

Women on boards and efficiency in a business-orientated environment

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Abstract

This study proposes a new research approach to examining the relationship between board diversity in terms of gender differences and corporate performance, measured by technical efficiency. Moreover, this paper also examines the moderating role that institutional factors exert on this relationship through the cultural dimensions of the country of origin. The research questions are examined using an international sample of 2185 listed firms from 2006 to 2015, applying several truncated regression models for panel data and employing data envelopment analysis to examine efficiency as a measure of performance. This paper provides support for the assertion that female directors decrease the firm's technical efficiency; however, in more economically orientated cultures, institutional context exerts a moderating effect on the latter. The female directors of companies located in countries with higher economically orientated values adopt male stereotypes and have a significant and positive interest in improving efficiency.

Keywords

Board diversity, culture, DEA, efficiency, female directors