

"Summary of article by Sharon M. Collins: Black Mobility in White Corporations: Up the Corporate Ladder, but out on a Limb" in <u>Frontier Issues in Economic Thought, Volume 4: The Changing Nature of Work</u>. Island Press: Washington DC, 1998. pp. 280-283

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Even after several decades of political and social pressure for diversity, few blacks have advanced to top-ranked decision-making positions in white-dominated corporations. Neoclassical and social structural theories are usually considered opposing explanations of such labor market outcomes. This study, however, indicates that they can be interactive, with human capital mediated by the managerial division of labor.

FRAMING THE ISSUES

Federal legislation arising out of the civil rights movement of the 1960s and 1970s pushed predominantly white corporations to increase the number of African-American managers. By the early 1990s, however, few had moved into top positions. Many talented and ambitious African-Americans were assigned to positions related to minority issues. These jobs often carried impressive titles and were well compensated, but they removed their occupants from the centers of corporate power and actually eroded the skills needed for decision-making positions.

Neoclassical theories (i.e., human capital theory) and status attainment theory found in sociology argue that "economic progress among blacks is a color-blind function of supply-side characteristics such as education, ability, and individual preference."[56] Lack of progress is thus a matter of poor attitude, ability, education, or preparation. Structural theories in contrast, hold that job characteristics can foster or inhibit progress and that white men are more likely to hold jobs with advancement potential. This study found, however, that human capital and the structure of the professional opportunity acted together to shape career paths.

RACIALIZED AND MAINSTREAM DIVISION OF LABOR

This study interviewed seventy-six of the most successful black executives in major Chicago-based corporations in 1986. Their experiences suggested two categories of jobs. *Racialized* jobs, such as affirmative action or urban affairs positions, are those that specifically relate to minority communities whose purpose is to reduce discrimination in employment practices or to enhance the company's image among minority customers. *Mainstream* jobs relate to the firm's total constituency and generally involve profit-centered activity such as sales, finance, or operations. Mainstream jobs form the pipeline to senior-level strategic careers.

One-third of the subjects had held only mainstream jobs, sixteen percent had held one racialized job, and about half had held two or more racialized jobs. For comparison, twenty white Chicago-area CEOs were asked if they had held racialized positions. Only one said yes, and only as a temporary, part-time assignment. Although the career patterns for black and white managers were different, African-Americans did not have different educational levels than senior executives. Furthermore, almost half of those in racialized positions began their private-sector careers in mainstream jobs. Some blacks who were moving up the corporate ladder were heavily recruited by superiors to fill positions that would improve a firm's relationships with minorities.

Racialized jobs were often initially attractive with good pay, ample expense budgets, and prestigious titles. Racial unrest in the 1960s and early 1970s put occupants of these positions in the spotlight and offered them a sense of purpose and value to the company. In some cases, black employees saw these jobs as the only way to secure management positions.

MOBILITY OR...

As their careers tended to stagnate, blacks in racialized positions saw themselves as caught in "a kind of a golden handcuffs trap"[60]. Sixty-four respondents employed in the private sector since 1972, long enough for a clear career trajectory, present a career typology: twenty-four had *mainstream* careers with no racialized jobs; twenty-two had *mixed* careers with mostly mainstream jobs, but at least one racialized job; and eighteen had *racialized* careers with a majority of racialized jobs.

Respondents with racialized careers advanced less than those with mainstream careers. Those with mixed careers, most of whom had had only one or two racialized jobs, had career patterns similar to those with mainstream careers. Respondents with racialized careers perceived limitations to advancement and described their own jobs as "dead-end" and "money using" positions rather than "money producing" positions.[60] They were far less likely than those with mainstream careers to expect promotions, either with their current employer or on the open job market. White executives also perceived blacks in racialized jobs as out of the running for advancement.

...MARGINALITY?

Not only do racialized jobs deflect people from the direct route to top positions, "they underdevelop the talents and skills that corporations value, and therefore marginalize the job holder." [61] Blacks in racialized positions performed a valuable function, buffering the corporation during periods of racial turmoil, but this function had little applicability to mainstream positions. As one urban affairs director, formerly in sales, put it. "I was just their spook who sat by the door, and I understood that and I charged them well for it." [62] These managers were not given responsibilities beyond those relevant to minority communities and did not engage in the normal progression of activities that would broaden their experiences and skills. An affirmative action manager would recruit blacks, but not whites, and would not gain related experience, for example, in labor relations, that was needed for promotion to senior personnel positions. In a similar vein, someone who positioned the firm's products in minority communities would not gain more general sales or public relations experience in the process.

Success in racialized positions prolonged these managers career segregation, undermining their value in mainstream corporate functioning. Those who tried to move to mainstream functions or departments were stymied. While they became well connected to minority communities, they lost touch with the company's internal networks and several were stonewalled in their attempts to find better career opportunities. Some were priced out of the market for the lower-level mainstream positions for which they qualified; some who moved into mainstream positions could not effectively compete.

INTERACTION OF HUMAN CAPITAL AND STRUCTURE

Human capital and occupational structure are not independent of one another; rather, the job structure represented in this study fostered human capital deficits. Human capital theory may explain the supply of black managerial talent that enabled these firms to meet anti-bias pressure, but it cannot by itself explain who succeeded in rising to positions of power and who did not.

The study has several implications. First, aggregate-level data, without reference to job characteristics, cannot explain black progress or lack of it. Second, inequality can be manufactured within the work process itself. Well-educated African-Americans concentrated in positions without profit-centered responsibility, deskilled, and eased out of the running for top positions. Third, structural explanations correspond to conflict perspectives or status frameworks in sociology. Seen through this lens, racialized career construction serves several purposes. Under pressure to incorporate minorities, white managers hoped to minimize minority "impact on organizational culture and structure" and to protect themselves from new competitors for high level positions.[65] Racialized jobs met these goals efficiently. Accordingly, though the number and visibility of African-Americans in managerial positions increased, the pool of black managers able to compete for powerful mainstream careers diminished.