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The Career Ladder's Social Class Ceiling

Growing up in lower social classes is as significant an obstacle to becoming a manager as being black or female, according to an Academy of Management Discoveries article. It's bad for the people whose potential remains untapped because they are left with less satisfying jobs and have fewer opportunities to grow. And it's bad for organizations that miss out on potential gains in leadership, innovation, efficiency, and diversity.

Few organizations are working to level the playing field or even acknowledge the issue.

"Companies routinely exclude social class from their diversity goals, and even treat social class as a taboo topic," Paul Ingram and Jean Joohyun Oh, both of Columbia University, wrote in "Mapping the Class Ceiling: The Social Class Disadvantage for Attaining Management Positions."



Class differences resonate far beyond financial disadvantages. To succeed, people from lower social class backgrounds need to develop the know-how on the ways universities and businesses work.

"The social class disadvantage comes mostly from lower cultural capital: not knowing how to do well in school and how to climb the career ladder," Ingram said. "Individuals from lower social class origins can often get in the door, but don't have the knowledge to succeed in college and on the managerial career ladder. They don't have the mentors who can help them make the transition."

THE CLASS CHASM

To quantify lower social class backgrounds, the authors weighed class-related factors, such as parents' education and occupational prestige, as well as an individual's subjective identification of their social class and their estimate of their parents' income.

Ingram and Oh found the odds of attaining a management position are 32% lower for people from lower classes compared to people from higher social classes. The odds are 25% lower for African-Americans than whites and 28% lower for women than men.

The authors estimate that resolving lower-class inequities would result in one-third more capable managers. Data also show that individuals from humble beginnings are in some ways better leaders because they are less self-centered and less likely to get caught up in office politics.

Making leadership more fair does not mean taking away resources and opportunities from upperclass managers and giving them to managers from lower classes. A level playing field benefits everyone, the authors wrote.

"If we are better at using managerial talent, we grow as an economy, and there are more opportunities for everyone," Ingram said. "It doesn't have to come at the cost of the people who are advantaged."

DISPARITIES START EARLY ON

The authors found that individuals from lower social classes have more negative experiences early in their work lives, which can create persistent disadvantages throughout their careers. At the same time, young people from higher social-class origins are already laying the groundwork for careers with bright futures.

"Adolescents from lower social class origins are more likely to experience workplace harassment in their initial job experiences because they face fewer opportunities for good work, and are more dependent on the jobs they do have. Likewise, lower social class youth work longer hours to the detriment of school work and are more exposed to stress and physical harm on the job," they wrote. "Conversely, youth from higher social class origins are more likely to experience developmental internships and other opportunities to practice skills that build a foundation for subsequent workplace success."

Still, programs aimed at resolving social disparities are rare in the corporate world. None of the top 50 companies recognized in 2019 by DiversityInc for their diversity, inclusion, and equity (DIE) efforts refer to social-economic status in building a diverse workforce.

CRACKING THE CLASS CEILING

A few organizations, however, are cracking the class ceiling by identifying people who could use a boost in cultural capital. Uber and Spotify have added whether someone has a parent who went to college to their employee records. Uber has made an active effort to try to resolve social class disadvantages. "Now the drivers get paid at the end of the shift so they don't have to wait for cash flow," Ingram said.

The U.K government is taking on social-class issues in employment in the public sector and encourages the private sector to follow suit. Laura Hinton, global head of human resources for PricewaterhouseCoopers, talks with groups of disadvantaged workers in the United Kingdom about her own lower social class origins. "She talks about growing up in public housing and having teachers lay out an unambitious path for her. She tells them they belong with the company," Ingram said.

Managers who climb the career ladder from the lowest rung can create a more empathetic and supportive workplace for rank-and-file workers who also come from disadvantaged social origins. Conversely, there is less opportunity and work satisfaction for employees when there are few or no leaders who share their backgrounds. That impact resonates through organizations, all the way to consumers, the authors wrote.

"Underrepresented categories of employees are less likely to be harassed when their group is better represented among management. Underrepresented groups are also more likely to become managers if there are already more managers from their group. So, if people of low social class origins are less likely to become managers, the experience of other low social class origin individuals, be they employees, students, customers, suppliers, or other organizational stakeholders, is likely to be worse," the authors wrote.

Achieving equity among social classes ultimately would benefit people from all socioeconomic backgrounds, the authors wrote.

"A disadvantaged lower class is a loss for society. It leaves a lot of value on the table when people who would be best at managing don't have that opportunity," Ingram said. "Addressing social class disparities is a way to make the world fairer, and to do it in a way that is positive for our collective good. It's better for everyone."

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