

GENDER DIVERSITY AND GOVERNANCE: ANALYSIS OF ITALIAN LISTED COMPANIES

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Abstract

How to cite this paper: Sicoli, G., Bronzetti, G., Ippolito, D., & Leonetti, G. (2020). Gender diversity and governance: Analysis of Italian listed companies [Special issue]. *Corporate Ownership & Control*, 17(4), 329-338. <http://doi.org/10.22495/cocv17i4siart10>

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ISSN Online: 1810-3057

ISSN Print: 1727-9232

Received: 08.06.2020

Accepted: 12.08.2020

JEL Classification: M0

DOI: 10.22495/cocv17i4siart10

In recent years, many countries have adopted different legislative and self-regulatory initiatives to be able to tackle the problem of the underrepresentation of women on boards. Also, Italy with Law No. 120/2011 introduced the gender issue adopting the normative that 1/3 of the elected members would be women. In this job, a primary aim was to study over the period 2016/2018 the impact of female presence on boards of 50 companies listed on the Italian Stock Exchange. In depth, our results confirm that Italian Law has produced significant effects on the composition of the corporate board. The result of our study shows that women positively influence corporate performance, this is perfectly in line with the literature on gender diversity. The contribution of the work is that the empirical study conducted on the 50 companies listed on the Milan Stock Exchange allows confirming what has been claimed in the literature and that is the importance of the female presence on the boards. An immediate reading of the data allows us to confirm that the female presence in corporate governance has a positive impact on corporate performance and productivity.

Keywords: Gender Diversity, Corporate Governance, Corporate Board, Performance

Authors' individual contribution: Conceptualization - G.S.; Methodology - G.B. and G.L.; Investigation - G.S. and G.B.; Resources - G.S. and G.B.; Writing - G.S., G.B., and D.I.; Supervision - G.S. and G.B.

Declaration of conflicting interests: The Authors declare that there is no conflict of interest.

1. INTRODUCTION

In recent years, corporate governance scholars have focused their attention on the study of the characteristics that the board must have to guarantee control over the work of management and to support the decision-making process. The composition of the board of directors (BoD), in terms of gender, age, nationality and professionalism of the members is a crucial determinant for the economic performance of the companies. Though there is a vast number of studies dedicated to assessing the impact of women's presence in BoD on firm performance; the findings

are often contradictory.

Over the past decades, women have played more and more important roles in the workplace. The proportion of women directors also increases steadily around the world. Previously considered a social and of image issue, gender diversity was increasingly approached as a value-driver in organisational strategy and corporate governance. Arguments in support of management diversity are that a more diverse board of directors may take decisions while considering a wider range of alternatives, may generate a better public image of the firm and improve firm performance as well. In order to contribute to the scientific debate, this

article addresses the question of whether board gender diversity indeed has a significant positive effect on firm performance using data for 50 listed firms observed in 2016-2017 and 2018, listed on the Italian Stock Exchange. Were selected the 25 top revenues and the 25 lowest revenues. Banks, insurance companies, and football clubs have been excluded as a result of their specific accounting, which poses difficulties for the calculation of the performance measure. The study, conducted through an empirical analysis of the 50 companies in the sample, after a review of the literature on the subject, intends to answer the following research question: does the female presence in corporate governance affect the results of corporate performance? Based on the data collected, the work primarily provides an answer to the research question and, subsequently, highlights both the limits that emerge from the analysis carried out and any future research prospects.

The structure of this paper is as follows: after an introductory section, Section 2 reviews the relevant literature, Section 3 analyses the research methodology (aimed at describing the empirical research conducted), Section 4 is devoted to the discussion of search results. Finally, Section 5 reports the conclusion.

2. LITERATURE REVIEW

In Italian companies the percentage of women in leadership positions is still low, reducing the gap is a desired goal for company growth. A female leader is often more suited to the role than a male leader, especially thanks to the typically female ability to quickly reach the set goals (Brieger, Francoeur, Welzel, & Ben-Amar, 2019). Statistical data (Istat, 2017) show that women with top positions often have an above average preparation.

Women bring a greater diversity of opinions than men, improve the image of the company, influence the decision-making process and the leadership styles of the organization (Huse & Solberg, 2006). They are mainly characterized by dynamic values and attitudes (Gabaldon, De Anca, & Mateos de Cabo, 2016; Rizotti & Frisenna, 2017); for the ability to deal with complexity and the new, ethics in work, the ability to learn and simplify, the ability to find solutions and share them with others. Women are capable of adapting to changes, of interacting with both the internal and external environment, of managing and solving problems related to the organization, however, they are less inclined to risk, but are in favor of sharing decisions and power (McKinsey & Company, 2008; Bart & McQueen, 2013). Female leadership can:

- improve corporate governance and the functioning of collegiate bodies (Sheridan, Ross-Smith, & Lord, 2014);
- influence the results related to the organization and ensure better results in terms of employee productivity and innovation (Melero, 2011);
- trigger the virtuous circle of a more objective ex-ante selection (for merit and skills) and ex-post (for contribution and performance), in which all female and male talents and skills have the same opportunity to emerge receive also the same evaluation and remuneration (Doldor, Sealy, &

Vinnicombe, 2016).

Following the entry into force of the law since 2012, most companies have organized themselves to grow career opportunities for women with high leadership skills. The entry of the administrators has contributed to reducing the average age of the members of the boards of directors (Cerved, 2018) has gone from an average age of about 60 years to 52/53 years. Furthermore, the presence of women on the board of directors has positively affected the company's profitability (Torchia, Calabrò, Huse, & Brogi, 2010). Increasing the number of female managers means positively improving creativity, innovation (Peterson & Philpot 2007; Adams & Ferreira, 2009).

Several empirical studies demonstrate the existence of positive effects of gender diversity on the adoption of good governance practices (Brown, Brown, & Anastasopoulos, 2002; Adams & Ferreira, 2009; Adams, Hermalin, & Weisbach, 2010). In the past, research has been conducted to verify the impact of female leadership on corporate performance. There is a general consensus in admitting that the presence of women on the boards of directors improves corporate governance practices (Dhir, 2015; Van der Walt & Ingley, 2003; Nielsen & Huse, 2010). Examining the economic performance of large U.S. companies Kim and Starks (2016) found that a greater gender balance among board members is associated with greater profitability. Other research on U.S. companies indicates that the companies included in Fortune 500 with a higher percentage of women, certainly perform better than companies with a lower percentage of women (Wagner, 2011). It was also found in both Latin America (McKinsey & Company, 2013) and in Spain (Campbell & Minguez-Vera, 2008) that the diversified boards of directors contribute positively to the performance of the companies. Regarding the diversification within the board of directors, some authors claim that there is a positive impact, others that there is a neutral effect, and others even that there is a negative effect.

Among those who consider a non-statistically significant impact of the female presence on the profitability of companies and on market value are the studies of Randøy, Thomsen, and Oxelheim (2006), who examined companies from Denmark, Norway and Sweden in 2005; Rose's studies (Rose, 2007), who focused attention on a sample of Danish companies for the period 1998-2001; the studies of Marinova, Platenga, and Remery (2010), who achieved this result by analyzing 186 German and Danish companies in 2007; those of Gregory-Smith, Main, and O'Reilly III (2014), who arrive at the same result through the analysis of UK data. Dobbin and Jung (2011) argue that there is no relationship between the presence of female directors on the boards and performance results. Other studies show a negative relationship between the percentage of women on boards of directors and company performance. Among these studies we mention those of Shrader, Blackburn, and Iles (1997); Van der Walt and Ingley (2003); Francoeur, Labelle, and Sinclair-Desgagné (2008); Mirza, Andleeb, and Ramzan (2012); Wellalage and Locke (2013).

On the contrary, the second strand of scholars expresses a positive opinion on the impact of

women on company performance. Specifically, with reference to Spain, Campbell and Minguez-Vera (2008) show that the value of the company is positively correlated to the degree of diversification of the members on the boards, it is shown that companies with a greater presence of women have a better functioning of the board of directors and allow a greater ability to know the needs of the various stakeholders. It is believed that women taking on the role of administrators manage to solve problems in a non-traditional way, following different points of view than men. The companies that have activated the policies for which women have also reached prestigious positions have benefits from the point of view of profitability (Casarico, Profeta, & Salvadori, 2009; Mirza et al., 2012, Wellalage & Locke, 2013). Women bring diversified and complementary skills and knowledge compared to men's (Huse & Solberg, 2006); they are characterized by the ability to face, learn and simplify, find solutions and share them with others (Brieger et al., 2019). Not exploiting the skills of highly qualified women is a waste of talent and a potential loss of economic growth (Grosvold & Brammer, 2011).

At the same time, there are other studies (Roberson & Park 2007) which actually show how the diversity of interests represented on the boards of directors entails a greater risk of conflicts and clashes within the group, thus reducing the performance of the boards (Rose, Munch-Madsen, & Funch, 2013; Lincoln & Adedoyin, 2012). Tacheva and Huse (2006) say that having women on the board of directors involves longer meetings, which can generate conflict and adversely affect company results (Stahl, Maznevski, Voigt, & Jonsen, 2010). Mahadeo Soobaroyen, and Hanuman (2012) in the studies show that stakeholders perceive and positively evaluate the female presence and connect it to better corporate performance (Wellalage & Locke, 2013). Some authors, on the other hand, note that the presence of women on the boards also has a reputational effect (Miller & Triana, 2009; Huse, Hoskisson, Zattoni, & Viganò, 2011) since by attracting the attention of the media companies are more attentive to their image and seek in all ways to improve it (Hillman, Shropshire, & Cannella, 2007; Fernandez-Fejoo, Romero, & Ruiz, 2012). Others (Bourez, 2005; Konrad & Kramer, 2006) argue that in many cases the presence of women is mostly symbolic, as the increase in the female gender is often a strategic decision taken by the company to obtain the support of the stakeholders who otherwise it would fail (Hillman et al., 2007; Huse & Solberg, 2006). In a study carried out by Cook and Glass (2014), it is highlighted how many companies resort to female managers who demonstrate greater resistance to stress to cope with the crisis.

Investing in gender diversity within the company is important both to comply with the laws and not incur penalties, and because much diversity is the best solution for doing business (Grant Thornton, 2019). Diversity is a value for the company, only from different ideas are creativity, innovation and results generated. Better performance can be achieved from a heterogeneous environment.

2.1. State of art gender diversity in Europa

In recent years, several European countries, starting from the hypothesis that a greater presence of women has positive effects on performance, have adopted legislative and self-regulation initiatives to be able to solve the problem of female under-representation in corporate BoD. In November 2012, the European Commission set the share on gender equality at 40%; to date, however, despite the success, the overall scenario is always the preserve of men. Furthermore, not all nations have specific laws on gender quotas and, even where these are present, it is not said that they have reached high levels.

Norway was the first country to adopt the pink quota mechanism and with the "Public Limited Companies Act" approved in 2003 it imposed on the listed companies the achievement of a pink quota variable according to the number of directors, to be achieved within three years. At the end of 2005, the percentage was around 17%. To solve the problem, Norway has introduced severe sanctions as a result of which, already in 2009, the percentage was around the predetermined one (European PWN, 2010).

Spain with Law No. 3 of 22/03/07, supported the effective equality between men and women by providing economic incentives in favor of public and private companies with at least 50 employees who by 2015 on the boards of directors had a percentage equal to at least 40% of both genres. No sanctions were foreseen for failure to apply the rules.

In Belgium, a federal law adopted in 2011 established a minimum percentage of 33% of both genders in the BoD of public companies to be implemented by 2016.

In January 2011, France adopted Law 103/2011, relating to the "balanced representation of women and men in BoD and surveillance and professional equality". All companies with more than 500 employees or with revenues greater than € 5 million had to have a 40% share of women to be reached within six years, i.e., by 2017, but with a minimum achievement of 20% within the first three years of the promulgation of the law. In the event of non-compliance with the quotas, the sanction provided was the nullity of the BoD members' appointments and the suspension of the directors' remuneration.

Germany was the last country to approve the quota law and from 2016 the German companies listed on the stock exchange had to reserve 30% of the seats in the BoD for women. No penalties were provided for as the companies could independently determine the composition of their top management, accepting the spirit of the law without departing from the indicated commitments.

In Italy, until 2011 the percentage of women on the board stood at around 6.8%. Following the requests of the European Union, and thanks to the issue of Law No 120/2011, defined as the Golfo-Mosca Law, since August 2012, the companies listed on the stock exchange, and from February 2013 the publicly controlled companies, have had the obligation to provide in the provisions of its statutes to ensure the gender balance in the administrative bodies, to be applied to the first

renewal of these bodies and after three consecutive mandates. In particular, the law established that the division of the directors to be elected had to be made on the basis of a criterion capable of ensuring the balance between genders since the least represented gender had to obtain at least a third of the elected directors. For the defaulting companies, a notice of Consob was envisaged in the first instance, then a sanction and finally in the presence of further defaults the forfeiture of the elected members. This is a temporary rule, the corporate bodies that are renewed for the first time after the law in 2014 will remain in office until 2023. The purpose of the rule is to be able to carry out positive actions for the time deemed sufficient to guarantee a cultural change. To date, despite participation in BoD in Europe has increased significantly, however, women continue to be less represented than men.

3. RESEARCH METHODOLOGY

3.1. Sample

Our sample comprises 50 listed companies of Milan Stoke Exchange in the years 2016-2017-2018: 25 with the highest and 25 with the lowest revenues. Financial institutions and football clubs have been excluded as a result of their specific accounting policy. Specifically, the football clubs have not been analyzed as only three are listed on the Milan Stock Exchange and do not fall within the predetermined range (Table 1). The main data source regarding board characteristics were companies' annual reports and the relation of corporate governance.

Table 1. Sample

	<i>1st subsample name</i>	<i>Revenue at 31/12/2017</i>		<i>2nd subsample name</i>	<i>Revenue at 31/12/2017</i>
1	Eni	76.938.000.000	1	Gas Plus	88.590.000
2	Enel	75.672.000.000	2	Zucchi	83.020.000
3	Telecom	19.281.000.000	3	Ambienthesis	82.080.000
4	Leonardo	12.939.000.000	4	Biancamano	80.850.000
5	Saras	10.396.910.000	5	Enervit	63.130.000
6	Prysmian	10.244.000.000	6	I Grandi Viaggi	63.030.000
7	Edison	9.313.000.000	7	Fidia	59.740.000
8	Saipem	8.526.000.000	8	Alerion	59.010.000
9	Atlantia	6.916.000.000	9	B&C Speakers	55.140.000
10	Hera	6.626.400.000	10	Caleffi	51.080.000
11	A2a	6.494.000.000	11	Poligrafica S. Faustino	48.340.000
12	Fincantieri	5.474.020.000	12	Bioera	41.380.000
13	Autogrill	5.223.910.000	13	Txt	39.960.000
14	Iren	4.040.770.000	14	Rosss	34.110.000
15	Maire Tecnimont	3.646.610.000	15	It way	33.060.000
16	Esprimet	3.571.190.000	16	Molmed	29.880.000
17	Mediaset	3.401.500.000	17	Netweek	27.810.000
18	Astaldi	3.060.000.000	18	Terni Energia	24.510.000
19	Acea	3.028.490.000	19	Chl	23.280.000
20	Buzzi Unicem	2.955.610.000	20	Mondo Tv	19.500.000
21	Cir	2.857.730.000	21	Fullsix	9.500.000
22	Cofide	2.857.670.000	22	Acotel	7.660.000
23	Danieli&C	2.705.600.000	23	Eeems	1.000.000
24	Snam	2.586.000.000	24	Titanmet	810.000
25	De Longhi	2.078.130.000	25	Cose Belle d'Italia	590.000

Source: Binder (2017).

3.2. Analysis methodology

The data were collected using the information from the annual reports of corporate governance and from financial websites for the years mentioned. Then attention was paid to the variables referring to women and these variables were compared with ROE (return on equity). There are several ways of measuring firm performance and there is hardly any agreement on which is the most efficient one. The indicator used is ROE. Specially, ROE is a measure that shows to an investor how much profit a company generates from the money invested by its shareholders (Fooladi, 2012), the most popular financial measure was used.

The variables that have been collected are indicated below:

- number of women in the BoD (WOMEN);
- number of women in the role of president (WP);
- number of women in the role of executive director (WED);
- number of women with non-executive director roles (WNED);
- number of women with non-executive and independent director roles (WNEID);
- number of foreign women (WFOREIGN).

Below, Table 2 and Table 3, show the complete dataset of the variables collected and used for the analysis. The data refer to the three-year period of reference, for the entire sample.

Table 2. Variable datasets referring to the entire sample (Part 1)

<i>Company</i>	<i>Year</i>	<i>WOMEN</i>	<i>WP</i>	<i>WED</i>	<i>WNED</i>	<i>WNEID</i>	<i>ROE</i>
Enel	2016	3	1	0	8	8	7.22
Enel	2017	3	1	0	8	8	10.22
Enel	2018	3	1	0	0	2	13.27
Eni	2016	3	1	0	0	1	-2.74
Eni	2017	3	1	0	0	1	7.02
Eni	2018	3	1	0	0	3	8.1
Telecom	2016	6	0	0	1	1	8.35
Telecom	2017	6	0	0	1	1	5.41
Telecom	2018	6	0	0	0	6	-5.3
Leonardo	2016	4	0	0	0	4	11.59
Leonardo	2017	4	0	0	0	4	6.11
Leonardo	2018	4	0	0	0	4	11.31
Edison	2016	5	0	0	5	1	-2.63
Edison	2017	3	0	0	3	3	1.09
Edison	2018	5	0	0	3	2	1.09
Saipem	2016	3	0	0	1	1	-42.58
Saipem	2017	3	0	0	1	1	-6.68
Saipem	2018	3	0	0	1	2	-26
Saras	2016	3	0	0	0	1	21.28
Saras	2017	3	0	0	0	1	22.46
Saras	2018	4	0	0	0	4	12.72
Prysmian	2016	3	0	0	1	1	15.64
Prysmian	2017	3	0	0	1	1	13.31
Prysmian	2018	4	0	0	0	4	2.44
Hera	2016	3	0	0	1	1	8.6
Hera	2017	5	0	0	1	1	9.86
Hera	2018	4	0	0	0	4	10.42
Atlantia	2016	6	0	0	1	1	12.17
Atlantia	2017	6	0	0	1	1	6.63
Atlantia	2018	5	0	0	2	3	6.63
A2a	2016	4	0	0	1	1	7.31
A2a	2017	4	0	0	1	1	9.92
A2a	2018	4	1	0	0	4	10.05
Autogrill	2016	2	0	0	1	1	16.66
Autogrill	2017	4	0	0	1	1	16.26
Autogrill	2018	5	0	0	1	4	11.67
Fincantieri	2016	3	0	0	0	3	1.11
Fincantieri	2017	3	0	0	0	3	4.06
Fincantieri	2018	3	0	0	0	3	5.52
Iren	2016	6	0	0	1	1	8.1
Iren	2017	6	0	0	1	1	10.6
Iren	2018	6	0	0	1	5	10.66
Mediaset	2016	4	0	0	1	1	-8.93
Mediaset	2017	4	0	0	1	1	8.98
Mediaset	2018	5	0	1	1	3	19.88
Maire Tecnimont	2016	4	0	0	0	1	46.19
Maire Tecnimont	2017	4	0	0	0	1	44.6
Maire Tecnimont	2018	4	0	0	0	4	34.26
Esprinet	2016	3	0	0	0	1	8.45
Esprinet	2017	4	0	0	0	1	7.77
Esprinet	2018	5	0	0	0	5	4.13
Astaldi	2016	3	0	0	1	1	10.4
Astaldi	2017	3	0	0	1	1	-17.79
Astaldi	2018	3	0	0	0	3	24.46
Buzzi Unicem	2016	3	0	0	1	1	5.3
Buzzi Unicem	2017	4	0	0	1	1	13.83
Buzzi Unicem	2018	4	0	0	0	4	12.18
Cir	2016	3	1	1	1	0	-2.93
Cir	2017	4	1	1	1	0	-0.83
Cir	2018	4	0	1	0	3	1.4
Cofide	2016	3	0	0	1	1	4.01
Cofide	2017	3	0	0	1	1	-2.93
Cofide	2018	3	0	0	0	3	1.22
Acea	2016	3	0	1	1	1	10.61
Acea	2017	4	0	0	1	1	14.96
Acea	2018	3	1	0	0	1	14.96
Snam	2016	3	0	0	0	1	13.25
Snam	2017	4	0	0	0	1	14.5
Snam	2018	4	0	0	0	4	16.04
Danieli & C	2016	3	0	1	0	1	4.95
Danieli & C	2017	3	0	1	1	1	2.76
Danieli & C	2018	3	0	1	1	1	3.13
De Longhi	2016	4	0	1	1	1	16.59
De Longhi	2017	4	0	1	1	1	17.59
De Longhi	2018	4	0	1	0	3	17.33

Table 2. Variable datasets referring to the entire sample (Part 2)

Company	Year	WOMEN	WP	WED	WNED	WNEID	ROE
Ambienthesis	2016	3	0	0	1	1	-3.75
Ambienthesis	2017	3	0	0	1	1	-6.3
Ambienthesis	2018	3	0	0	1	2	7.16
Alerion	2016	2	0	0	1	1	0.72
Alerion	2017	3	0	0	1	1	4.26
Alerion	2018	3	0	0	0	3	2.38
Poligrafica San Faustino	2016	5	0	0	1	0	2.41
Poligrafica San Faustino	2017	5	0	0	1	0	11.13
Poligrafica San Faustino	2018	5	0	0	5	0	5.22
Caleffi S.p.a.	2016	2	1	1	0	0	3.18
Caleffi S.p.a.	2017	3	1	1	1	1	-0.08
Caleffi S.p.a.	2018	3	1	3	0	0	-6.04
Bioera	2016	1	1	1	0	0	-25.44
Bioera	2017	2	1	1	1	0	-140.59
Bioera	2018	2	1	0	1	0	-150.7
Fidia	2016	2	0	0	1	1	12.91
Fidia	2017	3	0	0	1	1	-23.26
Fidia	2018	3	0	0	0	3	-12.98
B&C Speakers	2016	3	0	0	0	1	27.96
B&C Speakers	2017	3	0	0	1	1	34.97
B&C Speakers	2018	3	0	0	0	3	41.07
Txt	2016	2	0	0	1	1	16.2
Txt	2017	2	0	0	1	1	68.63
Txt	2018	3	0	0	0	3	0.66
Mondo Tv	2016	2	0	0	1	1	14.76
Mondo Tv	2017	2	0	0	1	1	15.82
Mondo Tv	2018	2	0	0	1	0	-75.75
Rosss	2016	2	0	0	0	1	-18.28
Rosss	2017	2	0	0	1	1	27.49
Rosss	2018	2	0	0	0	2	-14.1
It way	2016	1	0	0	1	1	-0.7
It way	2017	1	0	0	1	1	7.88
It way	2018	2	0	0	0	2	5.69
Molmed	2016	4	0	0	1	1	-62.65
Molmed	2017	4	0	0	1	1	-34.49
Molmed	2018	4	0	0	1	3	-17.47
Netweek	2016	3	0	0	1	1	598.22
Netweek	2017	3	0	0	1	1	-48.45
Netweek	2018	3	0	0	1	2	318.54
Chl	2016	3	0	0	1	1	-41.6
Chl	2017	4	0	1	1	1	-25.67
Chl	2018	1	0	0	1	0	-88
Fullsix	2016	2	0	0	1	1	-5.03
Fullsix	2017	3	0	0	1	1	-35.43
Fullsix	2018	2	0	0	1	1	-117.68
Acotel	2016	1	0	1	0	0	-50.07
Acotel	2017	1	0	1	0	0	-233.3
Acotel	2018	2	0	1	0	1	-3395.93
Titanmet	2016	2	0	0	0	0	198.8
Titanmet	2017	2	0	1	0	0	216.67
Titanmet	2018	3	0	0	1	2	-34.06
Cose Belle d'Italia	2016	3	0	0	1	1	91.89
Cose Belle d'Italia	2017	3	0	0	1	1	-21.75
Cose Belle d'Italia	2018	3	0	0	1	2	-55.65
Enervit	2016	2	0	1	1	0	11.81
Enervit	2017	3	0	1	1	1	13.64
Enervit	2018	3	0	1	1	1	13.64
Termini Energia	2016	3	0	1	1	0	2
Termini Energia	2017	2	0	1	1	0	-188.07
Termini Energia	2018	3	0	1	1	1	-87.94
I Grandi Viaggi	2016	3	0	1	1	1	1.44
I Grandi Viaggi	2017	3	0	1	1	1	0.68
I Grandi Viaggi	2018	3	0	1	0	2	1.86
Biancamano	2016	2	0	0	1	1	17.11
Biancamano	2017	2	0	0	1	1	4.82
Biancamano	2018	2	0	0	0	2	4.82
Zucchi	2016	3	0	0	1	1	-17.68
Zucchi	2017	3	0	0	1	1	-16.34
Zucchi	2018	2	0	0	0	2	-24.83
Gas Plus	2016	3	0	0	1	1	-1.97
Gas Plus	2017	3	0	0	3	2	0.36
Gas Plus	2018	3	0	0	1	2	-0.87
Eems	2016	2	0	0	1	1	300.9
Eems	2017	1	1	1	0	0	-173.69
Eems	2018	0	0	0	0	0	-21.46

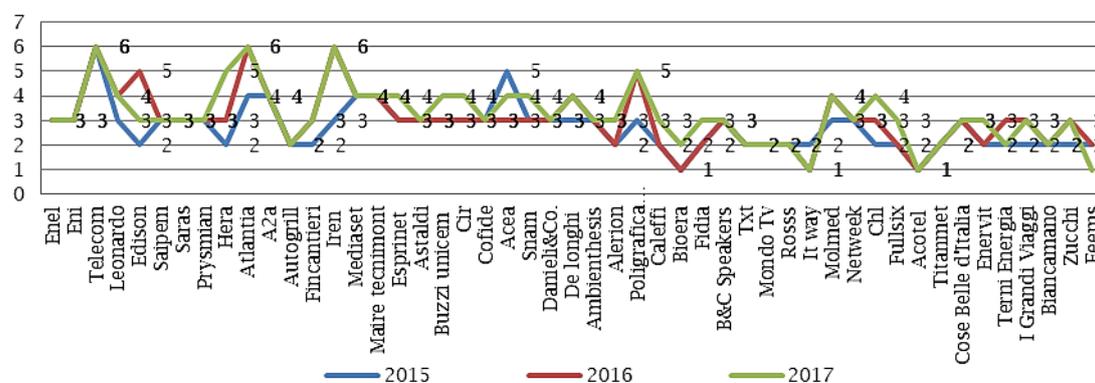
Source: Authors' elaboration.

Table 3. Variable datasets collected for the entire change with reference to foreign women

Company	Year	WFOREIGN	ROE
Telecom	2016	2	8.35
Telecom	2017	1	5.41
Telecom	2018	0	-5.3
Edison	2016	4	-2.63
Edison	2017	4	1.09
Edison	2018	4	1.09
Atlantia	2016	1	12.17
Atlantia	2017	2	6.63
Atlantia	2018	1	6.63
Autogrill	2016	2	16.66
Autogrill	2017	1	16.26
Autogrill	2018	1	11.67
Molmed	2016	1	-62.65
Molmed	2017	1	-34.49
Molmed	2018	1	-17.47

Source: Authors' elaboration.

For each of the companies in the sample during the three-year period (Figure 1) there was a change in the number of women within the BoD.

Figure 1. Number of women

Source: Authors' elaboration.

4. RESEARCH RESULTS AND DISCUSSION

In our analysis, we have identified the number of women who are present on the board of directors and the role they play within the board, with the aim of verifying whether the women, during the three-year period examined, managed to break the prejudices and to conquer positions of prestige, which before the implementation of the Golfo-Mosca

Law they were kept by men. Afterwards, we checked whether the presence of women allows influencing the company's profitability and whether there is the presence of foreign women for companies with more than three women. In all cases, we have compared the variables detected with the ROE.

Table 4 contains the correlation analysis of the examined variables compared with the ROE.

Table 4. Correlation between women, WP, WED, WNED, WNEID and ROE

	WOMEN	WP	WED	WNED	WNEID	ROE
WOMEN	1.0000					
WP	-0.1530	1.0000				
WED	-0.1581	0.2862	1.0000			
WNED	0.1324	0.1267	-0.1086	1.0000		
WNEID	0.3240	0.0349	-0.2714	0.2399	1.0000	
ROE	0.1089	-0.0102	-0.1726	0.0570	0.0509	1.0000

Source: Authors' elaboration.

Table 4 shows a positive correlation between the number of women and the ROE for a value of 0.1089. This result confirms the studies conducted by some in doctrine (Erhardt, Werbel, & Shrader, 2003; Carter, Simkins, & Simpson, 2003, Carter, D'Souza, Simkins, & Simpson, 2008; Conyon & He, 2017) on a group of large U.S. companies. From their analysis, it can be seen that a greater gender balance between the members of the board of directors is associated with higher share values and greater

profitability. On the contrary, the correlation between the women who assume the role of president and the ROE is negative, probably because the women in the sample who assume the role of president are few and this does not allow to influence profitability, the same goes for women who they assume the role of executive directors where there is a correlation index with a value of -0.1726. Otherwise, if women take on the role of non-executive directors, the correlation index is positive

with a value of 0.0509 just as it is positive even when they take on the role of non-executive and independent directors. This confirms what was stated in the doctrine and cited above, namely that women mainly occupy non-executive and independent roles, precisely because unlike men they are unable to conquer top positions within the BoDs thus often obtaining marginal positions. Furthermore, within the BoDs, women who take on the role of non-executive and independent administrators are often, in number not less than three. This indicates a greater probability of being heard and asserting one's decisions and consequently the possibility of positively influencing profitability. Probably, if the study conducted with our sample had been projected on a sample of a family-run company, the results would not have been different. In fact, in family businesses women manage to reach the leading positions by taking longer than men to reach the top positions, however, once the summit is reached the results are seen because women are the bearers of change, creativity and independence; they denote patience, they prefer order and coordination in critical business processes (Di Bello, 2019).

Table 5, on the other hand, allows us to verify how foreign women manage to influence corporate profitability.

Table 5. Correlation between foreign women and ROE

	<i>WFOREIGN</i>	<i>ROE</i>
<i>WFOREIGN</i>	1.0000	
<i>ROE</i>	0.1632	1.0000

Source: Authors' elaboration.

To carry out the analysis of the correlation between the number of foreign women and the ROE, we went to select the companies that in our sample had more than three women and then we went to identify those companies that had foreign women in the BoD. From our sample, there are only five companies with this characteristic: Telecom, Edison, Atlantia, Autogrill and Molmed. There is a positive influence of foreign women on corporate profitability in fact the correlation index is equal to 0.1632. The ability to have a company run by foreign members, who have managerial experience, knowledge and specialist skills appropriate to the company's legitimate role in the eyes of stakeholders and shareholders.

It should be emphasized that the presence of

foreigners in the BoDs in Italy is very low and the percentage of foreigners is lower than in more similar countries such as Spain and Germany, confirming the fact that Italy has not yet achieved complete integration into the world economy.

5. CONCLUSION

The work confirms what has been said in the doctrine and that is that women who occupy marginal positions on the boards positively influence company performance. When they assume the role of presidents and executive administrators, the correlation becomes negative. This could result from the fact that they have to prove more to be considered valid and are mistaken for more junior figures than they actually are (McKinsey & Company, 2019). It is important that women are present to a greater extent, it would be necessary to have at least three women on the boards of directors to make them heard, at least three women are needed to change the way the board is managed (Egon Zehnder, 2018). The analysis for the three-year period confirms a greater female presence in the boards even if only in non-top positions. This could be the reason why the women in the sample failed to positively influence performance. The evidence that emerged from the work should be interpreted taking into account the limitations deriving from the use of a limited sample of companies, which in the future we intend to extend to all the companies listed on the Milan Stock Exchange, also considering an extension of the analysis to the current time period (the years 2019 and 2020). In fact, when the discipline of the Golfo-Mosca Law is no longer in force, we propose to check whether the companies will continue to believe that having more women within the boards is a source of competitive advantage; only in that case will it be possible to verify whether the Golfo-Mosca Law has succeeded in its objective, namely to generate cultural change in companies. Furthermore, again for the future, one could think of evaluating the differences between the companies operating in the various Italian regions to understand the reasons that originate them and therefore reach more objective global results. In addition, it could also be verified for each company whether the female directors are such by virtue of a kinship bond with the property or because of their personal qualities that have allowed them to be chosen among competitors belonging also to the male gender.

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