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SUPPORT FOR WOMEN'S LIB: MANAGEMENT PERFORMANCE

by

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BACKGROUND OF THIS PAPER

This paper is based on experimental research sponsored by Research Group B, of the Bureau of Business Research, Graduate School of Business Administration, the University of Michigan.

This group of department stores from seven midwestern states provides financial and logistical support to basic research into consumer behavior. This paper is one in a series of reports on this behavioral research.

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The women's liberation movement--"women's lib"--has been protesting that American business engages in widespread job discrimination on the basis of sex. The heart of the protest has been the claim that women can perform most jobs just as effectively as their male counterparts. Ironically, the accumulating of firm evidence to support this claim has been somewhat thwarted by the very fact that women have not "infiltrated" management positions in sufficient numbers to allow a substantive comparison with males in the same job. However, there is one management area that has been sexually integrated for several years--the professional buyers for retail stores--and this area is a good basis for a comparison of performance.

Purpose

The purpose of this paper is to present the results of a comparison between male and female buyers for twenty department stores located in seven midwestern states. These professional buyers determine the retailer's product mix and can thus be described as being in a management position. The hypothesis tested is consistent with the claims of women's lib: that there are no differences on the basis of sex in the performance of a job, but there are differences in factors directly controllable by the organization.

The Study

The buyers that were studied come from Research Group B, a

group of eight retailers who operate the twenty stores in seven states and who actively support research into buyer behavior by the Bureau of Business Research of the University of Michigan. In all, 137 professional buyers were interviewed during 1970, including 60 males and 77 females. Information was obtained about their socioeconomic status, their self-evaluation of performance and capabilities, and their actual departmental performance. The management of each store was responsible for identifying their buyers. Each buyer was then given a questionnaire to complete and return directly to the University of Michigan. The respondents were assured that the study was confidential and that it was controlled solely by the Bureau of Business Research.

All the differences and similarities cited were statistically tested and a .05 level of significance was utilized.^{1/}

Performance Similarities

Perception of self-confidence

Previous research shows that differences in the self-confidence of the professional buyers was significant in comparing the sales success and failure of two department stores.^{2/} In this study each

^{1/} Samuel Richmond, Statistical Analysis (New York: Ronald Press, 1964), pp. 184-214, 290-303.

^{2/} Claude R. Martin, "The Contribution of the Professional Buyer to the Success or Failure of a Store," Working Paper No. 9, Bureau of Business Research, Graduate School of Business Administration, University of Michigan, Ann Arbor, Mich., Oct., 1970.

buyer was asked to evaluate his confidence in his general abilities and in his specific functions as a buyer. The objective was to compare the self-confidence between male and female buyers, not to measure the level of self-confidence and relate that to other factors, as Cox and Bauer^{3/} have done. However, the questions eliciting data on self-confidence were similar to those used by Cox and Bauer, and we have categorized the responses similarly as general and specific self-confidence.

There are no significant differences between male and female buyers' perception of specific or general self-confidence in either their judgment of new trends in merchandise or in new resources to supply them (Table 1). Additional reinforcement for this similarity comes from the answers to questions concerning the buyers' self-evaluation of the certainty with which their decisions satisfied both their customers and themselves. This self-evaluation covered decisions regarding both style and resources and, again, there were no significant differences between the sexes (Table 2).

Aggressiveness and pursuit of resources

Top management for the stores involved in the study indicate that one function of the buyer's job is to uncover and evaluate new merchandise resources. Thus each buyer was asked to report the number of new

^{3/} Donald F. Cox and Raymond A. Bauer, "Self-Confidence and Persuasibility in Women," Public Opinion Quarterly, Fall, 1964.

TABLE 1

Buyers' Perceived Self-Confidence*
(In Percentage of Buyers)

Kind of Self-Confidence	Male	Female
<u>General self-confidence</u>		
Q. How do you feel about your abilities in general?		
Very confident	40	27
Usually confident	57	66
Sometimes confident	03	06
Almost never confident
<u>Specific self-confidence</u>		
Q. How confident are you, as a professional buyer, in selecting a new buying resource?		
Very confident	39	37
Usually confident	58	55
Sometimes confident	03	07
Almost never confident	...	01
Q. How confident are you, as a professional buyer, in your ability to select new trends?		
Very confident	28	26
Usually confident	63	58
Sometimes confident	07	16
Almost never confident	02	...

* Chi-Square tests show no significant differences (.05 level) in these distributions.

Source: Samuel Richmond, Statistical Analysis (New York: Ronald Press, 1964), pp. 290-303.

TABLE 2

Certainty Concerning Merchandise and Resource Decisions*
(In Percentage of Buyers)

Degree of Certainty	Male	Female
Q. How certain are you that a style you have not tried will satisfy your customers as well as a style you now have in inventory?		
Very certain	10	08
Usually certain	62	71
Sometimes certain	22	20
Almost never certain	07	01
Q. How certain are you that a style you have not tried will satisfy you as well as a style you now have in inventory?		
Very certain	27	24
Usually certain	48	58
Sometimes certain	20	13
Almost never certain	05	05
Q. How certain are you that a resource you have not bought from before will satisfy as well as a resource from whom you now buy?		
Very certain	17	12
Usually certain	65	66
Sometimes certain	07	17
Almost never certain	12	05

* Chi-Square tests show no significant differences in these distributions at the .05 level.

Source: Same as for Table 1.

resources that he or she had called upon during the last preseason market trip. Table 3 gives only a summary of this resource pursuit; the actual distributions, which used thirty different possible resource contacts, were not significantly different between male and female buyers.

Another function of the buyer is to obtain additional factors from his resources. Each buyer was asked whether he or she normally asked for dating, advertising money, markdown money, or return privileges from buying resources. The buyer's answer was verified by his or her actual performance record in obtaining these "extras." Again, there were no significant differences in aggressiveness between the male and female buyers (Table 4).

Inventory investment in new trends

Each buyer was asked to report the percentage of inventory invested in "new-trend" merchandise. The following is the description of new-trend merchandise given to each buyer:

Each buying season there are new trends available on the market. During recent seasons these have included the midi and maxi in ready-to-wear; colored shirts and coordinated neckwear in men's furnishings; and the softening of the "squared-look" in shoes. These new trends have existed in all categories--for example, in such diverse areas as children's wear, furniture, and cosmetics.

The male and female buyers studied reported no significant differences in the amount of new-trend merchandise investment they had made during the immediately preceding buying season (Table 5).

TABLE 3

Pursuit of New Resources--Last Preseason Market Trip*
(In Percentage of Buyers)

Number of New Resources Contacted	Male	Female
Less than 10	45	57
10 to 19	22	22
More than 20	33	21

* When the total distributions containing 30 variables or possible resource contacts were tested by using Chi-Square there were no significant differences between male and female buyers at the .05 level.

Source: Same as for Table 1.

TABLE 4

Buyer's Aggressiveness with Resources*
(In Percentage of Buyers)

Buyer's Actions	Male	Female
Asked for and obtained dating	58	54
Asked for and obtained advertising money	83	86
Asked for and obtained markdown money	24	32
Asked for and obtained return privileges	63	78

* Chi-Square tests show no significant differences in these distributions at the .05 level.

Source: Same as for Table 1.

TABLE 5

Investment in New-Trend Merchandise*
(In Percentage of Buyers)

Percentage of Inventory Invested in New-Trend Merchandise	Male	Female
Less than 10 per cent	19	12
10 to 20 per cent	36	41
21 to 50 per cent	33	34
Over 50 per cent	12	13

* Chi-Square tests show no significant differences in these distributions at the .05 level.

Source: Same as for Table 1.

Leaders versus followers

Next the buyers were asked to choose among the following five alternative courses which they felt their stores should take in following the trends:

1. They should be first in town.
2. They should be first in the area.
3. They should follow after the high-fashion stores in the major metropolitan areas.
4. They should not follow until the offices recommend it.
5. They should not follow until shown by regular resources.

The buyers choosing 1 or 2 show initiative--a leadership--in new trends, while those choosing 3, 4, and 5 rely on others. They are followers. Previous analysis of the buyers for two stores linked this leader/follower characteristic to sales success or failure.^{4/} In that study, 70 per cent of the buyers for the successful store were labelled as leaders, while only 24 per cent of the failing store's buyers could be so classified. In this broader examination of buyers for twenty stores, there are striking similarities in the leadership tendencies between male and females--71 per cent of the male and 73 per cent of the female buyers show this tendency toward leadership in new-trend merchandise selection.

Differences

There are significant differences between the male and female

^{4/} Martin, "The Contribution of the Professional Buyer," pp. 12-13.

buyers along four dimensions, two of which are demographic characteristics and two of which are the result of organizational policies. In all four cases the differences are significant at the more rigid .01 level.^{5/}

Demographic characteristics: education and marital status

There is a tendency toward more formal education on the part of the male buyers and this is reflected in the relatively high percentage who are college graduates (Table 6).

A larger percentage (92 per cent) of the male buyers are married compared to their female counterparts (57 per cent). Some 33 per cent of the females are either divorced or widowed compared to 3 per cent of the males in these "previously married" categories.

Organizational policies: income and management discretion

Another of the major differences between the male and female buyers is in the amount of money they are paid for performing their jobs (Table 7). The aggregate results for the twenty stores show a significant difference in the overall income received by buyers of different sexes, and that difference operates in favor of the male buyers. In other words, the male professional buyers are better compensated than are the female buyers.

^{5/} Richmond, Statistical Analysis, pp. 290-303.

TABLE 6

Education of Buyers*
(In Percentage of Buyers)

	Male	Female
Completed grade school--no high school education	2	4
Attended high school--did not graduate	2	9
Graduated from high school--no further education	22	48
Graduated from high school--attended business school	8	19
Graduated from high school--attended college, but did not graduate	40	18
Graduated from college	27	1

* Chi-Square tests show significant differences in these distributions at the .01 level.

Source: Same as for Table 1.

TABLE 7

Buyer's Income Level*
(In Percentage of Buyers)

	Male	Female
Q. What is your income from this department store?		
Under \$5,000	...	25
\$5,000 to \$8,000	24	55
\$9,000 to \$12,000	36	18
\$13,000 to \$16,000	25	3
\$17,000 to \$20,000	7	...
Over \$20,000	8	...

* Chi-Square tests show significant differences in these distributions at the .01 level.

Source: Same as for Table 1.

The final area of difference between the sexes is clearly a result of the control of top management. Decision-making discretion is more often granted to the male buyers than to the female buyers in the crucial decision regarding the adding and dropping of merchandise resources (Table 8).

Summary and Conclusions

This study of the professional buyers for twenty midwestern department stores offers some justification for the women's lib claim that members of the fairer sex can perform as well as their male counterparts in at least one management position. The data show no significant differences between males and females in either their self-evaluation of performance and capabilities or in their actual managerial performance. The major differences are in the demographic characteristics of marital status and education and in factors resulting from organizational policy--income and decision-making discretion. While the latter two factors directly support the general condemnation of business practices by the women's lib movement, the difference in education between the sexes may justify the income differential. Certainly the chauvinistic male would find little security if better educated women were hired.

TABLE 8

Buyer's Decision-Making Discretion*
(In Percentage of Buyers)

	Male	Female
Need management approval to add resources?		
Yes	34	64
No	66	36
Need management approval to drop resources?		
Yes	37	59
No	63	41

* Chi-Square tests show significant differences in these distributions at the .01 level.

Source: Same as for Table 1.

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