

Consequences of Ambition: A Cross-Cultural Study of Women Accountants

Rajul Gokaran, Ravi Parameswaran

Abstract

This study seeks to assess the impact of ambition, employment status (students versus professionals) and country of origin on concerns of women accountants regarding advancing to top management positions. The study used multivariate analysis of variance and covariance. The findings indicate that all three of the factors have significant main effects. A few interaction effects are also significant. Demographic covariates such as age, marital status, and number of children had negligible influence. The authors conclude that ambitious women professionals are more likely to “stick it out” to achieve their career goals.

A *Strategic Finance* article (“Women Accountants Advance,” 2001), based on an RHI Management Resources survey, affirmed a significant development in the status of women accountants by noting that the number of management level positions held by women accountants had increased in the last five years and that the trend was likely to continue at least into the next five. A growing number of women are being named to CFO positions. Others are achieving partner status at large accounting firms, while still others are using their finance, management and entrepreneurial skills to launch their own businesses. As a result, the concept of a “glass ceiling” at last seems to be unraveling. This trend, along with the report that women comprise nearly 60 percent of the accountant and auditor work-force (U.S. Department of Labor Women’s Bureau, 2000), and that they earn more than half of all undergraduate and master’s degrees in accounting (AICPA, 2004), suggests a greater need to focus attention on the career aspirations, achievements, and roadblocks for women accountants, as well as a need for a more rigorous research agenda on the subject than has been forthcoming.

Most earlier works on this subject have been based on secondary data generated by the government, trade associations, and management resources consultants. These data indicate that, whereas a significant influx of women into the accounting and auditing practice dur-

ing the last third of the 20th century has made them about half of all accounting and financial professionals (Williams, 1998), very few women have risen to partner status or top management positions. Statistics of the early 1990s indicate that even though 35 percent of managers were women, less than 20 percent occupied top managerial positions, and less than five percent became senior partners (Berton, 1993; Hayes & Hollman, 1996). An additional statistic of concern is that many mid-level women managers seemed to be opting out of the profession in mid-career. Among lower and middle-level managers, the turnover rate is significantly higher for women than men, leaving fewer females available for promotion to senior positions (Hayes & Hollman, 1996; Flynn, 1996).

A host of reasons (AICPA, 1998; Lehman, 1992; Collins, 1993), several of them seemingly based on cursory data or intuitive and anecdotal evidence, have been advanced thus far for this state of affairs. It has been suggested, usually by men, that there is an issue of differences in gender priorities (Hayes & Hollman, 1996), with women being susceptible to greater preoccupation with family matters at the expense of commitment to work. Another argument posits gender differences in behavioral traits, especially as they relate to job stress and commitment (AICPA, 1988; Collins, 1993). This idea has been refuted in later studies (Flynn, 1996; Hayes & Holl-

man 1996). Women, on the other hand, point to what has been identified in the accounting business as weigh(ing) heavy on the testosterone syndrome (Flynn, 1996): a male-dominated culture where firms celebrated their successes in male-dominated clubs, settled deals on links and stayed safely in old-boys networks (Flynn, 1996). Women managers in focus groups have often complained about being discouraged or continually being passed over for high-profile assignments. They have also pointed to the lack of mentoring, role models, and networking opportunities for women (Flynn, 1996). Studies conducted in the United Kingdom (“No Progress for Women Accountants,” 1996), Australia (Labourne, 1996; Slamet, 1997), Ireland (Barker, 1994) and other countries indicate that the trends in the accounting labor market and the problems faced by women accountants are global in nature.

We have designed the current study to augment our knowledge on this critical issue. Since the phenomenon appears to be world-wide, a cross-cultural study is desirable, especially one in which the cultures studied are significantly disparate. The current study is undertaken as a comparison of perceptions of women from two vastly different cultures, namely, women accountants (CPAs) and students from the USA and their counterparts, and women chartered accountants (CAs) and students from India. India was selected as a representative of the developing world where the accounting profession is thriving (“India Profession Flourishes,” 1997). Students, in addition to practicing professionals, were included in the study to gauge the propensity suggested in the literature of a mid-career shift in priorities from career to family among female professionals.

An additional goal in this study was to determine whether the level and strength of ambition affected work-place perceptions and therefore, could be a conduit to encourage more women to “stick it out” until they reached the very top.

A questionnaire was developed to determine the perceptions and reality that women accountants and aspirants faced regarding the above issues (detailed later). Wording differences between the student and profes-

sional questionnaires related only to the fact that students had not yet experienced work-life. Identical questionnaires were administered in the United States and India. Questionnaires were mailed to 220 women certified public accountants (CPAs) in the U.S. and 200 women chartered accountants (CAs) in India. Usable responses from the U.S. were 138, yielding a 63 percent response rate, and 128 from India, for a 64 percent response rate. The comparable student sample sizes and response rates were: U.S.: 200 (70 percent), and India: 180 (85 percent), respectively. Student surveys in both countries were administered in person for later collection. Missing values further eroded the effective responses available for analysis to: U.S. (259): CPAs, 125; students, 134; and India (266): CAs, 121; and students, 143.

The main analytical method used in this study was a multivariate analysis of variance in the presence of covariates (MANOVA/MANCOVA) using the 4v program in the BMDP software package. The independent variables studied were ambition (top management, middle management, entry level); country (U.S. or India); and status (whether student or employed). Ambition is a computed variable measuring the level of aspiration (to a top management position, middle management position, or satisfaction with remaining at the entry level) demonstrated by the respondents. The pattern of answers to three five-point Likert Scale (Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree) statements were examined before the respondents were classified into one of three categories of ambition: Ambition to Reach Top Management; Middle Management Contentment; and Satisfaction at Entry Level Position. The three statements were:

- In my chosen work environment, I see myself eventually attaining top management position.
- I wish to advance to middle management.
- I wish only to remain at entry level position.

The dependent variables considered in this study were the following:

- Preference to Work or Be Self-Employed
- Whether Had Academic Role Models to Inspire

- Whether Received Encouragement from the Academic Institution
- Whether Had Non-Academic Role Models to Inspire
- Whether Perceive Problems for Advancement as Woman Accountant
- Whether Perceive Having to Make a Choice Between Career and Family
- Whether See the Need for a Womens Committee for Work-Place Parity
- Whether Believe that Men Believe Women Dont Want Top Jobs
- Aspire for Top Management Position
- Satisfied with Middle Management Position
- Satisfied at Remaining at Entry Level Position
- Desirability/Possession of CPA Certification

Finally, the respondents age, marital status, and number of children were introduced as covariates with the ability to mediate the impact between the independent and dependent variables in the analysis.

Findings

Table I summarizes the findings from the multivariate analysis of variance and covariance in this study. For the most part only statistically acceptable significant effects are shown in the interest of table size.

Ambition: Based on the results of this study, whether she prefers to serve or be an owner is affected by the level and strength of a woman accountant's career aspirations. Ambition also moderates whether she will perceive advancement problems at the workplace, and whether she sees a need for a women's committee to encourage work-place equity. While the computed variable, ambition, naturally predicts a woman's aspirations to entry level and middle management positions, it marginally fails (p -value = .11) in predicting top management aspirations. Ambition also has significant interaction effects with status (student or employed) in determining whether "to serve or be an owner and have academic role models to inspire."

Country: The country main effects influence:

- Preference for Service or Ownership
- Perceive Advancement Problems at the Work-Place
- Have to Make a Choice Between Career and Family
- Eventually See Myself in Top Management
- Wish Only to Remain at the Entry Level
- Earned/Anticipate a CPA Certification

In addition, country also has significant interaction effects with status (student or employed) in determining "have academic role models to inspire" and "received encouragement from academic institution."

Status: The only dependent variables that were not statistically significantly affected by whether one is a student or employed were Preference for Service or Ownership, and Whether Believe that Men Believe Women Don't Want Top Jobs.

Covariates: There was only one dependent variable, "I wish only to remain at the entry level position," that was significantly affected by the covariates. Other studies have also shown that demographic variables (other than gender) have weak or no influences in this regard.

Implications and Contribution

All main effects-ambition, country and status-shape the perceptions of women accountants and aspirants regarding their career choices and paths, the problems they are likely to face moving up the management ladder, their apprehensions regarding the "glass ceiling," the existing dominant male culture, having adequate role models, networking opportunities, a conducive and inviting work-place, and presence of women's committees to encourage work-place parity. In this regard, this study confirms many of the previous findings.

What may be regarded as the unique contributions of this study include the finding that status has nearly universal impact. That is, women accountants' responses differ in significant ways from those of students on many of the study's dependent variables. This finding lends some support to the notion that the priorities of women may be undergoing subtle changes as they progress from academy to the work-place to a successful career.

A significant country effect on these dependent variables indicates that, while the observed pattern—greater influx of women into the profession, success at entry level and mid-level positions, and the “pipeline” constraint when it comes to top management and partnerships—may be a world-wide phenomenon, how these elements affect individuals may be culturally influenced. Therefore, similar studies must be conducted in disparate countries before general conclusions may be drawn.

A significant main effect for the ambition variable suggests that a burning desire to reach the pinnacle of the profession may help dampen concerns regarding the problems one would meet along the way. In this respect, accounting education and public accounting firms can play a role by instilling a strong need to achieve among students and professional neophytes which could sustain them through their careers. The often suggested means—providing role models, profiling highly successful professionals, offering gender-friendly environments, providing ample networking opportunities, and aggressively instituting women's committees to encourage gender parity in the work-place—are steps in the right direction.

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Table 1
Multivariate Analysis of Variance and Covariance

Dependent Variable	Source of variation	DF	MS	F	p-value
Preference for service or ownership	Ambition	2,508	2.799	11.46	.000
	Country	1,508	2.627	10.56	.001
	A × Status	2,508	4.809	19.33	.000
Had academic role model to inspire	Status	1,508	25.15	17.8	.000
	A × S	2,508	3.429	2.42	.090
	C × S	1,508	20.08	14.1	.000
Received encouragement from academic institution	Status	1,508	75.38	51.21	.000
	C × S	1,508	20.06	13.62	.000
Had non-academic role models	Status	1,508	14.06	12.68	.000
Perceive advancement problems at work-place	Ambition	2,508	8.976	6.91	.001
	Country	1,508	22.81	17.56	.000
	Status	1,508	126.2	97.16	.000
Have to make a choice between career & family	Country	1,508	34.02	23.73	.000
	Status	1,508	25.68	17.91	.000
	A × S	2,508	6.761	4.71	.010
Need women's committee to encourage parity	Ambition	2,508	4.934	8.08	.004
	Status	1,508	11.30	18.5	.000
Men believe it is a woman's choice not to seek top jobs	Ambition	2,508	3.863	2.72	.067
I eventually see myself in top management	Country	1,508	7.471	5.61	.018
	Status	1,508	8.338	6.26	.012
I wish to advance to a middle management position	Ambition	2,508	7.811	5.24	.006
	Status	1,508	17.78	11.92	.001
I wish only to remain at an entry level position	Covariates	3,508	1.414	2.62	.050
	<i>Main Effects</i>				
	Ambition	2,508	1.909	3.54	.030
	Country	1,508	7.008	12.99	.000
	Status	1,508	13.85	25.68	.000
I have earned/wish to earn the CPA certification	Country	1,508	6.754	8.08	.005
	Status	1,508	3.423	4.10	.043

ABOUT THE AUTHORS

Rajul Gokarn is an Associate Professor at Clark Atlanta University, Atlanta, Georgia . She joined Clark Atlanta University in Fall 1994. She had previously taught at Georgia State University, California State University at Los Angeles and University of West Georgia. She received her Ph.D. in Business Administration (Major: Accounting) from Georgia State University in August 1984. In addition, she has an MBA (Major: Marketing, 1978) and a Masters degree in Professional Accounting (1982), also from Georgia State University. Professor Gokarn's research interests include: international accounting, ethics in accounting and the status of women in the accounting profession. She has published articles in the *Indian Journal of Accounting* and has made presentations at numerous regional and international conferences including the regional meetings of the American Accounting

Association, the national meetings and several of the Asian-Pacific Conference on International Accounting Issues.

Ravi Parameswaran is a Professor at Oakland University, Rochester, Michigan. He joined Oakland University as an Associate Professor in Fall 1980. He received his Ph.D. in Marketing from Georgia State University in Fall 1977. In addition, he has Masters degrees in Business Information Systems (Georgia State, 1976) and in International Management (AGSIM, 1973). Professor Parameswaran's research interests include marketing measurement, cross-cultural marketing and international business research, and group and decision support systems. His publications include articles in the *Journal of Marketing Research*, *Journal of Advertising*, and *Journal of International Business Studies* among other publications.