Recent studies in industrialized economies document a shift in gender composition of the labor market. They report an increase in the amount of women entering the labor force and in the number securing top-level positions in organizations (Jacobs, 1992; Kanter, 1977; Reskin & Roos, 1990). In professional labor markets, organizations' efforts to hire and promote women to senior ranks have assisted gender equality, but top-ranking male professionals still outnumber women professionals across many high-status professional sectors. This social phenomenon prevails in most professions and organizational forms, including professional service firms. Gender stratification, for example, within the legal profession is very apparent, producing income differences that are more substantial than that exists in the total labor force (Hagan, 1990).

This paper proposes using social capital theory to examine the influences of gender in professional service firms. Moving beyond the intra-organizational perspective, we argue for the significance of network structures that extend across organizational boundaries. We focus specifically on gender differences in network relationships with clients and on the structural nature of the professional's social capital. We advance four propositions for future research on how individuals' network structures influence the attainment of higher income and status position in the firm. Finally, we make some suggestions on what individuals and professional service firms can do to promote more gender equality.
Kay and Hagan, 1999). Research studies document that female professionals are promoted to partner at significantly lower rates than men (Hull & Nelson, 2000; Kay, 1997; Kay & Hagan, 1998, 1999). Substantial income differences remain despite the narrowing gap during recent years (Hagan & Kay, 1995). Women also find themselves having less autonomy and are significantly less involved in decision-making on policy considerations (Hagan & Kay, 1995; Kay, 1997). Such inequalities as these have the potential to contribute to women's experience of higher levels of dissatisfaction than male colleagues (Brockman, 1992, 1996).

There has been a growing interest in examining why women professionals take home less pay and are underrepresented at the top level of the hierarchy in organizations. However, most of these research studies focus chiefly on the internal organizational perspective (Dreher & Cox, 2000). Several explanations have been offered to explain this "male-dominated phenomenon" on professionals' income and promotion differentials. Scholars have suggested that for entry into the lower level of management, women recorded less human capital in terms of not having adequate level of skills, knowledge, education, or expertise when compared to their male counterparts (Becker, 1985, 1991; Kornhauser & Revesz, 1995; Ragins, Townsend, & Mattis, 1998; Stroh, Brett, and Reilly, 1992). Developmental opportunities available for women were also found to be more limited than they were for men (Dreher & Cox, 1996; Greenhaus, Parasuraman, & Wormley, 1990).

Research has recently begun to examine the differentials in income attainment and career advancement between male and female professionals relating them to mobility in the external labor market. Brett and Stroh (1997), for instance, found that male professionals who also changed companies when changing jobs received higher compensation than compared to female professionals. Lam and Dreher (2004) likewise found that the differential income between men and women was largely due to a larger proportion of men pursuing the external labor market mobility strategy, rather than was specifically a result of intra-firm gender discrimination. Several other studies have found that the mobility of women has in fact been much more restricted than men, which consequently affects women's income attainment and career advancement. Women continue to face more obstacles in their mobility due to constraints relating to their family and children (Bielby & Bielby, 1992; McBrier, 2003; Rosenfeld & Jones, 1987). It has also been argued that women have insufficient time for work-related activities, such as time for networking and meeting prospective clients and senior partners (Kay & Hagan, 1999; Seron & Ferris, 1995), although others have in fact found that marriage and children had little or no effect on women's career advancement (Tharenou, 1995, 1997).

Whereas the potential effects of gender on income and promotion differentials have been increasingly documented in the literature on organizational behavior as well as within the work and gender literatures, relatively few studies have investigated the influence of individual networks on the attainment of higher income and promotion. Specifically, there has been a lack of emphasis on the context of professional service firms where women have been found to possess similar levels of human capital as their male counterparts (Burt, 1998). In fact, previous studies have even indicated that no substantial difference exists in opportunities available to men and women for advancement to the top of the firm in areas of professional practice, such as law, accounting, architecture, engineering consultancy, and advertising. Nevertheless, the reality is that the glass ceiling phenomenon--the invisible barrier that prevents women from advancing to the top--still remains (Tharenou, 1998), and women have consistently recorded less pay than their male colleagues (Judge, Cable, Boudreau, & Bretz, 1995; Truman & Baroudi, 1994).

Burt (1998), using social network theory, argued that if human capital does not play a significant role in explaining the fact that there are fewer women partners in professional service firms, then the difference in income attainment of women professionals and the actual number of female professionals at the top may be partly explained by differences in social capital (between male and female professionals). In other words, it is not what the individuals know but who they know (Nahapiet & Ghoshal, 1998) that consistently maintains
the gap between men and women's income and position attainment. Burt's (1998) findings suggested that senior females cannot so readily achieve success on their own, contrary to senior men who are able to expand their networks more easily. Success for females in terms of career promotion was most facilitated when they were tightly linked to a sponsor and effectively "borrowed" their sponsor's social capital. In other words, female managers were only able to achieve success if their networks were structured in a more hierarchical manner. From these insights, one can confidently infer that women's reduced likelihood of promotion to the top and lower rate of income growth are strongly related to the structure of their networks (Adler & Izraeli, 1994; Burt, 1998; Ibarra & Smith-Lovin, 1997). Women have been said to perceive that they face a barrier to inclusion in informal networks among male executives (Schor, 1997). They also seem to experience more difficulty in establishing and maintaining network ties at the top level which remains highly gendered (Epstein, 1993; Kay & Hagan, 1998, 1999; McBrier, 2003).

Although Burt's (1998) findings shed some light on the nature of social capital and the network structures between male and female professionals, it concentrated on an intra-firm perspective. Female managers received faster promotion only on occasions when they were closely tied to the sponsor within the organization and received interpersonal assistance from their sponsor. Similarly, Ibarra (1997) found that women who were promoted to executive levels relied much more on close informal networks of other women within the firm. Tharenou (1995) discovered that Australian females became CEOs only when managerial hierarchies were less proportionately made up of male executives, and that these female executives had informal networks of support from other females. Brass (1985) further found that successful women were more adept at building informal networks, especially with other women. In sum, previous research using social network theory has largely focused on two distinct intra-firm issues: (a) Do female and male professionals' networks in the organization vary and what are the implications of these variations? (e.g., Burt, 1998), and (b) How do intra-firm informal networks of female and male professionals vary in terms of the provision of opportunities for advancement? (e.g., Ibarra, 1997).

Drawing on findings from social network research on gender stratification in professional service firms, this paper proposes a new perspective using social capital theory in the context of professional-client relationships. It seeks to identify how an individual professional's network structures influence the attainment of higher income and position in the firm. The social capital theory, we argue, provides the necessary foundation for understanding ways that the structures of female and male professionals' networks influence two outcomes--income attainment and a higher position in the firm. Tharenou (1999) suggests that women accrue less social capital than men hindering their advancement to the top of organizations, and in this article we endeavor, moreover, to offer insights on how the network structures of social capital can instead be used to women's advantage.

In examining the professional-client relationship, we attempt to break away from the intra-organizational level of analysis frequently adopted in the research literature. The client management of professional service firms is a relatively under-explored area (Boccaccini & Brodsky, 2002), especially considering the fact that the existing research on client management of professional service firms has tended to concentrate on client interactions with the firm (e.g., Jones, 1987; Skaggs & Huffman, 2003). Relationships between the two individuals who are representatives of their respective organizations--professional and client--have the potential to influence the professional's income and facilitate advancement to higher levels in the organization. Accordingly, by focusing specifically on the multiple dyadic relationships between professionals and their clients, the paper contributes by demonstrating the implications of network structures of social capital at this important level of analysis (Kostova & Roth, 2003).

This paper is structured as follows. We begin by providing a summary of social capital and its importance in the professional-client relationship. Next, we present our conceptual framework for exploring the effects of individual professionals' network structures of social capital with clients and their potential for earning a higher income and career advancement to partnership. By focusing on the structural nature of a
professional's social capital with clients, we predict ways that the current social phenomena of the shortage of women at the top level of the hierarchy and the seemingly slow rate of pay progression of women may be changed. Finally, we conclude by discussing the implications of our approach.

Social Capital

In the last few years, a growing body of literature has developed on the concept of social capital. Social capital has been described as a resource that is embedded within actors' social relationships (Bourdieu, 1986; Loury, 1977, 1987). Research findings on social capital suggest that the creation and maintenance of social capital requires the existence of networks with other parties (Burt, 1992; Hitt, Bierman, Shimizu, & Kochhar, 2001; Kogut & Zander, 1992; Nahapiet & Ghoshal, 1998; Podolny & Baron, 1997; Tsai & Ghoshal, 1998; Yli-Renko, Autio, & Sapienza, 2001). Indeed, the distinctive characteristic of social capital lies in the importance of networks of relations for generating value for the actor.

Professionals rely on their social capital to deliver value in their professional services to clients. As professionals' outputs or services are intangible, clients often become the co-producers of the services provided by these professionals. Clients rely upon measures such as quality as well as the interpersonal nature of the relationship with the service provider (Iacobucci, 1999). This intense involvement of clients makes social capital a central feature of operations in these types of firms (Pennings & Lee, 1999).

In this article, rather than focusing on relationships with colleagues as the common source of one's social capital, we instead conceptualize social capital as "the professional's privileged access to resources, established through his or her networks with his or her clients, from which the professional can derive actual or potential value for his or her benefits (Adler & Kwon, 2000, 2002; Belliveau, O'Reilly, & Wade, 1996; Coleman, 1988; Fukuyama, 1995; Leana & Van Buren, 1999; Lin, 1982; Nahapiet & Ghoshal, 1998; Putnam, 1995; Tsai & Ghoshal, 1998; Yli-Renko, et al., 2001).

This conceptualization has several implications. First, social capital represents the actor's privileged access to resources. Social capital is not located within an individual person or an organization nor even a community, but in the networks that exist within the actor's social context with other actors (Coleman, 1988). Therefore, our conceptualization of social capital involves an aspect of social structure (Coleman, 1988).

Second, we posit that a professional's social capital can be attributed to his or her relationships with clients. While relationships with colleagues can certainly provide social capital, the focus of the paper is to move beyond intra-organizational linkages to focus on the professional-client relationship which has not received adequate attention in the literature.

Third, we argue that social capital promotes actual or potential instrumental benefits for the actor. Following Coleman (1988) and Gabbay and Leenders (1999), our conceptualization of social capital reflects the positive outcome of social capital, as relationships that are "helpful in attaining specific goals" (Gabbay & Leenders, 1999). In our context, these goals represent a professional's achievement of significant income attainment and the concurrent standing of the professional within the firm's structural hierarchy. Social capital thus enables the achievement of certain outcomes that may be impossible or difficult to be achieved outside of the structure (Coleman, 1990; Nahapiet & Ghoshal, 1998).

Rethinking Gender and the Network Structures of Social Capital in Professional-Client Relationships

Existing studies have documented a general agreement that gender plays a role on the professionals' income attainment and position as partners in professional service firms (Burt, 1998; Tharenou, 1995, 1999). There
is a disproportionately higher number of male professionals occupying the top level of the hierarchy and earning higher incomes than female professionals. In using the social capital theory, we argue that while this inequitable phenomenon is undeniable, it can be changed. Female professionals must look beyond solely focusing on their human capital and start building their networks around the firm's clients. In other words, we predict that the network structures of social capital moderate the effects of gender on the outcome variables, as illustrated in Figure 1.

**Figure 1.** A Conceptual Framework on the Influence of the Network Structures of Social Capital on the Relationship between Gender, Income Attainment, and Position

Network structures of social capital illustrate the different types of networks and ties of relationships and their consequent effects on instrumental outcomes (Suseno, Pinnington, Gardner, & Shulman, 2004). We consider two different network structures of social capital that influence the extent to which a professional's social capital with his or her clients effects the professional's income attainment and position in the firm's hierarchical structure. The two variables are: (a) the centrality of the professional in terms of his or her work ties with the clients (Tsai & Ghoshal, 1998), and (b) the non-redundancy among the professional's client contacts (Burt, 1992).

**Centrality**

Research on structural embeddedness focuses on the structural characteristics of social networks in explaining outcomes (Granovetter, 1985). The fundamental tenet of this perspective is that the location of an actor in the network enhances or constrains access to certain resources (Brass, 1984; Ibarra, 1993). Coleman (1990) notes that "having positions rather than persons as elements of the structure has provided one form of social capital that can maintain stability in the face of instability of individuals" (p. 320). In a structurally embedded relationship, the actor's location in a network of relations and interactions therefore provide benefits to that actor (Tsai & Ghoshal, 1998) in that it enables the actor to have unique advantages over access to resources (Ibarra, 1993).

In explaining one's structural position in a network, the actor's centrality is the most often applied as a property of social networks (Marsden, 2002). One's centrality is defined as the extent to which an ego is connected to various alters within a specified network (Wasserman & Faust, 1994). An actor who is central is one who is prominent in the network and is involved in many ties (Wasserman & Faust, 1994). In other words, the actor's central location in a network of relations and interactions indicates that the actor is linked to many ties in the network and can thus command influence and control.
One's centrality within the client networks can be achieved in several ways, most notably, by being more involved in a greater number of clients' work assignments. Firms should provide opportunities for their professionals to share and "rotate" their client work. Professionals are more likely to span across the boundaries of their networks through increasing the diversity of assignments. A professional's centrality can also be improved through building both formal and informal networks with other professionals, within the firm as well as with others outside the firm, such as joining and becoming active in external associations. Building these kinds of networks provides reputation and referrals benefits which may influence the centrality of one's networks.

While research has documented that gender differences play a role in influencing the outcomes of interest, what we argue here is that a professional's centrality in his or her work ties with clients plays a further role in contributing to such outcomes. In other words, centrality moderates the relationship between gender and the outcomes of income attainment and position in the firm. A professional with a high degree of centrality is one who is connected to many client ties. As a result of this network structure, the professional is expected to earn significant income because he or she is approached by many clients for undertaking new assignments or to seek advice. At the same time, the professional is also more likely to occupy a higher structural position in the firm as a result of the reputation that he/she has for having many clients approaching him or her for professional work and/or advice. Therefore, we posit that female professionals can expect their income and position in the firm to improve by ensuring that they are located in a central network position within the client contacts.

P1: There tends to be a smaller difference between male and female professionals' income attainment when female professionals are central in the work ties network with the clients.

P2: There tends to be a smaller difference between male and female professionals' position in the firm when female professionals are central in the work ties network with the clients.

Non-redundancy of Contacts

The concept of the non-redundancy of ties indicates that people need to first learn about communication linkages (who talks with whom) and communication holes (who does not talk with whom) in the network (Monge & Contractor, 2003). When individuals learn about communication linkages and communication holes in their network, they will be able to invest in or exploit these linkages and holes. For example, if one knows who talks with whom in his or her network, one is able to gain benefits from these contacts by getting reliable and trustworthy information and knowledge from these sources.

A range of non-redundant ties provides the actor with valuable access to resources, information, advice, status, and emotional support (Brass, 1985; Burt, 2000; Campbell, Marsden, & Hurlbert, 1986; Reagans & Zuckerman, 2001). In examining studies of social capital conducted at the inter-organizational level of analysis, Burt (1992) found that firms with inter-organizational networks rich in structural holes were able to earn higher profits as compared to firms located in networks without these structural positions. Actors who created and maintained ties with disconnected groups, or those that occupied structural holes, used boundary-spanning social networks to gain promotions and compensation (Burt, 1992). In essence, actors who were in control of non-redundant ties have access to valuable key external resources, gained information benefits (Burt, 1992), and obtained various other opportunities (Granovetter, 1973).

For professionals, information benefits can be gained by having clients in unrelated fields or who are not connected to each other. Burt (1992, 1998) suggests that information derived from these non-redundant network ties facilitates access, timing, and referral benefits. Access refers to information and knowledge that others are not able to obtain. In the context of the professional-client relationship, access might refer to information or knowledge from the clients, which can be used by the professional both to refer on to others
and secure new business (Gulati, 1999). Providing services to clients enables the professional to learn about different industries and other information pertaining to specific markets and organizations. Moreover, the non-redundancy of ties among the professional's clients enable the professional to gain control benefits because benefits to one client, such as a provision of a discount, will not be communicated and made available to all of the other clients. Therefore, the professional is able to exploit the willingness and ability of certain client organizations to pay more by selectively passing on information (Jones, Hesterly, Faldmoe-Lindquist, & Borgatti, 1998).

Timing indicates being connected to the right contacts in the network so that one can obtain the right information and knowledge at the right time (Gulati, 1999). Professionals who possessed timing benefits could use the information and knowledge gathered from one assignment and transfer and customize it quickly and efficiently to other client assignments. Timing is also important in professional-client services because a growing number of client organizations have more often made use of transactional strategies (Baker & Faulkner, 1991). The professionals and firms delivering the relevant knowledge and services to clients in an efficient manner are more likely to secure these contracts.

The non-redundancy of ties further provides a professional with indirect referral benefits (Gulati, 1999). Professionals exploit the "structural holes" of knowledge from client assignments by brokering their knowledge from one client assignment to the next. In this way, they serve their clients more effectively based on knowledge acquired from different client assignments. They are also able to further leverage this knowledge for attracting new client business by informing prospective clients of their experience in doing specific assignments.

While we anticipate the effect of gender on a professional's income attainment and position in the firm, what we are arguing here is that female professionals are more likely to earn a similar level of income and occupy similar positions as their male counterparts whenever they gain access, timing, and referrals benefits from the non-redundancy of their network within client contacts. Thus,

P3: The disparity between male and female professionals' income attainment is smaller when female professionals' client contacts are non-redundant.

P4: The disparity between male and female professionals' position in the firm is smaller when female professionals' client contacts are non-redundant.

Discussion and Implications

Although progress has been made toward ensuring gender equality for income and hierarchical position, clearly persistent gender gaps in income and position remain between male and female professionals (Hagan & Kay, 1995; Kay & Hagan, 1995, 1999; Winkler, 2000). Most existing studies have tended to approach this issue from the intra-organizational perspective, examining women's lack of investment in education and further training (Becker, 1985, 1991) and their responsibility for household and childcare, which can contribute to the lack of promotion opportunities for women (Kay & Hagan, 1999; McBrier, 2003). In sum, these studies concentrate on issues of human capital and its development.

We argue that in the context of professional service firms, where there is scant evidence of significant differences between female and male professionals' level of human capital, research findings that are focused on the human capital theory cannot entirely explain the existing phenomenon of the disproportionately fewer number of women at the top of organizations and the persistent evidence of pay differences (Burt, 1998; Judge, et al., 1995; Truman & Baroudi, 1994). In this paper, we propose a new perspective using social capital theory in the context of professional-client relationships to identify how an individual professional's network structures influence the attainment of higher income and position in the
Previous attempts that have examined social capital within organizations concentrate largely on electronics manufacturing and technology-based firms (e.g., Tsai & Ghoshal, 1998; Yli-Renko, et al., 2001), but studies on the importance of social capital rarely have been investigated in professional service firms. In particular, the nature of the professional-client networks remains under-explored, and we propose that future research examines in more depth professional service providers and their network linkages to clients. Using social capital as a theoretical perspective, we argue, has the potential to enhance our knowledge of social processes in professional-client relationships.

In this paper, our aim was to analyze the structural nature of a professional's social capital within professional-client relationships and its influence on the professional's income attainment and position in the firm. From a practical perspective, our propositions may motivate professionals to build their social capital, not only through forming and maintaining relationships with other professionals (Lazega, 1999), but most importantly, with their clients. Professionals can derive insights into the criticality of: (a) their position in the client networks, i.e., centrality, and (b) the patterns of connections within the network based on the non-redundancy of ties. Female professionals who aspire to achieve the goals of higher income and position in the firm should ensure that they are located in a central position within their client networks, through getting involved in more client work, attending client seminars, providing training, and many other networking activities. We also propose that female professionals need to ensure that their client contacts are not redundant to simultaneously achieve these goals of higher income and position. We predict that gender will not influence a professional's income attainment and position so much as will the network structures of their client contacts. These we anticipate will have a strongly significant influence on the outcome variables. We thus propose a simple framework as a starting point for investigating optimal ways of organizing networks between female professionals and their clients, through building their centrality in the network, and by ensuring that client contacts are non-redundant.

Although professional service firms are still primarily male-dominated institutions, there is a degree of change in the top hierarchy of the firm with an increasing number of female partners attaining top level positions. This article, we hope, will be useful for assisting women professionals to examine their networks. We predict that female professionals will build their social capital when they are able to position themselves in a central location within their client networks, while ensuring (when acceptable) that these contacts are not linked to each other. Social capital increases through exploitation of these two fundamentally different structural configurations.

Organizations would also benefit from analyzing more closely the network structures of their female and male employees. Institutions can promote equality of opportunity for women in the workplace by providing more avenues for female professionals to be involved in a greater range of clients' work. Greater client diversity increases the likelihood of being located in a central position within the network of clients. Individual female professionals also need to be more aware of the importance of informal networks, not only among other female executives, but also with male professionals, so that their networks of clients are more widespread and non-redundant through their increased social capital. In sum, through examining professional-client relationships, we can attain a better understanding of the role of social capital for individual professionals' career promotion and rewards and in the continued viability of their firms.

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