

Too Few Women in Top Posts

In 2000 women accounted for the majority of white collar workers and civil servants in Germany (57%), but they only occupied about one quarter of the senior and management posts. In the expanding high-tech fields it was even rarer for them to be found at the top than in the traditional sectors. Their best chances are in services, including the public service. Most of the men in senior positions are married and live with their families, while this applies to only about half of the women. The average net monthly earnings of full-time employees in senior posts in 2002 was DM 4 800 (2 454 euros) for men but far less for women at only DM 3 180 (1 626 euros). White collar workers in management posts earned DM 6 000 net (3 068 euros) and DM 3 550 (1 815 euros) respectively. The differences are not so marked in eastern Germany, where men in senior posts earned 'only' about 1.2 times as much as women. Here, the average salary of senior white collar workers and civil servants in 2000 was DM 3 050 (1 559 euros) net, clearly below the west German level of DM 4 500 (2 301 euros). Altogether there is much leeway to be made up regarding the share of women in senior posts and their earnings. The Federal Government has committed to improving the position of women in working life under the Amsterdam Treaty. In view of the growing need for skilled workers the private sector will also have to make much greater efforts.

According to the results of the Socio-Economic Panel (SOEP) carried out by DIW Berlin, about 3.9 million men and 1.5 million women were employed in senior positions in Germany in 2000 (weighted figures), which is about 17% of the total number employed.¹ They include about half a million white collar workers with comprehensive managerial functions. More than a million men and just under 0.7 million women were employed in senior positions in the public service (on the data base and definitions see box).

Nothing has changed in the predominance of men in higher positions in the last two decades (see figure). Following German reunification the share of women rose slightly. In the GDR women reached senior positions rather more often, not least owing to the high number of women who worked.

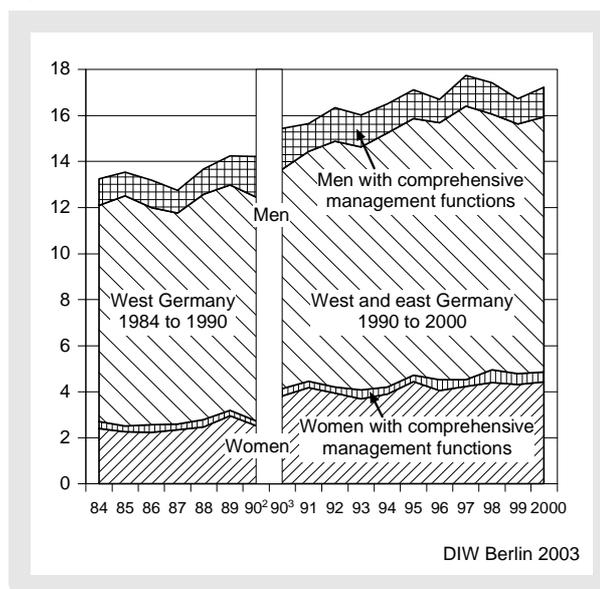
Few women at the top in large firms

The average age of the senior white collar workers and civil servants – the groups considered here – was just under 50 in 2000; white collar workers with comprehensive managerial functions were an average of three years older (cf. table 1). Female senior white collar workers and civil servants were, as a whole, slightly younger than the men, while the position was vice versa for those with comprehensive managerial functions. Women with successful careers were more often single than men.

More children under 16 lived in households where the husband held a senior post. Scarcely any of the fathers were on part-time, while this was the case for 20% of the women. More than half of these were employed in the public service, where a particularly large percentage (27%) of the female civil servants had reduced their working time. In the households of highly skilled personnel too, it is generally the female partner who looks after the children. So behind a successful man there is apparently usually a caring woman.

Both the male and female senior white collar workers and civil servants were highly skilled. Nearly all had the Abitur (school-leaving university entrance qualification), and about nine out of ten had a higher education or university qualification. Three quarters of them were still in the occupation they had trained for, and manage-

Figure
Share of Senior White Collar Workers and Civil Servants in Total Number Employed¹ by Sex from 1984 to 2000



¹ Blue collar workers, white collar workers, civil servants; not including apprentices and trainees. — 2 West Germany 1990. — 3 West and east Germany 1990. Sources: SOEP; DIW Berlin calculations.

¹ Including blue collar workers but not including apprentices and trainees.

Database and definitions

Continuous surveys on the extent and socio-economic structure of skilled workers and management staff with comprehensive tasks are rare as yet in the official statistics.¹ Indeed, there is a considerable need for information on this group. In the Socio-Economic Panel (SOEP), a survey carried out by DIW Berlin together with Infratest Sozialforschung, individuals have been asked, among other things, about their occupational status and income every year since 1984 in west Germany and since 1990 (even before the currency union) in east Germany.² The representative random sample

has been increased at various times over the years. In 2000 it was almost doubled, resulting in more than 24 000 persons questioned. This has also made more in-depth analyses informative for smaller groups as well, e.g. staff in senior posts.

In this study persons employed in senior posts are senior white collar workers and civil servants who stated they were either civil servants in senior levels (including judges and professional soldiers) or white collar workers in highly qualified jobs or management positions. They include all male and female civil servants from salary group A13 upwards including grammar schools teachers and graduate employees, engineers and heads of department, for example. White collar workers with comprehensive managerial functions were classified as employed in senior posts. Examples are directors, managers and members of the management boards of larger firms and associations.³ For the year 2000, 543 female and 1 411 male senior white collar workers and civil servants were identified in SOEP, including 40 female and 168 male white collar workers with comprehensive managerial functions.

¹ More detailed information on the occupational status is given at intervals of four years. Cf. most recently Federal Statistical Office (ed.): *Beruf, Ausbildung und Arbeitsbedingungen der Erwerbstätigen. Ergebnisse aus dem Microzensus, Fachserie 1, R 4.1.2*, Wiesbaden 2000; *ibid.*, *Leben und Arbeiten in Deutschland*, Wiesbaden 2001. The data situation is only very gradually improving. For an up-to-date study see Deutscher Bundestag (ed.): *Bericht der Bundesregierung zur Berufs- und Einkommenssituation von Frauen und Männern*, Drucksache 14/8952 of 25.4.2002, Berlin. For a new international comparative study including men and women in management posts see e.g. Eurostat (ed.): *Das Leben von Frauen und Männern in Europa, ein statistisches Portrait, Themenkreis 3 - Bevölkerung und soziale Bedingungen*, Luxemburg 2002, p. 69 ff.

² Cf. SOEP Group: *The German Socio-Economic Panel (GSOEP) after more than 15 years - Overview*, in: Elke Holst, Dean R. Lillard and Thomas A. DiProta (eds.): *Proceedings of the 2000 Fourth International Conference of German Socio-Economic Panel Study Users (GSOEP2000)*, in: *Vierteljahrshefte zur Wirtschaftsforschung*, vol. 70, no. 1, 2001, pp. 7–14.

³ Blue collar workers and the self-employed (including members of the family helping in a business), apprentices and trainees and participants in practical courses are thus excluded from the analysis. There are only a very small number of women managers among the blue collar workers (holders of master's certificates, and female foreman). Hence a breakdown of this group by sexes is not meaningful.

ment functions were almost exclusively performed by personnel of German nationality.

Most of the senior white collar workers and civil servants had been with their employer for a considerable period – on average 11.3 years. Women remained with their employer on average for 6.5 years, and men for just under twelve. Evidently women find it easier to move up the career ladder by changing jobs, while men tend to remain with the firm to pursue a career.

An above-average percentage of women in senior positions worked in small and medium-sized firms. Many other studies confirm that it is probably particularly difficult for women to make a career in a big firm.² In the expanding high-tech fields women in management jobs are even less frequent than in the traditional sectors. A recent survey in the telecommunications industry showed that there are no women in management posts at all.³ Neither of the 30 companies that

make up the DAX share index had a woman on the management board in 2000.⁴

² According to data from the Federal Government the share of women in management posts in the private sector varied in 1999 between 5% and 16%, depending on the size of the firm and the management level, cf. Bundesrepublik Deutschland: *Nationaler beschäftigungspolitischer Aktionsplan 2001*, p. 65, <http://www.bundesfinanzministerium.de/Anlage2271/Nationaler-Beschäftigungspolitischer-Aktionsplan/2001.pdf>. Cf. also *ibv* Informationen für die Beratungs- und Vermittlungsdienste (ed.): *Gender mainstreaming. Es wird Zeit*, in: *Chancengleichheit von Frauen und Männern am Arbeitsmarkt*, no. 20 of 16 May 2001, p. 1265; Sonja Bischoff: *Männer und Frauen in Führungspositionen der Wirtschaft in Deutschland – Neuer Blick auf alten Streit*, Schriftenreihe der Deutschen Gesellschaft für Personalführung, Vol. 60, Cologne, 1999; Elke Holst: *Frauen in Führungspositionen – Zur Situation der Frauen in Deutschland*, in: *Japanisch-Deutsches-Zentrum* (ed.): *Frauen in Führungspositionen*, Symposium Frauen in Führungspositionen, 14 September 2001, jdz. documentation, Vol. 1, Berlin 2002, pp. 54–67.

³ Cf. Eurostat, *loc. cit.*, p. 81.

Table 1a
Senior White Collar Workers and
Civil Servants by Various Features in 2000
Number of cases in the sample

Variables	Total	Women	Men
Employed in senior positions			
Germany	1 954	543	1 411
Highly qualified	1 746	503	1 243
Comprehensive managerial functions	208	40	168
West Germany	1 535	376	1 159
Highly qualified	1 365	346	1 019
Comprehensive managerial functions	170	30	140
East Germany	419	167	252
Highly qualified	381	157	224
Comprehensive managerial functions	38	10	28

Sources: SOEP; DIW Berlin calculations.

The best opportunities for women are in the services sector, especially in the public service. According to the SOEP study 69% of the women in highly qualified jobs and 45% of the women with comprehensive managerial functions were employed here (men 45% and 26%). Men predominated, on the other hand, in the producing sector (42%, women 14%).

Men's net earnings 1.5 times higher than women's

Eurostat showed in a recent study that Germany has the biggest earnings difference between men and women in Europe. Women earn 24% less than men.⁵ The gap is narrowing only gradually.⁶ A study by the Federal Statistical Office has shown a gap of 21% for the year 2001.⁷

The SOEP results show the considerable discrepancy also in the group of senior white collar workers and civil servants in Germany (cf. table 2). Male full-time workers in senior positions earned an average of about DM 4 800 net a month in 2000,⁸ which was 1.5

⁴ Cf. Astrid Ziegler: Chancengleichheit – Geschlechterverhältnis auf dem Prüfstand, in: Böckler zum Bündnis – Informationen zu Vereinbarungen und Bündnissen für Arbeit, no. 25, October 2002, p. 2.

⁵ Cf. Eurostat, loc. cit., p. 91 ff.

⁶ Cf. Steve Clark: Allmähliche, aber zögerliche Annäherung der Verdienste von Frauen und Männern in der EU, in: Eurostat (ed.): Statistik kurz gefasst – Bevölkerung und soziale Bedingungen, no. 5, 2001.

⁷ The gap varies greatly depending on the group of workers and the economic sector, cf. Birgit Frank-Bosch: Verdienstabstand zwischen Männern und Frauen, in: Wirtschaft und Statistik, no. 5, 2002, pp. 395–409.

⁸ The median income is used for the average; this is the income of a person in the middle of the income scale. The median is more robust against errors in measurement than the more frequently used arithmetical average.

Table 1b
Senior White Collar Workers and
Civil Servants by Various Features in 2000
Weighted shares (%)

Variables	Total	Women	Men
Employed in senior positions			
Germany	100.0	28.2	71.8
Highly qualified	100.0	28.5	71.5
Comprehensive managerial functions	100.0	25.0	75.0
West Germany	100.0	25.9	74.1
Highly qualified	100.0	26.1	73.9
Comprehensive managerial functions	100.0	24.2	75.8
East Germany	100.0	40.7	59.3
Highly qualified	100.0	42.0	58.0
Comprehensive managerial functions	100.0	(29.4)	70.6
Employed in senior positions	100.0	100.0	100.0
Highly qualified	90.0	91.1	89.6
Comprehensive managerial functions	10.0	8.9	10.4
Region	100.0	100.0	100.0
West Germany	84.7	77.6	87.4
East Germany	15.3	22.4	12.6
Nationality	100.0	100.0	100.0
German	96.4	97.7	95.9
Other	3.6	(2.3)	4.1
Age (years)			
Average, total	49.8	48.8	50.2
Highly qualified	49.5	48.4	50.0
Comprehensive managerial functions	52.4	53.1	52.1
Age group (%)	100.0	100.0	100.0
Up to 29	6.4	9.6	5.1
30 to 44	51.0	49.8	51.5
45 to 59	35.8	37.6	35.1
60 and older	6.8	(2.9)	8.3
Married (%)	65.8	53.5	70.6
Child(ren) under 16 in household (%)	36.1	25.2	40.3
Average number of children under 16 in household	0.6	0.4	0.7
No. of years in education or training (average)	15.0	15.1	15.0
Length of time with employer (total)	11.3	10.2	11.7
Highly qualified	11.4	10.6	11.7
Comprehensive managerial functions	10.5	6.5	11.9
Type of employment (%)	100.0	100.0	100.0
Part time	7.9	19.9	3.1
Full time	92.1	80.1	96.9
Overtime worked (%)	66.5	55.8	70.4
Actual working time (hours)			
Total (average)	44.7	40.0	46.5
Full-time employees	46.1	43.8	46.9
Part-time employees	27.8	24.7	35.6
Working in occupation for which trained (%)	76.5	80.1	75.1
Size of firm (%)	100.0	100.1	99.9
Fewer than 20 employees	13.2	18.2	11.2
20 to under 200 employees	32.4	30.7	33.0
200 to under 2000 employees	25.3	28.0	24.4
2000 and more employees	29.1	23.2	31.3
Public service (%)	31.6	45.1	26.3
Civil servants (%)	9.6	10.1	9.6
Economic sector (%)	100.0	100.1	100.0
Agriculture and forestry, fishing, producing sector	34.5	14.5	42.5
Trade, hotels and catering, transport	13.4	16.7	12.1
Other services	52.1	68.9	45.4

(): Fewer than 20 cases. — Differences in totals due to rounding.
Sources: SOEP; DIW Berlin calculations.

Table 2

Senior White Collar Workers and Civil Servants Employed Full Time in 2000 by Net Earnings

	Total	Women	Men	Share of men's net earnings in women's	Memo item: Share of men's gross earnings in women's
	DM			%	
Monthly net earnings – Median (in DM)	4 200	3 180	4 800	151	136
According to:					
Family status					
Married	4 850	3 400	5 050	149	137
Not married	3 300	3 016	3 600	119	123
Job					
Highly qualified	4 100	3 100	4 600	148	138
Comprehensive managerial functions	5 300	3 500	6 000	171	143
Region					
West Germany	4 500	3 200	5 000	156	139
East Germany	3 050	3 000	3 257	109	115
Employer					
Public service	4 049	3 200	5 000	156	136
Other	4 200	3 148	4 650	148	138
Occupational status					
Official	5 800	5 000	6 000	120	114
White collar worker	4 000	3 050	4 500	148	142
Economic sector (in DM)					
Agriculture, forestry and fishing	/	/	/	/	/
Producing sector	4 755	3 400	4 850	143	133
Trade, hotels and catering, transport	3 412	2 780	4 100	147	126
Other services	4 120	3 200	4 900	153	129
Size of firm					
Fewer than 20 employees	3 557	2 800	3 600	129	116
20 to under 200 employees	4 000	3 092	4 100	133	118
200 to under 2000 employees	4 530	3 200	5 000	156	145
2000 and more employees	5 000	3 500	5 400	154	136

/ : Fewer than 20 cases.

Sources: SOEP; DIW Berlin calculations.

times as much as their female counterparts in corresponding full-time jobs. In eastern Germany, men earned only slightly more than women, but average salaries were clearly below the west German level at DM 3 050 net.

Married men are mostly in a more favourable tax category than married women. They benefit much more frequently from tax splitting between husband and wife (if their wives are not earning, or not much). That is reflected in the earnings: married men's gross earnings were just under 1.4 times those of married women, while after deduction of taxes and social insurance contributions the factor was actually 1.5.

The highest earnings were achieved in large firms. Also senior staff in companies employing between 200

and 2 000 employees had above-average earnings. The lowest earnings were in small firms employing up to 20, and here an above-average percentage of women were employed. In a sectoral breakdown the differences between men and women were of a similar order. In the producing sector men in senior posts earned a good 1.4 times, in trade just under 1.5 times and in services a good 1.5 times as much as their female colleagues; in the public service, they enjoyed a net income that was just 1.6 times that of their female colleagues.⁹

⁹ This difference is mainly due to the white collar workers in the public service. Civil servants in the higher levels earned 'only' 1.2 times as much as their female counterparts. But for top posts with comprehensive managerial functions the gap widens greatly, with men earning 1.7 times as much as women at DM 6 000 net a month.

Senior civil servants earned on average about 40% net more than senior white collar workers. That is mainly due to the fact that they do not have to pay pension and unemployment insurance contributions. Their gross salary was 'only' a good 10% higher.¹⁰ Female senior civil servants did, however, earn clearly more than female senior white collar workers: 1.3 times as much gross and actually more than 60% more net.

The traditional division of labour in the household benefits the men

The individual factors that affect the level of net income are examined here using a regression procedure (cf. table 3). The model shows that income and age correlate, but the relation is not linear. A man aged thirty in a senior position would earn about 2% more net a year later, while a woman would earn 1.5% more. A man aged fifty would find his earnings hardly increased a year later.¹¹ From the age of 55 onwards the growth rates in earnings were negative on average for each further year of age (for women after the age of 54).

Marriage tends to reduce a woman's earnings on the whole. Married women earned 7% net less than their unmarried colleagues on average, but married men earned 13% more than single males. Only for men in senior positions there was a positive correlation between the number of children and the income.

Whether the person lives in east or west Germany is decisive for the earnings level. Men in senior positions in east Germany earned 30% less, net, than their west German colleagues, in otherwise equal situations. The difference between east and west Germany was much smaller for women, at 7%.

Management personnel in Germany are highly skilled. An additional year of higher (university) education proved its worth for both sexes in a potential rise in salary of about 3%. With a monthly salary of DM 4 000, for example, this meant a rise of DM 120 a month per additional year of higher (university) education.

Men in senior positions earned most in big firms. This did not apply to the same extent to women. As is to be expected, working time greatly affected earnings, for both men and women. The women's income rose by an average of 9% per additional hour of working time (for men 8%).

Male white collar workers with comprehensive managerial functions earned one third more than colleagues in senior posts who did not have such a broad range of

Table 3
Explanation of the Net Earnings of Senior White Collar Workers and Civil Servants in 2000

Variables	Women	Men
Married (reference: not married)	-0.0704**	0.1289*
Firms employing up to 20	-0.1174**	-0.1288
20 to under 200	-0.0343	-0.0560**
2000 and more (reference: firms employing 200 to under 2000)	-0.0062	0.0408***
Civil servants (reference: white collar workers)	0.3165*	0.1163*
Length of time with employer (in years)	0.0038***	0.0045*
Actual working time (in hours)	0.0897*	0.0856*
Employed full-time (reference: part-time)	0.4666*	0.6244*
Number of children (under 16) in the household	0.0097	0.0571*
Education (in years)	0.0317*	0.0250*
Age (coefficients)	0.0331**	0.0445*
Age ² (coefficients)	-0.0003**	-0.0004*
East Germany (reference: west Germany)	-0.0647**	-0.3020*
Comprehensive managerial functions (reference: highly qualified, no comprehensive manag. functions)	0.0682	0.3443*
Statistics		
Constants	5.80	5.12
No. of cases	489	1248
Adjusted R ²	0.435	0.486

Probability of error: * ≤ 0.01; ** ≤ 0.05; *** ≤ 0.10.
Sources: SOEP; DIW Berlin calculations.

tasks. A significant difference was not evident for the women here. The sector in which the person was employed did not significantly affect the level of earnings for either men or women.

Outlook

Our study has shown that men greatly predominate in skilled jobs and in comprehensive management posts. The more senior the jobs the fewer women will be found there. This has not changed in the last few years. Moreover, men in management posts earn clearly more than women, and the income differentials between the sexes grow in the top posts. Altogether more men work in firms where higher incomes are earned; but they also earn more on average than women in comparable situations. The structures in firms and on the labour market

¹⁰ Not shown in the table.

¹¹ The marginal effect is calculated as follows: coefficient age + (2 × coefficient age²) × age.

have not, as yet, given any indication of a fundamental improvement in this situation. Hence there is considerable leeway for the women to make up, both in their share in senior jobs and in earnings.

Under the Amsterdam Treaty¹² Germany has undertaken to implement the EU Council directives on equality of opportunity in working life.¹³ The European Council requires Germany, among other things, to make greater efforts to reduce the wage differential between the sexes.¹⁴ In the National Employment Policy Action Plan¹⁵ the differences between the sexes in management positions were criticised. The Federal Government therefore passed the Law on Implementing Equality of Opportunity¹⁶ for the federal administration, with the intention of improving job and career chances for women. A corresponding act of legislation for the private sector was dropped in favour of a voluntary agreement by firms. Whether the agreement between the Federal Government and the trade and industry federations on promoting equality of opportunity for men and women in the private sector¹⁷ is actually having any effect and will help to increase the share of women in management jobs remains to be seen. The demographic development may well help to induce companies in their own interests to create conditions that will offer women better chances of climbing the career ladder without having to give up having a family. That would ease the shortage of skilled personnel and secure a supply of qualified staff for the firms.

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¹² Treaty of Amsterdam to change the treaty on the European Union, the treaties to establish the European Communities and various acts of legislation related to these, Luxembourg, Official Publications Office of the European Communities, 1997.

¹³ EU Directive 2000/78/EC setting a general framework for the implementation of equality of opportunity in employment and at work; cf. Official Journal of the European Communities, L 303/15 DE of 2.12.2000.

¹⁴ European Commission: Recommendation by the Council on the implementation of employment policy in member states of 12.9.2000, Brussels, p. 11.

¹⁵ Cf. Bundesrepublik Deutschland, loc. cit., p. 66.

¹⁶ Gesetz zur Durchsetzung der Gleichstellung von Frauen und Männern (Gleichstellungsdurchsetzungsgesetz), Drucksache 813/01, 2001.

¹⁷ Vereinbarung zwischen der Bundesregierung und den Spitzenverbänden der deutschen Wirtschaft zur Förderung der Chancengleichheit von Frauen und Männern in der Privatwirtschaft of 2.7.2000; http://www.bundesregierung.de/dokumente/Artikel/ix_47142.htm