

# Women CEOs more likely to be targeted by activist shareholders

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Women CEOs are much more likely than their male counterparts to be targeted by activist shareholders, according to research conducted by a team that included two University of Alabama business professors.

The study, published this month in the *Journal of Applied Psychology*, found male CEOs are much less likely than female CEOs to be the target of [shareholder](#) activism, and activist investors are more likely to mob female CEOs.

Sometimes also called a "wolf-pack attack," mobbing by investors occurs when multiple activists converge on a firm with or without intentional coordination.

"Many of the media articles we were reading about shareholder activists targeting companies seemed to involve firms with women CEOs," said Dr. Vishal Gupta, associate professor in the UA Culverhouse College of Commerce and author on the paper. "Since there are so few women CEOs at large American firms, we thought it was odd that they were mentioned so often in media coverage about activists. So, we decided to investigate if activists are actually more likely to go after women CEOs."

Dr. Sandra Mortal, also co-author and an associate professor in Culverhouse, said the team sampled large, publicly traded firms for the period from 1996 to 2013.

They relied on filings required by the U.S. Securities and Exchange

Commission from those wanting to take an active position against a company, commonly called Schedule 13D filings, and merged those with data from the executive research firm ExecuComp.

The business press, such as Forbes or the Wall Street Journal, regularly have articles about some large investors targeting or threatening the management of the companies where they hold stocks, said Mortal, who has previously worked at the SEC as research analyst where she became interested in financial market transparency and fairness.

"Activists usually defend their aggressive stance against management by saying that they want to improve the way the company is being run, in effect, looking out for the common shareholders," Mortal said.

"However, our research reveals there are invisible, but serious, biases in their decision to target particular [firms](#)."

Whether the activist investors are actually aware of their biases was not investigated in this research, Gupta said.

More broadly, the results of this study also reveal the greater scrutiny and monitoring [women](#) in leadership positions face, which is problematic considering widespread support for gender equality in the workplace, he said.

The paper is titled "Do Women CEOs Face Greater Threat of Shareholder Activism Compared to Male CEOs? A Role Congruity Perspective."

**More information:** Do Women CEOs Face Greater Threat of Shareholder Activism Compared to Male CEOs? A Role Congruity Perspective. [psycnet.apa.org/doiLanding?doi=10.1037%2Fap10000269](https://psycnet.apa.org/doiLanding?doi=10.1037%2Fap10000269)

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