

## Factors Affecting Promotion: Age, Gender, and Mentorship

Dr. Himanshu Rai\*

### INTRODUCTION

Employees usually define their career success in terms of upward mobility, the principal mode of which is the promotion system (Ferris et al., 1992). Previous research has focused on the determinants and consequences of promotions while analysing certain specific issues such as age, gender and mentorship in greater details and depth. Dimick & Murray (1978) contended that organizational factors like size and technical complexity, and institutional influences like union strength, education level, and nature of product market had influence on the human resource management policies including promotion. Heisler & Gemmill (1978) proposed and verified that chief executive officers and MBA students perceived social presentability, managerial competence, superficial presentability, visiposure (an acronym for visibility and exposure), organizational demeanour, political skill, public image, and task/communication effectiveness as significant promotion criteria. Jackson et al. (1989) found that industry sector, the pursuit of innovation as a competitive strategy, manufacturing technology and organizational structure influenced personnel practices in organizations. Ferris et al. (1992) found environmental factors like industry and affirmative action plan, and organizational factors like centralization, formalization, size, strategy and unionisation, to be linked with promotion systems. Ganesan et al. (1993) indicated that the degree to which employees are promoted from within predicts the level of trust between the individual and the firm and is negatively associated with turnover and opportunistic behaviour.

The effects of age, gender differences, and mentorship programmes on promotion have been of interest to past and recent researches. Although Swinyard & Bond (1980) suggested that the newly

promoted executives were not likely to be any younger than their forebears when they make it to the top, Chiu et al. (2001) found that stereotypical beliefs significantly affected attitudes towards the training, promotion and retention of older workers and willingness to work with older workers. Further, Adams (2002) found that older individuals who perceived their firms to be favouring younger workers in promotion decisions are likely to experience lower wage growth and to separate from their employer or retire early.

The research on the effects of gender differences on promotions has yielded mixed results. London & Stumpf (1983) did not find support for the effect of sex on management promotion decisions. Lazear & Rosen (1990) contended that differential movement along job ladders entailed comparative advantage and therefore the ability standard for promotion was higher for women. The study by Jones & Makepeace (1996) suggested that though women had to meet more stringent criteria than men for promotion, much of the difference between men and women's attainment was due to their attributes. McDowell et al. (1999) point out that while promotion prospects for women are inferior to those of their comparable male colleagues, the promotion opportunities of females has improved over time. In a study of academic labour market, Ward (2001) found that male academics are more likely to be found in higher grades.

Despite a widespread belief about the positive effects of mentoring, few empirical studies have looked at its consequences and influences (Laband & Lentz, 1999). In an analysis of longitudinal data from the American Bar Association's survey, they found out that individuals who reported having a mentor were more likely (in 1990) to have achieved partner status. Poddar (2001) points out that mentoring integrates characteristics of the parent, child relationship and peer support without being either.

\*Asst. Professor, Indian Institute of Management, Lucknow, Prabandh Nagar, Off Sitapur Road, Lucknow, India - 226013, Email: himanshu@iiml.ac.in Tel: ++91-522-2736656

Although studies have looked at the influence of age, gender and mentoring, there are several gaps pertaining to reconciliation of conflicting results and the consequences of these characteristics. This study aims at providing certain plausible explanations and trends based on the literature review done.

### DETERMINANTS AND CONSEQUENCES OF PROMOTION

In a study from a sample of 20 companies in Canada, Dimick & Murray (1978) found that economic pressures for rationality such as competitive markets and lack of special advantages, organizational pressures for rationality such as size, technical complexity and lack of volatility, and institutional influences like union strength, educational level, ownership, control, age, and the nature of product market had significant influences on the Human Resource Management policies. Of these, the influence of economic and organizational pressures for rationality on HRM policies is moderated by unclear cause effect relationships, cost of information, and perceived affordability of policy or program. Heisler & Gemmill (1978) investigated the basic dimensions along which MBA students and chief executive officers organized their perceptions of the various promotion criteria. While the MBA students perceived social acceptability, managerial proficiency, public image, task/communication effectiveness, visiposure, and organizational demeanour as criteria for promotion, the chief executive officers perceived social presentability, managerial competence, superficial presentability, visiposure, organizational demeanour, and political skill as determinants of promotion. With results based upon data from 267 organizations, Jackson et al. (1989) concluded that personnel practices including promotion varied as a function of organizational characteristics. The data provided evidence that personnel practices are related to several organizational characteristics, including the importance as an aspect of the organization's competitive strategy, the sector of the economy within which the organization operates, the nature of the manufacturing technology used, the organization's structure and size, and whether a union is present. Further, they suggest an analytical framework for practitioners when they consider the choices they face regarding personnel practices. The

framework includes four major components: identification of the internal and external contingencies likely to affect the personnel system, consideration of the key attitudes and behaviours affected by each contingency, an analysis of the logical consistency among the key attributes and behaviours suggested by the combination of contingencies impinging upon the particular subunits within the organization, and for each subunit, a logical analysis of the fit between the constellation of desired attitudes and behaviours and the constellation of personnel practices being used. In a study on a sample of 347 US companies, Ferris et al. (1992) found that both environmental and organizational factors were linked to promotion systems. The environmental factors included industry and affirmative action plan. Industry was significantly related to the extent to which the fit between area of promotional opportunities and the functional area of the candidate was considered important. On the other hand, if companies had affirmative action plans, time-in-grade requirements for promotion were prevalent. The organizational factors included centralization, formalization, size, strategy and unionisation, and each of these had significant impact on the type of promotion system observed in the organizations. Further, the authors found linkages between characteristics of promotion systems and between promotion systems and performance assessment. The study therefore suggests that the promotion process is quite complex and more attention needs to be given to individual-level variables in the process. Promotions in turn would have consequences on employee attitudes and behaviour and organizational turnover and through them on organizational performance. Using survey data from 161 firms on salespeople, Ganesan et al. (1993) found that the level of trust between the salespeople and the firm was positively affected by the degree to which the salespeople were promoted from within the firm to the position of sales manager, and the degree to which salespeople engaged in opportunistic behaviour was negatively affected by the degree to which a trusting relationship existed between the sales force and the firm. Francesconi (2001) analysed the data from the first five waves of the British Household Panel Survey (BHPS) and found that workers who are married or live with a partner, have a full-time job, work overtime, are

employed in large establishments and in high level occupations, and come from more recent cohorts with shorter labour market experience have significantly higher probabilities of receiving a promotion. The results held for both men and women and were robust to the presence of individual specific unobserved heterogeneity. Thus, the results suggested that promotion within firms involved aspects of tournament, career concerns, task assignment, human capital and job matching theories. Further, the author found changes in wage growth and changes in job satisfaction to be the consequences of promotion.

### AGE AND PROMOTION

There are conflicting results on the relationship between age and promotion and the presence of stereotypes based on age. In a survey of more than 11,000 executives taken at the time they were promoted to vice president or president of a major US company, Swinyard & Bond (1980) found that the newly promoted executives are not likely to be any younger than their forebears when they make it as CEOs. In a study conducted in a university and a state agency in the north-eastern United States, Landau & Hammer (1988), found that age was negatively related to the perceived ease of movement. They argue that older employees with long tenure were usually at the top of their pay scales, so if they were promoted, they would have to be paid at higher level on their next higher grade. Thus, departments would be motivated to hire younger or new employees whom they could pay at the low end of the scales. Further they found that perceived ease of movement was positively related to organizational commitment and negatively related to intention to quit. Comparing age stereotypes among 567 respondents in the UK and Hong Kong, Chiu et al. (2001) found that stereotypical beliefs about age indeed existed and also significantly affected the attitudes towards training, promotion and retention of older workers, their willingness to work with older workers, and their support for positive discrimination. The authors further report that in recent years older workers have been disproportionately affected by industrial and organizational restructuring. Using the health and retirement study, Adams (2002) found that older individuals who perceive their firms to favour younger workers in promotion decisions,

are more likely to separate from their employer or to retire early. Thus, perceived discrimination on the basis of age in promotions would be related to separation and turnover, and reduced organizational commitment. However, it seems plausible that these relationships may be affected by the perceptions of affected people about the promotion per se and the procedures leading to those promotions. These perceptions can be interpreted in terms of distributive and procedural justice. Distributive justice refers to the perceived fairness of the compensations employees receive while procedural justice refers to the perceived fairness of the means used to determine these compensations (Folger, 1977 as quoted in Folger & Konovsky, 1989). In a survey of 217 first line employees of a privately owned manufacturing plant in United States, Folger & Konovsky (1989) found procedural justice to be significantly related to organizational commitment and also with pay satisfaction. The authors argue that procedural justice can be interpreted in terms of actions taken and opportunities provided by the decision maker that convey respect for employees' rights implying that employees are ends rather than means. The respect is shown by providing feedback and explanations on criteria used rather than making decisions on unexpected or unexplained criteria. It is likely, therefore, that perceived fairness of the procedures used for determining promotions could affect the consequences of perceived discrimination on the basis of age in promotions since the organization may be able to communicate to the employee of the need for younger people or the demands of the competitive environments affecting the decision-making. Thus it is plausible that perceptions of procedural justice would moderate the relationship between perceived discrimination on the basis of age in promotions and organizational commitment and turnover such that the positive relationship between perceived age discrimination and turnover would be reduced by high perceptions of procedural justice and the negative relationship between perceived age discrimination and organizational commitment would be reduced by high perceptions of procedural justice.

**Proposition 1:** Perceptions of procedural justice would moderate the relationship between perceived discrimination on the basis of age in promotions and organizational commitment and turnover.

## GENDER AND PROMOTIONS

The effects of gender differences on promotions are mixed. In a study examining the effects of candidate characteristics on simulated management promotions decisions, London & Stumpf (1983) did not find any support for the effect of sex on selecting finalists and rating the extent to which a candidate was considered. Using modelling techniques Lazear & Rosen (1990) concluded that a woman must have greater ability than a man to be promoted. Some women are denied a promotion that goes to a lower ability man. Although within jobs, men and women are compensated according to the same formula, female wages are lower because they are less than proportionately represented in higher-paying jobs. They argue that differential promotion rates imply that women receive lower average lifetime wages than men. The differential is exactly equalising, so that employers are gender blind at the time of hiring, but when it comes to promotion, men receive preferential treatment. They further conclude that promotion rates should differ less by gender at very high levels of ability than at middle or lower levels of ability. The study by Jones & Makepeace (1996) suggests that much of the difference between men and women's attainment is due to their attributes. Citing an example they say that lack of work experience is more important quantitatively than glass ceilings in preventing the preferment of women. Using personnel data from a large financial company, they also found evidence that the differential barriers confronting women are greatest at the lower end of the job ladder. In an empirical investigation conducted among 160 women managers from senior, middle and junior levels of management from 10 major PSUs, Buddhapriya (1999) found that contrary to expectations, the average score of women managers on fear of success was low and managerial level did not have any significant influence on it. In a study that used unique panel data for America Economic Association members, McDowell et al. (1999) found that promotion prospects for women were inferior to those of their comparable male colleagues. However, they also found that the promotion opportunities of female economists (particularly associate to full professor) had improved over time. Similar results were found by Ward

(2001) who conducted a unique cross sectional study of the academic staff of five old established universities in Scotland. Results suggested that despite detailed controls for personal attributes, women are underrepresented within the senior ranks of the academic profession. She also found weak evidence to suggest that career breaks and inferior publication records affected female chances of attaining the higher grades of the profession. Evidence of the presence of a glass ceiling was reported elsewhere too (Ginther & Hayes, 1999). Evidence further suggests that promotion from researcher to lecturer is a relatively high hurdle for women. Francesconi (2001) found that an additional child aged 3-4 reduces the probability of promotion for women; the effect remains negative when children are aged 5-11 but it is smaller and gradually disappears as the children become adolescents. So though the evidence for discrimination in promotions on the basis of gender may be mixed, the certainty of the problem being higher at lower levels than at upper levels seems to be established. One explanation for this could come from Francesconi's (2001) findings because it is more likely for women to have younger kids when they are at lower levels of organizational hierarchy. Desai (2000) suggests that the difference between males and females comes at the interpersonal level due to power differences. At the interpersonal level, power moves into the realm of relationship and is exerted primarily by communication through stature, charisma, knowledge, authority etc. Although women are likely to have less interpersonal power due to social and cultural effects (Desai, 2000), it is likely that this discrepancy reduces as women up the levels of hierarchy. Thus it is likely that higher a woman goes on the hierarchical level, lesser would be the discrimination against her on the basis of gender in the context of promotions.

**Proposition 2:** Gender discrimination in promotions would be negatively related to the hierarchical level of the female employee.

## MENTORSHIP AND PROMOTION

Despite a widespread belief that being mentored has positive effects on career development of mentees, few empirical studies have looked at its consequences and influences (Laband & Lentz, 1999). Analysing the responses from 1721 individuals who participated in two surveys of the

National Survey of Career Satisfaction/Dissatisfaction, the authors found that respondents who indicated (in 1984) that they had a mentor were significantly more likely to report being law firm partners in 1990 than respondents who did not report having a mentor in 1984. The authors suggest that a variety of mentor functions like career guidance, cheerleading, career advocacy/sponsorship, active human capital development, including organization-specific knowledge and occupationally relevant knowledge, and passive human capital development (mentor as an example) may enhance the career development chances of the mentees. Poddar (2001) suggests that mentoring leads to reduced stress, reduced absenteeism, and increased motivation for the mentee. He contends that the recipient of mentoring becomes more productive in organization and more promotable to increased level of responsibility. The mentee is more likely to perform and less likely to quit. Since the functions performed by the mentor would provide both developmental experiences and a good feedback/appraisal to the mentee, the chances of an individual who has a mentor of succeeding in the organization are better than those who do not have mentors.

**Proposition 3:** Individuals who have mentors in the organization are more likely to be promoted than individuals who do not have mentors.

## DISCUSSION

Promotion systems are complex systems that depend upon environmental factors, organizational factors, job factors, and individual characteristics. Discrimination in promotion policies on the basis of age and gender are present, yet, the dynamics and the interactive effects of such discrepancies have not been fully researched. Since perceptions of discrepancies in promotions can lead to turnover (Bernhardt & Scoones, 1993), lack of organizational commitment and job dissatisfaction, it is necessary to study the determinants and consequences of promotions and promotion policies in greater details. Since manpower planning and management development are perpetually linked (Mayo, 1990), it becomes imperative for HR professionals to plan for adequate and effective successions both in the short term and the long term at all levels. Since managerial talent is a critical need of effective organizations, the promotion systems ought to

operate in a way that satisfy this need (Ferris et al., 1992). Future research should provide empirical support to the propositions made in the study to better understand promotion decisions in organizations.

## BIBLIOGRAPHY

- Adams, Scott J. 2002. *Journal of Labor Research*. *Passed over for promotion because of age: an empirical analysis of the consequences*. 23:3. pp447-461.
- Bernhardt, Dan & Scoones, David. 1993. *American Economic Review*. *Promotion, turnover, and pre-emptive wage offers*. 83:4. pp771-791
- Buddhapriya, Sanghamitra. 1999. *Vikalpa*. *Fear of success among women managers: an empirical investigation*. 24:4. pp17-27.
- Chiu et al., 2001. *Human Relations*. *Age stereotypes and discriminatory attitudes towards older workers: an East-West comparison*. 54:5. pp629-661.
- Desai, Tripti Pande. 2000. *Indian Management*. *Equality hinges on power*. pp83-85.
- Dimick, David E. Murray, Victor V. 1978. *Academy of Management Journal*. *Correlates of substantive policy decisions in organizations: the case of human resource management*. 21:4. pp611-623.
- Ferris, Gerald R.; Buckley, M. Ronald & Allen, Gillian M. 1992. *Human Resource Planning*. *Promotion systems in organizations*. 15:3. pp47-68.
- Folger, Robert & Konovsky, Mary A. 1989. *Academy of Management Journal*. *Effects of procedural and distributive justice*. 32:1. pp115-130.
- Francesconi, Marco. 2001. *Oxford Bulletin of Economics & Statistics*. *Determinants and consequences of promotions in Britain*. 63:3. pp279-310.
- Ganesan, Shankar; Weitz, Barton A. & John, George. 1993. *Journal of Personal Selling & Sales Management*. *Hiring and promotion policies in sales force management: some antecedents and consequences*. 13:2. pp15-26.

- Ginther, Donna K. & Hayes, Kathy J. 1999. American Economic Review. *Gender Differences in Salary and Promotion in the Humanities*. 89:2. pp397-402.
- Heisler, W. J. & Gemmill, Gary R. 1978. Academy of Management Journal. *Executive and MBA student views of corporate promotion practices: a structural comparison*. 21:4. pp731-736.
- Jackson, Susan E; Schuler, Randall S & Rivero J Carlos. 1989. Personnel Psychology. *Organizational characteristics as predictors of personnel practices*. 42. pp727-786.
- Jones, David R. & Makepeace, Gerald H. 1996. Economic Journal. *Equal worth, equal opportunities: pay and promotion in a international labor market*. pp401-409.
- Laband, David N. & Lentz, Bernard F. 1999. Applied Economics Letters. *The impact of having a mentor on earnings and promotion: evidence from a panel study of lawyers*. 6:12. pp785-787.
- Landau, Jacqueline & Hammer, Tove Helland. 1986. Academy of Management Journal. *Clerical employees' perceptions of intraorganizational career opportunities*. 29:2. pp385-404.
- Lazear, Edward P & Rosen, Sherwin. 1990. Journal of Labor Economics. *Male-female wage differentials in job ladders*. 8:1. ppS106-S122.
- London, Manuel & Stumpf, Stephen A.. 1983. Personnel Psychology. *Effects of candidate characteristics on management promotion decisions: an experimental study*. 36. pp241-259.
- Mayo, Andrew. 1990. Industrial & Commercial Training. *Linking manpower planning and management development*. 22:3. pp3-12.
- McDowell, John M.; Singell Jr., Larry D. & Ziliak, James P. 1999. American Economic Review. *Cracks in the Glass Ceiling: Gender and Promotion in the Economics Profession*. 89:2. pp392-396.
- Poddar, Chinmay Kumar. 2001. Indian Management. *Mentoring-a vital HR tool*. pp56-58.
- Swinyard, Alfred W. & Bond, Floyd A.. 1980. Harvard Business Review. *Who gets promoted?* pp6-18.
- Ward, Melanie E. 2001. Scottish Journal of Political Economy. *Gender and promotion in the academic profession*. 48:3. pp283-302.