

The glass ceiling: Three reasons why it still exists and is hurting the economy

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Marianne Bertrand. Credit: University of Chicago

The glass ceiling, that invisible barrier to advancement that women face at the top levels of the workplace, remains as intractable as ever and is a drag on the economy.

New research from the University of Chicago Booth School of Business

finds while there is plenty of anecdotal evidence that sexism has prevented many talented [women](#) from achieving their full potential at work, there are factors beyond gender discrimination in the workplace that are holding women back.

"In a world where talent is distributed equally among women and men, an economy that does not fully tap into the leadership skills offered by women is necessarily inefficient," says Chicago Booth Professor Marianne Bertrand. "Talent is left on the table when women are not placed in leadership positions, and the economy suffers."

In the working paper, "The Glass Ceiling," Bertrand reviews the extensive literature surrounding the glass [ceiling](#), including her own work, and finds three key reasons why the glass ceiling persists in excluding women from top-paying jobs.

- Women with college degrees often choose to work in fields that offer lower incomes. Although women have surpassed men in educational attainment, they are vastly underrepresented in top-paying jobs. About 40 percent of women born in America in 1985 hold [college degrees](#), compared to just under 30 percent of men—yet women's educational advantage hasn't led to higher pay. One reason for the pay gap: college-educated women, more often than men, avoid majors that lead to higher-earning occupations.
- Psychological differences between men and women could account for up to 10 percent of the pay gap. Much of the existing research concludes that women are more risk-averse than men are. The willingness to take risks helps employees compete for higher paying jobs and negotiate higher salaries. Whether men and women are born with different attitudes toward risk or the differences are taught, understanding the role of nature versus nurture is key to closing the gap.

- The demands for child care, housework and other life chores outside of work fall more heavily on women than on men. Higher paying occupations are more inflexible and require more time commitment. Women have a harder time with this inflexibility because they remain disproportionately responsible for taking care of the home, including raising children. Indeed, childcare is one of the most prominent factors holding back women's earnings at the executive level. Bertrand's research has also found that when wives earn more than their husbands do, it is difficult on the relationship, and the marriage is more likely to be unhappy or end in divorce.

While family-friendly work policies such as longer and paid maternity leaves, paternity leaves, optional part-time or shorter work hours, and the opportunity to work remotely, help address women's need for greater flexibility, they fail to address the earnings gap, says Bertrand. No one policy will be able to crack the [glass ceiling](#), she says. But she is hopeful that technological advances could pave the way for change.

"One of the biggest unknowns when trying to predict how the [glass ceiling](#) will evolve in the future is the role of technology," says Bertrand. "There is no doubt that many trends are moving in the 'right direction' for women. How the next wave of technological change in the workplace, such as artificial intelligence, will change the structure of work is anyone's guess."

More information: Emma E. Levine et al, Who is trustworthy? Predicting trustworthy intentions and behavior., *Journal of Personality and Social Psychology* (2018). [DOI: 10.1037/pspi0000136](https://doi.org/10.1037/pspi0000136)

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