

COMMENTARY

When Wall Street Needs Scapegoats, Women Beware

By: **Rosalind C. Barnett and Caryl Rivers** | November 2, 2013



Credit: [jpellgen](http://www.flickr.com/photos/jpellgen/3345383578/in/photolist-66BXZd-6cKNKJ-6xR86X-6LPjaE-6TMjsb-6Xu3Br-75WYfa-7aaXKV-7aeLUE-7bnLdd-7oizgu-8tvejR-8tBf9j-aasoJe-bBcELX-7FyZVB-b1QTuk-aqZJb2-bos1yM-avPC6P-ao7yAc-ao7sKg-8tBf5d-9sThbY-bT6oQr-aeLG8K-dfuU6A-aoQBsd-9sTikb-b73Kxc-8cSD7C-8cRNPY-9sQiFH-8tBff5-bqvapa-9ijxz2-8tBfcy-dwGFRx-8tueoD-aukyQf-aF5PgE-8tc4k3-8DLxmw-as2sVY-as2xKu-aznVnf-aznUS9-aopEJb-dbCpjU-9rqjDZ-aqrGbq/) (<http://www.flickr.com/photos/jpellgen/3345383578/in/photolist-66BXZd-6cKNKJ-6xR86X-6LPjaE-6TMjsb-6Xu3Br-75WYfa-7aaXKV-7aeLUE-7bnLdd-7oizgu-8tvejR-8tBf9j-aasoJe-bBcELX-7FyZVB-b1QTuk-aqZJb2-bos1yM-avPC6P-ao7yAc-ao7sKg-8tBf5d-9sThbY-bT6oQr-aeLG8K-dfuU6A-aoQBsd-9sTikb-b73Kxc-8cSD7C-8cRNPY-9sQiFH-8tBff5-bqvapa-9ijxz2-8tBfcy-dwGFRx-8tueoD-aukyQf-aF5PgE-8tc4k3-8DLxmw-as2sVY-as2xKu-aznVnf-aznUS9-aopEJb-dbCpjU-9rqjDZ-aqrGbq/>) on Flickr, under Creative Commons (CC BY-NC-ND 2.0)

(WOMENSENEWS)–We all applaud when we hear that a woman has been given a great opportunity to head a major company. But hold the cheers. Dangers may lurk in high places.

Female business leaders are more likely to be appointed to powerful positions when an organization is in crisis or in high-risk circumstances. In short, these women are perched on “a glass cliff,” set up for failure. (Read [Women’s eNews’ 2004 story](http://womensenews.org/story/business/041025/women-high-places-perch-glass-cliff/) (<http://womensenews.org/story/business/041025/women-high-places-perch-glass-cliff/>) on the two English researchers who coined the term.)

It’s typically a no-win situation for women when a company’s circumstances are so precarious that only a Hail Mary pass will save the day. If the new female leader fails, people mutter, “See what happens when you put a woman in charge.”

The New Soft War on Women: How the Myth of Female Ascendance Is Hurting Women, Men- And Our Economy

(http://www.powells.com/partner/34289/biblio/9780399163333?p_cv)

Kristin J. Anderson, an associate professor of psychology at the University of Houston-Downtown, speculates in *Psychology Today*: “One possible reason for putting women in positions with greater risk of failure is that women may be seen as more expendable and better scapegoats. If you believe that men are natural leaders, if a company fails under a man’s leadership, you would look for explanations for the failure other than the man’s gender. In contrast, if you believe that women don’t really belong in positions of authority, and if a company fails under a woman’s leadership, you might point to the leader’s gender as the explanation . . . A more cynical explanation is that organizational leadership might believe that putting women in high risk positions is a win-win strategy: If a woman succeeds after being placed in a difficult position, then the organization is better off; and if she fails, the woman can be blamed and the prior practice of appointing men can be justified and resurrected. At the same time, the organization can present itself as egalitarian and progressive.”

New Buzzword

The glass cliff has become a buzzword in management circles. When Marissa Mayer got the job as Yahoo! CEO her possible failure was one of the first things everybody talked about. Forbes asked, “Did Marissa Mayer just receive the job offer of a lifetime or did she just ascend to the pinnacle of the glass cliff?”

The Daily Beast wondered whether Mayer was “headed toward a savage plunge off the ‘glass cliff.’”

Meg Whitman, named CEO of Hewlett-Packard in 2011, was No. 3 on Fortune’s list of the 50 most powerful women in 2012. However, Fortune warned, “Whitman was supposed to be HP’s savior, but the hoped-for turnaround has yet to materialize.” Is she also teetering on the glass cliff?

There is much anecdotal evidence for the glass cliff. Indeed, Hewlett-Packard itself presents a case study of this issue. One of Whitman’s predecessors, Carly Fiorina, might well be a poster girl for the glass cliff. Fiorina, Kate Swann of British retailer WH Smith and Patricia Russo of Paris-based global telecommunications company Alcatel-Lucent were all appointed to top positions at a time of tumbling share prices. Not that women are uniquely drafted into crisis-ridden situations—plenty of male leaders find themselves in equally rough waters—but women can be especially at risk.

Morgan Stanley Case

In 2007, Zoe Cruz, co-president of Morgan Stanley, was pushed out of the company after a \$37 billion loss that proved to be the canary in the coal mine, foretelling the coming major recession. Jay Dweck, who at the time was a Morgan Stanley executive, told the press he was astonished by the lengths to which Morgan Stanley went to put Cruz on the skids. She was obviously a scapegoat; in fact, she had suggested that the company pull out of risky subprime mortgages. The men around her failed to heed the warning and wound up behind the eight ball. But they didn’t pay the price.

In 2012, Jamie Dimon, CEO of JP Morgan, made headlines when he announced that the company faced a whopping \$10 billion loss on risky trades. He admitted to reporters, “We took far too much risk.” But did Dimon’s head roll? No, it didn’t. Ina Drew, the chief investment officer, was the one who stepped down. “One of the top women on Wall Street,” as the New York Times called her, was replaced by two men.

Women at the top are often going at it alone. Since few other women are at their level, they don’t have a cheering section to promote their successes or “old buddies” to watch their back.

Janet Hanson, a former Goldman Sachs executive, told New York magazine, “In a bull market, women are fine. When the shit hits the fan, these guys probably don’t even trust each other. Could you theorize that more women get chucked when things start going deadly?” Probably.

We don’t yet know whether Mayer will succeed at Yahoo!, but the company recruited Carol Bartz as its CEO in 2008 during another rocky period and then pushed her off the cliff in 2011 when results didn’t improve.

Excerpted from “The New Soft War on Women: How the Myth of Female Ascendancy Is Hurting Women, Men—and Our Economy” by Carl Rivers and Rosalind C. Barnett, Ph.D. with the permission of Tarcher/Penguin.

Caryl Rivers is a nationally known novelist, journalist, media critic and professor of journalism at Boston University. A nationally known author and journalist, she received the Helen Thomas Award for Lifetime Achievement from the Society of Professional Journalists. Rosalind C. Barnett is a senior scientist at the Women’s Studies Research Center at Brandeis University. Her pioneering research on workplace

issues and family life in America has been sponsored by major federal grants from The National Institute of Mental Health, the National Science Foundation and the Sloan Foundation.

For More Information:

Buy the Book, “The New Soft War on Women: How the Myth of Female Ascendancy Is Hurting Women, Men- And Our Economy“:

http://www.powells.com/partner/34289/biblio/9780399163333?p_cv

[.http://www.powells.com/partner/34289/biblio/9780399163333?p_cv\).](http://www.powells.com/partner/34289/biblio/9780399163333?p_cv)

Would you like to Comment but not sure how? Visit our [help](#)

[.http://www.womensenews.org/help-making-comments-womens-enews-stories](http://www.womensenews.org/help-making-comments-womens-enews-stories))page at

<http://www.womensenews.org/help-making-comments-womens-enews-stories>

[.http://www.womensenews.org/help-making-comments-womens-enews-stories\).](http://www.womensenews.org/help-making-comments-womens-enews-stories)

Would you like to Send Along a Link of This Story?

[http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-](http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-women-beware)

[women-beware](http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-women-beware) ([http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-](http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-women-beware)
[women-beware](http://womensenews.org/story/books/131102/when-wall-street-needs-scapegoats-women-beware)).
