According to the American Institute of CPAs, women represent more than 50 percent of accounting graduates in the last 20 years; however, women make up only 19 percent of the partners in accounting firms nationwide. The most recent research by Spencer Stuart, the executive recruiting and leadership firm, found that in 2016 less than 13 percent (61) of Fortune 500 CFOs were women. This represented a slight reduction from 2015, though it was up from the 6.8 percent of CFOs in 2010. This lack of growth of the numbers of women in these positions is by no means limited to the accounting profession, but is a systemic issue across professions and industries. Grant Thornton, one of the world’s largest professional services network of independent accounting and consulting member firms, recently released its own research on women business leaders. Out of the 5,500 CEOs, managing directors, chairmen and other senior management roles surveyed, women held 23 percent of the positions in the United States, up from only 20 percent in 2004.

The slow growth of women top executives in accounting and finance has occurred despite research that suggests that companies perform better when their senior leadership includes a larger and more diverse pool of talent. According to McKinsey & Co., a worldwide management consulting firm, companies in the top quartile for gender diversity were 15 percent more likely to show financial returns above the national median for their industry. Other research has shown that women CFOs are nearly 18 percent less likely to employ riskier tax-avoidance measures than their men counterparts. Further, the research indicates that though women CFOs are more wary of high-risk tax avoidance, they have no problem with low-risk strategies, while men CFOs are more likely to cut corners to gain money and power.

Since research indicates that companies perform better with a lower risk of tax and audit issues, why are there not more women in top finance and accounting positions? Each year the news highlights more organizations focused on promoting women to top positions, and yet the numbers continue to indicate that the growth of women in leadership positions is not maintaining pace with their population growth in the industry. Why is that? Are women not being trained in finance or accounting sufficient to master the required skills for these top leadership positions? Does the problem occur earlier in a woman’s career path due to work/life balance choices, or other issues? Or does the issue stem back to disparities in early childhood?

To explore this conundrum further, a research team from Simmons School of Business conducted a survey at the 2017 Simmons Leadership Conference. Our goal was to better understand the low numbers of women in top leadership, specifically in finance and accounting positions.

**Prior Research on Women in Finance and Accounting Leadership**

Several theories concerning the reason for the disparities in the number of women as compared to men in top accounting and finance positions have been explored. One common theory involves a perceived “double burden” faced by women. This “double burden” refers to the fact that women are traditionally tasked with caretaking of children and housekeeping responsibilities, in addition to the workplace. The belief is that these additional responsibilities may lead to women having less ambition and commitment to their career, resulting in the perception that fewer women are available for advancement to the top levels. In addition to perceptions about women’s commitment and ambition is a frequent apprehension about women’s confidence. The question of confidence is reflected by both women’s beliefs in their own abilities, as well as their ability to communicate their confidence to others. In general, men are characterized as having more confidence than women concerning financial matters. In 2001, Barber and Odean found that men traded stocks in greater volumes than women but, as a result, had greater losses. A 2014 report found that a majority of men surveyed believed themselves more capable of making fi-
nancial decisions than their female counterparts, while the
women held that they were equally as capable as the men.
While trying to move more women to top leadership posi-
tions, Hewlett-Packard (HP) discovered that women work-
ing at HP applied for a promotion only when they believed
they had met 100 percent of the qualifications listed for the
job. Men, on the other hand, applied for promotions when
they thought they had met 60 percent of the job require-
ments. The conclusion by HP was that too many women
who are amply qualified still hold back, feeling confident
only when they believe they are close to a perfect fit for a
new position.

Other theories address gender differences in characteristics
such as financial risk, social risk, emotions and actions. Women
generally are considered to be more risk-averse fi-
ancially, although they are perceived as greater social risk
takers. This is perhaps due to women being more socially
sensitive and able to manage social uncertainty. Cunningham
ham and Roberts argue that men and women differ in their
impulsive base-reaction by suggesting that men are more
likely to respond through action, and women are more like-
ly to respond through feeling. Research also has found that
woman are more likely than men to feel that they are treated
unfairly on the basis of their gender, receive less attention
from supervisors, and are less likely to reflect amicably
on their previous organizations.

**Gender Differences in the Personal Sphere**

<table>
<thead>
<tr>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generally more risk-averse</td>
<td>More overconfident</td>
</tr>
<tr>
<td>Greater risk-takers in social situations</td>
<td>More optimistic</td>
</tr>
<tr>
<td>Higher social sensitivity</td>
<td>React by action</td>
</tr>
</tbody>
</table>

Recent research has focused on key leadership qualities re-
lated to gender differences to help determine whether these
differences might be barriers for women in reaching top
management levels. McKinsey (2009) surveyed over 800
business leaders on what styles would be most effective
when addressing global challenges post-crisis. They found
that women applied more of the leadership styles most ad-
vantageous for corporate performance. Specifically, these
were the styles of expectations and rewards, inspiration, and
participative decision-making. In addition, women are rated
as more competent in taking initiative, practicing self-de-
velopment, integrity and honesty, and driving for results.
However, women leaders are likely to be viewed negatively
when adopting masculine leadership characteristics. Yet,
when women maintain feminine attributes in a male role,
they are perceived as too emotional and lack assertiveness.
As Hillary Clinton avowed recently when referring to the
balancing act women have to master, “…it gets worse the
higher you rise. If we’re too tough, we’re unlikable. If we’re
too soft, we’re not cut out for the big leagues. If we work too
hard, we’re neglecting our families. If we put family first,
we’re not serious about the work. If we have a career but no
children, there’s something wrong with us, and vice versa.
If we want to compete for a higher office, we’re too ambi-
tious” (Clinton 2017, p. 119).

Frequently alleged barriers related to key leadership quali-
ties are women’s lower sense of confidence, preconceived
notions concerning women’s competence, the guilt or pres-
sure brought on by trying to meet family and personal obli-
gations, and the opposing views of leadership personalities
based on gender.

**The Survey: Path to Leadership**

We asked attendees at the 2017 Simmons Leadership Con-
ference to participate in a survey designed to determine
whether they view accounting and finance areas in gener-
al to have a greater disparity of women leaders, if this is
specifically true in their own organization, and if so, what
factors they believe may contribute to this gap. Over 200
professional women responded to the survey. The median
age group for the participants was 40-49 years. Fifty-eight
percent of the respondents had children, and for those with
children, fifty-two percent reported having children less
than 10 years old. Sixty-five percent of the respondents de-
scribed themselves as Caucasian/white, eight percent as
Asian, four percent as non-white Hispanic, and two percent
as African/black. Seventeen percent selected a variety of
other categories.

The vast majority of participants reported working in organi-
izations that employed over 1,000 people. The median work
experience was 11-20 years, with sixteen percent working be-
tween 6-10 years, and thirty-one percent working 21 years
or more. Thirty-four percent of the respondents worked
in the finance, banking or insurance industries, with the
next largest industry (12%) being the technology industry.
The majority of the respondents’ functional areas involved
IT (34%), followed by twelve percent in product or project
management, twelve percent in sales and marketing, nine
percent in finance, and thirty-six percent other.

**Survey Results**

The survey asked participants to report the percentage of
women who occupy top-level leadership positions in their
organization and the percentage of women who occupy
top-level accounting and finance leadership positions in
their organization. We found that sixty-six percent of the
participants indicated that fewer than twenty-one percent of
the leadership levels in the accounting or finance area of
their organization were occupied by women today (see Table 1). Only nine percent indicated that more than forty-one percent of the leadership levels in their organization were occupied by women today. This compared to four percent of the participants indicating a similar level of 41% in the leadership levels in their organization five years ago. Even though the last five years has not shown much progress in closing the gap, there is more confidence today concerning progress over the next five years.

Table 2 compares leadership positions in accounting and finance. Only ten percent indicated that more than forty-one percent of the leadership levels in the accounting or finance area of their organization were occupied by women today. This compared to four percent of the leadership levels in the accounting or finance area of their organization five years ago. Even though the last five years has not shown much progress in closing the gap, there is more confidence today concerning progress over the next five years. When asked how optimistic participants were about the possibility of improving the gender gap in overall leadership positions in the next 5 years, fifty-eight percent were either optimistic or very optimistic.

In related questions, participants were asked about the association of the value of accounting and finance skills to top leadership path for women. The survey indicates that eighty-six percent of the respondents believe that accounting and finance skills are pertinent to a top leadership career today, while only fifty-three percent of the respondents believe that their accounting and finance skills are sufficient to allow them to advance to their desired leadership position.

We also examined potential relationships among the questions asked. We found a positive relation between participant optimism about the possibility of improving the gender gap in leadership positions in general in the next 5 years and participant age (p=0.004). The younger the participant, the more optimistic. In addition, we found a positive relation between participant optimism about the possibility of improving the gender gap in accounting and finance leadership positions in their own organization and their age (p=0.005). Again, optimism is higher among younger participants.

Perhaps the most interesting results can be summarized by two questions designed to determine reasons that have contributed to the gap of women representation in top leadership positions in general and specific to accounting and finance.

Which of the following reasons do you think contribute to the gap of the representation of women in top leadership positions, specifically executive, director, c-suite, management or leadership level or above?

Four reasons were more widely chosen for why women were not fully represented (greater than 5%) in top leadership positions: challenging career/life integration, unequal access to sponsorship and mentoring, unequal access to career advocacy, and limited access to women role-models (see Table 3).

The top choice for lack of leadership representation was that women have challenging career/life integration, which supports the “double burden” hypotheses previously reviewed. Our sample of women either spoke about themselves or their women colleagues to posit that the additional burdens of their personal life contribute to them not having more than 50% representation in senior leadership positions. Further research is needed to determine whether this lack of representation comes from others blocking the women from these positions or from the women self-selecting a less demanding career objective.

Unequal access to sponsorship and mentoring, and career advocacy were the second and third indicated explanations for lack of balance of women in top leadership positions. This is an interesting conclusion for these women to share given that organizations have been developing, implementing, and successfully managing sponsorship, mentoring and career advocacy programs for many years. One insight provided by Sallie Krawcheck, CEO of Ellevest, is that professional women in their 30’s often do not network. “Our thirties, once we’ve all proven that we’re good at our jobs, is exactly when networking becomes that much more valuable,” says Krawcheck. “This is the time where the guys’ network is one of the key reasons they can move past us at work. They are going to the cocktail parties.” Since most of the mentoring begins through social networking, opting out of the “cocktail parties”, or similar events, can have lasting ramifications on one’s career. Women often feel pressure to play catch-up at home or with friends and family at a time when developmental opportunities outside of the normal workday can be critical, and this decision can compound the reasons women feel that they have unequal access to
sponsorship, mentoring, and career advocacy.

Lastly, the fourth explanation indicated as to why women are not equally represented in the upper leadership roles was that women have limited access to women role-models in these highest of positions. This contributes to a double-bind. Evidence acknowledges that there are fewer women in leadership roles and that this dearth of women representation cannot be changed quickly. The question becomes whether the women who do finally achieve top leadership roles will have the willingness and time to mentor other women. Research has shown that senior women often are promoted or hired into positions that are precarious and challenging. A study in May 2014 by Strategy& found that women more often are forced out of CEO jobs than men who hold the same position. If women are, in fact, given these promotions into risky and wide-ranging positions, will they have the time and energy to help other women 'climb' the corporate ladder?

The women taking the Simmons Leadership Conference Survey ranked their lowest reasons for lack of women in top leadership positions to be lack of childcare, unequal access to training in finance and accounting, quantitative skills not developed in childhood, and fewer opportunities for social networking. The fact that women feel that their families are provided for while they work and that their training and networking opportunities have not held them back offer some consolation. These factors, despite being the lowest scored reasons, still need to be addressed.

Specifically in the leadership of accounting and finance, which of the following reasons do you think contribute to the gap in gender representation?

Four top reasons were indicated by respondents for why women were not fully represented (greater than 50%) in top accounting or finance leadership positions: unequal access to career advocacy, limited access to women role-models, unequal access to career development, and leadership personality traits are discouraged in women by the workplace (see Table 4).

Unequal access to career advocacy may imply that the accounting track to leadership may require more sponsorship from men leaders in the profession. Research confirms that women in college are seldom encouraged or equally supported in the choice of quantitative majors which would lead to career choices that could include accounting and finance. As discussed above, women also fail to take advantage of networking opportunities that could lead to more career advocacy through professional opportunities outside their normal business connections. More research is needed to determine if this lack of advocacy is more pronounced in quantitative career tracks.

Unequal career development in accounting and finance may be related to a lack of mid-level and upper-level development programs inside corporations. Many corporations provide lower level financial training to most management-level employees; however, as a woman's financial skills and interests grow, she will need to be both mentored in her field and sponsored for higher-level university programs with a financial focus. More research is needed to determine whether accounting and finance leaders are less likely to mentor young women in the field and less likely to invest in the development of their financial skills.

The women participating in the Simmons Leadership Conference Survey ranked their lowest reasons for lack of women in top accounting and finance positions to be lack of childcare, fewer opportunities for social networking, quantitative skills discouraged in early childhood, and leadership personality traits discouraged during childhood development. The first three reasons that ranked the lowest for explaining why more women are not in top accounting or finance leadership positions were the same as for overall top leadership positions. The last refuted reason, discouragement of leadership personality traits during childhood development, can be construed as inspirational to professors and coaches of women accounting and finance professionals. Our small sample of women believe that they, and perhaps their colleagues, have the personality traits to become top financial leaders.

Conclusion

The four key reasons contributing to the lack of full representation of women in the top leadership positions in accounting and finance as indicated by our survey participants were: challenging career/life integration, unequal access to sponsorship and mentoring, unequal access to career advocacy, and limited access to women role-models. Years of research conducted at the Center for Gender in Organizations (CGO), and many other research entities have identified causes and proposed solutions to overcoming barriers to the advancement of women in organizations. It is not surprising to have these four key reasons emerge given the identification and prevalence of these same barriers in many research studies, indicating that the root cause of the barriers are largely organizational in structure. However, as women have more educational and professional opportunities, regardless of profession, the glass ceiling remains intact as organizational structures and practices are largely still in need of being re-envisioned and implemented with the recruitment, retention, and advancement of women as the goal.
We particularly call attention to the importance of retaining talented and capable women by changing the corporate cultures and atmospheres to create organizations that are serious about understanding and addressing the challenges to women who step out of the workplace, most often to have families. Most of these women want to return and to step back into a meaningful and effective career.

The good news is that women, especially younger women, are optimistic about improving the gender gap over the next five years, and they believe that they CAN be top financial leaders. Our data suggests that organizations can increase the number of women in financial and accounting leadership by being more deliberate about providing career support to women, including access to mentoring, sponsorship, and other forms of career advocacy. Our respondents also see a need for more support in managing career/life integration, including a more “family friendly environment”.

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Endnotes


### Table 1: Percentage of women occupying leadership levels in participants' organization

<table>
<thead>
<tr>
<th></th>
<th>0-10%</th>
<th>11-20%</th>
<th>21-30%</th>
<th>31-40%</th>
<th>41-50%</th>
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<tr>
<td>Today</td>
<td>32%</td>
<td>34%</td>
<td>13%</td>
<td>5%</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>5 years ago</td>
<td>44%</td>
<td>27%</td>
<td>6%</td>
<td>3%</td>
<td>4%</td>
<td>16%</td>
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### Table 2: Percentage of women occupying accounting/finance leadership levels in participants' organization

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<thead>
<tr>
<th></th>
<th>0-10%</th>
<th>11-20%</th>
<th>21-30%</th>
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</thead>
<tbody>
<tr>
<td>Today</td>
<td>27%</td>
<td>35%</td>
<td>13%</td>
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<td>11%</td>
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<tr>
<td>5 years ago</td>
<td>32%</td>
<td>20%</td>
<td>6%</td>
<td>4%</td>
<td>4%</td>
<td>34%</td>
</tr>
</tbody>
</table>

### Table 3: If your answer to the question above (Women occupy what percentage of executive, director, c-suite, management, or leadership level or above positions in your organization?) is less than 50%, which of the following reasons do you feel contribute to that gap? (Rank the top 5 reasons, including any you provide: Rank 1 [greatest contributor] to 5)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Rank 1</th>
<th>Rank 2</th>
<th>Rank 3</th>
<th>Rank 4</th>
<th>Rank 5</th>
<th>Not top 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unequal access to career advocacy</td>
<td>23.7%</td>
<td>16.8%</td>
<td>16.8%</td>
<td>15.6%</td>
<td>15.6%</td>
<td>11.6%</td>
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<tr>
<td>Unequal access to career development</td>
<td>10.4%</td>
<td>14.5%</td>
<td>19.7%</td>
<td>19.1%</td>
<td>15.6%</td>
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<tr>
<td>Unequal access to sponsorship or mentoring</td>
<td>23.1%</td>
<td>17.3%</td>
<td>20.2%</td>
<td>11.6%</td>
<td>13.9%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Unequal access to accounting/finance training</td>
<td>4.0%</td>
<td>11.6%</td>
<td>18.5%</td>
<td>14.5%</td>
<td>16.2%</td>
<td>34.1%</td>
</tr>
<tr>
<td>Challenging career/life integration due to women still being the main caregivers</td>
<td>24.9%</td>
<td>15.6%</td>
<td>23.7%</td>
<td>14.5%</td>
<td>9.8%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Leadership personality traits are discouraged during female childhood development</td>
<td>12.7%</td>
<td>12.1%</td>
<td>22.5%</td>
<td>15.6%</td>
<td>11.0%</td>
<td>25.4%</td>
</tr>
<tr>
<td>Leadership personality traits are discouraged in women in the workplace</td>
<td>15.0%</td>
<td>14.5%</td>
<td>19.1%</td>
<td>21.4%</td>
<td>12.7%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Firms lack family-friendly environment conducive to work-life balance</td>
<td>12.7%</td>
<td>14.5%</td>
<td>20.2%</td>
<td>18.5%</td>
<td>10.4%</td>
<td>23.1%</td>
</tr>
<tr>
<td>Limited access to female role-models</td>
<td>14.5%</td>
<td>22.0%</td>
<td>19.7%</td>
<td>12.7%</td>
<td>12.7%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Lack of child care</td>
<td>7.5%</td>
<td>12.7%</td>
<td>18.5%</td>
<td>12.1%</td>
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<td>36.4%</td>
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<tr>
<td>Fewer opportunities for social networking</td>
<td>4.0%</td>
<td>12.1%</td>
<td>21.4%</td>
<td>13.9%</td>
<td>15.6%</td>
<td>32.4%</td>
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<tr>
<td>Quantitative skills discouraged in early childhood</td>
<td>4.0%</td>
<td>13.3%</td>
<td>22.5%</td>
<td>13.3%</td>
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