

# Gender Diversity and Company Performance

## Research Prompt

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"Analyze the relationship between gender diversity in corporate boards and company performance."

## Contents

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# Search Results

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## Understanding Gender Diversity in Corporate Boards

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Search terms:

- *Benefits of gender diversity in corporate boards*
- *Definition of gender diversity in corporate boards*
- *Importance of gender diversity in corporate boards*

### Benefits of gender diversity in corporate boards

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Relevant Excerpt	Citation Source
... "Boards that actively recruit women as well as men are tapping into the broadest possible talent pool to find the skill sets and experience they need to guide their companies into the future. <b>And the data shows numerous benefits correlated with gender diversity on boards, including more robust discussion, prudent risk-taking, innovation and a reduced likelihood of group-think.</b> " While the prevalence of women on boards has increased by 6.4% from 26.7% at the end of 2021, progress has slowed following several quarters of acceleration....	<a href="#">Q4 2022 Gender Diversity Index (equilar.com)</a>
Within the literature on board composition, one of the recent and emerging issues, which have been rapidly gaining attention from both academics and practitioners, is the board diversity (Catanzariti & Lo, 2011). <b>Gender diversity on the board has shown advantages from economic and ethical dimensions.</b> This study contributes to the debate on gender equality on top positions and its effect on ethical behaviour....	<a href="#">Women on the board and the ethical behaviour: The case of Latin American listed companies (semanticscholar.org)</a>
... While women might not be genetically pre-dispositioned to be more caring, they are expected to be unselfish and nurturing while men are expected to behave more competitively. <b>Benefiting from differences The differences between how men and women perform their board role could explain why gender diversity improves corporate performance.</b> By asking more difficult questions and challenging management and the other board members, for example, women looked out for the best interests of various stakeholders and improved organizational performance....	<a href="#">Gender diversity on corporate boards can improve organizational ... (theconversation.com)</a>
<b>There are many good reasons for increasing gender diversity on boards have been evidenced by various studies such as better decisions, performance, and representation of the consumer base.</b> However, the country of Mauritius has been lagging behind in terms of legislative initiatives to promote female representation on corporate boards....	<a href="#">Board Diversity in Terms of Gender: a Recommendation for Mauritius (semanticscholar.org)</a>

Relevant Excerpt	Citation Source
... Women earn 57 percent of bachelor's degrees, over 62 percent of master's degrees, and 53 percent of degrees such as PhDs, medical degrees, and law degrees in the United States. <b>There are several reasons that companies with more diverse boards perform better.</b> One is that diverse boards often better mirror customer and client bases....	<a href="#">Why Diversity Matters: Women on Boards of Directors   Executive ... (harvard.edu)</a>

## Definition of gender diversity in corporate boards

Relevant Excerpt	Citation Source
No industry is immune to this need. <b>One way to meet the challenge: focus on gender diversity on corporate boards.</b> Although evidence on the relationship between gender diversity on boards and financial performance is mixed, studies suggest that gender diversity can play an important role in supporting innovative activity and organizational change....	<a href="#">Gender Diversity at the Board Level Can Mean Innovation Success (mit.edu)</a>
... One way to bring in these diverse perspectives is through gender diversity on a board, and yet women only make up a small percentage of boards of directors in the United States. <b>One way to bring diverse perspectives to an organization is through gender diversity on a board.</b> The percentage of women on boards overall in the United States is between 11 and 12 percent and has barely increased in the last decade....	<a href="#">Why Diversity Matters: Women on Boards of Directors   Executive ... (harvard.edu)</a>
... Practical implications The findings of this study have implications for inclusion and diversity policies of businesses and the society. <b>Specifically, the findings offer support for gender diversity of corporate boards of directors....</b>	<a href="#">Gender diversity of directors and financial performance: is there a business case? (semanticsscholar.org)</a>

## Importance of gender diversity in corporate boards

Relevant Excerpt	Citation Source
... It shows that, under specific conditions, financial markets could be receptive to the presence of female directors in boardrooms. <b>Practical implications Practitioners and policymakers advocate the benefits of gender diversity on corporate boards.</b> This paper shows that when the protection of minority shareholders is poor, the stock market is receptive to the presence of women independent directors, only in family controlled firms....	<a href="#">Does gender diversity on boards reduce information asymmetry problems? Empirical evidence from the French market (semanticsscholar.org)</a>

**It is argued that improving gender diversity in the boardroom as female directors can benefit corporate management in many ways.** On the one hand, they have distinct characteristics which could make up for the shortcomings of male directors....

[A Comparative Analysis on Two Main Approaches to Promote Gender](#)

Relevant Excerpt	Citation Source
	<a href="#">Diversity in the Boardroom Worldwide (semanticscholar.org)</a>
<p>... Endogeneity appears to be unlikely, suggesting that female directors are not merely associated with, but probably bring about stronger risk-taking incentives.</p> <p><b>Introduction Several recent events have highlighted the importance of board gender diversity.</b> For instance, the governor of California in 2018 signed a law requiring public companies whose principal executive offices were in California to have at least one female director on the board....</p>	<a href="#">Does board gender diversity weaken or strengthen executive risk ... (nih.gov)</a>
<p>In the analysis the effect of women in the board room on innovation activity and corporate firm performance as well as the joint consequences of female directors and innovation activity on the firms success are examined. <b>The latter may be particularly important in the context of gender diversity as more gender-diverse boards allow for higher levels of creativity and hence innovation.</b> In order to account for endogeneity issues, different model specifications are employed (two-way fixed effects models and linear dynamic panel data models)....</p>	<a href="#">The effect of women directors on innovation activity and performance of corporate firms: Evidence from China (semanticscholar.org)</a>
<p>... Furthermore, using a family firm as a moderating variable, this study suggests that a family firm has weakened the positive relationship between board gender diversity and corporate innovation. <b>Therefore, this study implies that board gender diversity is important to increase corporate innovation.</b> In addition, this study provides that the gender diversity of CEOs in high family ownership companies can decrease corporate innovation....</p>	<a href="#">Board Gender Diversity and Corporate Innovation: Evidence from Indonesian Family Firms (semanticscholar.org)</a>

# Company Performance and Gender Diversity

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- [Financial Performance and Gender Diversity](#)
- [Innovation and Gender Diversity](#)
- [Corporate Governance and Gender Diversity](#)

## Financial Performance and Gender Diversity

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Search terms:

- *Gender diversity and profitability*
- *Gender diversity and return on investment*
- *Impact of gender diversity on financial performance*

## Gender diversity and profitability

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Relevant Excerpt	Citation Source
... The results support seven of these hypotheses: racial diversity is associated with increased sales revenue, more customers, greater market share, and greater relative profits. Gender diversity is associated with increased sales revenue, more customers, and greater relative profits...	<a href="#">Does Diversity Pay?: Race, Gender, and the Business Case for Diversity (semanticscholar.org)</a>
... When companies address ethnic and cultural diversity at the executive level, employees know that the organization genuinely understands and values the customers and community that they serve. Gender diversity in executive or management positions increases profitability as well. In a 2018 McKinsey report, "Companies in the top-quartile for gender diversity on their executive teams were 21% more likely to have above-average profitability than companies in the fourth quartile...."	<a href="#">How a Diverse Team Drives Better Decision-Making - Emtrain (emtrain.com)</a>
... Second, promoting women in boardrooms has a significant and positive effect on economic performance while accounting for the endogeneity boards' gender diversity. Gender diversity even reduces corporate inefficiencies and enables firms to come closer to their optimal performance.	<a href="#">A women's boom in the boardroom: effects on performance? (semanticscholar.org)</a>
... The results showed that the profitability of Return On Asset (ROA) and Return On Equity (ROE) had a positive and significant effect on the company's value. Gender diversity affects the value of the company and gender diversity is able to strengthen the relationship between profitability and the value of the company...	<a href="#">Does Gender Diversity Moderate the Relationship Between Profitability and Company Value ? (semanticscholar.org)</a>

Relevant Excerpt	Citation Source
Data is collected from the highest market capitalized manufacturing firms over the time period of five years from 2010-2014. <b>Statistical analysis revealed that there is a two way relationship between gender diversity and firm profitability.</b> Findings of this research suggest that females tend to work on the highly profitable firms and bring a tremendous increase in the profitability of that firm in return....	<a href="#">Relationship between Gender Diversity in Top Management Teams and Profitability of Pakistani Firms (semanticscholar.org)</a>

## Gender diversity and return on investment

Relevant Excerpt	Citation Source
<b>Gender diversity has been defended from an equality perspective; it has been argued to improve decision-making processes and to have a positive impact on companies' return on investment.</b> The purpose of this paper is to analyze the differences between the thinking styles of men and women, in Latin America and the USA that support decision-making processes....	<a href="#">Thinking Styles, Gender and Decision Making in Latin American management: A Comparative Study with the USA (semanticscholar.org)</a>

## Impact of gender diversity on financial performance

Relevant Excerpt	Citation Source
... In his words, "One interpretation is that ... <b>Gender Diversity = Financial Performance.</b> An alternative explanation might go the other way: Financial Performance = Gender Diversity....	<a href="#">Why Does Gender Diversity Improve Financial Performance? - HBS ... (hbs.edu)</a>
... Although gender and financial data are straightforward, they are not always easy to obtain with complete accuracy. <b>And, like many studies, these correlate gender diversity with financial performance.</b> That is, they are found together....	<a href="#">Why Does Gender Diversity Improve Financial Performance? - HBS ... (hbs.edu)</a>
... Gender Diversity = Financial Performance. <b>An alternative explanation might go the other way: Financial Performance = Gender Diversity.</b> Well off firms have much more flexibility to experiment, meet diversity goals and so forth."...	<a href="#">Why Does Gender Diversity Improve Financial Performance? - HBS ... (hbs.edu)</a>
... What do your personal experiences and intuition tell you? <b>Why does lack of gender diversity hurt corporate performance?</b> What do you think?...	<a href="#">Why Does Gender Diversity Improve Financial</a>

Relevant Excerpt	Citation Source
	<a href="#">Performance? - HBS ... (hbs.edu)</a>
<p>Prior studies have determined several benefits of female presence in the boardroom. However, gender diversity's impact on financial performance is still unclear due to the mixed findings regarding this relation. In addition, studies about gender diversity roles in Jordanian companies' performance are missing in the literature....</p>	<a href="#">Impact of board gender diversity on the financial performance of the manufacturing and service companies listed on the Amman Stock Exchange (semanticscholar.org)</a>

# Innovation and Gender Diversity

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Search terms:

- *Gender diversity and creativity*
- *Inclusive decision-making and innovation*
- *Relationship between gender diversity and innovation*

## Inclusive decision-making and innovation

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Relevant Excerpt	Citation Source
... To achieve this, you'll need the right tools, metrics, and tactics that complement your leadership development and hiring practices. <b>Inclusive decision-making is the energy that will drive innovation and unlock the potential of diversity in your organization...</b>	<a href="#">How To Use Inclusive Decision-Making To Drive Innovation And ... (linkedin.com)</a>
... This happens half the time in companies with fewer than 30% women. <b>The best combination is inclusive decision making and diverse execution.</b> Learn more at <a href="http://www.cloverpop.com/diversity...">www.cloverpop.com/diversity...</a>	<a href="#">Infographic: Diversity + Inclusion = Better Decision Making At Work (cloverpop.com)</a>
Foundations can apply this knowledge of the value of diversity and inclusion to drive better results in grant-making and capacity-building for grantees. <b>The value of inclusive decision-making "Inclusive decision-making drives better company performance and gives a decisive competitive advantage."</b> So concludes a new study by Cloverpop, a cloud-based platform to track, communicate and improve decision making, that is based on an analysis of approximately 600 business decisions made by 200 different business teams in a wide variety of companies over two years....	<a href="#">Achieving Better Results with Inclusive Decision-Making (conference-board.org)</a>

## Relationship between gender diversity and innovation

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Relevant Excerpt	Citation Source
... The link between company financial performance and gender diversity is the latest in an emerging body of academic and qualitative research that links well-rounded and inclusive work environments with returns. â <b>Gender diversity can</b>	<a href="#">Why It Pays to Invest in Gender Diversity (theatlantic.com)</a>



Relevant Excerpt	Citation Source
improve team decision-making and improve innovation capabilities for development of new products or services," says Alsford. â It can also create alignment with diverse customer bases and, thus, open up untapped business opportunities....	
... The main results indicate that firms with a larger share of women in the knowledge creation and innovation process might increase their innovative behavior. It also presents evidence of a differentiated effect of gender diversity by type of innovation. Women's participation has a larger effect on technological innovation than on organizational innovation....	<a href="#">An Integrated Analysis of the Impact of Gender Diversity on ... (iadb.org)</a>
... Although evidence on the relationship between gender diversity on boards and financial performance is mixed, studies suggest that gender diversity can play an important role in supporting innovative activity and organizational change. For example, companies with greater gender diversity are associated with higher R&D intensity, obtain more patents, and report higher levels of overall innovation (particularly when there is a critical mass of women directors). This pattern is also reflected in external accolades; companies recognized as innovators have more women directors....	<a href="#">Gender Diversity at the Board Level Can Mean Innovation Success (mit.edu)</a>
... Both linear and non-linear relationships are tested. The results suggest gender diversity has a non-linear, U-shape, relationship with employee innovation-related productivity, supporting the value-in-diversity perspective.	<a href="#">GENDER DIVERSITY AND INNOVATION PERFORMANCE: EVIDENCE FROM R&amp;D WORKFORCE IN SWEDEN (semanticsscholar.org)</a>
Does diversity make a company more productive? Many say yes - some researchers argue that gender diversity leads to more innovative thinking and signals to investors that a company is competently run. Others say no - conflicting research indicates that gender diversity can disrupt social cohesion, making people less likely to collaborate....	<a href="#">Research: When Gender Diversity Makes Firms More Productive (hbr.org)</a>

# Corporate Governance and Gender Diversity

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Search terms:

- *Board diversity and risk management*
- *Gender diversity and corporate governance*
- *Gender diversity and ethical decision-making*

## Board diversity and risk management

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Relevant Excerpt	Citation Source
To deploy the type of reputational risk management apparatus needed today, companies must understand the expectations of ever-changing and diverse groups of stakeholders, and stay attuned to constantly shifting cultural trends that pose enterprise-wide risks and require a response from corporate America. Board diversity is important because it ensures that board oversight of reputation risk management drives a diverse perspective, encompassing stakeholder groups and potential areas of risk that might otherwise be overlooked. Boards and new board members should not seek conformity of thought, but should embrace the value their different backgrounds create because doing so fosters better risk governance....	<a href="https://diversityjournal.com">Board Diversity Helps Recognize and Avoid Reputational Risks ... (diversityjournal.com)</a>

## Gender diversity and corporate governance

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Relevant Excerpt	Citation Source
Using a sample of 2062 firm-year observations of 226 non-financial firms listed on the Pakistan Stock Exchange (PSX) from 2008 to 2019, we have conducted multiple regression analysis, and found that larger and independent board positively affect firm leverage, whereas, the negative impact of CEO duality was observed on this relationship. Moreover, we found that gender diversity is associated with better corporate governance quality and positively impact firm's leverage. Additionally, the Generalized Method of Moments (GMM) estimation was applied for the robustness and the results obtained confirmed the main findings of the study....	<a href="https://semanticscholar.org">Corporate Governance and Capital Structure: Moderating Effect of Gender Diversity (semanticscholar.org)</a>
A two-step system GMM model is also applied to test the endogeneity problem. The results indicate that gender and cultural diversity positively affect corporate governance performance. While we note that social performance is positively associated with both gender and cultural diversity, this relationship is insignificant....	<a href="#">Measuring the impact of board gender and cultural diversity on corporate governance and social</a>

Relevant Excerpt	Citation Source
	<a href="#">performance: evidence from emerging markets</a> <a href="#">(semanticscholar.org)</a>
<p>This is coupled with an increasing interest in analysing the effects of gender diversity on corporate boards. However, companies may only reap the benefits of gender diversity by achieving better qualified and more independent boards....</p>	<a href="#">Social Sustainability on Corporate Boards: The Effects of Female Family Members on R&amp;D</a> <a href="#">(semanticscholar.org)</a>
<p>Such entities ought to embrace diversity since this influences work relations and performance through offering greater perspectives from different lenses on business issues, opportunities as well as wider scope of ideas and solutions. Board gender diversity is ubiquitous as it is the most debated diversity issue in firms. Guidelines and/or mandatory laws have been enacted by several countries including Kenya, to enhance gender diversity on company boards so as to eradicate the existing social and labor grievances that women have been experiencing....</p>	<a href="#">Towards realization of Board Gender Diversity in Deposit Taking SACCOs in Kenya: A critical review and synthesis</a> <a href="#">(semanticscholar.org)</a>
<p>... Consideration of sectoral differences and economic cycles in the empirical analyses yielded additional insights. In particular, gender diversity has a beneficial association with performance for businesses in the services and financial sectors after the changes to corporate governance guidelines relating to diversity in 2010. These economic benefits, however, are not evidenced in the resources sector....</p>	<a href="#">Gender diversity of directors and financial performance: is there a business case?</a> <a href="#">(semanticscholar.org)</a>

# Barriers to Gender Diversity in Corporate Boards

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- [Implicit Bias and Gender Diversity](#)
- [Structural Barriers and Gender Diversity](#)

## Implicit Bias and Gender Diversity

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Search terms:

- *Gender stereotypes and board selection*
- *Implicit bias in corporate board appointments*
- *Unconscious bias and gender diversity*

## Unconscious bias and gender diversity

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Relevant Excerpt	Citation Source
For many people, suggesting that they have an unconscious bias might sound like a personal criticism, but the reality is far more complex. Unconscious gender bias can exist at every level of an organisation, not just at the office level, or in middle-management. This 'multi-level' discrimination hurts organisations by denying women a voice in key decision-making processes....	<a href="#">How unconscious gender bias affects women in the workplace (theewgroup.com)</a>
... DEVELOP YOUR TEAM'S AWARENESS OF UNCONSCIOUS BIAS → The costs of unconscious gender bias Unconscious gender bias can result in serious issues with recruitment, as the best potential candidates are often unfairly ignored. Even worse, unconscious gender biases can actually cost organisations billions of dollars through low staff retention, reputational damage, and a failure to attract diverse candidates. This can mean low female representation at a managerial level - despite significant evidence showing that higher female board membership makes for a more profitable organisation overall....	<a href="#">How unconscious gender bias affects women in the workplace (theewgroup.com)</a>

# Structural Barriers and Gender Diversity

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Search terms:

- *Gendered norms and board representation*
- *Glass ceiling in corporate boards*
- *Structural barriers to gender diversity*

## Glass ceiling in corporate boards

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Relevant Excerpt	Citation Source
Arfken, D. E., S. L. Bellar and M. M. Helms: 1998, 'The Ultimate Glass Ceiling: Women on Corporate Boards', <i>A Leadership Journal: Women in Leadership-Sharing the Vision</i> 3(1), 95-105. 'Behind many errant CEOs hide weak corporate boards', 2003, U.S.A. Today (Monday, April 28, 2003), p. 10A. Blackwell, R.: 2002, 'More Women Needed on Boards: CEOs', <i>Globe and Mail</i> (October 30), Section B, 2-3. Board of Directors Network....	<a href="#">The Ultimate Glass Ceiling Revisited: The Presence of Women on ... (springer.com)</a>
The Glass Ceiling and the Market for Corporate Control Women and ethnic minority groups hold few boardroom positions. In this paper, we adopt a novel identification strategy to test whether this is caused by a lack of suitable candidates for director positions or, alternatively, by discriminatory barriers that prevent these groups from progressing up the corporate hierarchy....	<a href="#">Jobs for the Boys? The Glass Ceiling and the Market for Corporate Control (semanticscholar.org)</a>
Blame for the low numbers of women of company boards can be partly attributed to the widely publicized "glass ceiling". However, the very low representation of women on company boards requires further examination....	<a href="#">Women on corporate boards: Malaysian perspectives (semanticscholar.org)</a>
... Increasing competition in product markets should help reduce the wage gap by replacing old habits with the hunt for talent regardless of gender. Finally, a corporate governance code in favour of a more equal representation of women in leadership positions, and setting ambitious quantitative targets for women on boards combined with the "Comply or Explain" practise, or quotas, should help remove the so-called glass ceiling....	<a href="#">Women's Role in the Swiss Economy (semanticscholar.org)</a>
... Accessed on December 12th 2017 in <a href="http://www.catalyst.org/system/files/sp_500_pyramids_methodology_final_082817.pdf">http://www.catalyst.org/system/files/sp_500_pyramids_methodology_final_082817.pdf</a> Catalyst (2017b) Quick Take: Women on Corporate Boards Globally. New York: Catalyst, January 4th, 2017....	<a href="#">Female leadership: a qualitative study (semanticscholar.org)</a>

# Promoting Gender Diversity in Corporate Boards

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- [Best Practices for Increasing Gender Diversity](#)
- [Benefits of Gender Diversity in Corporate Boards](#)
- [Measuring Gender Diversity in Corporate Boards](#)

## Best Practices for Increasing Gender Diversity

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Search terms:

- *Board diversity initiatives*
- *Gender quotas and board representation*
- *Strategies for improving gender diversity in corporate boards*

## Gender quotas and board representation

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Relevant Excerpt	Citation Source
Recently, fifteen countries sought to redress this imbalance by introducing gender quotas for board representation. The introduction of board gender quota legislation creates ethical tensions and dilemmas which we categorize in terms of motivations, legitimacy, and outcomes....	<a href="#">Board gender quotas: Exploring ethical tensions from a multi-theoretical perspective (semanticscholar.org)</a>
... Selection for the purposes of seeking a diversity of talent and experience is the key to creating more dynamic and assured boards. Nowadays, thanks to gender quotas, many companies are under pressure to appoint female board members. Stereotypes The media have helped women earn their place on executive committees by challenging society's preconceived image that all boards of directors are made up of men and by opening up these groups to a greater female presence....	<a href="#">Do the Media Reinforce Stereotypes of Female Directors?   IE Insights (ie.edu)</a>
Drawing on European data for the period 2006–2018, the article examines the association between how gender equal a country is and legislated measures such as board quotas with women's representation on boards. The analysis then explores how this can be nuanced by differentiating between hard sanctions, soft sanctions and codes of governance....	<a href="#">A rights-based approach to board quotas and how hard sanctions work for gender equality (semanticscholar.org)</a>

... This stems not only from the women's individual performance but also from the resulting change in the board's dynamics, which in turn has a positive effect on the firm's image. Nowadays, thanks to gender quotas, many companies are under pressure to appoint female executives or board members. Selection for the

[Do the Media Reinforce Stereotypes of Female Directors? | IE Insights \(ie.edu\)](#)

Relevant Excerpt	Citation Source
purposes of seeking a diversity of talent and experience is the key to creating more dynamic and assured boards....	
It involved a new amended law on public limited companies to promote balanced representation of women and men in corporate governance bodies (law 19.20 modifying and completing law 17-95 related to public limited companies). <b>It set mandatory quotas for women on the boards of publicly traded companies, with a target of (at least) 30% female representation by 2024, and 40% by 2027.</b> This law is the result of exemplary cooperation between the government, the parliament, and civil society, supported by the creation of a task force by UN Women, including women personally involved in gender advocacy, and several representatives of the 'Club des Femmes Administrateurs' in Morocco....	<a href="#">A big step forward for women's leadership in Morocco (worldbank.org)</a>

## Strategies for improving gender diversity in corporate boards

Relevant Excerpt	Citation Source
... Our research on director recruitment patterns in over 60 countries found that initial investment in recruiting women directors creates positive feedback loops that pave the way for boards' future diversity and capacity for supporting long-term innovation and creativity. <b>We offer here a variety of suggestions for addressing the gender imbalance on corporate boards.</b> Email updates on the Future of Work Monthly research-based updates on what the future of work means for your workplace, teams, and culture....	<a href="#">Gender Diversity at the Board Level Can Mean Innovation Success (mit.edu)</a>
... It also examines existing workplace norms and practices which inhibit female labour participation. <b>In doing so, it proposes alternative approaches by which countries can increase gender diversity on boards.</b>	<a href="#">Gender Diversity on Boards: Beyond Quotas (semanticsscholar.org)</a>
... Surprisingly, this condition demonstrates that the presence of women on the BOD strengthened the influence of the BOD and ID on firm profitability. <b>Increasing women's participation on boards of directors is one way to enhance their performance.</b>	<a href="#">Gender Diversity and Firm Profitability before and during the Covid-19 Pandemic (semanticsscholar.org)</a>
... 1 Many institutional investors, including the Illinois Treasurer, have advocated for gender diversity on corporate boards through proxy voting policies and through direct shareholder-company engagement. <b>These actions, now broadly adopted by institutional investors across the world, have helped generate an increase in gender diversity on corporate boards.</b> The lack of data on racial/ethnic composition, however, makes it difficult to apply the same tools and creates unnecessary barriers to investment analysis and academic study....	<a href="#">Michael W. Frerichs - Illinois State Treasurer: Russell 3000 Board ... (illinoistreasurer.gov)</a>
... It posits that British boards have been gender homogeneous due to discrimination against women, a lack of confidence among women and a lack of objectivity in nomination processes. <b>Hence regulatory intervention is warranted to improve gender diversity on boards.</b> However, the current soft-law approach is the best-suited strategy due to established institutional processes....	<a href="#">Achieving Gender Balance on British Boards with the Soft-Law Approach: Directors' Perspective (semanticsscholar.org)</a>

# Benefits of Gender Diversity in Corporate Boards

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Search terms:

- *Advantages of gender diversity in corporate boards*
- *Business case for gender diversity*
- *Diverse perspectives and decision-making*

## Advantages of gender diversity in corporate boards

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Relevant Excerpt	Citation Source
... Originality/value The composition of the board of directors and audit committees in terms of gender plays a significant role in the promotion of effective corporate governance practices. <b>This study is one of the pioneering studies that examines the advantages of gender diversity in the board of directors...</b>	<a href="#">The role of the gender diversity of audit committees in modelling the quality of management earnings forecasts of initial public offers in Malaysia (semanticscholar.org)</a>
<b>This is because it has been believed that gender diverse board brings different perspectives of idea to the board which enhances the firm financial performance.</b> The purpose of this research is to examine the impact of gender diversity on Indian firm's financial performance....	<a href="#">Impact of Gender Diversity on Indian Firm's Financial Performance (semanticscholar.org)</a>
... Practical implications This study provides useful corporate governance indications for policymakers and practitioners. <b>Advantages of gender diversity on boards are recognized especially in sound banks, but increasing the number of women directors beyond the critical mass may not lead to lower risk.</b> In fact, ethical or legal pressures aimed at increasing gender diversity on boards (i.e. soft or hard gender quotas) may cause undesired effects on bank risk, especially if female directors are not chosen on merit and skills....	<a href="#">When do women on board of directors reduce bank risk? (semanticscholar.org)</a>
... On this point, female directors themselves need to be more aware of their influence on other women and develop a discourse about themselves in the media in which they emphasize their individual and professional qualities rather than discussing their career in traditional terms. <b>Greater visibility for women as board members can have positive effects that help change the image of corporate leaders.</b> Gaining access to the board of directors By dismantling female stereotypes, the appointment of more female board members can have other positive effects, such as improving the company's reputation, providing greater access to female talent, new resources, and a better understanding of the	<a href="#">Do the Media Reinforce Stereotypes of Female Directors?   IE Insights (ie.edu)</a>



Relevant Excerpt	Citation Source
demands and realities of women's lives, not to mention the creation of different reference models for other working women....	
... The more visibility these women have, the faster the preconceived images of board members-and society in general-will change. <b>Greater visibility for women as board members can also have other positive effects that help change the image of corporate leaders....</b>	<a href="#">Do the Media Reinforce Stereotypes of Female Directors?   IE Insights (ie.edu)</a>

## Business case for gender diversity

Relevant Excerpt	Citation Source
<b>The business case for gender diversity in senior and executive positions is compelling.</b> Studies show that companies that have the best records for promoting women outstrip their competition on every measure of profitability....	<a href="#">Breaking the glass ceiling: structural, cultural, and organizational barriers preventing women from achieving senior and executive positions. (semanticscholar.org)</a>
... Given its primary definition relates to "a range of different things," it should not be surprising that a conversation about the benefits of diversity is multi-faceted. <b>The broad business case for diversity is compelling.</b> Research shows that cognitively diverse groups, which interact in a culture that embraces dissent, candor, and respect for other viewpoints (an inclusive culture), will tend to make better decisions....	<a href="#">The Challenges of Diversity Investing December 19 , 2018 by Katrina Sherrerd , (semanticscholar.org)</a>
... We'll also look at one ingredient that is critical to building diverse and high-performing teams. <b>The business case for diversity According to McKinsey &amp; Company research, businesses in the top quartile for gender diversity are 15% more likely to outperform their peers, and businesses in the top quartile for ethnic diversity are 35% more likely to outperform their peers.</b> While McKinsey researchers caution that correlation does not equal causation, they believe more diverse companies are better able to: Win top talent Improve customer orientation Improve employee satisfaction Enhance decision making And better decision making is key to better financial returns....	<a href="#">Why Diversity Matters in Decision-Making   Dimensional Insight (dimins.com)</a>
... Similarly, a McKinsey and Company study shows that companies in the top quartile for gender diversity are 15% more likely to have stronger financial returns than their industry peers, <sup>3</sup> indicating that investing in these types of companies could ultimately provide investors with a "gender dividend." <b>Further, greater gender diversity in the workplace has positive economic implications.</b> For example, the Organization for Economic Cooperation and Development estimates that, on average, a 50% reduction in the gender gap in labor force participation could lead to a global GDP increase of approximately 6% by 2030. <sup>4</sup> In addition, a recent report from Oliver Wyman provides evidence that female investors are stronger advocates for gender diversity in their portfolio companies, indicating that	<a href="#">Gender Diversity Investing   Fidelity Charitable (fidelitycharitable.org)</a>

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investments in funds that are managed by women could have a twofold impact on gender diversity....	
<p><b>Gender, Race, and Ethnicity-The Business Case for Diversity.</b> The phrase “doing well by doing good” is often linked to socially responsible business practices....</p>	<p><a href="#">Equity360: Gender, Race, and Ethnicity-The Business Case for Diversity.</a> (<a href="https://www.semanticscholar.org">semanticscholar.org</a>)</p>

# Measuring Gender Diversity in Corporate Boards

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## Metrics for assessing gender diversity

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