

ROUTLEDGE FOCUS

GENDER AND CORPORATE GOVERNANCE

Francisco Bravo-Urquiza
and Nuria Reguera-Alvarado

ROUTLEDGE
Focus

The logo features a stylized white silhouette of a person's head and shoulders, facing right, positioned to the right of the text 'ROUTLEDGE' and above the word 'Focus'.

Gender and Corporate Governance

Gender diversity as a corporate governance mechanism is high on the agenda for regulators, firms, and researchers. Particularly, gender board composition has received a great deal of attention in recent years. The theoretical foundations of the benefits associated with the inclusion of female directors on boards, how to measure gender diversity in the boardroom, and its real impact on board decisions and firm strategies remain hotly debated. Drawing on empirical data, this book summarises the current situation regarding gender board diversity and provides a concise overview of the most important concerns about this topic.

This will be a vital tool to guide the future debate on gender diversity and corporate governance for researchers and advanced students, as well as regulators, policy-makers, and board members.

Francisco Bravo-Urquiza is Associate Professor at the Department of Accounting and Financial Economics in the University of Seville, Spain. He has a PhD in business administration. His research focuses on information disclosure, corporate governance, board of directors, and gender diversity. He has also participated in research in several projects funded by the Ministry of Science and Innovation of Spain.

Nuria Reguera-Alvarado is Associate Professor of Accounting at the Faculty of Economics and Business Administration of the University of Seville, Spain. She has a PhD in business administration. Her research focuses on corporate governance, earnings management, gender diversity, and audit. She also has participated in research in several projects funded by the Ministry of Science and Innovation of Spain.

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Gender and Corporate Governance

**Francisco Bravo-Urquiza and
Nuria Reguera-Alvarado**

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Preface

The participation of women and men in the global economy remains unequal. The situation is clearly graver in emerging economies, but developed countries are not exempt from inequalities, which persist in many different fields. Accordingly, issues regarding gender diversity have generated a great deal of attention in recent years for regulators, politicians, professionals, and society in general. One proof of this is the repercussion of this topic on the Internet. For instance, a quick search including the terms “gender diversity” leads to millions of results. In particular, although currently the majority of women are employed and the number of graduate women exceeds men, and despite the regulatory and societal pressures, progress on gender diversity at work seems to have stalled, especially in top management positions. And inequalities remain in both the public and the private spheres.

The achievement of gender equality in leadership positions has been precisely one of the major challenges in recent years. Many voices call for the need to increase the presence of women in decision-making structures in order to make a real step towards gender equality. “Men still run the world; I’m not sure it’s going so well”. This was said by Sheryl Sandberg, Chief Operating Officer of Facebook, in the Annual Meeting in Davos in 2016; but this idea has become widespread, and large streams of thought advocate the inclusion of women in structures of power, which undoubtedly would mean significant efforts from many different spheres. On the other side, there are also detractors who criticise the pressures to raise female representation in organs of power. In this scenario, a crucial question has been repeatedly asked: is it necessary to include more women in decision-making positions?

To tackle all the aspects related to gender diversity and equality is beyond the scope of this book. This project specifically aims at describing the situation concerning women in the corporate governance structures of firms, particularly in the boardroom. Given the authority of boards

of directors, this has become a hot topic, and researchers all over the world have increasingly tried to find out whether the appointment of women to a board may contribute to business success or if it is only explained by social and moral reasons. Anyway, fairness regarding the participation of women in leadership positions is vital to point out gender equality. In this sense, this issue has remained in the political agenda in a number of countries.

Moving more towards specifics, this book is divided into several chapters, starting with an introduction regarding women and governance in general, where general issues concerning gender diversity in boards of directors are especially highlighted. Chapter 2 provides an overview about the participation of women in the business world, giving a run down on the barriers traditionally found by women. Chapter 3 addresses the regulations and the situation regarding gender diversity in boards of directors. Next, Chapter 4 contains a summary of the main theoretical approaches employed to justify the participation of women in boards. Chapter 5 moves on to methodological aspects and aims to explain the measures commonly employed for gender diversity in the boardroom. Chapter 6 summarises the results from the empirical evidence on gender board composition, especially underlining the findings about the effect of gender board diversity on different firm outcomes. Finally, Chapter 7 provides the main conclusions of the book and some personal considerations.

Therefore, this book may be useful for students in graduate and postgraduate programmes, who can comprehend the dimension of this subject and enhance their awareness of gender diversity issues. We also intend to provide information that can serve professional bodies (i.e., international policy-makers on corporate governance) to improve their understanding about gender diversity in board positions. In addition, we expect the book to contribute to researchers from several disciplines (management, business, ethics, and finance, among others), thereby providing a big picture about theoretical approaches, methodologies, and the current status of empirical evidence concerning gender board composition. This book does not use particularly complex scientific language, so the general public could also benefit from reading it.

The authors have previously done research on gender issues and think this book is an opportunity to put together relevant ideas regarding gender in corporate governance structures. At the same time, it is also timely to increase the visibility of women in top business positions, especially now, when society is particularly sensitive to gender concerns and current mainstreams have emphasised the gender gap in governance