyerhaeuser now has trend data on employee needs to be used by the company as it explores further work and family benefits.

*Lost Arrow  
Corporation:  
Family Child Care*

Four years ago at the **Lost Arrow Corporation**, parent of sports clothing maker Patagonia, officials found that the company's on-site child care center was filled, with no room for expansion; in addition, some workers were quitting work to stay home with infants who hadn't responded well to the busy child care center. Lost Arrow wanted to develop a model that could be easily implemented at other sites. Therefore, the company — with women representing about 60 percent of employees — decided to set up a network to improve family child care in the community.

The 24 family child care providers in Lost Arrow's Ventura, California, area network must undergo CPR and first aid training, attend at least 12 hours of child development sessions annually, allow monthly spot visits from a network consultant and quarterly reviews of the home, maintain \$300,000 in liability insurance, and be accredited through the NAFCC. The company provides training and covers the accreditation costs, and it offers providers such benefits as a toy-lending library. The same requirements apply and the same services are available to seven child care providers in Bozeman, Montana.

Anita Garaway-Furtaw, Director of Family Services for Lost Arrow, says the company spends \$25,000 a year for the child care network, compared to \$200,000 to subsidize the company's on-site center. "It's about 65 percent more cost-effective to operate a network than to operate a center," she says. Despite a significant expense for all its child care programs, the company actually saves money, Garaway-Furtaw says, because the company retains employees and therefore avoids recruitment and training costs.

*Promotion/Advancement*

*CIGNA  
HealthCare:  
Recognition*

**CIGNA HealthCare** recognizes its top sales representatives by awarding them Gold Circle status: membership into the honors group in sales. Gold Circle status is reserved for the top third of field sales representatives, with assessments made objectively based on calendar year sales results.

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The first woman qualified for Gold Circle in 1978, and since that time the representation of women in the Circle has risen to approximately 15-24 percent. As more women join the sales ranks (currently 26 percent of sales reps are women), their representation in Gold Circle increases.

From these top performers, a Gold Circle Cabinet of 10-12 employees is selected by senior sales management based on sales performance and leadership qualities. The Cabinet then represents the field sales staff on key issues and serves in an advisory capacity to senior sales management. This highly visible group meets quarterly, and frequently its meetings are attended by other high level people at CIGNA. As women gain representation in Gold Circle, they become correspondingly more visible on the Cabinet: currently two of the 11 members are women, and last year a female sales representative served as the Cabinet's chair. The chairperson is selected by the Senior Sales Vice President, who looks for a well-respected individual with leadership qualities and a stellar sales record.

Since 1991, **Corning Incorporated** has annually distributed a newsletter to all salaried employees that gives detailed information on the work force demographics of all exempt employees at the company. The newsletter provides information by gender and race on the following: the number of employees at each level; the number and level of employees hired during the year; and the number and level of employees who left the company during the year. In addition, Corning posts its internal diversity targets during the first quarter of each year.

Corning began publicizing its work force demographics in order to improve communication around diversity issues. By providing precise data, the company was able to dispel the belief some employees held that reverse discrimination existed at the company. Gail Baity, a team leader of Human Resources Consulting and Services, said, "White males are asking questions like 'The demographics show there will be fewer white males entering the work force. Will we be in the minority?' Or they're asking about parity. 'You have all these programs focused on women and people of color. What about me?'" In fact, although the number of women and people of color being hired and promoted at Corning is increasing, white men still comprise the majority of exempt employees hired and promoted, as in most major corporations.

*Corning  
Incorporated:  
Combating Perceptions  
of Reverse  
Discrimination*

*The Dow  
Chemical Company:  
Training Program*

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Recent college graduates typically enter sales training programs at **The Dow Chemical Company** twice a year — in January and July. Each training class consists of an average of 10 people. The training program lasts for approximately a year and consists of classroom seminars and work internships in three functional areas: customer service, marketing and strategic research, and field sales. The first seven months of training are at Dow's headquarters in Michigan. During the entire training process, trainees report into the commercial development manager. This manager ensures that trainees are developing properly and are not encountering any major problems.

The classroom seminars last for about five weeks. Trainees attend classes to develop a variety of business skills, including learning about sales techniques and enhancing writing proficiency. Trainees also attend courses to learn about the Dow corporate culture. These courses cover topics such as Dow's policies and standing on diversity and sexual harassment.

The classroom portion of training provides trainees with a variety of benefits to help them in their career at Dow. First, they meet a group of their peers, who form a network of contacts for the future. These contacts can provide each other with social support while they are adjusting to a new corporate culture and can also provide each other with advice on how to handle difficult or new work situations. Second, the uniform classroom training ensures that all trainees receive the same information on how to perform their jobs. Receiving the same information means that all trainees start out on a level playing field by having the information necessary for them to perform their job. It also increases consistency in how sellers are servicing customers. Third, trainees learn about the Dow corporate culture; combined with their job performance, this should help them advance within the company because they will be better prepared to navigate through the policies that govern the company.

Each work internship lasts for about three months. The first internship is in the customer service center. Trainees are each assigned to a full-time customer service professional, who mentors and coaches them. Trainees work as customer service representatives — taking orders, handling customers who call in with problems, and coordinating with the shipping and manufacturing functions. Trainees learn about the range of services that customer service can provide internally and externally.

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The second internship is in the marketing function. Each trainee is assigned to work on a project investigating a potential market niche and is assigned to marketing and strategic research managers. As part of their assignment trainees typically travel to interview potential customers. In this way they are getting their first exposure to business travel and to meeting with customers.

The third internship is in the field sales function. Trainees can be assigned to a variety of sales projects to gain their first exposure to actual selling, including calling on emerging markets or supporting a sales representative in developing his/her accounts. For every assignment, trainees are each assigned to a district sales manager.

These three internships provide trainees with a range of benefits. First, trainees gain exposure to and knowledge of the customer service, marketing, and sales functions. This helps them to utilize effectively company resources when they are later servicing customers. Second, internships provide them with contacts to serve as their mentors. These mentors can help them in the short and long term by coaching them on how to do their job better and by coaching them on functioning effectively within the corporate culture.

After finishing the classroom training and three work internships, trainees typically are assigned to a full-time sales position. If no position is immediately available, trainees will continue their internship in the sales function. Thus, the trainees form a pool of sales candidates trained and ready to fill any sales staffing needs. This pool means that Dow does not have to assign an unprepared salesperson to a territory when there is an opening.

**Federal Express** has a Leadership Evaluation and Awareness Process (LEAP) which is mandatory for all employees interested in becoming managers. LEAP is designed to evaluate a candidate's leadership potential and to force candidates to examine their own interest in and aptitude for management. LEAP seeks to identify candidates who have nine leadership behaviors and qualities. These are: charisma, individualized consideration, intellectual stimulation, courage, dependability, flexibility, integrity, judgment, and respect for others. These behaviors and qualities are specifically defined by Federal Express and were selected based on a study of successful managers.

*Federal Express:  
Leadership Evaluation  
and Awareness Process*

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Candidates can nominate themselves to go into LEAP. LEAP consists of four steps. First, candidates take an introductory one-day course entitled “Is Management for Me?” which familiarizes them with managerial responsibilities. The course is taught during non-work time by current Federal Express managers.

Second, candidates go through a three- to six-month period during which their managers evaluate and coach them on improving their leadership attributes. At the end of this period, candidates’ managers must make a written recommendation supporting or opposing the candidates’ bid for management. During this period candidates also create an Employee Leadership Profile (ELP). The ELP is a document in which candidates record specific experiences that demonstrate their capabilities in each of the nine leadership traits. Managers then work with candidates on developing activities to strengthen any weak areas.

Third, three to ten of a candidate’s coworkers are selected by the candidate’s manager to do a peer assessment of the candidates. Peers complete confidential assessment forms, indicating whether the candidate is or is not a promising prospect for management.

Fourth, candidates must go through a LEAP panel evaluation with a group of three managers trained to serve in the LEAP assessment. Candidates present written and oral arguments to the panel regarding specific leadership scenarios. The panel also interviews candidates and reaches a consensus on whether each should be endorsed for leadership potential. Before issuing its opinion, however, the panel compares its finding with those of the Peer Assessment, Manager’s Focused Recommendation, and Employee’s Leadership Profile. If not endorsed by the LEAP Panel, candidates are allowed six months at minimum to improve on the attributes and skills deemed lacking, then reapply. If endorsed, candidates are eligible to apply for management positions.

Human resources regularly tracks the LEAP process to monitor and ensure that proportionate numbers of women and people of color are being endorsed through LEAP. They also track the performance of LEAP-endorsed candidates to ensure that candidates are performing at a level that their endorsement says they should be.

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This program is beneficial for a number of reasons. First, it allows employees to nominate themselves to be endorsed for management positions which eliminates potential bias of managers who do not want to promote women. When combined with job posting, it allows employees to push themselves into management.

Second, it gives managerial candidates an idea of what management jobs are like and what the requirements are for managerial jobs. This prepares candidates for a managerial job and also gives them the chance to opt out of pursuing a management job. Some candidates drop out during the LEAP process, particularly after the course “Is Management for Me?” as they see that management is not a good match for them. Federal Express human resources professionals believe that the LEAP process has helped reduce the turnover rate among managers and has improved the performance review scores of LEAP-endorsed managers.

Third, it provides managers with a pool of screened applicants to fill job openings. This saves the hiring managers some time in finding qualified applicants. It also encourages internal hiring which is good because Federal Express avoids losing good people with company-specific knowledge who may be tired of their current job.

The Vice President of Sales at Federal Express created a Women in Management Task Force in 1993. The Task Force is charged with finding out why there are so few women in sales management and with breaking the barriers to women advancing in sales.

### *Women in Management Task Force*

The composition of the task force is diverse by level, gender, and race. This diversity of task force members ensures that a wide range of issues is addressed by the task force, because each member can draw on a different background to inform and motivate the group. Also, it is a learning process for all task force members — particularly for the men who may not have fully understood some of these issues before.

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The task force has begun to identify some of the reasons why so few women seek sales management positions. One way they have done this is with a sales force survey. They have now begun to implement some policies to level the playing field in sales. (Some of these policies are highlighted as best practices in other sections of this report.)

Starting a task force on women in sales is a good idea because it (1) shows the commitment the company has to addressing the issue of women's advancement; (2) taps into employee's knowledge of the company and provides a forum for examining the company-specific reasons why women are not advancing; (3) builds task force members' enthusiasm and commitment to diversity; (4) brings credibility to the company's diversity efforts, as initiatives originate with a group of fellow employees; (5) provides visibility and developmental opportunities for task force members, many of whom are women.

*Miles Inc.:  
Management Intern  
Program*

For some time, Miles Inc.'s Management Intern Program has brought sales representatives into the Pharmaceutical Division headquarters from the field for six months to two years; typically, such representatives have been selling for three to five years. Representatives are nominated by their managers and are assessed by Miles' senior management. Miles, with the help of the Hay Consulting model, then assesses the representatives by conducting a four-day session of role plays and simulations to examine representatives' competencies. After the assessment session, Miles chooses the best representatives to participate in the Management Intern Program, and these representatives then move into headquarters and continue to receive periodic training conducted by Miles, such as learning how to interview job candidates.

At division headquarters, most of the representatives serve as sales trainers in the training program for new sales representatives. As trainers they conduct lectures, coach the new representatives, and coordinate other aspects of the training program. Next, they are generally promoted to district sales managers. If district manager jobs are not available immediately, or if the interns do not work as sales trainers, they work in other areas, such as product management, advertising, or marketing research.

The Management Intern Program provides representatives with valuable exposure to division headquarters. They are able to build internal networks and to hone their writing, coaching, and teaching skills.

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