

Puerto Rican Women in International Business: Then and Now

Maritza Soto-Garcia (University of Puerto Rico, Mayagüez Campus, Spain)

Abstract: This paper was carried out to compare the perceptions and attitudes towards Puerto Rican women in international business and assignments that foster or hinder their participation in this area. The study compares data from research conducted from the same researcher at the end of the 1990's and the present time, specifically, 2016. A self-administered questionnaire was sent through SurveyMonkey using Likert scale.

A 42% response was obtained of the respondents, 30% were male and 67% were female. Respondents were selected using random sampling from a database of 200 local domestic and multinational firms.

In general, the majority of the responses received support women's participation in international business and assignments now as compared to the previous study. However, although respondents supported women's participation, it was noted that organizations still remain hesitant to send women to international assignments, there remains a perception that foreign companies are prejudiced against women in international assignments and that when given an assignment, women are measured again male norms. It was found that the organizational departments that are most likely to have women in international assignments are Quality, Marketing, Human Resources, Legal, Services, Public/Government Relations, and Research & Development as compared to Sales, Marketing, Human Resources and Quality in the previous study.

Although men and women have similar attitudes and perceptions regarding Puerto Rican women in international business and assignments, we find that women continue to be limited regarding their participation in careers dividing these into those that are most likely or less likely for women. It was also interesting to find that the perceptions and attitudes exhibited in this survey continue to be the perceptions regarding women's participation in international assignments around many countries in the world. Findings need to be interpreted cautiously because 67% of the respondents were women although there is a greater tendency to find more females than males in the general workforce. A follow-up study with a broader group of respondents is recommended.

Key words: international business; gender equality; discrimination; perceptions of top management; human capital

JEL codes: J00, J79, F230

1. Introduction

This paper was carried out to compare the perceptions and attitudes towards Puerto Rican women in international business and assignments that foster or hinder their participation in this area. The study compares data from research conducted from the same researcher at the end of the 1990's and the present time, specifically, 2016.

Maritza Soto-García, Professor, University of Puerto Rico, Mayagüez Campus; research areas/interests: human resources, international business, family business and management. E-mail: maritza.soto@upr.edu.

2. Literature Review

2.1 Women Managers, International Business Opportunities and Myths about Women Managing Across Borders

In order to determine if and how perceptions and attitudes have changed in the 21st century, it is important to briefly review the position of women in management and specifically in management positions and assignments previous to this. Before the end of the year 2000, there was a relative scarcity of women in international and transnational ranks. It was necessary for companies to take an active approach in promoting women in management and senior management. This was even more important for women when they were being considered for international assignments. Therefore, in order to determine what steps needed to be taken, the first step was to examine the views and assumptions regarding women managing internationally. These can also be considered perceptions or attitudes which need to be determined first.

Perceptions can be defined as "a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment."¹ How an individual interprets the organizational reality- what others and the organizations expects, rewards and demands — can only be known to any individual through his or her perceptions. These perceptions, if not dealt with on a timely and appropriate manner, can turn into prejudice and bias, although it may be at an unconscious level. The concept of unconscious bias or "hidden bias" has come be known because the dynamics of diversity have changed as we have moved into the 21st century. Our traditional paradigm has generally assumed that patterns of discriminatory behavior in organizations are conscious; that people who know better do the right thing, and those who don't cause bias (Robbins S., 1991).

Are there still myths that surround women regarding participation in international business and assignments? One of the first research papers that was published on this topic was in 1984 by Nancy Adler titled *Women Do Not Want International Careers: And Other Myths About International Management* (Adler N., 1984). This study focused on the international career plans of male and female MBA's graduating from top universities. The main issue that was questioned in this study was: Is women's alleged disinterest in international management myth or reality?

The study was designed primarily to test the belief that women are less interested in international management that are men. The results show that here is no difference between the interest and willingness of male and female MBA's to work overseas. What it did show was that there were three primary areas of employers' concern about sending women managers overseas and what companies need to focus on.

Adler (1984) had written that "one notable characteristic of expatriate managers is that they are overwhelmingly male. Of the 13,388 expatriates identified in a survey of 686 U.S. and Canadian corporations with overseas subsidiaries, only 3% were women". This did not have direct relationship with the growth of women managers on a domestic front because women had been involved at all managerial levels although they were still not at the levels of their male counterparts but much larger than when compared with the overseas assignments.

Given these realities but also finding that companies were still asking themselves if women could function successfully in cross border assignments, Adler (1994) once again, conducted her research focused on three main questions, assumptions or commonly held myths about women in international management: "Is it true that

¹ Available online at: http://www.csus.edu.

women do not want to be international managers?, Is it true that companies refuse to send women abroad? And are foreigners really prejudice against women to the extent that they are ineffective even when they are interested in foreign assignments and successful in being sent?" She also found that transnationals had positive impact of women in management. These companies understood that the opportunity cost of prejudice- limiting selections to men- is much higher. Transnationals also had greater flexibility hiring outside the local norms and took advantage of the greater flexibility that many cultures could offer women because most countries do not hold foreign women to the same professionally limiting roles that restrict local women as well as having a corporate culture of equal hierarchy. The results of her research were interesting because she found that the first of the three questions were a myth: women *are* interested in working internationally. The third myth also proved false: women *do* succeed internationally, once sent. However, she also found that companies are hesitant, if not completely unwilling, to send women managers abroad..

2.2 Women Managers, Puerto Rico and International Assignments

In research conducted by Lopez & Lopez (2015, pp. 82-90), they found that the Puerto Rico's census has revealed that women constitute a bit more than half of the population (51%) of the island (Department of Labor and Human Resources of Puerto Rico, 2010). They also represent 44% of the labor force according to more recent sources of the 2013 Department of Labor and Human Resources statistics. Puerto Rican women, despite having a higher education as a whole, still occupy a lower percentage of executive and administrative positions compared with their male counterparts (53% versus 47% female). Looked at in a longitudinal context, however, clear progress has been made by women on the professional front as only 14.4% held educated, professional positions in 1970 compared with 29.3% in 2010, as well as 5.6% of management positions held by women in 1970 compared with 11.2% in 2010 according to the statistics of the Puerto Rico Labor Department (Monclova H., Rosario F. and Schoene P., 2013).

As has been the situation for decades, both for women in Puerto Rico as well as the mainland and other countries, women encounter additional obstacles. As a country, Puerto Rico has its own sociological and historical framework and there a strong predetermined set of ideas on what an individual can do based on gender rather than on the individual's values or what he or she can bring to an organization. Deep roots in traditional Hispanic order have cemented a notion that women are lesser to men, following the form of a male-run household.² There is still a strong "machismo" mentality. In a corporate context, Puerto Rican women, twice a minority, face the prejudices, attitudes and stereotypes faced by minorities. The 1990's had brought minority women to face the many unresolved situations of the past as well as economic stress, unemployment, health issues, cultural conflict, myths and stereotypes, high rates of divorce, among others. However, almost ending the first two decades of the 21st century, women are still facing the same issues.

The participation of Puerto Rican women in international assignments is a question we pondered at the end of the 20th century and that we would like to revisit at this stage of the 21st century. In Puerto Rico, a study taken place in 1993, Puerto Rican Women in Corporate Management (Soto, 1993), findings indicated that there was a statistically significant relationship between the perceptions of corporate executives and what they believed was women's role towards organizational effectiveness. It demonstrated that male executives had lower perceptions towards women in management positions. A subsequent 1999 study went a step further and analyzed the

² Part 3: Puerto Rican Woman, retrieved July 11, 2017, available online at: https://sites.google.com/a/iastate.edu/puerto-rico1/home/part-3-global-women.

perceptions of top management executives regarding Puerto Rico women in international management positions in the private sector in Puerto Rico (Soto M., 1999).

Are there still myths that surround women regarding participation in international business and assignments? Has it changed? If so, is it more or less favorable? What are the views that senior executives have about Puerto Rican global women managers? These and other related questions are what this research expects to answer.

3. Data Sources and Description

This paper was carried out to compare the perceptions and attitudes towards Puerto Rican women in international business and assignments that foster or hinder their participation in this area comparing data from research conducted from the same researcher at the end of the 1990's and the present time, specifically, 2016.

The population consisted of management executives and supervisors from 200 private sector companies in different sectors on the island of Puerto Rico. These companies were selected randomly from a database of various industrial and commercial public membership directories and were sent through SurveyMonkey instrument. Of the 200 companies that were surveyed, 83 companies participated or 42% of the sample. There was a difference from the 1999 survey that had a population of 200 companies surveyed but a total of 43 companies participated.

The participants responded to an instrument titled "Puerto Rican Women in International Assignments: Ten Years Later" which copied the original 1999 instrument with the intention of comparing the responses. The instrument was written in English, simple to answer, to be understood by all the sample which are fluent in both English and Spanish. This questionnaire consisted of five parts, which included: 1) Part I which addressed the stereotypes of women in international assignments in 25 questions to be answered using the Likert scale; 2) Part II which addressed the factors taken into consideration when considering women for international management positions; 3) Part III that sought to find out the areas or the organizational units where women are considered to be or most likely to be found in international assignments; 4) Part IV that sought the demographics of the executive or individual responding to the questionnaire; and, 5) Part V which reviewed the profile of the company where the top management is currently employed.

This instrument was designed with various purposes: to obtain the perceptions or myths about Puerto Rican women in international assignments and how these compared with the same perceptions or myths more than a decade ago in Puerto Rico, compare in which functional areas or departments Puerto Rican women in international assignments could be found and obtain a profile of the individuals and companies responding to the questionnaire.

In order to develop the perceptions or myths of the individuals responding, the following stereotypes had been developed in the previous study and were replicated in this study in the same order. The stereotypes were translated into perceptions or myth regarding women in international management and assignments.

Question number Statement (Stereotype)

- 1 Women do not want to be international managers
- 7 Companies are hesitant to send women abroad
- 8 Foreign companies are prejudiced against women managers
- Women in dual career families will not accept international Assignments

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10	Women endanger their physical safety in international assignments		
11	Women undergo hazards traveling to underdeveloped countries		
13	Women face greater disadvantages when sent abroad than men		
15	Women are not permitted to work with clients during international		
	Assignments		
16	Women are not equally interested in international careers		
17	Women cannot balance professional and personal life while		
	On international assignments		
20	Women cannot be assertive enough in international business		
	Situations that demand it		
23	Firms measure women's effectiveness again male norms in similar		
	Assignments		
24	Given the historical scarcity of local women managers, women		
	Cannot function successfully in international assignments		

4. Empirical Analysis

When analyzing the outcome of this survey, we found that sixty-seven percent (67%) of the respondents were female versus thirty percent (30%) male, and three percent (3%) did not want to disclose. In the previous survey, there was also sixty-seven percent (67%) female respondents, but there were no percentages that did not want to disclose therefore there was thirty-three percent (33%) male respondents.

When identifying the specific myths or perceptions regarding women in international business, the following responses indicate that <u>these are prevalent in the Puerto Rican culture</u>:

- Women are measured against male norms in international assignments (79.8%)
- Companies are hesitant to send women abroad (72.6%)
- Women face greater disadvantages when in international assignments (71.4%)
- Foreign companies are prejudiced against women (70.2%)
- Women undergo hazards traveling abroad (59.5%)
- The myths that were disagreed more strongly were: Women cannot be assertive enough (91.7%)
- Women cannot function successfully (84.5%)
- Women cannot balance their personal and professional life (79.8%)
- Women do not want to be international managers (79.8%)
- Women are not permitted to work with clients internationally (73.8%)
- Women are not equally interested (71.4%)
- Women endanger their physical safety (70.2%)

When comparing these results to the previous study we found that regarding the perceptions that are prevalent in Puerto Rico, the following increased:

- Women are measured against male norms in international assignments (increase 7.8%)
- Companies are hesitant to send women abroad (increase 7.6%)
- Women face greater disadvantages when in international assignments (increase 27.4%)
- Foreign companies are prejudiced against women (increase 23.7%)

• Women undergo hazards traveling abroad (increase 26.9%)

Regarding those that were most disagreed upon, we found that:

- Women cannot be assertive enough (decreased 3.3%)
- Women cannot function successfully (increased 6.5%)
- Women cannot balance their personal and professional life (decreased 7.7%)
- Women do not want to be international managers (decreased 5.4%)
- Women are not permitted to work with clients internationally (increased 14.2%)
- Women are not equally interested (increased 12.3%)
- Women endanger their physical safety (increased 5.8%)

The findings also indicate that the main factors that contribute in considering women for international assignments, in order or importance, are:

Speak various languages	83.0%	decrease 7.6%
Need to use most talented human resources	82.0%	decrease 4%
Career developments	82.0%	decrease 4%
Succession planning	81.0%	increase 9%
Attitudinal changes	81.0%	increase 11.3%
Corporate Social Responsibility	81.0%	increase 8.9%
Managing diversity	79.8%	decrease 8.5%
Need for female role models	78.6%	increase 8.9%
Women suggested the assignment	77.4%	increase 10%
EEO Requirements	76.2%	increase 1.8%
Previous international assignment	75.0%	decrease 11%
Gender awareness	70.2%	increase 5.2%
Dual career family	67.9%	increase 9.9%
Shortage of qualified males	63.1%	increase 16.6%

It is interesting, however, to note that that greatest increases are:

- Shortage of qualified males (increase 16.6%)
- Attitudinal changes (increase 11.3%)
- Previous international assignment (increase 11%)
- Women suggested the assignment (increase 10%)

The organizational units where women are most likely to have international assignments are in Quality, Marketing, Human Resources, Legal, Services, Public/Government Relations, and Research & Development with over a 75% participation. However, when examining the percent change of participation the organizational units of Operations, Quality, Production, Legal, Services, Research & Development, Purchasing, Marketing and Plant/Facilities Management with over a 25% participation rate when compared to the previous study. The largest percent increase was that of Operations which had a 60% increase and the lowest percent increase was that of Sales which had a 0% increase in participation.

When asked to compare the proportion of females to males in international assignments in their organizations, there is a small variance of the percentage of females versus percentage of males in international assignments. Of the respondents, 60% percent of the respondents indicated that they have from 0 to 2% of females in international

assignments versus 48% percent that said that they have the same amount of males in international assignments. However, it was reported that there are 15% of the organizations that have 10% or more of females in international assignments versus 25% of the organizations that indicated that they have males in international assignments. There has been an increase in the percentage of women in international assignments when compared to the previous study but we can still find that there are more males assigned than females.

Of the organizations that participated, 31% of the companies were service industries, 18% in the medical industry, 28% in other industries, 8% in sales and marketing, 7% in manufacturing/pharmaceutical, 5% in other manufacturing, and the remaining in information technology and marketing and promotion. This compares sharply with the previous study where 56% of the participants were from manufacturing firms, and 44% were from sales or service organizations.

Regarding the classification of the companies, 60.3% reported being domestic firms, 12.7% are international, 9.5% were multinationals, 1.5% transnationals and 15.87% global companies. When comparing these results, the previous study reported 39.5% were domestic firms, 30.2% were international firms, 27.9 were multinationals and 2.3% were transnationals.

Of the ethnic origin of the respondents, 87.69% were Hispanic/Puerto Rican, 6.1% were Hispanic/other, 3.08% were Anglo-Saxon, and the remaining being European or other.

Other findings that are notable are that respondents are neutral regarding women being an advantage when going on an international assignment (50%), 60% of the respondents indicated that women have better interpersonal skills than men, 50% of the respondents disagreed that the international assignments for women are the same type as the assignments for men, and 45% of the respondents indicated that they disagreed that the international assignments were the same length of time for women versus men. An equally important highlight although not directly related to the myths and perceptions but directly related to comparable pay is that 75.9% of the respondents indicated that women's salaries are lower than men's salaries in international assignments.

5. Conclusions

The findings of the study have important practical implications. This study compares results from an identical survey conducted with more than a decade ago. We can conclude that:

- 1) Various of the myths or perceptions that were prevalent regarding Puerto Rican women in international business and assignments remains prevalent today and has increased significantly, specifically, that women are measured against male norms in international assignments, that companies are hesitant to send women abroad, that women face greater disadvantages when in international assignments, that foreign companies are prejudiced against women in international assignments, and that women undergo hazards traveling abroad.
- 2) Various of the myths or perceptions that had been disagreed upon continue to be disagreed upon but there has been a decrease in that perception. In other words, there has been a negative variation of the perception. The respondents disagree less or it can also be considered that the respondents agree more of those perceptions.
- 3) The myths or perceptions continue to be similar to the myths or perceptions that were prevalent and that have been found in similar studies around the world.
- 4) The main positions or opportunities for Puerto Rican women in international assignments are in Quality,

Marketing, Human Resources, Legal, Services, Public/Government Relations, and Research & Development but there has been a significant increase in positions that women occupy or can occupy in international assignments in the areas of Operations, Quality, Production, Legal, Services, Research & Development, Purchasing, Marketing and Plant/Facilities Management with Operations being the greatest impact with a 60% increase. There were no changes in the participation of women in international assignments in Sales.

- 5) It appears that there are a larger percent of women that fill local management positions and it compares equally to the previous research that had been conducted. It is interesting to note that there was a percentage of the respondents that preferred not to disclose their gender and this is congruent to the changes that have occurred in the last 10 years or so regarding gender equality and other LGBTT efforts.
- 6) There has been a significant increase in the percentage of women in international assignments when compared to their male counterparts, however, the percentage of males are still greater than females.
- 7) There are other areas of international assignments where women are not treated equitably although it is noted that they have better interpersonal skills. The length of the assignment and the type of assignments are not the same for men and women.
- 8) An important highlight is that there is more than 75% of the respondents that recognize that there is no salary equity in international assignments between men and women.

Some of the recommendations that can be provided are not unique to Puerto Rico and the business environment. They are recommendations that have emerged from research all over the world and for many years.

- Companies need to focus more on developing jobs that will enrich women expatriates (Culpan, O. & Wright, G., 2002, pp. 784-801). This includes the type of assignment as well as the time that the female expatriate is on the assignment.
- Businesses cannot assume that women managers are not interested in international assignment and actively seek out and advertise their international opportunities abroad (Campbell D., 2009). S. Padmanabahn the executive vice president and global head of HR for Tata Consultancy Services Ltd. said an article in *Mobility* magazine that "it is cultural attitudes toward the role of women in child-rearing and family life which play a role in this shortfall as women move through different life stages".³
- A 2000 article by Wayne Cascio and Paula Caligiuri presented the strategies for maximizing the effectiveness of women on global assignments. These included (Caligiuri P. & Cascio W., 2000):
- * Selecting the female expatriates who demonstrate the technical or managerial skills for the position
- * Selecting women for global assignments who are self-confident in their knowledge, skills and abilities
- * Have policies worldwide regarding the fair and equal treatment of all employees

The recommendations made by the researcher in the previous study still remain valid today (Soto M., 1999):

- Create awareness in organizations that globalization requires the most competent professional regardless of gender
- Organizations cannot assume that women do not want to work abroad. It has been demonstrated that women are interested in working internationally.

³ Available online at: http://www.expatica.com/nl/employment/Women-on-international-assignment-An-evolutionary-perspective_101704.html.

- Understand that foreigners' reactions to women are positive and that one of the most salient characteristics of a women expatriate is the fact that she is a woman.
- Work with companies in order to eliminate the fact that companies are hesitant to send women managers abroad. Since we have seen that it is the assumptions that company officials have regarding women managers, the solutions need to be developed from within. Educate the employees of a company to be open in the possibilities of women expatriates.
- Manage discrimination, prejudice and inequality on the onset. Review internal human resources policies and procedures to ensure that all aspects of the total reward system are gender blind.
- Be culturally aware and understand the behavior of international counterparts. Respect and honor cultural norms. Don't always expect equality between men and women everywhere you go. It has taken Puerto Rico, the United States and other countries many years to achieve what we have today. Do not assume it is like this elsewhere.
- Build a network of international contacts, experts and resources that can open doors and assist when needed.
- Give women every opportunity to succeed.

These recommendations are supposed to have been put into place to facilitate an organization's acceptance and practice of assigning women to international positions. This study has demonstrated that although Puerto Rican women have advanced in their education, interpersonal skills, and even opportunities as senior managers in organizations, they have moved forward at an extremely slow pace in the global arena. We can even say that there are some areas that have worsen because even what appeared to be positive perceptions are now "less positive". Nancy Adler had concluded in one of her articles (1984) that "only when companies begin to see the advantages as well as the disadvantages of sending women overseas, will they be able to reduce the barriers currently facing women who are trying to include expatriate experience in their careers" (Adler N., 1984, pp. 79-85).

This study examined the concept of Puerto Rican women in international business and assignments and compared the myths that had held them back before compared to this stage of the 21st century. It is very clearly seen that despite more than a decade passing since the first study, the changes have been subtle and slow.

This study provides valuable information but has the following limitations: 1) the study is limited to a representation of the private sector in Puerto Rico but it is still small in comparison to the total population, and 2) the study did not approach women directly regarding their perception on this topic.

Given the limitations of the sample and the importance for Puerto Rican women in managerial positions, this study might once again be further extended in the future. An even larger sample might continue to provide reinforcement on a topic that is not unique to Puerto Rico but also to the global community.

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