

Women in the Boardroom: How Do Female Directors of Corporate Boards Perceive Boardroom Dynamics?

Gro Ellen Mathisen · Torvald Ogaard ·
Einar Marnburg

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Abstract This study investigated how female directors of corporate boards of directors (BoD) experience boardroom dynamics. The study represents an initial research trend that moves from a unilateral focus on financial outcomes of female representation in BoDs toward stronger attention on the social dynamics in the boardroom. Drawing on social identity theory, the study proposed that female directors often constitute an out-group within the BoD, preventing them from experiencing positive board dynamics. More specifically, the study explored the extent to which female directors do experience less justice, lower cohesion, and higher levels of conflicts within the BoD than their male counterparts do. Moreover, we assumed that female directors with nontraditional educational backgrounds would be particularly likely to experience negative boardroom dynamics whereas female chairpersons of BoDs would perceive boardroom dynamics more positively than other female directors. The sample consisted of 491 directors from 149 BoDs. Our findings revealed that there were generally few differences in the way female and male directors experienced boardroom dynamics and female chairpersons of BoDs did not perceive the dynamics differently than other female directors. Female directors with nontraditional educational backgrounds perceived the boardroom dynamics somewhat more negatively than other female directors, but the differences were not statistically significant. The conclusions from this study are that there

are reasons to believe that female directors are welcomed into boardrooms, not perceived as out-groups, and BoDs are able to benefit from the female directors' experience and skills.

Keywords Boards of directors · Female directors · Board dynamics · Justice · Cohesion · Conflicts

Abbreviations

BoD Boards of directors
NOK Norwegian Kroner

Introduction

Diversity in the boardroom is an issue receiving increased attention both in academia and in the popular press (see Daily and Dalton 2003a). In order to increase gender diversity, several countries are in the process of legislating mandatory female representation on corporate boards of directors (BoDs) (see Adams and Flynn 2005). In recent years, there has been increased representation by women on BoDs although men are still in the majority (see Terjesen et al. 2009 for a review). In Europe, the proportion of women on BoDs has increased from 5 % in 2001 to 8.4 % in 2007 (Heidrick and Struggles 2007).

Gender-diverse BoD composition may be valuable for several reasons (see Bilimoria 2000; Daily and Dalton 2003b). First, there is a major issue concerning morality and justice, with the basic view that each individual's interest is equally important. Eyring and Stead (1998, p. 245) exemplified this view, stating that “when women and minorities follow the same paths of education and

G. E. Mathisen (✉) · T. Ogaard · E. Marnburg
University of Stavanger, 4036 Stavanger, Norway
e-mail: Gro.e.mathisen@gmail.com

T. Ogaard
e-mail: Torvald.ogaard@uis.no

E. Marnburg
e-mail: Einar.marnburg@uis.no

work experience to prepare themselves as qualified candidates for upward career mobility, it is simply unjust to stand in their way.” Second, female board directors may positively influence value creation in the organization; females may bring a “broader, fresher, and different voice to the table” (Fondas and Sassalos 2000, p. 20). Seen from a resource-dependence perspective, a variety of board directors widens the expertise present and expands the network of individuals to which the BoD has access (Pfeffer and Salancik 1978). Thus, organizations may increase their survival odds and resource acquisition by increasing their network to other organizations and other important stakeholders. Third, gender diversity may increase innovative behavior in boardrooms because a variety of perspectives may emerge when board directors differ (see Campbell and Minguez-Vera 2008).

Nevertheless, studies on the effects of female representation on boards are inconclusive regarding corporate performance. While some studies indicate that inclusion of women on the BoD has no effect on value creation (Farrell and Hersch 2005; Rose 2007; Shrader et al. 1997), others report positive effects (Carter et al. 2003; Erhardt et al. 2003). Whereas this prior research substantiates the extent to which female presence in the boardroom affects value creation, researchers have not yet sufficiently investigated the mechanisms that may underlie these differing results. Specifically, what boardroom dynamics and interactions unfold that may influence value creation (see Bilimoria 2000)? The aim of the present study is therefore to explore what happens when women enter the boardroom: how do female directors perceive the boardroom dynamics and interactions, and to what extent do these perceptions differ from their male counterparts? Drawing on social identity theory (Turner and Haslam 2001), this study addresses the question whether female directors perceive themselves to be integrated members of the board or like outsiders not fully accepted as part of the BoD. Because there are, in general, few female directors, they may often be considered as out-groups in BoDs whereas the male directors constitute the in-groups. According to social identity theory, people will exhibit a favorable bias toward others who they perceive as members of their in-group, while they will view themselves as being in disagreement with out-group members (Turner and Haslam 2001). Out-groups may easily be marginalized within the group and the majority may have the stronger influence by virtue of their greater number (Asch 1955). In a BoD, a categorization of directors into those belonging to an in-group and out-group may create a barrier to cooperative behavior and may even stimulate competitive behavior among the directors (Brewer 1995; Sanchez-Mazas et al. 1994). In a study that addressed the influence of female directors on firm innovation, Torchia et al. (2011) found that increasing the

number of female directors from one or two to at least three enhanced the level of firm innovation. Thus, being a small minority may reduce the possibility of female directors having a positive influence in the BoD, and the extent to which minorities can contribute effectively may depend on whether they are accepted as full group members (“ingroup”) as opposed to being an “outgroup” of the BoD (Westphal and Milton 2000).

The aim of this study is to explore female directors’ perceptions of BoD processes based on social identity theory and the extent to which they experience the boardroom social setting as constructive as compared to their male counterparts. With this aim in mind, we consider the established concepts “perceived justice” (Greenberg 1990), “cohesion” (Summers et al. 1988), and “conflict” (Jehn 1995) as particularly relevant. These concepts constitute central dynamic group processes that could have a significant impact on the success of the BoD. These group dynamics are likely to be experienced differently by the directors depending on how strong identification they have with the other directors. A minority or outsider of a board (i.e., female directors) may feel unfairly treated by the other directors since the other directors’ loyalty probably points toward other male directors with whom they identify more strongly. For the same reason, female directors may experience lower cohesion within the BoD than male directors do. It is also likely that female directors will experience higher levels of conflict since the male members who are in the in-group possibly protect each other against marginalized groups. In the following section, we will provide a more detailed description of these assumptions.

Theoretical Background and Hypotheses

As described above, one of the main arguments for including women on BoDs is to promote a broader diversity of perspectives, experiences and viewpoints. Increasing BoD diversity is expected to have positive effects on the quality of decision making when it gives rise to disagreement and debate. In particular, when a minority on a BoD is able to question the attitudes, beliefs, policies, and procedures that are assumed by the majority, new perspectives can be developed (the so-called minority dissent; De Dreu and De Vries 1997). However, according to social identity theory, there will typically be a tendency to listen more to the majority (in-group) members’ views and reject the ideas that come from minority representatives (out-group). Social identity theory (Turner 1982) suggests that individuals possess a social identity based on their membership in distinct groups or categories (e.g., gender). Individuals use observable and salient features (e.g., gender-based characteristics)

associated with different groups to categorize one another (Rothbart and John 1985). Since gender is associated with very salient features, social categorization on the basis of this feature is virtually automatic (Fiske and Neuberg 1990). The categorization of someone as a member of one's group (in-group) or not (out-group) will determine subsequent interaction with that person. People will tend to exhibit a favorable bias toward others who they categorize as the in-group while they will distance themselves from people who do not have the same characteristics as themselves (Turner and Haslam 2001). In-group members are expected to have shared interests and objectives, and cooperative behavior follows since it is consistent with one's self interest (Joshi and Jackson 2003). In a BoD, the categorization of directors into those belonging to an in-group and out-group may create a barrier to cooperative behavior among directors and may stimulate a competitive behavior and even conflicts (see Joshi and Jackson 2003). Owing to their under-representation in the BoD, some researchers have even viewed female directors as "tokens" or "symbols" who are highly visible and at the same time stand quiet alone as a minority within the BoD. As tokens, they may be perceived negatively, will be doubted, or not trusted (see Torchia et al. 2011). As a result, of such labeling, female directors may feel uncomfortable, isolated, and having self-doubt. In support of this perspective, studies on social networks suggest that employees tend to form relationships with each other based on their gender (Ibarra 1992), indicating that female directors may stay relatively isolated among the male directors. Female directors may not be heard or taken seriously, and they may therefore feel lack of cohesion or even unfairly treated. Below, we will present these issues more in detail.

Perceived Justice

Organizational justice theory refers to perceptions of fairness in the workplace (Greenberg 1990) and researchers have categorized at least four different forms of justice: procedural (Leventhal 1980), distributive (Adams 1965), interpersonal (Bies and Moag 1986; Moorman 1991) and informational (Greenberg 1993). In accordance with social identity theory, female directors will typically be perceived as an out-group within a BoD and may find it more difficult to establish beneficial social relationships with other directors. Directors may have a tendency to give priority to those who belong to the in-group so that the out-group members will experience unfair treatment. Because males more often comprise the in-group, they will have the majority of votes and may feel they have stronger support for their arguments among the other board directors who themselves are males. Therefore, female directors may more often experience injustice than their male counterparts do.

The procedural component of justice refers to the perceived quality of decision-making procedures, indicating, for instance, whether procedures include input and influence from all board directors. In order to profit from the possibly diverse knowledge and experience that female directors represent, these women need to perceive that they are able to voice their views and arguments, and that they can influence decisions made in the BoD. However, decisions often seem to be influenced through the building of alliances, which can also be the case with BoDs. In a qualitative study, Huse and Solberg (2006) found that creating alliances was the topic that female directors referred to most frequently when they were asked about power and processes. The women concluded that to influence decisions in the boardroom, one would need to build alliances with other directors. Konrad et al. (2008) interviewed female directors and one of them stated that she felt "that some things are discussed outside of meetings. We are not quite part of the inner circle" (p. 154). If, in reality, decisions are made before meetings, for instance on the golf course or at a dinner party with the "boys," it may be hard for directors (i.e., females) who do not attend these functions to influence the decisions. Thus, male and female directors may have unequal admission to decision-making arenas.

Hypothesis 1a Female directors perceive lower levels of procedural justice in the boardroom than male directors do.

Distributive justice relates to the fairness of reward or outcome distributions, which are often based on an equity principle whereby rewards should be proportional to directors' inputs (Adams 1965). Consistent with social identity theory, people will exhibit a favorable bias toward other members of the in-group, and we would expect that the head of BoDs give priority to board members who are most similar to themselves. Thus, it is reasonable to think that female directors will find that the distribution of benefits is not fair to them. They possibly find that they provide a relatively large contribution to the BoD compared to what they get back.

Hypothesis 1b Female directors perceive lower levels of distributional justice in the boardroom than male directors do.

The interpersonal component of the justice concept refers to the perceived quality of treatment by other directors. It indicates whether employees and directors are treated in a polite manner and with dignity and respect (Bies and Moag 1986). According to social identity theory, the categorization of directors in those belonging to in-groups or out-groups will build obstacles to cooperative behavior among the directors (Brewer 1995). Because female directors are often an out-group on a BoD, they will

possibly be vulnerable to the exposure of disrespectful and negative behavior from other directors. In support of this suggestion, studies of the more extreme type of negative behavior, namely harassment, have demonstrated a relationship between being a minority and being harassed. Leyman (1993) found that minority male kindergarten teachers were more often victimized by harassment than their female counterparts. Furthermore, in a study among assistant nurses, males, who constituted only 3 % of this work group, had a significantly higher risk of being harassed than did females (Eriksen and Einarsen 2004).

Hypothesis 1c Female directors perceive lower levels of interpersonal justice in the boardroom than male directors.

Informational justice refers to whether one perceives information as open, reasonable, fair, and timely (Shapiro et al. 1994). If members of a BoD (e.g., females) get a label as the out-group not respected or accepted as a full BoD member, other directors may not consider these persons as a relevant receiver and discussion partner of information. A possible consequence may be that the information given to these directors is reduced or distorted or may come too late to be useful in decision-making.

Hypothesis 1d Female directors perceive lower levels of informational justice in the boardroom than male directors do.

Cohesion

Cohesion refers to the degree to which directors are attracted to each other and are motivated to continue as members of the BoD (Summers et al. 1988; see also Forbes and Milliken 1999). Directors of highly cohesive BoDs will be keen to attend meetings, tend to be satisfied with the BoD, use “we” rather than “I” in boardroom discussions, and are friendly toward each other. On the contrary, a BoD with low cohesion will be characterized by absenteeism, lack of attainment, or the development of cliques and factions (see Summers et al. 1988). According to social identity theory, social categorization enables persons to identify with others like themselves, nourishing a need for affiliation and to maintain and improve a positive social identity (Tajfel and Turner 1986). Thus, we would expect that a stronger sense of cohesion develop among individuals that categorize themselves as similar to each other. Differences between members of a group may create barriers to a shared group identity so that cohesion is not established. In particular, when BoDs are composed of an out-group and an in-group, there may be an increased chance that the out-group perceives lower cohesion with the total group. Consequently, as the out-group in most boardrooms, female directors may perceive the BoD to be less cohesive than the ingroup consisting of men.

In general, members of minority groups often find it hard to develop positive social relationships within their work groups simply because of the absence of others who are similar to them (see Joshi and Jackson 2003). In support of this view, Tsui et al. (1992) found that being different from the group in terms of gender resulted in feelings of lower social integration. Feelings of isolation may be a natural result for the female directors on BoDs with male dominance.

Hypothesis 2 Female directors perceive lower levels of boardroom cohesion than male directors.

Conflicts

Conflicts can be defined as “perceptions by the parties involved that they hold discrepant views or have interpersonal incompatibilities” (Jehn 1995, p. 257). Researchers have made a distinction between relationship (or emotional) conflicts and task conflicts. Jehn (1995) defines relationship conflicts as “interpersonal incompatibilities among group members, which typically includes tension, animosity, and annoyance among members within a group” (p. 258) and task conflict as “disagreement among group members about the content of the task being performed, including differences in viewpoints, ideas and opinions” (p. 258). From a social identity theoretical perspective, we would think that directors will tend to turn toward the ones they perceive as similar and draw away from those perceived as different. Because female directors may form an out-group (or be labeled as tokens), which is confronted with the established norms and habits of the BoD as a group, they will possibly perceive more conflict than males who may argue on the safe ground of traditions. Thus, female directors, who may often be perceived as those disturbing the “peaceful homogeneity” in the boardroom, will then become the topic of discussions. We assume that female directors will experience higher levels of both task-and relationship conflicts. Social identity theory predicts that homogenous parts of a group (e.g., men) are most likely to form impermeable boundaries that bind these members together, while rejecting other and different members of the group (e.g., females). While female directors may bring a “broader, fresher, and different voice to the table” (Fondas and Sassalos 2000, p. 20), these different perspectives are likely to face disagreement, being challenged or even rejected. Representing an out-group in the BoD, we assume that the females will experience such task conflicts more often than male directors do. Moreover, being an out-group that experiences rejections, skepticism, and other types of negative practices, we assume that female directors also perceive the relationship conflict level to be higher than their male counterparts do.

Hypothesis 3a Female directors perceive higher levels of task conflicts in the boardroom than male directors do.

Hypothesis 3b Female directors perceive higher levels of relationship conflicts in the boardroom than male directors do.

The level of conflict perceived by female directors will probably be affected by the ways in which statements and opinions are received in the boardroom, and will therefore be dependent on the women's experiences of justice and cohesion. When female directors perceive to be treated in a just way, they may feel less interpersonal tension and need for fighting to be heard and in this way perceive lower levels of conflict in the BoD than female directors who experience lower levels of justice. Similarly, when female directors experience high levels of cohesion within the BoD, they probably feel that there is room for voicing their view and a positive climate within the BoD so that levels of conflicts are reduced or handled on an early stage.

Hypothesis 4a Female directors who experience low levels of justice perceive higher levels of conflict in the boardroom than female directors who experience high levels of justice.

Hypothesis 4b Female directors who experience low levels of cohesion perceive higher levels of conflict in the boardroom than female directors who experience high levels of cohesion.

Demographic Factors

When female directors have additional roles or attributes that distinguish them from other female directors, we assume that the feeling of being an outsider will be further enhanced. In this study, we focus on a situation that we believe is particularly relevant, namely when female directors have educational backgrounds that are different from those traditionally seen in BoD members (law, economics, and engineering). Education serves to socialize individuals to adopt a common world view, believe in a common set of values and use a common language (Jehn et al. 1997). Members with different educational backgrounds are likely to prefer different approaches to solve work-related problems. Educational background is therefore likely to trigger perceptions of in-groups or out-groups and it may be particularly challenging for women directors who have atypical educational backgrounds.

On the other hand, females who chair BoDs may be able to set the agenda in the BoD and have a stronger influence on boardroom dynamics. Thus, as the most influential individual on the BoD, a female BoD chairperson may be able to reduce possible prejudices, ignorance, or other negative behaviors toward her and therefore perceive

boardroom dynamics more positively than other female directors. Thus, seen from a social identity theoretic perspective, female chair of BoD may no longer be placed as the "out-group" of the BoD as they are the ones who set the agenda that all BoD needs to follow regardless of whether they belong to the "in-group" or "out-group" of the BoD. The possession of the leading role is likely to make female chairpersons less vulnerable to unfair treatment and thus perceive higher levels of justice. In addition, these women have more control on the processes leading to positive team spirit in the BoD and will thus have a greater chance of experiencing a high degree of cohesion and a greater possibility to handle conflicts on an early stage.

Hypothesis 5a Female directors who have a nontraditional educational background perceive lower levels of justice and cohesion, and higher levels of conflict in the boardroom than female directors who have a conventional educational background.

Hypothesis 5b Female directors who are chairpersons of BoDs perceive higher levels of justice and cohesion, and lower levels of conflict in the boardroom than female directors who are not BoD leaders.

Method

Setting and Sample

The study was conducted in Norway, a country that offers some benefits for the study of BoD processes. On the basis of a survey of Europe's largest companies, the European Professional Women's Network in 2007 nominated Norway as "Europe's Champion." In 2007, shortly after the data were collected for the present study, the percentage of women on BoDs in Norwegian limited companies was 17 % (SSB 2008), which is about twice the European average. These numbers have possibly increased substantially following the introduction of legislation in 2008 mandating 40 % representation of both men and women on the BoDs of limited public companies (Masters 2008). Norwegian boardrooms are therefore an interesting field of research, because female participation is common, but, on the other hand, women are still in a marked minority among their fellow directors. The study was registered in the Norwegian social science data service. Data were collected by a written questionnaire. Respondents were targeted by approaching directors and CEOs attending courses on BoD management in Norway in the period from 2002 to 2005. Those attending these courses were encouraged to distribute questionnaires to their fellow directors and the CEO of their companies, and to return them upon completion. All persons gave their informed consent prior to their inclusion in the study.

Measurements

Measures of justice were taken from Colquitt (2001). The items were translated and adapted to reflect commitment to the BoD and the company.

Distributive justice was measured with four items measuring the directors' perceptions with reference to the BoD (three items) and the company (one item). Sample items were: "All things considered, what I get from being a director on this board is equivalent to my effort," and "Given what I accomplish for this company, I find my compensation adequate."

Procedural justice was measured with seven items. Two examples were: "I can influence decisions made by the BoD," and "I believe that we (on this BoD) take care to follow good procedures."

Interpersonal justice was based on four items that measured the directors' interpersonal justice perceptions with reference to the other directors collectively. Two items were: "I am always treated with respect (on this BoD)," and "I am always treated with politeness (on this BoD)."

Informational justice was assessed with five items. Typical items were: "We are always informed in good time," and "On this BoD, we take care to communicate clearly and in sufficient detail for everybody to understand what the issues are."

Task conflicts were assessed with three items adapted from Jehn (1995). The items were: "We have conflicting ideas," "there is disagreement over BoD work," and "we have different opinions."

Interpersonal conflicts were assessed with four items from Jehn (1995). Two typical items were: "There are emotional conflicts between directors of this BoD," and "Sometimes there may be conflicts between persons on this BoD."

Cohesion was measured with an adapted version of the scale developed by O'Reilly et al. (1989). The items were: "We are ready to defend each other from criticism by outsiders," "On this BoD, the directors support and help each other to do the job," and "On this BoD, the directors get along well with each other."

All items had a 7-point Likert-type response format ranging from completely disagree to completely agree. In order to control for common method bias, we first emphasized to respondents that answers would be treated strictly confidentially, and then we made clear that we were only interested in the respondents own attitudes and evaluations (Podsakoff et al. 2003). Third, we followed the advice of Turangeau et al. (2000) and avoided the use of bipolar numerical scales.

Results

Description of the Sample

The response rate was 37 %, amounting to 491 individual directors from BoDs of 149 companies. The median turnover per company was 8.8 million NOK, and the modal turnover was 2.2 million NOK implying that the majority of companies were rather small. The Norwegian average for the same year was 2.7" NOK implying that the sample has companies of similar size to the Norwegian average. A total of 32 % of the directors in the sample were female, average age was 47 years for females and 50 years for males, and the average length of BoD membership was 11 years for females and 15 years for males. The number of directors per BoD ranged from one to nine.

Scale Validation

The quality of the measures was assessed with Cronbach's alpha and principal component factor analysis. Table 1 reports the scale properties. All scales had adequate properties. Cronbach's alpha ranged from .70 to .96, and the first factor in factor analyses of the items in each scale separately accounted for between 62 and 88 % of the variance of the items. The items for each scale were averaged for the further analyses.

Gender differences suggested in Hypotheses 1–3b were evaluated with ANOVA. The results are shown in Table 2, and suggest that there were small mean differences between the genders. With a standard .05 level of significance, none of the differences were significant. The differences for Procedural justice ($F = 3.78$, $p = .053$) approached statistical significance, but the direction of scores was opposite to that predicted, meaning that female directors perceived higher levels of procedural justice than their male counterparts. The differences between the standard deviations for males and females were also small and did not reach statistical significance. Thus, female directors did not perceive lower levels of justice and cohesion, or higher levels of task or interpersonal conflict than their male fellows did. Hypotheses 1–3b are not supported.

The proposed effects of justice and cohesion on perceived conflicts (Hypotheses 4a–b) were evaluated using a regression analysis. The results are displayed in Table 3. Regarding justice, all significant regression coefficients were in the hypothesized direction. Hypothesis 4a is supported. The regression coefficient of cohesion and task conflicts and Interpersonal conflicts were not significant meaning that Hypothesis 4b was not supported. Thus, when

Table 1 Measurement properties of the variables

	<i>N</i> of items	Cronbach's alpha	% of variance accounted for by first factor	Factor loadings first factor (smallest and largest)	Communalities (smallest and largest)
Distributive justice	4	.96	88	.92–.96	.85–.92
Procedural justice	7	.89	62	.70–.88	.49–.78
Interpersonal justice	4	.93	83	.86–.94	.73–.89
Informational justice	5	.87	67	.73–.88	.53–.77
Task conflicts	3	.70	62	.74–.84	.55–.70
Interpersonal conflicts	4	.92	80	.88–.92	.77–.84
Cohesion	3	.76	67	.77–.87	.59–.76

Table 2 Differences between genders

<i>N</i> = 413	Female mean	Male mean	Difference	Significance anova
Distributive justice	5.02	5.06	−.04	.83
Procedural justice	5.84	5.67	.17	.05
Interpersonal justice	6.47	6.32	.15	.09
Informational justice	5.42	5.36	.06	.59
Cohesion	5.55	5.46	.09	.36
Task conflicts	3.43	3.64	.21	.11
Interpersonal conflict	2.40	2.60	−.20	.20

female directors perceive higher levels of justice, they also tend to perceive lower levels of conflict in their BoD.

The positive or negative effects of additional demographic characteristics that made female directors even more diverse (Hypotheses 5a and 5b) were evaluated with ANOVA. The results of comparing female directors with traditional educational backgrounds with those who had nontraditional backgrounds (Hypothesis 5a) are presented in Table 4. All differences were in the hypothesized direction, but failed to meet significance criteria. Thus, female directors with nontraditional educational backgrounds perceived, to some extent, lower levels of justice and cohesion, and higher levels of task and interpersonal conflict and Hypothesis 5a receives some support.

The results of comparing female directors who are chairpersons of BoDs with those who are not (Hypothesis 5b) are presented in Table 5. The differences were

generally not significant and not consistent. Hypothesis 5b is therefore not supported.

Discussion

Most previous studies of female boardroom representation have investigated whether the inclusion of female directors' influence organizational outcomes positively or negatively. This study fills an important gap by investigating central aspects of the boardroom dynamics that may influence female directors' possibility to contribute positively to organizational performance. Thus, the study reported here contributes to opening the “black box” that includes all the factors that may explain relationships between female BoD representation and organizational performance. We proposed hypotheses based on social

Table 3 Regression of justice on conflict for female BoD members

Dependent variable	<i>R</i> ² (%)	Regression coefficients				
		Distributive justice	Procedural justice	Interpersonal justice	Informational justice	Cohesion
Task conflicts	15	−.01	−.26	−.16	−.42*	.00
Interpersonal conflicts	27	.03	−.47*	−.45*	−.15	−.07

N = 130; ** *p* ≤ .01; * *p* ≤ .05

Table 4 Differences in mean perceptions between educational groups of female BoD members

<i>N</i> = 136	Untraditional BoD member education Mean (<i>N</i> = 59)	Traditional (legal, business and engineering education) Mean (<i>N</i> = 77)	Difference	Significance
Distributive justice	4.82	5.19	−.37	.17
Procedural justice	5.70	5.96	−.26	.06
Interpersonal justice	6.37	6.54	−.18	.23
Informational justice	5.25	5.55	−.30	.08
Task conflicts	3.69	3.22	.47	.04
Interpersonal conflicts	2.67	2.20	.47	.08
Cohesion	5.41	5.67	−.26	.15

Table 5 Differences in mean perceptions between female leaders and non-leaders

<i>N</i> = 136	Leaders (<i>N</i> = 22)	Non-leaders Mean (<i>N</i> = 114)	Difference	Significance
Distributive justice	5.14	4.44	.70	.05
Procedural justice	5.81	6.04	−.23	.22
Interpersonal justice	6.46	6.51	−.05	.77
Informational justice	5.42	5.44	−.02	.94
Conflict	3.60	3.40	.20	.54
Emotional conflict	2.42	2.30	.12	.73
Cohesion	5.53	5.67	−.14	.58

identity theory suggesting that female directors, who often constitute a minority within a BoD, frequently will be treated as an out-group within a BoD. The study examined the following main research hypotheses: (1) Female directors experience lower levels of justice and cohesion, and higher levels of conflict than male directors do. (2) Female directors who have nontraditional educational backgrounds are particularly likely to experience negative boardroom dynamics (3) Female chairpersons of BoDs perceive boardroom dynamics more positively than other female directors. (4) Female directors who experience low levels of justice and cohesion will also perceive high levels of conflict in the boardroom.

Our findings suggest that there are generally few differences in the way female and male directors experience boardroom dynamics. Thus, opposed to our hypotheses, females did not perceive boardroom dynamics more negatively than male directors did. Our findings suggest that the gender composition of BoDs may be less important than proposed by researchers and practitioners, and female directors are welcomed as equal BoD members. Social identity theory suggests that group members compare themselves with others along demographic lines and that the extent to which they identify with the group depends on how much they have in common with other group members (Tajfel and Turner 1986). A person's social identity

depends on what characteristics he or she feels most strongly about. A female director may feel more strongly about her educational background, professional experience, or industry association than she feels about her gender. If she identifies more strongly with other characteristics that she shares with the other directors, she may not perceive to be an out-group or token within the BoD. Furthermore, if a female director has several characteristic in common with the other directors than non-common characteristics, the other directors may treat her as an in-group member. Many women directors seem to have the same educational backgrounds and professional training as their male colleagues, and hence they may be perceived as professionals in their careers, and not primarily as women.

Another explanation of the absence of any out-group effect could be attributed more directly to female directors' characteristics. We may assume that female directors have attributes and show behaviors that make them less vulnerable to rejection and other negative group dynamics. Possibly, those women who have become board directors are often very experienced in their careers and have strong social skills, and hence they are highly respected. If this is the case, it is their performance in the past and their present behavior that explains why they feel well accepted in the boardroom. Although not statistically significant, we found that female directors with nontraditional educational

backgrounds perceived lower levels of justice and cohesion, and higher levels of conflict. A possible explanation of this finding is that these females are perceived as less competent, or with less relevant competence than female directors with the more traditional educational backgrounds. Linked to the assumption that the most respected female directors would have the most positive perceptions of the boardroom dynamics, we hypothesized that the female chairpersons of BoDs would have particularly positive perceptions. This hypothesis was not supported. A possible explanation for this is that because both female and male directors generally perceived boardroom processes positively and there was little difference between the genders, we have reached a ceiling effect that rules out differences between female directors and female chairpersons of BoDs.

Overall, our findings indicate that there is no reason to believe that boardroom dynamics will be constrained by the mixture of female and male directors.

Another finding from our study is that boardroom dynamics were related to the perceived level of conflict in BoDs, so that female directors who experienced low levels of justice and cohesion perceived higher levels of conflict in the boardroom. This finding probably reflects a situation where generally negative climates are more vulnerable to the development of conflict and this may be particularly apparent among minority groups. It should also be noted that these variables may partly overlap; there is thus a risk that the different variables are measuring very similar issues and therefore correlate strongly.

Theoretical Implications and Future Research

We based our research questions on social identity theory about in-groups and out-groups that has strong empirical support (Turner and Haslam 2001). In spite of this, the findings indicate that women directors do not constitute out-groups and do not perceive boardroom dynamics differently from male directors. An implication of this finding is that there may not be gender minority issues on BoDs, or alternatively, that the gender minority issues are more complex than we have managed to grasp with the variables included in this study. An avenue for future studies, therefore, may be to investigate different subgroups of female directors to explore whether some are more vulnerable to becoming outsiders than others. For instance, personality differences and different levels of social competence between female directors could possibly reveal divergent perceptions about boardroom processes. Another interesting development of this research area could be to investigate what types of characteristics female directors identify most strongly with (e.g., educational or professional background, relevant experience, or gender), and

whether different types of social identification influences their perception of the boardroom dynamics.

Furthermore, the minority–majority proportion may influence perceptions of boardroom dynamics. When there is only one female director on a BoD, she may be more vulnerable to negative boardroom dynamics than if there are two or three female directors (see Torchia et al. 2011). This issue is particularly relevant because several countries have mandatory female representation on BoDs, and to comply with the legislation, many BoDs will possibly include only one woman. Will these lone female directors perceive boardroom dynamics differently than females who are on BoDs with other females?

Practical Implications

We have found that (our specific Norwegian) women directors do not perceive boardroom dynamics very different from men. Given the political controversies about actions to enforce increased female representation in BoDs, our negative findings probably are much more interesting than positive findings would have been. Our findings challenge the common assumption that female directors are different. The study thus indicates that there are few reasons to believe that the presence of women directors affects boardroom dynamics. Likewise, we do not show that women bring any improvements in or changes to boardroom dynamics. However, recruiting more women as directors has other implications. On an ideal and moral basis, having more women on BoDs will promote equality between genders (see Bilimoria 2000; Daily and Dalton 2003b). A more pragmatic argument for having more women on BoDs is the simple fact that the number of potential recruits will increase when both women and men are considered (as pointed out in Pfeffer and Salancik 1978). Furthermore, as Fonda and Sassalos (2000) argue, when the pool of recruits is expanded, there is the potential for greater diversity that often brings new ideas, different voices, and alternative perspectives. For many companies, stimuli like these are exactly what are needed to assess and develop strategic positions.

Methodological Limitations

The study involved only Norwegian BoDs. As pointed out in the introduction, there has been a strong focus on female directors in Norway where 40 % female representation is mandatory for public companies. Furthermore, Norway is a country with generally high gender equality. These contextual factors could have influenced the results of this study and our results may limit generalizability to many other countries or cultures.

Unfortunately, we did not include variables such as firm performance or firm innovation that would have enabled us to study the effects of female directors' perceptions of BoD dynamics on BoD performance. This should be addressed in future studies.

Conclusions

The results indicate that female directors do not experience boardroom dynamics more negatively than male directors; rather, a tendency is seen in the opposite direction. Thus, females seem to be welcomed into boardrooms and do not perceive that they are treated like outsiders. An implication of this finding is that female directors are probably able to present their possibly different views and competencies to the BoD and in this way enhance boardroom capabilities.

Appendix: Questionnaire

Distributive justice (Colquitt 2001)

Overall, my outcome (pay, fringe benefits, academically, socially and network etc.) from my work on this BoD reflects my *efforts*

My outcome is appropriate comparing to the *work I have completed*

My outcome reflects what I *contribute* to this company

My outcome is justified, given my *performance*

Procedural justice (Colquitt 2001)

On this BoD, I feel that I have the opportunity to *express* my views and feelings when things are being decided

I have a high *influence* over decisions that are being made

On this BoD, we emphasize the use of good procedures

Our decisions are well weighed out, and all interests are taken into consideration

In my opinion, the decisions are based on accurate information

In my experience, I have ample opportunity to appeal decisions I did not agree to

I think that the work on this BoD is executed after the highest ethical standards

Interpersonal justice (Colquitt 2001)

On this BoD, I am always treated with politeness

On this BoD, I am always treated with dignity

On this BoD, I am always treated with respect

I never receive improper remarks or comments

Informational justice (Colquitt 2001)

The other BoD members are always candid toward me

The entire BoD always understands the complete background for issues that are decided and implemented

Explanations and reasons for decisions are always reasonable

We are always informed in a timely manner

Appendix continued

On this BoD, we are good at tailoring the level of communication to each BoD member's needs, so that everybody understands what the cases are about

Task conflicts (Jehn 1995)

We have conflicting ideas

There is disagreement over BoD work

We have different opinions

Interpersonal conflicts (Jehn 1995)

There is friction between BoD members

There are emotional conflicts between directors of this BoD

There is tension between BoD members

Sometimes there may be emotional conflicts between persons on this BoD

Cohesion (O'Reilly et al. 1989)

We are ready to defend each other from criticism by outsiders

On this BoD, the directors support and help each other to do the job

On this BoD, the directors get along well with each other

All items had a 7-point Likert-type response format ranging from completely disagree to completely agree

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