

Double-prong approach better for workplace gender diversity

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Credit: Alexander Suhorucov from Pexels

Workplaces need more women in management to create a pipeline of gender diversity, instead of relying on female board appointments, new research shows.



The Otago-led study addresses the broader challenges of achieving gender equity by exploring factors that may advance women's representation in management and leadership positions.

Researchers found that women need to be appointed to <u>management</u> <u>positions</u>, particularly at a higher level, to create a pipeline of women's representation.

Associate Professor Helen Roberts, from the Department of Accountancy and Finance, co-authored the paper <u>published</u> in *Human Resource Management*.

"While women on boards are in a good position to advocate for changes, the magnitude of their impact—from studies undertaken—is relatively small," she says.

"Their effect is also weaker at lower levels of management. So appointing women to leadership positions is one strategy that organizations should use to achieve gender equity."

Due to the lack of data collected in New Zealand to undertake this analysis, study co-authors Professor Kevin Stainback and Dr. Pallab Biswas examined Australian data on listed and private companies from 2014 to 2020, produced by statutory agency Workplace Gender Equality Agency.

Associate Professor Roberts says the Australian data is extremely applicable to New Zealand firms, as both countries face the same questions when it comes to how to increase women's representation in the workplace.

Her team found that having women on boards was important to increase top management level representation, which then creates a significant



trickle-down of women into general management representation.

However, without women present at the top management level, there is no evidence that having women on boards influences the number of women in general or lower to middle management.

It is also important to have women moving up into managerial level appointments from lower-level positions, instead of remaining stuck in entry-level positions with no possibility of promotion.

"So, there is both a 'trickle down' and 'pipeline' effect needed to create greater workplace diversity," Associate Professor Roberts says.

The research also found that having a woman manager immediately above or below the managerial level for appointment increases the likelihood of having a woman appointed to that role.

The results are particularly important when viewed in the context of the United Nations Sustainable Development Goals, with recent data showing its 2030 gender equity goals are unlikely to be met.

UN 2023 statistics showed that at the current rate of advancement, women's managerial representation would not reach parity with men for 140 years.

"The UN has noted the persistent gender inequality in women's managerial and leadership representation and highlighted it as a central global sustainability concern," she says.

"Firms need to promote women at all managerial levels by setting transparent diversity goals, monitoring progress through data-driven analysis and regularly overseeing progress on diversity goals through an assigned responsibility."



More information: Kevin Stainback et al, Women's representation in managerial hierarchies: An examination of trickle-down and pipeline effects, *Human Resource Management* (2024). DOI: 10.1002/hrm.22220

Provided by University of Otago

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