Feminist management theorists are flirting with some dangerous arguments

Schumpeter

Dec 30th 2009 | from PRINT EDITION

THE late Paul Samuelson once quipped that "women are just men with less money". As a father of six, he might have added something about women's role in the reproduction of the species. But his aphorism is about as good a one-sentence summary of classical feminism as you can get.

The first generations of successful women insisted on being judged by the same standards as men. They had nothing but contempt for the notion of special treatment for "the sisters", and instead insisted on getting ahead by dint of working harder and thinking smarter. Margaret Thatcher made no secret of her contempt for the wimpish men around her. (There is a joke about her going out to dinner with her cabinet. "Steak or fish?" asks the waiter. "Steak, of course," she replies. "And for the vegetables?" "They'll have steak as well.") During America's most recent presidential election Hillary Clinton taunted Barack Obama with an advertisement that implied that he, unlike she, was not up to the challenge of answering the red phone at 3am.

Many pioneering businesswomen pride themselves on their toughness. Dong Mingzhu, the boss of Gree Electric Appliances, an air-conditioning giant, says flatly, "I never miss. I never admit mistakes and I am always correct." In the past three years her company has boosted shareholder returns by nearly 500%.

But some of today's most influential feminists contend that women will never fulfil their potential if they play by men's rules. According to Avivah Wittenberg-Cox and Alison Maitland, two of the most prominent exponents of this position, it is not enough to smash the glass ceiling. You need to audit the entire building for "gender asbestos"—in other words, root out the inherent sexism built into corporate structures and processes.

The new feminism contends that women are wired differently from men, and not just in trivial ways. They are less aggressive and more consensus-seeking, less competitive and more collaborative, less power-obsessed and more group-oriented. Judy Rosener, of the University of California, Irvine, argues that women excel at "transformational" and "interactive" management. Peninah Thomson and Jacey Graham, the authors of "A Woman's Place is in the Boardroom", assert that women are "better lateral thinkers than men" and "more idealistic" into the bargain. Feminist texts are suddenly full of references to tribes of monkeys, with their aggressive males and nurturing females.

What is more, the argument runs, these supposedly womanly qualities are becoming ever more valuable in business. The recent financial crisis proved that the sort of qualities that men pride themselves on, such as risk-taking and bare-knuckle competition, can lead to disaster. Lehman Brothers would never have happened if it had been Lehman Sisters, according to this theory.

Even before the financial disaster struck, the new feminists also claim, the best companies had been abandoning “patriarchal” hierarchies in favour of “collaboration” and “networking”, skills in which women have an inherent advantage.

This argument may sound a little like the stuff of gender workshops in righteous universities. But it is gaining followers in powerful places. McKinsey, the most venerable of management consultancies, has published research arguing that women apply five of the nine “leadership behaviours” that lead to corporate success more frequently than men. Niall FitzGerald, the deputy chairman of Thomson Reuters and a former boss of Unilever, is as close as you can get to the heart of the corporate establishment. He proclaims, “Women have different ways of achieving results, and leadership qualities that are becoming more important as our organisations become less hierarchical and more loosely organised around matrix structures.” Many companies are abandoning the old-fashioned commitment to treating everybody equally and instead becoming “gender adapted” and “gender bilingual”—in touch with the unique management wisdom of their female employees. A host of consultancies has sprung up to teach firms how to listen to women and exploit their special abilities.

The new feminists are right to be frustrated about the pace of women’s progress in business. Britain’s Equality and Human Rights Commission calculated that, at the current rate of progress, it will take 60 years for women to gain equal representation on the boards of the FTSE 100. They are also right that old-fashioned feminism took too little account of women’s role in raising children. But their arguments about the innate differences between men and women are sloppy and counterproductive.

People who bang on about innate differences should remember that variation within subgroups in the population is usually bigger than the variation between subgroups. Even if it can be established that, on average, women have a higher “emotional-intelligence quotient” than men, that says little about any specific woman. Judging people as individuals rather than as representatives of groups is both morally right and good for business.

Caring, sharing and engineering

Besides, many of the most successful women are to be found in hard-edged companies, rather than the touchy-feely organisations of the new feminist imagination: Areva (nuclear energy), AngloAmerican (mining), Archer Daniels Midland (agribusiness), DuPont (chemicals), Sunoco (oil) and Xerox (technology) all have female bosses. The Cranfield School of Management’s Female FTSE 100 Index reveals that two of the industries with the best record for promoting women to their boards are banking and transport.

Women would be well advised to ignore the siren voices of the new feminism and listen to Ms Dong instead. Despite their frustration, the future looks bright. Women are now outperforming men markedly in school and university. It would be a grave mistake to abandon old-fashioned meritocracy just at the time when it is turning to women’s advantage.