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Family Commitments and Career Success: Earnings of Male and Female Managers

Kathy Cannings

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Article abstract

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Family Commitments and Career Success Earnings of Male and Female Managers

Kathy Cannings

The dual-career family, with its attendant pressures for dual commitment to the home and to the career, has become an increasingly important phenomenon in recent decades. This paper uses a firm-level data set to examine the impact of family commitments as well as cognitive, behavioral, and organizational factors on the earnings of 519 married middle managers in a large Canadian corporation. Alongside a number of behavioral variables as well as the functional division of managerial labor in the company, division of labor in the employee's household has a significant impact on managerial earnings. The inclusion of a variable reflecting the household division of labor in the managerial earnings function helps to explain a substantial proportion of the earnings disadvantage of women in this company that might otherwise simply be attributed to gender.

DUAL-CAREER FAMILIES

Over the past few decades, as women have entered managerial and professional occupations in evergrowing numbers, the dual-career family has become an increasingly important phenomenon (Bryson and Bryson 1980; Economic Council of Canada 1984). Over the past two decades, academics have devoted considerable attention to the problems faced by dual-career couples, and in particular the female partners, in combining family commitments with commitments to their careers (for surveys, see Rapoport and

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[•] CANNINGS, K., Université de Montréal and Institute for Advanced Study, Princeton (N.Y.).

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Rapoport 1980; Nieva and Gutek 1981; Nieva 1985; Valdez and Gutek 1987). Conflicts between the commitment requirements of the two careers — especially the need for geographic mobility — often force one partner to sacrifice his or her career prospects to accommodate the other (see the discussion and references in Markham 1987). Conflicts between career requirements and household demands — home maintenance and child care — may have adverse impacts on the careers of both partners (notwithstanding the extent to which dual-career incomes can mitigate these impacts by permitting the purchase of relevant goods and services) (see the discussion and references in Bielby and Bielby 1988).

Not surprisingly, studies of the dual-career process invariably reveal that it is the career goals and paths of the female partners that are most heavily compromised by family commitments (most of the relevant references are in Nieva 1985; Markham 1987; and Bielby and Bielby 1988). For reasons that are deeply imbedded in the ideology and persistence of the single-career family and the corresponding stereotypical biases of educators and employers, the reality remains that career opportunities open to men are generally superior to those available to women. As a result (if, indeed, the dual-career partnership does not dissolve under the pressure of conflicting career demands), joint rationality often leads the dual-career couple to opt for support of the husband's career (see Becker 1985). Whether out of "choice" or "necessity" — and in the practice of dual-career decision-making it is often difficult to distinguish the one from the other — commitments to the dual-career family tend to hamper the career success of "dual-career" women more than "dual-career" men.

Despite the burgeoning literature on dual-career families, there has been a paucity of rigorous quantitative analysis of the impacts of family commitments on the career success of men and women, controlling for the wide variety of cognitive, behavioral, and organizational variables that, quite apart from commitment to the spouse or the home, affect earnings and promotion (for revealing statistical studies, see Bryson and Bryson 1980; Pfeffer and Ross 1982). In this paper, I assess the impact of commitments to the family on the earnings of married men and women who have already advanced middle-management positions. The data for the study were collected in late 1983 by means of a questionnaire that I designed and distributed to 800 middle managers employed in nine regional offices of a major Canadian firm. Of the 730 questionnaires returned, 684 yielded enough information to be included in the data base for statistical analysis. Of the total sample, 76 percent, or 519 managers, declared themselves to be married (or living with a partner) and responded to that portion of the questionnaire concerning family commitments.

COGNITIVE, BEHAVIORAL, AND ORGANIZATIONAL DETERMINANTS OF EARNINGS

This study estimates a managerial earnings function for the 519 married managers (of whom 201 are women and 318 are men). The earnings function includes three broad classifications of variables that reflect i) cognitive, or "human capital" attributes of the managerial personnel; ii) their behavioral characteristics; and iii) their location in the organization's functional division of labor.

The cognitive variables include age, experience, and education. Included are measures of not only the level but also the content of education as captured by the specific area of concentration of one's highest degree (see Table 1 for variable definitions). Area of concentration in pre-employment education can have a longstanding impact on a manager's career path if capabilities developed through schooling form foundations for in-house acquisition of skills required for promotion within the managerial hierarchy (Cannings 1988b).

As generally employed by economists, the human capital model stresses investments in marketable cognitive capabilities, without specifying the behavioral dimension of managerial productivity or the organizational contexts in which managers tend to be more or less productive. The behavioral factors included in the earnings function reflect commitment to the firm, the building of relations with superiors, and the willingness to take on hierarchical responsibility.

Individuals will be committed to a particular firm when they perceive that it offers the best opportunities for achieving their career goals. Commitment to the firm can be measured by asking managers what percentage increase in pay would be necessary to induce them to leave the present employer to go to another firm with similar prospects for promotion (CAROT). Insofar as greater commitment to the firm results in more and better managerial work effort, we would expect more committed employees to be more productive and better paid.

By building an informal network within a managerial hierarchy, an employee develops mentor relations that increase his or her visibility to superiors, supplying them with information concerning the employee's loyalty that cannot be derived from formal measures of performance. Access to informal networks, therefore, may enhance an employee's prospects of receiving special consideration for promotion or special advice on how to achieve it. The measure of informal networks (INFORM) is an index of the quality and quantity of contacts that an employee has initiated with superiors in the managerial hierarchy.

Table 1

Variable Definitions

Dependent Variable BTES = 1983 before tax managerial earnings in Canadian dollars

Human capital variables

mun cu	piiu	
AGE	=	B)
AGE2	Ξ	-4
SERVC	=	
SERVC2	=	square of months of service with the company
EDHS	=	1 if highest degree received is high school, 0 otherwise
EDTS	=	1 if highest degree received from community college or technical institute,
		0 otherwise
EDCS	=	
EDPS		1 if highest degree is professional, masters, or doctorate, 0 otherwise
ACON1	=	1 if area of concentration of degree completed in university is in humanities, 0 otherwise
ACON2	=	1 if area of concentration of degree completed in university is in social sciences,
		0 otherwise
ACON3	=	1 if area of concentration of degree completed in university is in applied sciences, 0 otherwise
ACON4	=	1 if area of concentration is not included above, 0 otherwise
Behavioral		
CAROT	=	F
		another firm with similar prospects for promotion
INFORM	=	
		contact weighted by an index of the quality of each contact (3 for top
		executive, 2 for current or previous supervisor, 1 for personnel manager)
PRESPAN	ł =	
		number of employees directly managed
Control va	irial	number of employees directly managed
	irial	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4
Control va PERFEVA	irial X =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score)
Control va PERFEVA	irial X =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4
Control va PERFEVA	urial X = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male
Control va PERFEVA GENDER	irial L = = ona	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male
Control va PERFEVA GENDER Organizati PDEPN1	irial L = = ona	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2	ona = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3	ona = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2	ona = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5	ona = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5 Family con	nrial = ona = = = = mm	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise itiment variables
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5 Family con CHILD1	ona = = = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise itiment variables number of children five years and under in the home
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5 Family con	nrial = ona = = = = mm	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise itteent variables number of children five years and under in the home an index of division of labor in the household, measured as your own share of
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5 Family con CHILD1	ona = = = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise 1 if employed in Great on the home an index of division of labor in the household, measured as your own share of the total labor-time required for household tasks, with a minimum share of 0
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN3 PDEPN3 PDEPN4 PDEPN5 Family con CHILD1 DLHH	nrial = = = = = = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise 1 if employed in Greater Planning and Control, 0 otherwise 1 if employed in Johan five years and under in the home an index of division of labor in the household, measured as your own share of the total labor-time required for household tasks, with a minimum share of 0 and maximum of 300
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN2 PDEPN3 PDEPN4 PDEPN5 Family con CHILD1	ona = = = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise ittment variables number of children five years and under in the home an index of division of labor in the household, measured as your own share of the total labor-time required for household tasks, with a minimum share of 0 and maximum of 300 1 if you would move to a new location that would require you to change your
Control va PERFEVA GENDER Organizati PDEPN1 PDEPN3 PDEPN3 PDEPN4 PDEPN5 Family con CHILD1 DLHH	nrial = = = = = = = = = =	number of employees directly managed bles score of most recent performance evaluation ranging from 1 (best score) and 4 (worst score) 1 if female, 0 if male <i>l variables</i> 1 if employed in Public Affairs and Human Resources, 0 otherwise 1 if employed in Marketing and Sales, 0 otherwise 1 if employed in Computer Services, 0 otherwise 1 if employed in Finance and Corporate Planning, 0 otherwise 1 if employed in Operations Planning and Control, 0 otherwise 1 if employed in Greater Planning and Control, 0 otherwise 1 if employed in Johan five years and under in the home an index of division of labor in the household, measured as your own share of the total labor-time required for household tasks, with a minimum share of 0 and maximum of 300

To be productive in a managerial hierarchy requires not only certain cognitive abilities for decision-making but also behavioral traits that can evoke productive responses from subordinates. The fact that earnings rise as one climbs the managerial hierarchy may be explained by increased responsibility for both decision-making and motivating subordinates. The number of subordinates directly controlled — or the span of control (PRESPAN) — is a measure of a manager's authority and responsibility. Although PRESPAN need not necessarily be given a behavioral interpretation, for lack of an alternative measure I use it as a proxy for the willingness of a manager to take on hierarchical responsibility.

Performance evaluations seek to measure how well managerial tasks have been carried out, and are used as a criterion for promotion to positions of more authority, responsibility, and pay. Previous studies have used performance evaluations to test the hypothesis that productivity is a significant determinant of managerial earnings (Medoff and Abraham 1980). But the measures themselves do not tell us anything about the nature of the personal attributes of managers that result in higher or lower productivity. The human capital and behavioral variables included in our earnings function are posited as capabilities and motivations that determine productivity and, presumably, earnings differences among managers. When these variables are included in the earnings function, therefore, the addition of the performance evaluation variable (PERFEVA) functions as a control. If, alongside human capital and behavioral variables, the impact of performance evaluations remains statistically significant, the implication is that we require more research and data to discover what other earnings-relevant attributes the evaluations reflect. Alternatively, performance scores, and hence promotions and earnings, may be influenced by personal biases of evaluators towards certain types of people.

The assumption underlying the inclusion of human capital and behavioral variables in the earnings function is that individual earnings are determined by individual productive attributes, and not by where one works within the firm's functional division of managerial labor. If, holding all the cognitive and behavioral variables constant, the functional division of labor has a significant impact on earnings, then either the organization allocates rewards in terms of functional position rather than solely in terms of the attributes of individuals who occupy those positions, or all the relevant personal attributes that allocate middle managers to functions have not been specified. In order to control for the functional division of labor among managers I include organizational variables representing the departments in which managers are currently working (PDEPN1, PDEPN2, PDEPN3, PDEPN4, PDEPN5) in the earnings function. Note that, in order to simplify the analysis and avoid departmental categories with small numbers of observations, PDEPN1 combines two departments, Human Resources and Public Affairs, on the grounds that they both require "people" skills, and PDEPN4 combines Finance and Corporate Planning on the grounds that they both require "systems" skills.

THE RETURNS TO CAREER-BUILDING

Before discussing the family commitment variables that are included in the managerial earnings function, let us consider the statistical impact on earnings of the human capital, behavioral, and organizational variables already introduced. The first column of Table 2 presents multivariate OLS regression estimates of a semi-log form of the managerial earnings function. Among the human capital variables, higher education — both college (EDCS) and professional (EDPS) — have significant impacts on earnings. The coefficient on AGE, a proxy for general career experience or "careerbuilding", has the expected positive sign, but is not statistically significant.

All the coefficients on the behavioral variables and PERFEVA are significant. Even controlling for span of control and evaluated performance, both commitment to the firm (CAROT) and the building of informal networks (INFORM) have significant impacts on earnings at the 1 percent level, with positive coefficients of similar magnitude. Both these variables reflect the willingness of the manager to build his or her career within the firm.

The positive impact of the commitment to the firm variable on earnings is contrary to what orthodox economic theory would lead one to expect. A neoclassical model of labor allocation assumes that employees who require higher percentage increases to exit from the firm face higher costs of using the market. This constraint on their labor mobility should endow their current employers with a degree of monopsonistic power that is manifested in lower pay. But from an organizational behavior perspective that stresses the importance of long-term attachment to a specific organization for managerial career-building, CAROT can be interpreted as a measure of the career-building benefits that accrue to managers who remain attached to a specific firm, thus explaining its impact on earnings (Cannings 1989).

The coefficients on all the departmental variables are significant. Compared to the earnings of employees in Computer Services (the department that is arbitrarily excluded from the earnings function to avoid perfect collinearity among the departmental dummy variables), the earnings of employees in Public Affairs and Human Resources, Marketing and Sales, and Finance and Corporate Planning are affected negatively by their functional placement (with the largest negative impact occurring in Public

Independent	Regressions			
Variables	1	2	3	
	-	-		
CONSTANT	9,6625	9,6389	9,4214	
	(,1957)	(,1066)	(,2157)	
GENDER	-,1003**	-,0691**	-,0605**	
	(,0107)	(,0164)	(,0182)	
AGE	,0128	,0154	,0219	
	(,0105)	(,0105)	(,0117)	
AGE2	-,0028E-2	-,0063E-2	-,0014E-1	
	(,0001)	(,0001)	(,0001)	
SERVC	,0077E-1	,0082E-1	,0096E-1*	
	(,0004)	(,0004)	(,0005)	
SERVC2	-,0029E-3*	-,0032E-3*	-,0034E-3*	
	(,0013E-3)	(,0013E-3)	(,0014E-3)	
EDTS	,0267	,0267	,0059	
	(,0254)	(,0253)	(,0253)	
EDCS	,0778**	,0750**	,0434	
	(,0213)	(,0212)	(,0234)	
EDPS	,1992**	,1927**	,1888**	
	(,0259)	(,0259)	(,0284)	
ACON2	,0305	,0336	,0324	
	(,0251)	(,0250)	(,0227)	
ACON3	,0494	,0528*	,1180**	
	(,0265)	(,0263)	(,0257)	
ACON4	,0376	,0412	-,0033	
	(,0265)	(,0264)	(,0271)	
CAROT	,0038**	,0034**	,0043**	
	(,0010)	(,0010)	(,0010)	
INFORM	,0036**	,0034**	,0029**	
	(,0009)	(,0009)	(,0009)	
PRESPAN	,0095**	,0096**	,0082**	
	(,0017)	(,0017)	(,0018)	
PERFEVA	-,0241**	-,0232**	-,0159	
	(,0078)	(,0078)	(,0086)	
PDEPN1	-,0674**	-,0679**		
DDDD14	(,0179)	(,0177)		
PDEPN2	-,1808**	-,1765**		
	(,0178)	(,0177)		
PDEPN4	-,0402	-,0380		
	(,0209)	(,0208)		
PDEPN5	,0312	0,0266		
	(,0178)	(,0178)		
CHILD1		-,0154		
DI IIII		(,0115)		
DLHH		-,0021E-1*	-,0027E-1**	
UMOV		(,0091E-2)	(,0010E-1)	
UMOV		-,0253	-,0299*	
•		(,0136)	(,0151)	
R ²	,663	,670	,584	
N	519	519	519	

Table 2 **Earnings Function Estimates** (Dependent Variable: Logarithm of BTES)

Standard errors in parentheses. * = significant at 5 percent level; ** = significant at 1 percent level.

Affairs and Human Resources), and those of employees in Operations Planning and Control are affected positively. Despite the inclusion of level and type of education in our earnings function, the departmental variables may be capturing the impact of productivity related personal attributes of individuals not specified in our model. Alternatively, it may be that internal promotion possibilities differ across departments, but that there are impediments to the movement of employees with superior productive attributes into functional activities that offer more attractive career opportunities.

In the estimated earnings function, gender has a negative and highly significant impact on earnings, suggesting discrimination against women. Estimating earnings functions for males and females separately, we find that the most striking difference between intra-group returns to attributes are for AGE, the coefficient of which is positive and significant at the 5 percent level for males but negative and not significant for females. Using the decomposition technique to explore further the sources of gender discrimination, by far the largest imputed negative impact for females in the coefficients component is on the linear AGE term (for the use of the decomposition technique, see Cannings 1988a).

For managers, the coefficient on AGE can be interpreted as a return to building a career. For any given age, men may have higher returns to careerbuilding than women because of i) an *earlier start*, ii) careers that have been more *continuous* over time, or iii) greater *intensity* of career-building per unit of time. Fortunately, the data base permits us to delve more deeply into these alternative explanations.

FAMILY COMMITMENTS

Women may receive lower returns to age than men because, for a given age level, they have less labor force experience prior to joining the company. If so, the higher return to age for men would capture the cumulated returns to their earlier start at building their careers. The earlier-start hypothesis is not supported by the data in this sample. The mean full-time labor force experience of married males in the sample is 3,08 years greater than for married females, while the mean age of males is 2,34 years greater. On average, however, males have only 1,65 years more work experience outside the company than females, which is less than the mean age difference. When full-time labor force experience is added to the earnings function, holding age and years of service with the company constant, it has a negative and insignificant impact on earnings. It appears, therefore, that we have to understand what goes on during the careers of females and males — the continuity and intensity of their career-building activities — to explain the differential returns to AGE. A potential source of the difference is commitment to the family that detracts from commitment to the career. Some statistical analyses of earnings have used marital status as a proxy for family commitments (for example Osterman 1979). Marital status, however, fails to capture the specific types of family commitments as well as the intensity of these commitments that may detract from building a career. In fact, when I added a marital status variable to the earnings function for the whole sample (marrieds and singles), it had no significant impact on earnings.

One general type of family commitment that might constrain a manager's career is division of labor in the household. Because of the persistence of the traditional model of men working in the paid labor force and women working in the home and because female managers are more likely than male managers to be involved in a dual-career family, for any random sample of managers we would expect to find a higher proportion of females than males for whom a significant amount of household commitments must be balanced with the pursuit of a career. For example, in the sample being analyzed, 94 percent of the females, but only 58 percent of the males, reported that their spouses were managerial or professional.

Despite some evidence that managerial males are increasingly willing to sacrifice career productivity for the sake of family commitments (Chapman 1987), managerial married women still absorb most of the household labor (Meissner et al. 1975; Berk and Berk 1979; Hofferth and Moore 1979; Pleck 1981; Fox and Hesse-Biber 1984). Because working women are generally paid less than their spouses, the family often allocates more of the labortime of females to the home (Mincer and Polachek 1974; Mincer and Polachek 1978). In addition, even when managerial men in dual-career situations have been convinced intellectually that they should undertake an equal share of family commitments, social institutions, including the employment policies and practices of the firms for which they work, do not provide sufficient moral or material support for such equality to occur (for example Rosen and Jerdee 1974; Patterson 1976).

In order to measure division of labor in the household (DLHH), the questionnaire asked employees what proportion of various household tasks such as cooking, cleaning, and transportation of children they performed. The resultant index of DLHH ranges from 0 if the employee has no household responsibilities to 300 if he or she has full responsibility. In the sample, the average DLHH score is 93,96. For men, however, the average score is only 40,47; for women it is 178,58 (see Table 3). The proportion of household labor that female managers perform is over four times as high as their male counterparts.

Table 3

Data Means (N = 519)

Variable	Total	Males	Females
GENDER	0,387	0,000	1,000
AGE	37,133	38,044	35,692
AGE2	1415,607	1489,893	1298,079
SERVC	135,856	142,921	124,677
SERVC2	21,413,443	23,520,236	18,080,308
EDHS	0,102	0,113	0,185
EDTS	0,089	0,104	0,065
EDCS	0,676	0,651	0,716
EDPS	0,132	0,132	0,134
ACON1	0,056	0,038	0,085
ACON2	0,231	0,217	0,254
ACON3	0,376	0,406	0,329
ACON4	0,332	0,340	0,333
CAROT	27,877	28,874	26,299
INFORM	7,852	8,541	6,761
PRESPAN	6,852	7,200	6,427
PERFEVA	1,959	2,076	1,776
PDEPN1	0,262	0,264	0,259
PDEPN2	0,219	0,189	0,269
PDEPN3	0,237	0,245	0,224
PDEPN4	0,137	0,145	0,124
PDEPN5	0,145	0,157	0,124
CHILD1	0,250	0,293	0,184
DLHH	93,958	40,472	178,577
UMOV	0,193	0,094	0,348
EARNINGS	30,670,597	32,429,339	27,872,289
LOG (EARNINGS)	10,313	10,371	10,220

The specific type of household labor that most consumes one's time and effort is the care of children. In the absence of children in the home, dual-career couples often let the quality of their household commitments decline during the early stages of their careers (Hall and Hall 1979). Increasingly managerial and professional women have postponed childbearing in order to avoid constraints on their careers. In the United States in 1970, women over thirty accounted for only four percent of first births, but in 1982, 11 percent. These women tended to be the more highly educated in the population (Langer 1985). Many women who have begun to build successful careers in corporate management find that the arrival of children places marked constraints on earnings and further career growth (on these issues from various perspectives, see Mincer and Polachek 1978; Taylor 1986; Olson and Frieze 1987).

To measure the constraint that young children place on a career, the questionnaire asked employees how many children five years and under (CHILD1) as well as how many children over five years old (CHILD2) were living with them in the home. On average, employees in this company have ,25 children aged five and under, and 1,02 children aged six and older living in their homes.

When a manager in a dual-career relationship assumes the larger share of the household division of labor, he or she is in effect supporting the career of his or her spouse. Such support, however, often takes the form of major geographic relocations to support a spouse's career (Reagan 1975; Duncan and Perrucci 1976; Holohan and Gilbert 1979; Markham 1987). Corporations have become increasingly aware of the special problems that dual career families create for the relocation of an employee, and in the United States at least some corporations have begun to implement policies to facilitate the transition (for example Pare 1985). In Canada, however, corporations do not appear to be concerned about the problem, placing dual-career couples in the position of sacrificing the career of one for the sake of another when a relocation order or offer occurs (Herbert and Daitchman 1986).

In the sample, 69 percent of the males, but only 15 percent of the females thought that their careers were more important to their families than those of their spouses. Ten percent of females and 28 percent of males said that they had professional or managerial spouses who would be willing to move for the sake of their careers. Consistent with these responses, although putting the shoe on the other foot, 9,4 percent of males and 34,8 percent of females said that they would move for the sake of their spouse's careers — a variable that I have labelled UMOV.

THE IMPACT OF FAMILY COMMITMENTS ON EARNINGS

I augmented the earnings functions by including three variables that reflect commitment to the family (see Tables 1 and 2). As can be seen in Column 2 of Table 2, all of the three family commitment variables have the expected negative signs, but only DLHH has a significant impact on earnings. UMOV is positively correlated with DLHH (a correlation coefficient of ,32), and when only UMOV is added to the earnings function in Column 1, its coefficient is statistically significant at the 5 percent level. In regressions run on males and females separately, none of the coefficients on the three family commitment variables are significant, although it can be noted that among females the coefficient on CHILD1 is negative, whereas among males it is positive. On the other hand, the coefficients on UMOV and DLHH are negative among both males and females, although in both cases more negative among females.

The most striking result of the family commitment regression in Column 2 of Table 2 is the impact that the inclusion of DLHH has on the coefficient of the gender variable. GENDER and DLHH are highly correlated (,77). In the earnings function estimated for the married sub-sample without any of family commitment variables, the coefficient on GENDER is -,1003. When just UMOV is added it becomes -,0936. But when just DLHH is added, the GENDER coefficient remains significant at the 1 percent level, but, with a value of -,0699. Although among males as among females, the DLHH has a negative (but in neither case significant) impact on earnings, the constraint that division of labor in the household places on the commitment of female managers to building their careers explains a good portion — some \$900 or about 20 percent — of the apparent earnings discrimination against them in this company.

In Column 3, the departmental variables and the insignificant CHILD1 are dropped from the earnings function. The coefficient on GENDER becomes -,0605, indicating that females are *not* relatively overrepresented in the relatively low-paying functional activities (Public Affairs, Human Resources, and Marketing and Sales) that require "people-handling" skills. At the same time EDCS no longer has a significant impact on earnings because it is capturing the relatively lower earnings of those managers with college degrees in the humanities and social sciences who tend to be in the people-oriented functional areas. For the same reason, the coefficients of both DLHH and UMOV become more negative, and significant at the 1 percent and 5 percent levels respectively. Employees whose earnings are negatively influenced by family commitments tend to be in the lower-paying people-oriented departments.

Earnings functions with the family-commitment variables estimated for males and females separately reveal that among women DLHH does not have a significant impact on earnings, whereas among men it does. The relatively high levels of DLHH for women as a group adversely affects their earnings relative to men as a group. But whether a particular woman has more or less family commitments than other women in the sample does not have further significant impact on her earnings relative to other women. Men who have high levels of family commitments relative to other men do, however, find their earnings adversely affected, in part because the career activities of most men are quite unconstrained by family commitments and in part perhaps because superiors take a particularly dim view of the career commitment of those unusual men who have high levels of family commitments.

CONCLUSION

This paper has shown quantitatively that family commitments do have a negative impact on the earnings of managers, and that this impact is particularly severe for women. Indeed, explicit recognition of the impact of division of labor in the household on earnings helps to explain what otherwise appears as "unexplainable" earnings discrimination against female managers.

We cannot, of course, draw any general implications for policy either business or public, from one case study. The strength of a case-study approach is that it enables us to control for the overall organizational context in which managers pursue their careers, permitting a microanalytic determination of the sources of differences in earnings and promotions. The weakness of the approach is that the results are not generalizable. Resources permitting, however, this weakness could be overcome by the analysis of a large number of such case studies, and a comparison of the general organizational characteristics of the sample firms.

For the present, it can be noted that, relative to large North American corporations, a high proportion of the middle managers employed by the company analyzed in this case study are female, and the company clearly does not overtly block their advancement. Nevertheless, another study using this data base has revealed that even in this company female middle managers come up against an "invisible ceiling" that does not block the upward mobility of their male counterparts (Cannings and Montmarquette 1990). Whether explicit changes in its business policies, such as the provision of daycare and the implementation of flexible work schedules, can reduce the career disadvantages that family commitments impose on women managers is a matter that is currently under investigation. But, from what we know about the relation between family commitments and career commitments in general, we would expect that the elimination of the disadvantages imposed upon managerial women by the inequality in the household division of labor will require public policies and changes in social attitudes that go far beyond the purview of the employment policies of any single firm.

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Obligations familiales et réussite de la carrière les gains des cadres masculins et féminins

Cet article vise à évaluer l'influence des obligations familiales sur les gains des personnes mariées qui occupent des postes de cadres intermédiaires. Les données de la présente étude ont été recueillies au moyen d'un questionnaire à la fin de l'année 1983, auprès de 800 cadres intermédiaires travaillant dans neuf bureaux régionaux d'une importante entreprise canadienne. Des 730 questionnaires retournés, 684 fournissaient assez de renseignements pour qu'ils puissent constituer les éléments de base d'une analyse statistique. De la totalité de l'échantillon, 76%, ou 519 cadres (dont 201 femmes), ont déclaré être mariés (ou vivre maritalement) et ont répondu à la section du questionnaire portant sur leurs responsabilités familiales.

Une fonction de gains fut estimée pour ces 519 cadres. On y retrouve trois classes de variables reflétant 1) les dotations en capital humain des individus, 2) les caractéristiques de leurs comportements et 3) leur rang dans la division fonctionnelle du travail au sein de l'organisation. Les variables de capital humain incluent l'âge, l'expérience et la formation académique (qui comprend non seulement le plus haut niveau de scolarité atteint mais aussi la discipline de leur spécialisation). Les facteurs de comportement reflètent l'intégration dans l'entreprise, la création de relations avec les supérieurs et la volonté d'accepter des tâches de supervision.

L'hypothèse sous-tendant l'inclusion des variables relatives au capital humain et au comportement dans la fonction de gains repose sur le fait que les gains individuels sont déterminés par la performance de chacun et non par leur place au sein de la division fonctionnelle du travail. Si, en gardant constantes les variables de ces deux classes, la variable portant sur la division fonctionnelle du travail exerce une influence autonome significative sur les gains, alors de deux choses l'une: ou l'organisation fixe les salaires selon la valeur du poste plutôt que suivant les caractéristiques personnelles du cadre, ou l'on n'a pas spécifié toutes les caractéristiques personnelles pertinentes à l'attribution des fonctions aux cadres intermédiaires. Afin de vérifier l'effet exercé par la division fonctionnelle du travail parmi les cadres, on a inséré dans la fonction de gains des variables organisationnelles représentant les services où ceux-ci travaillent généralement. Les résultats de l'estimation de la fonction de gains révèlent que le sexe a un effet négatif très significatif sur les traitements, ce qui sous-entend qu'il y a discrimination contre les femmes. Quand on estime séparément ladite fonction pour les hommes et pour les femmes, la différence la plus frappante entre les deux groupes, en regard des divers déterminants des gains est l'âge. Pour les cadres, le coefficient relatif à l'âge peut s'interpréter comme le rendement obtenu sur l'investissement dans la carrière dans l'organisation. Or, on peut penser que, peu importe l'âge, les hommes peuvent accorder plus d'attention que les femmes à la réalisation d'une carrière parce qu'ils subissent moins les contraintes familiales. Afin de vérifier cette hypothèse, on a ajouté dans la fonction de gains trois variables reflétant les responsabilités familiales: le nombre de jeunes enfants au foyer, la volonté de déménager dans l'intérêt de la carrière du conjoint et un indice portant sur le partage des tâches domestiques. Les trois variables donnent les résultats négatifs attendus, mais seul l'indice du partage des tâches domestiques a une influence significative sur les salaires.

La constatation la plus frappante quant aux obligations familiales est l'effet de l'insertion de la variable du partage des tâches domestiques sur le coefficient de la variable relative au sexe. Ces deux variables montrent une forte corrélation (,77). L'estimation de la fonction de gains dans le cas du sous-échantillon des gens mariés fait apparaître un coefficient de -,1003 pour la variable de sexe en l'absence de variables se rapportant aux responsabilités familiales. Si on ajoute la variable de volonté de déménager afin de favoriser la carrière du conjoint dans la régression, la valeur du coefficient de la variable de sexe devient -,0936. Mais lorsqu'on n'y ajoute que le partage des tâches domestiques, le coefficient relatif au sexe reste significatif avec un risque d'erreur de l pour cent avec une valeur de -,0699. Bien que, tant pour les hommes que pour les femmes, la répartition des tâches familiales ait un effet négatif sur les gains (même s'il n'est pas significatif), les contraintes que le partage des obligations familiales imposent aux cadres de sexe féminin dans la poursuite de leur carrière expliquent en bonne partie (quelque 900\$ ou 20%) la discrimination salariale apparente à leur endroit à l'intérieur de l'entreprise.

Lorsque la variable se rapportant aux services et celle, non significative, de la présence des enfants, sont retranchées de la fonction de gains, la valeur du coefficient de la variable de sexe s'établit à -,0605, ce qui signifie que les femmes ne sont pas, toutes proportions gardées, surreprésentées dans les postes dont le traitement est faible. Cependant, d'une façon générale, les travailleurs qui ont des responsabilités familiales ont tendance à se retrouver dans les services où les salaires sont les moins élevés.

L'estimation des fonctions de gains incorporant les variables relatives aux obligations familiales pour les hommes et pour les femmes séparément révèle que chez les femmes, le partage des tâches domestiques n'exerce pas une influence significative sur les salaires. C'est toutefois l'inverse chez les hommes. Bien sûr, l'importance relative de ces tâches pour les femmes en tant que groupe distinct a un effet négatif sur leurs gains lorsqu'on la compare au groupe masculin. Mais qu'une femme en particulier ait plus ou moins d'obligations familiales que l'ensemble du personnel féminin dans l'échantillon n'a pas d'effet significatif sur ses gains quand on les compare aux autres employées. Par contre, les hommes qui portent de lourdes obligations familiales en comparaison du personnel de sexe masculin en général, voient leurs revenus affectés d'une façon négative. Ceci peut s'expliquer d'une part parce que la carrière de la plupart des hommes n'a pas à subir les contraintes des obligations familiales et, d'autre part, parce que possiblement, leurs supérieurs hiérarchiques ont une vision particulièrement vague des obstacles que posent les responsabilités familiales à la poursuite d'une carrière aux rares hommes qui se retrouvent dans une telle situation.

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