

The Gender Impact Gap

Introducing a quantitative gender indicator to measure female impact
on Swedish business.

Klara Svensson
24340@student.hhs.se

Natalia Hultner
50531@student.hhs.se

Abstract:

This thesis examines whether female impact on Swedish business corresponds to female participation in Swedish business. To address this research question, we create a new quantitative gender indicator to measure female impact, called the Impactful Position Indicator (IPI). When comparing the value of the introduced IPI to the value of a standard participation metric, a gender impact gap in group executive teams of Swedish Large Cap firms is identified. The results show that the percentage of women in impactful positions is lower than the percentage of women in group executive teams. Together with qualitative findings from female Chief Executive Officers and previous research on gender and managerial impact, we further introduce a Gender Impact Gap Framework. The framework aims to illustrate a model to assess reasons for, implications, and solutions to this gap. Moreover, it can guide the implementation of interventions to close any identified gender impact gaps in organisations. In conclusion, both the quantitative and qualitative findings support that the IPI contributes to an improved assessment of gender equality in Swedish business.

Keywords: Gender Equality, Managerial Impact, Impactful Positions, Group Executive Teams

Acknowledgements: We want to thank all participants that have made this study possible, including the Chief Executive Officers, Executive Search Professionals, Human Resources Professionals, Equity Research Analysts and the representatives from The Confederation of Swedish Enterprise, Nasdaq, Allbright Foundation and AP2. We also want to thank our supervisor Angelika Lindstrand, Senior Lecturer, Department of Marketing and Strategy, for her enduring support during the thesis process.

Table of Contents

1 INTRODUCTION.....	4
1.1 BACKGROUND.....	4
1.2 PURPOSE & RESEARCH QUESTION	5
1.3 PRIMARY FOCUS AND DELIMITATION	5
2 THEORY.....	6
2.1 LITERATURE OVERVIEW	6
<i>2.1.1 Gender Equality</i>	6
<i>2.1.2 Female Participation</i>	6
<i>2.1.3 The 40/60-rule</i>	8
2.2 THEORETICAL FRAMEWORK.....	9
<i>2.2.1 Managerial Impact</i>	9
<i>2.2.2 Managerial Impact and Gender</i>	10
<i>2.2.3 Access to Managerial Impact</i>	11
2.3 HYPOTHESIS.....	12
3 METHODOLOGY	13
3.1 RESEARCH DESIGN.....	13
3.2 PRE-STUDY	13
3.3 DEFINITION OF IMPACT	14
3.4 RESEARCH SAMPLES	15
<i>3.4.1 Quantitative Sample</i>	15
<i>3.4.2 Qualitative Sample</i>	15
3.5 QUANTITATIVE METHOD	15
<i>3.5.1 The Impactful Position Indicator (IPI)</i>	16
<i>3.5.2 Data Collection</i>	16
<i>3.5.3 Survey for Identifying Impactful Positions</i>	17
<i>3.5.4 Data Processing & Calculations</i>	18
3.6 QUALITATIVE METHOD.....	19
3.7 ETHICAL CONSIDERATIONS & IMPLICATIONS.....	20
4 RESULTS.....	21
4.1 QUANTITATIVE STUDY.....	21

4.1.1 40/60-rule Results	21
4.1.2 Impactful Position Indicator Results	22
4.1.3 Sector and Company Performance on the 40/60-rule and the IPI	25
4.2 QUALITATIVE STUDY	28
4.2.1 The Importance of Impactful Positions	28
4.2.2 The Importance of Equal Access to Impact	29
4.2.3 Reasons for the Quantitative Results	30
4.2.4 Solutions to the Quantitative Results	32
4.2.5 Real Estate – A Case Study on Female Impact	34
5 ANALYSIS & DISCUSSION	36
5.1 THE GENDER IMPACT GAP FRAMEWORK	36
5.1.1 Implications	37
5.1.2 Reasons	38
5.1.3 Solutions	39
5.2 MANAGERIAL IMPLICATIONS	40
6 CONCLUSION	41
6.1 LIMITATIONS & FUTURE RESEARCH	42
REFERENCES	44
APPENDIX	48
APPENDIX 1. COMPANY LIST	48
APPENDIX 2. CEO INTERVIEW QUESTIONS	50
APPENDIX 3. REAL ESTATE PROFESSIONAL INTERVIEW QUESTIONS	51
APPENDIX 4. SURVEY	52

1 Introduction

1.1 Background

During the past decade, there have been significant improvements in gender equality in Swedish business. Female participation is at an all-time high at all company levels (Allbright, 2020; AP2, 2020), and the wage gap is at an all-time low (Swedish National Mediation Office, 2020). Moreover, Sweden regularly scores highly on international indices tracking gender equality (Human Development Report Office, 2020). The Government of Sweden is explicitly dedicated to equal rights and opportunities between men and women, including ensuring equal distribution of power and influence (The Government of Sweden, 2018). Furthermore, the Swedish government complies with international goals stated by the United Nations and the European Union (United Nations, 2015; European Union, 2012). The extensiveness of existing commitments proves that gender equality is a prioritised matter, and the progress of gender equality in Swedish business is closely followed (AP2, 2020; Allbright, 2020).

Reports of progress are often based on a participation indicator which in this study is referred to as the 40/60-rule. The 40/60-rule states that quantitative gender equality is achieved if 40-60% of both genders are represented in a group (Include Gender, 2014; ILO, 2019). Although this indicator is internationally acknowledged and widely used, this thesis questions whether it accurately reflects the actual impact women have on organisations, business, and society. Thus, the thesis questions whether the reported progress reflects the actual development of gender equality in Swedish business.

There is a broad consensus in the literature that gender role stereotypes result in women and men being assigned different roles and tasks in society (Heilman, 2012). The International Labour Organisation present that such gender segregations exist in different company functions (ILO, 2019). Further, research states that an executive's access to impact strategic decision-making and firm performance can be affected by the power distribution of group executive teams (Finkelstein, 1992; Helfat & Martin, 2015). Therefore, it is interesting to examine whether men and women are assigned different roles and tasks in group executive teams. A mapping of the gender distribution could contribute to an improved understanding of women's actual access to impact on Swedish business as well as contribute to literature on gender and managerial impact. Consequently, the study aims to examine whether female impact corresponds to female participation.

1.2 Purpose & Research Question

The purpose of this thesis is to study female impact on Swedish business through the following research question:

- **Does female impact on Swedish business correspond to female participation in Swedish business?**

As Sweden states an explicit commitment to ensuring equal access to power and influence (The Government of Sweden, 2018), it is relevant to examine whether the 40/60-rule which measures participation reflects this target. Due to the managerial impact on strategic decisions and firm performance being conditioned on the power distribution in group executive teams (Finkelstein, 1992), the 40/60-rule might not be sufficient to measure progress on this goal. In this study, women's access to impact on Swedish business is measured through introducing a new quantitative gender indicator. The first part of the study uses a quantitative method to compare the values of the 40/60-rule and the introduced indicator on Swedish Large Cap firms, i.e., the firms with the largest market capitalisation. The second part of the study uses a qualitative method consisting of interviews with female Chief Executive Officers (CEOs) in Large Cap firms to complement the quantitative results.

1.3 Primary Focus and Delimitation

This study focuses on gender equality regarding access to impact in group executive teams in Large Cap firms in Swedish business. Gender equality is defined as: "*equal opportunities, rights and responsibilities for women and men*" (UNECE, 2016). Therefore, the study is delimited to these two gender identities. Further, the study is delimited to formal access to impact, and thus excludes informal power structures. The delimitation to group executive teams facilitates the purpose of studying female impact, as research states that group executive teams directly link to managerial impact on strategic decisions and firm performance (Helfat & Martin, 2015). In addition, the delimitation is motivated by reports showing that women are notably underrepresented in upper echelons of managerial functions (ILO, 2019). Female participation in group executive teams, the highest managerial level, is lower than female participation in company boards in Sweden (Allbright, 2020; AP2, 2020). Lastly, to examine gender equality in Swedish business, the study is geographically limited to Large Cap firms listed in Sweden. This ensures comparability in the sample as the included companies operate

in the same market, have access to a similar recruitment base and are subject to the same policies, regulations, and expectations.

2 Theory

2.1 Literature Overview

2.1.1 Gender Equality

The concept of gender equality in research is commonly based on legal definitions introduced by governments and international organisations. Such definitions are usually derived from the 1948 UN Declaration of Human Rights, in which the United Nations stated its commitment to: "*the equal rights of men and women*" (United Nations, 1948). Internationally, the United Nations' commitments to promote gender equality are formulated in the UN Convention on the Elimination of all Forms of Discrimination Against Women and in the UN Sustainable Development Goals, in which gender equality is handled in goal number 5 (United Nations, 1979; United Nations, 2015). In Europe, commitments are formulated in article 23 of the EU Charter of Fundamental Rights of the European Union (European Union, 2012). Further, in Sweden, goals are formulated in The Government of Sweden's Gender Equality Policy (Lindhagen & Linde, 2019). These frameworks cover gender equality at large, including commitments to end gender-based discrimination and to ensure equal opportunities in society. In line with the purpose of this study, goals related to business, power and leadership are highlighted in Table 1.

Table 1. Gender Equality Goals

Institution (Source)	Goal	
United Nations (United Nations, 2015)	Sustainable Development Goal 5.5	'Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life'
European Union (European Union, 2020)	A Union of Equality: Gender Equality Strategy 2020-2025, Article 2	'Thriving in a gender-equal economy'
The Government of Sweden (The Government of Sweden, 2018)	Gender Equality Policy, Sub-target 1	'Equal division of power and influence'

2.1.2 Female Participation

Research shows that despite comprehensive commitments to ensure gender equality, women and men are regularly assigned different roles and tasks in society (Heilman, 2012). In 1949,

the feminist philosopher Simone de Beauvoir stated that the typical roles of women are subordinate and associated with a lower status than the typical roles of men (De Beauvoir, 2010). This statement is suggestively confirmed by reports which reveal that women are significantly underrepresented in leadership positions in society (ILO, 2019). Studies test various reasons for this, including biological, behavioural, and cultural factors (Mooney Marini, 1990). One recurring explanation in literature is gender role stereotypes, which create gender-based expectations and evaluations of individuals (Heilman, 2012). The term 'gender role' was first introduced in 1955 in a study by John Money in which he studied intersex individuals. Money showed that individuals could express their gender identity through behaviours and attributes despite being biologically intersex. Consequently, the study shed light on social structures which, based on gender role stereotypes, create gender-specific norms in terms of behaviours and attributes (Haig, 2004). There is no broad consensus in the literature regarding to what extent identified gender roles result from biological versus cultural factors. However, the concept is still effective in explaining gender differences in society (Mooney Marini, 1990).

Gender roles can be divided into prescriptive and descriptive gender stereotypes. Prescriptive gender stereotypes are perceptions of how women respective men should be. In general, men are expected to be dominant, achievement-oriented, and self-asserted. In contrast, women are generally expected to be sensitive, considerate, and nurturing (Heilman, 2012). In the 1970s, the 'Think manager – Think male' concept was introduced, establishing the association between male stereotypes and the expected attributes of a successful manager (Schein, 1973). A later study stated that such perceptions can lead to an underestimation of women's competence, which can negatively affect women's likelihood of reaching leadership positions (Schein, 1978). The original study of Schein has been replicated several times in cross-cultural contexts, repeatedly confirming the continued existence of this phenomenon in business around the world (Schein & Mueller, 1992; Schein, 2001).

Descriptive stereotypes are perceptions of how women and men are. These stereotypes are generally in line with the prescriptive stereotypes. Thus, there is a general belief that men and women act in line with what is expected of them. More specifically, men are perceived to be achievement-oriented, inclined to take charge, autonomous and rational. On the other hand, women are perceived as considerate, affiliative, deferent, and emotionally sensitive (Heilman, 2012). Furthermore, research shows that women tend to be less self-confident in work contexts than men, a phenomenon that in literature is called 'the Confidence Gap' (Kay & Shipman, 2014). This phenomenon implies that while men are more likely to overestimate their

performance and competencies, women are more likely to underestimate their performance and competencies (Fletcher, 1999; Pallier, 2003). The confidence gap is evident in all areas of society, showing a general trend of men having better self-esteem than women (Kling et al., 1999; Gentile et al., 2009).

Descriptive gender stereotypes produce expectations on an individual's behaviour even when the individual has not exerted gender-typical behaviour (Heilman, 2012). Such evaluations are in literature explained by the concept of implicit or unconscious bias. The term implicit bias was introduced in 1995 when Anthony G. Greenwald and Mahzarin R. Banaji showed that social behaviour is subjected to unconscious judgements that can produce unintended discriminations (Greenwald & Banaji, 1995). The concept of implicit bias has frequently been applied in gender research to determine how biases affect women's participation and advancement in business. The results of research in this area show that women and men tend to be evaluated differently in recruitment and promotion processes due to unconscious inferences about an individual's competence and suitability for a position based on the individual's gender (Foschi & Valenzuela, 2012). It has been proven that both women and men tend to make negative judgements of female candidates. However, men tend to do so to a larger extent (Rice & Barth, 2016).

Consequently, both prescriptive and descriptive gender stereotypes have implications for women's and men's career opportunities as they lead to gender-biased expectations and judgements of individuals. While men tend to benefit from these structures, they tend to obstruct women from accessing senior leadership positions. The challenges that women face in business are sometimes referred to as constituting a 'glass ceiling', "*an artificial barrier that prevents qualified individuals from advancing upward in their organisation into high-ranking positions*" (Baumgartner & Schneider, 2010). This concept was introduced in the 1980s and has since been frequently used in research to explain the underrepresentation of women in business (Oakley, 2000; Bihagen & Ohls, 2006; Baumgartner & Schneider, 2010). Research identifies barriers to exist on both individual and organisational levels. Barriers include lack of family and social support, lack of role models, lack of mentors and lack of organisational support (Ng & Sears, 2017).

2.1.3 The 40/60-rule

The internationally acknowledged quantitative gender indicator for female participation is in this study referred to as the 40/60-rule. Quantitative gender equality is achieved when 40-60% of both genders are represented in a group (ILO, 2019; Include Gender 2014). There are

primarily two organisations that regularly produce quantitative gender equality data in Sweden, namely, Allbright Foundation and the Swedish pension fund AP2. Recent reports from these organisations show that there has been a positive trend of female participation in group executive teams over the past decade (AP2, 2020; Allbright, 2020). In 2020, AP2 reported 24% women in Swedish group executive teams, an improvement to the previous year, nevertheless implying that quantitative gender equality was not achieved according to the 40/60-rule. In addition, they reported that there were 10% female CEOs in the sample, consisting of 336 companies listed on Nasdaq Stockholm (AP2, 2020). Allbright Foundation correspondingly reported 25% women in group executive teams in their 2020 report. In addition, it showed that Swedish Large Cap firms were better performing than Mid Cap and Small Cap on this metric (Allbright, 2020).

2.2 Theoretical Framework

2.2.1 Managerial Impact

As this thesis aims to study female impact on Swedish business, it is necessary to determine the usage of the central term 'impact'. In the Oxford Dictionary, impact is defined as a marked effect or influence on a situation or person (Oxford Dictionary, 2021). Thus, a variable that affects or influences another variable can be said to impact the latter. The term impact can be applied in various contexts; however, in this study, it will be used solely in managerial contexts.

'Managerial impact' is the impact that management executives have on a firm's decisions, strategic change and, in turn, on a firm's performance (Helfat & Martin, 2015). This is interesting to study as organisations and their performances reflect their group executive teams (Carpenter et al., 2004). Previous research has established that executives' characteristics and cognitive processes in top management teams largely influence their strategic choices and, in turn, the competitive dynamics of the firm (Hambrick et al., 1996). For example, the upper echelons theory presented in 1984 stated that the strategic choices and performance of a firm are partially dependent on managers' interpretation of the strategic environment, based on their values and previous experiences (Hambrick & Mason, 1984).

The concept is further developed in a study by Helfat & Martin (2015), where a two-step process is recommended when measuring managerial impact. The first step of the process measures the impact of dynamic managerial capabilities on managers' strategic decisions. The second step measures the impact that the strategic change has on firm performance. Dynamic managerial capabilities are the characteristics and cognitive processes that the managers possess

and are "*the capabilities with which managers build, integrate, and reconfigure organisational resources and competencies*" (Adner & Helfat, 2003). These capabilities provide the basis for managers' impact on managerial decisions and often vary between individuals. Variances in capabilities can lead to differences in decision-making, which can affect firm performance (Helfat & Martin, 2015).

In addition, there exists research on how the composition of management teams affect firm performance, based on the upper echelon theory. A large part of this research studies the effects of heterogenic capabilities in management teams, generally confirming a positive relationship between heterogeneity and firm performance. However, the effects depend on various factors, including the degree of internationalisation, level of complexity of the firm, the possibility of managers to engage in debate and the level of uncertainty in the environment (Carpenter et al., 2004).

2.2.2 Managerial Impact and Gender

Research on gender and managerial impact primarily study how female participation impacts financial performance. This is conducted by combining the 40/60-rule with different performance metrics. Findings from such studies generally confirm a positive relationship between female participation and firm performance, in line with studies on heterogeneity (Carpenter et al., 2004). A study from 1997 shows a relationship between women managers and higher profitability measures (Shrader et al., 1997). Moreover, a study based on the financial performance of Danish firms during 1993-2001 confirms a positive relationship between female participation in company boards and CEO positions and firm performance (Smith, N. et al., 2006). Another study shows similar results and states that female participation contributes to increased economic value and superior accounting performance through an increased focus on innovation (Deszö & Ross, 2012). In addition, the International Labour Organisation (2019) summarises several studies showing that gender diversity leads to improved firm performance in terms of increased profitability, productivity, and improvements in company reputation.

However, there is not a widely shared consensus regarding the benefits of this relationship. Some studies show that the impact of female managers on firm performance depends on different environments and conditions, in line with Carpenter et al. (2004). For example, Dezsö and Ross' (2012) study found that female participation improves a firm's performance when the firm's strategy is focused on innovation. Another study shows that firms with a high proportion of female managers generate higher returns when operating in complex environments

(Francoeur et al., 2008). Further, a recent study states that the conflicting research could be due to differences in context, as many studies are based on a single country or industry. The study showed that in contexts where gender diversity is normatively accepted, female participation led to positive effects on firm performance. In contrast, this positive relationship was not proven in contexts where gender diversity has regulatory support (Turban et al., 2019).

2.2.3 Access to Managerial Impact

Despite extensive research on the impact female participation has on a firm's performance, there is limited research on access to managerial impact (Finkelstein, 1992; Smith, A. et al., 2006). Theories on executive's access to managerial impact suggest that access to impact is dependent on the individual's power in the group executive team (Finkelstein, 1992; Adams et al., 2005). This further implies that the extent to which heterogenic individuals with different capabilities can improve decision quality depends on the power distribution in the management teams (Smith, A. et al., 2006). Power, in turn, depends on several factors, one of which is structural power, i.e., the formal position which the individual holds in the group executive team (Finkelstein, 1992). For example, studies based on the upper echelon theory show that the characteristics of the CEO are largely associated with the firm's strategic actions. This suggests that individuals in CEO positions generally possess significant power and significant access to managerial impact (Finkelstein, 1992; Wang et al., 2016).

Thus, research suggests that an individual can have access to participate in a group executive team without having enough power to impact the firm's strategic decisions and performance. Consequently, even if a group executive team achieves quantitative gender equality according to the 40/60-rule, the distribution of power and, in turn, the access to impact might not be equal between the genders. As the participation metric does not include the level of impact accessed by participation, there is reason to presume that the indicator is not sufficient to display gender equality in terms of impact. Female impact is necessary to measure in addition to female participation as the highlighted gender equality goals specifically target equal access to leadership, power and influence (Table 1). Thus, the suspected limitation of the participation metric might imply that it cannot sufficiently report progress on these goals. In addition, this implies that the metric might lack in providing a comprehensive understanding of the state of gender equality in business, preventing effective measures from being implemented to improve this state.

The 40/60-rule reflecting quantitative gender equality is commonly complemented with qualitative gender indicators that measure situational factors that affect women's and men's participation. Such indicators can target power structures through capturing professionals' experiences of such structures. However, due to the qualitative nature, findings risk being subjective. Consequently, qualitative indicators are recommended to use in combination with quantitative gender indicators to ensure reliable results (Bridge Development-Gender, 2007; EIGE, 2011; Include Gender, 2014). Concludingly, even in combination, existing quantitative and qualitative gender indicators might not be sufficient to reflect female impact on business.

Based on the above, it is interesting to examine whether gender also constitutes a factor affecting an executive's access to managerial impact. If this is the case, it might be that female impact does not correspond to female participation. This is examined by identifying the impactful positions in group executive teams, i.e., the positions with the greatest access to managerial impact, and comparing the gender distribution in these positions with the gender distribution in group executive teams at large. As gender equality research shows that women and men tend to be assigned different roles and tasks in society and that men are generally perceived as more suitable for leadership positions (Schein, 1973; Heilman, 2012), there is reason to presume that women are underrepresented in such impactful positions. Further, the lack of a quantitative metric that targets female impact illustrates a potential need to introduce a new gender indicator.

2.3 Hypothesis

The hypothesis assumes that the research question is negated and thus that female impact on Swedish business does not correspond to female participation in Swedish business. The hypothesis is formulated as follows:

- **We hypothesise that the percentage of women in impactful positions is lower than the percentage of women in group executive teams.**

3 Methodology

3.1 Research Design

This thesis is divided into three parts: a pre-study, a quantitative main study, and a complementing qualitative study. The purpose of the pre-study is to assess the relevance of and interest in the research question. In addition, the pre-study aims to help identify an appropriate sample and definition of impact. The quantitative study is designed to measure female impact, and thus a new gender indicator is introduced. As the gender indicator provides descriptive data, it does not explain the factors behind the results. Therefore, the qualitative study aims to support the interpretation of the new gender indicator and explore if the quantitative results can be explained by previous research on gender and managerial impact. This enables a more effective discussion and refined conclusion.

A combination of quantitative and qualitative methods is favourable when researching gender equality as interpreting quantitative data with qualitative findings allows for a more nuanced analysis (Bridge Development-Gender, 2007). The combined method triangulates the results and reduces the risk of distorted results (Jick, 1979). This triangulation is highly important in gender studies as women and men are not homogeneous groups. Thus, the combined method increases the awareness of intersectionality. This motivation is further strengthened by The Swedish Gender Equality Agency, which recommends complementing a quantitative study with qualitative data to analyse the reasons behind the established quantitative results (Include Gender, 2014). Further, a qualitative pre-study is recommended to evaluate what is to be measured and why and thus set the basis for the following quantitative and qualitative studies (Bridge Development-Gender, 2007).

3.2 Pre-Study

The pre-study consists of 16 interviews á 30 minutes with senior business professionals. Interviewed groups include executive search consultants, Chief Human Resources Officers (CHRO) and executives of female networks. In addition, interviews were held with representatives from Allbright Foundation, the Confederation of Swedish Enterprise, the Swedish pension fund AP2 and Nasdaq. The interviews were not recorded nor transcribed as they are not included in the qualitative data of this thesis.

Executive search consultants are relevant because they recruit professionals to group executive teams. Thus, they are knowledgeable about recruiting processes and group executive positions. CHRO executives are relevant because they work with diversity-related questions and recruitment and promotion processes. Executives of female networks are relevant because they possess gathered knowledge about female leaders' experiences in Swedish business. The organisation Allbright Foundation and the pension fund AP2 were interviewed as they yearly publish gender equality data. Further, The Confederation of Swedish Enterprise was interviewed as they represent Swedish business. Lastly, Nasdaq was interviewed to learn about gender equality in listed firms.

The pre-study provides the following findings:

- Confirmation of the research gap and the potential contribution of the study.
- Proposed sample: Swedish Large Cap as these firms are publicly owned firms with the largest market capitalisation, have significant resources and are expected to perform on gender equality measures.
- The Real Estate sector suggested as an interesting case study as the sector has achieved significant progress on gender equality.
- Consensus regarding the connotation of 'Impact' in Swedish business: the possibility to influence business strategy and profit & loss (P&L) (Box 1.).
- Recommendation of conducting a survey to obtain a general classification of impactful positions in group executive teams.

3.3 Definition of Impact

The definition of impact used in this thesis is based on the pre-study findings and previous research on managerial impact. In the pre-study, impact was defined as the possibility to influence business strategy and profit & loss. This definition is supported by research where managerial impact is the impact individuals have on strategic decision-making and, in turn, on firm performance (Helfat & Martin, 2015). The positions with the greatest access to managerial impact in group executive teams are in this study referred to as impactful positions.

Box 1. Definition of impact and impactful positions

Impact: The possibility to influence business strategy and profit & loss

Impactful positions: The group executive positions with the greatest access to impact

3.4 Research Samples

3.4.1 Quantitative Sample

Based on the findings from the pre-study, the quantitative sample consists of the Swedish Large Cap firms' group executive teams, including 96 firms and 873 group executive positions. This sample was obtained from Nasdaq's Nordic Large Cap list on 11/2-2021 (see Appendix 1 for company list). Only firms with Swedish ISIN code (SE) were chosen from this list, thereby excluding companies with secondary listings in Sweden. This sample selection is further supported by the fact that Large Cap firms have higher environmental, social and governance (ESG) disclosure requirements than firms with smaller market capitalisations. In addition, the importance of disclosing ESG efforts is rising as stakeholders and shareholders are increasingly scrutinising listed firms on their performance and efforts (Tamimi & Sebastianelli, 2017; Nasdaq, 2019).

3.4.2 Qualitative Sample

The qualitative sample consists of 13 interviews á 30 minutes. Firstly, 12 interviews are with women who currently hold or have previously held a CEO position in a firm included in the quantitative sample. As these women hold or have held top positions in Swedish business, they have extensive experience of access to female impact and are likely to be able to put any quantitative findings into context. For this purpose, 16 individuals were contacted, of which 12 accepted participation. Secondly, one interview is with a senior Real Estate professional. This interview is motivated by the pre-study finding that the sector has achieved significant progress in gender equality. The interview is thus conducted to learn about the development of gender equality within the sector.

3.5 Quantitative Method

Firstly, a new quantitative gender indicator is introduced to measure female impact in Swedish business. Secondly, the company data of the quantitative sample is collected. Thirdly, a survey is conducted to identify the impactful positions within group executive teams. Lastly, the new indicator is applied to the sample with the help of the conducted classification of impactful positions. Each part of the quantitative method is explained in more detail below.

3.5.1 The Impactful Position Indicator (IPI)

The new quantitative gender indicator is called the Impactful Position Indicator (IPI). IPI measures the gender distribution in impactful positions and is in this study applied on the presented quantitative sample, i.e., on group executive teams in Swedish Large Cap firms. The IPI is based on the definition of quantitative gender equality and the 40/60-rule. Thus, a desirable value of the IPI lies between 40-60%, meaning that women hold 40-60% of all impactful positions (Include Gender, 2014; ILO, 2019).

There are several benefits of indicators. Indicators evaluate outcomes of current interventions and policies, thus providing information of progress and helping to reveal barriers to achieving success. Further, they provide accountability for concerned parties. As such, indicators contribute to the visibility of issues and an increased likelihood that these issues will be prioritised, accurately interpreted, and encountered through effective actions. When measuring the IPI recurrently over time, the introduced indicator makes it possible to measure the change in women's possibility of impacting Swedish business. The IPI reflects explicitly stated gender equality priorities and is thereby in line with guidelines that state that an effective indicator must be relevant to stakeholders. This makes the IPI a highly appropriate and tangible measure that complements current methods and adds value in the evaluation and initiation of commitments. However, there is a limitation to the indicator in that it does not include contextual factors or reasons why the IPI takes on a certain value. Consequently, it is necessary to complement the IPI with qualitative findings, which complies with acknowledged recommendations for gender equality research. (Bridge Development-Gender, 2007; EIGE, 2011; Include Gender, 2014; UNECE, 2016)

3.5.2 Data Collection

The data collected includes company names, group executive team titles and gender expressions of group executive team professionals of the 96 firms in the quantitative sample. The data was collected manually through company websites that provide the latest updates of group executive team information between the dates 28/1-2/2, 2021. This data is publicly accessible, ensuring complete transparency of the quantitative study's method and reliability of the results as it can easily be replicated.

The company data was complemented with a sector classification based on the Industry Classification Benchmark, a globally utilised standard for categorising companies by sector (FTSE Russell, 2018). In total, the quantitative sample represents 16 different ICB sector

classifications. However, as the number of companies within each sector greatly varies, there is a risk of results and sector comparisons being misleading. In order to facilitate meaningful comparisons in sector performance, the ICB-sectors have thus been further grouped into six broader categories. These are defined as Finance, Industrial, Infrastructure, Consumer, Health Care, Real Estate and TMT (Technology, Media & Telecom) (see Appendix 1 for ICB sectors and grouped categories).

3.5.3 Survey for Identifying Impactful Positions

Based on the findings from the pre-study, a survey was conducted to identify the impactful positions in group executive teams in Swedish business. The survey was designed together with one Executive Search Consultant and one CHRO of a Swedish Large Cap firm. The professionals categorised what, to their knowledge, are the most recurring positions in group executive teams in Swedish firms (Table 2; see Appendix 4 for all included titles). In the survey, the respondents were asked to choose which they considered the most impactful of these positions. The respondents were provided with the definition of impact that was determined in the pre-study. In addition, the survey offered the option to add comments in free text. The survey set-up included the following functions: anonymised answers, randomised choice alternatives and forced responses. A validation question was added at the end of the survey (See Appendix 4 for the survey).

The survey respondents were Executive Search Consultants from acknowledged executive search companies. Eighteen responses were collected from professionals representing 14 different firms. These respondents were chosen as they regularly receive requirement specifications from Large Cap firms when recruiting individuals to group executive teams. Hence, they have extensive knowledge of the general characteristics of group executive positions in Swedish business.

Table 2. The 15 standardised group executive positions

Executive Positions	
▪ Chief Executive Officer	▪ Chief Strategy Officer
▪ Chief Financial Officer	▪ Chief Technology Officer
▪ Chief Commercial Officer	▪ Chief Product Officer
▪ Business Unit President	▪ Head of Investor Relations
▪ Chief Communications Officer	▪ Head of Sustainability
▪ Chief Human Resources Officer	▪ Head of Supply Chain
▪ Chief Legal Officer	▪ Head of Research & Development
▪ Chief Operating Officer	

Below, Table 3 shows the positions that are identified as the most impactful in group executive teams. Based on comments from the survey respondents, the Business Unit President position and the Chief Commercial Officer position are grouped, as they generally fulfil a similar purpose. Thus, these are combined in this study and are called 'Line Managers'. Subsequently, the identified impactful positions are Chief Executive Officer, Chief Financial Officer and Line Manager. The frequency of each position in the sample is checked to ensure a meaningful analysis of the positions. The frequencies are 100%, 100% and 93%, respectively, implying that these positions are highly present in Swedish business. Table 3 further shows three other positions that have the highest frequency in the sample in addition to the impactful positions. These positions are Chief Communications Officer, Chief Human Resources Officer and Chief Legal Officer, with frequencies of 67%, 55%, 53%, respectively. According to comments provided in the survey, these positions are related to supporting functions. The remaining positions will not be studied individually due to their low frequencies but are included in the total sample of 873 group executive positions.

Table 3. Positions with the highest frequency in the sample within each group of positions

Abbreviation	Position	Classification	Frequency
CEO	Chief Executive Officer	Impactful	100%
CFO	Chief Financial Officer	Impactful	100%
LM	Line Manager, including: Chief Commercial Officer and Business Unit President	Impactful	93%
CCCO	Chief Communications Officer	Other	67%
CHRO	Chief Human Resources Officer	Other	55%
CLO	Chief Legal Officer	Other	53%

3.5.4 Data Processing & Calculations

The collected data from the sample was matched to the identified standardised positions, i.e., the 873 group executive position titles with associated gender identities were matched to a standardised title. In the dataset, the number "0" was designated to represent a man, and the number "1" was designated to represent a woman. The matching process was cross-checked with Equity Research Analysts in Nordic banks to address uncertainties highlighted by survey respondents. In total, ten Equity Research Analysts with combined coverage on all sectors in the sample verified the process. This verification mitigated the risks of not accounting for sector and company-specific variations in positions as the Equity Research Analysts closely follow

the firms in the sample and thus have up to date knowledge on the firms. In addition, they are independent of the firms, which strengthens their reliability.

Several calculations were made on the processed data to extract descriptive analyses. The equations for the applied indicators are presented in Table 4. Additionally, a Pearson χ^2 significance test was conducted to assess the statistical significance of the results of the IPI. The dependent variable of the significance test was 'Impact', classifying a group executive position as 'Impactful' or 'Not Impactful'. The dependent variable was given the values 1 and 0, respectively. The independent variable was 'Gender', classifying the gender of the person holding the group executive position as 'Female' or 'Male'. The independent variable also took on the values 1 and 0, respectively (Table 6).

Table 4. Indicator calculations

Calculation	Equation	Figure/Table Reference
40/60-rule	$= \frac{\text{No. of women in group executive team positions}}{\text{No. of group executive team positions}}$	Figure 1, Figure 2, Figure 5, Table 5, Table 8
IPI	$= \frac{\text{No. of women in impactful positions}}{\text{No. of impactful positions}}$	Figure 3, Figure 5, Table 7, Table 8

3.6 Qualitative Method

The first step of the qualitative method included designing an appropriate interview format for the CEO interviews, in line with the purpose of the qualitative study, i.e., to put the quantitative results into context and improve the interpretation of the found value of the IPI. A 30-minute interview format was designed to contain two parts, a presentation part and a question part. In the presentation part, the quantitative findings were presented to the interviewees. In the question part, the interviewees were asked to comment on the results by answering what they think are the main factors behind the data points, whether they think these data points are desirable or not, and if not, what they consider effective measures to change the data points. In addition, the question part contained questions about decisive factors for reaching an impactful position within a group executive team (see Appendix 2 for interview questions).

When conducting the qualitative study, it was essential to ensure objectiveness of the interview format and reliability in the answers. For this purpose, several measures were taken. Firstly, the questions were formulated as objectively as possible to avoid leading the interviewees in any opinionated direction. All interviewees received the interview questions before their interview session to eliminate the potential risk of perceived subjectivity through the tone of voice in

which the questions were asked. Secondly, the presentation of the quantitative results did not contain any personal interpretations or comments, which allowed the participants to genuinely react to the presented data without being subjected to prior judgements. Thirdly, the questions part only contained the pre-written questions to avoid leading questions that might influence the interviewee's answers. Further, during the interviews, the responses were repeated to the interviewees to make sure they were correctly interpreted. In addition, all recorded answers were vetted by interviewees after all interview sessions were completed.

The answers provided by each interviewee largely follow a similar pattern and have low variance. This implies a consensus regarding the reasons for and implications of the results from the quantitative study. Further, it supports the reliability of the data collected from the interviews and strengthens the usability of the IPI. As the presentation of the IPI led the interviewees to similar interpretations and conclusions, IPI effectively captures what is aimed to be measured and thus acts as a powerful tool for measuring female impact in Swedish business. In addition, the interview answers comply with acknowledged literature and research, which further strengthens the reliability of the data.

For the interview with the senior Real Estate Professional, the cautionary actions taken in the CEO interviews were repeated to ensure objectivity. The questions for this interview were designed to yield informative responses about the development of gender equality in the Real Estate sector. Thus, questions were asked about the sectors' initiatives to promote gender equality, the main factors in achieving the progress to date and if similar initiatives can be implemented in other sectors. Reliability of the results was ensured as the interviewee is a high-ranking professional with extensive experience from the sector and the gender equality issue within the sector. Although the participant might have been inclined to present a better than actual view of gender equality in the Real Estate sector, this risk can be mitigated by comparing the qualitative data to the quantitative results for the sector (see Appendix 3 for interview questions).

3.7 Ethical Considerations & Implications

All parts of the method have been executed in accordance with guidelines provided by GDPR and SSE in order to collect, store and protect data appropriately. All collected data has been stored on SSE pre-approved platforms and will be deleted at the time of publication of the thesis. All study participants are anonymous and have, throughout the process, been informed of the information collected and why. Personal data has only been collected when necessary

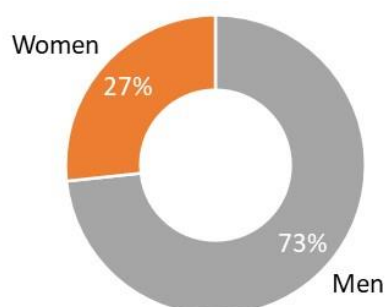
and when the participant has signed a consent form designed by SSE. The only personal data collected during the process has been professional titles and company names. This information has been necessary to collect during the qualitative study as the relevance of an individual's participation was entirely dependent on the individual's professional situation and experiences. No sensitive personal information has been collected during the process. In addition, no personal data was collected in the quantitative study.

4 Results

4.1 Quantitative Study

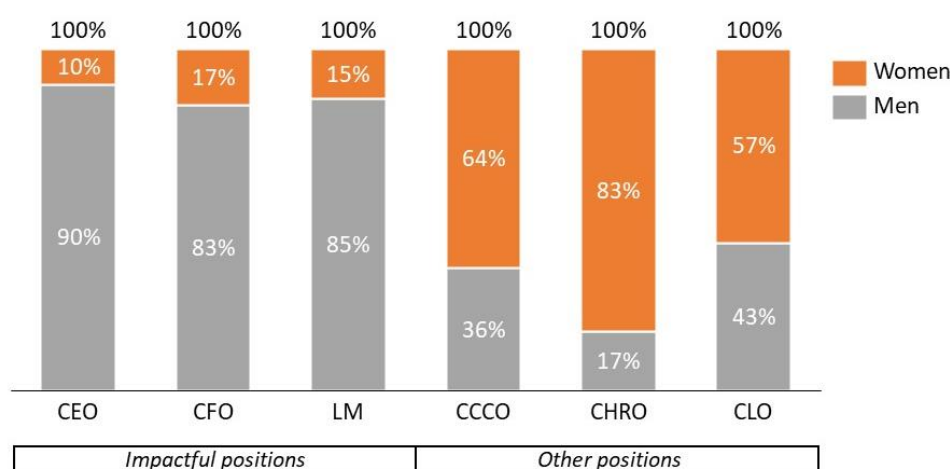
4.1.1 40/60-rule Results

Figure 1. The 40/60-rule: gender distribution in group executive teams



The value of the 40/60-rule is 27%, implying that there are 27% women and 73% men in group executive teams in Large Cap. The distribution in group executive teams is not gender-equal.

Figure 2. Gender distribution in selected group executive positions



As seen in Figure 2, men are dominant in the impactful positions: CEO, CFO and LM. There are 90%, 83% and 85% men in each position, respectively. Women are dominant in the other

positions: CCCO and CHRO. There are 64% and 83% women in these positions, respectively. The position CLO has a gender-equal distribution according to the 40/60 rule, where 43% of individuals are men and 57% of individuals are women.

Table 5. Group executive team characteristics

Group Executive Team Characteristic	No of Companies	% of Sample
Zero women	8	8%
Zero men	0	0%
One woman	20	21%
<i>Woman in impactful position</i>	7	
<i>Woman in other position</i>	13	
Gender equality (40-60%)	19	20%
Female dominance (>60%)	1	1%
Male dominance (>60%)	76	79%

Table 5 shows that there are eight companies with zero women in their group executive team. There is no company with zero men in their group executive team. There are 20 companies with one woman in their group executive team, which is equivalent to 21% of the firms in the sample. In seven of these companies, the woman holds an impactful position, and in 13 companies, the woman holds another position. There are 19 companies with a gender-equal distribution according to the 40/60-rule, equivalent to 20% of the firms in the sample. Of the 80% of the sample that does not have a gender-equal distribution according to the 40/60-rule, one firm is female-dominated (1%), and 76 firms are male-dominated (79%).

4.1.2 Impactful Position Indicator Results

Figure 3. The IPI: gender distribution in impactful positions

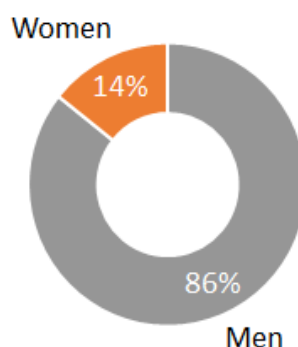


Figure 3 shows that the IPI takes on the value 14%, implying that there are 14% women and 86% men in impactful positions. Thus, the gender distribution in impactful positions is not gender-equal. Since $IPI = 14\% < 40/60\text{-rule} = 27\%$, the gender distribution in impactful

positions is more skewed towards men than the gender distribution in group executive teams. This confirms the hypothesis that the percentage of women in impactful positions in Swedish business is lower than the percentage of women in group executive teams.

Figure 4. Gender distribution in group executive team positions, divided in impactful versus other positions

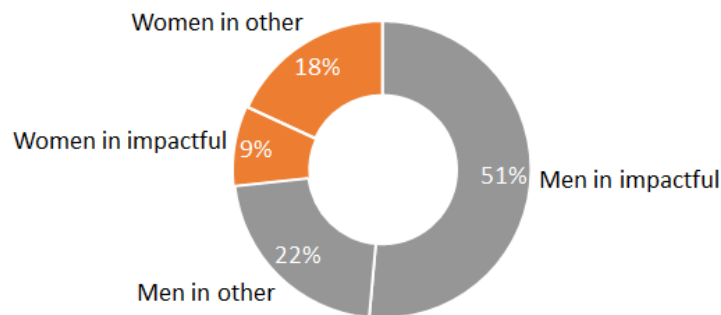


Figure 4 shows the total distribution of group executive positions by gender and type of position. The 40/60-rule value of 27% women in group executive teams can be divided into 9% women in impactful positions and 18% women in other positions. Similarly, the 40/60-rule value of 73% men in group executive teams can be divided into 51% men in impactful positions and 22% men in other positions.

The result shows that there is an equal gender distribution in other positions, with 18% women and 22% men of the total sample. This corresponds to a gender distribution of 45% women and 55% men within the group other positions. In contrast, the result shows an unequal gender distribution in impactful positions, with 9% women and 51% men, corresponding to 14% women and 86% men in the group impactful positions. Based on this, women are more likely to hold other positions than impactful positions, whereas men are more likely to hold impactful positions than other positions.

Table 6. Pearson χ^2 significance test

Frequency Cell percentage	Male	Female	Total
Not Impactful	191 21.9%	158 18.1%	349 40.0%
Impactful	449 51.4%	75 8.6%	524 60.0%
Total	640 73.3%	233 26.7%	873 100.0%

Pearson χ^2 (1) = 102.6161 Pr = 0.000

As seen in Table 6, the conducted significance test takes on the Pearson χ^2 value of 102.6161, with 1 degree of freedom and a P-value of 0.000. The test suggests a statistically significant relationship between the dependent variable 'impact' and the independent variable 'gender'. Accordingly, whether a group executive position is impactful or not depends on the gender of the person holding the position. The test shows that a group executive position is more likely to be impactful if a man holds the position than if a woman holds the position. This implies that there might exist a structural difference between women's and men's access to impact in Swedish business. The proven significance of this relationship further strengthens the results supporting the hypothesis and proves that IPI is an appropriate indicator to use when measuring gender equality in Swedish business.

Table 7. Impactful positions characteristics

Impactful Position Characteristic	No of Companies	% of Sample
Zero women	42	44%
Zero men	0	0%
Gender equality (40-60%)	11	11%
Female dominance (>60%)	1	1%
Male dominance (>60%)	84	88%

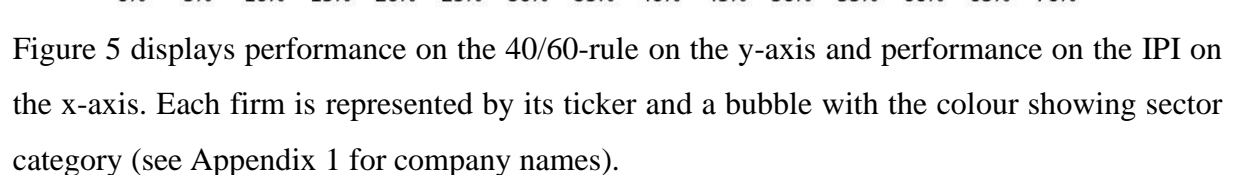
Table 7 shows 42 companies with zero women in impactful positions in their group executive team, equivalent to 44% of the sample. In contrast, there is no company with zero men in impactful positions in their group executive team. There are 11 firms with a gender-equal distribution in impactful positions according to the IPI. These firms make out 11% of the sample. Of the remaining 85 companies, the IPI shows that one company is female-dominated (1% of the sample), and 84 companies are male-dominated (88% of the sample).

4.1.3 Sector and Company Performance on the 40/60-rule and the IPI

Table 8. Sector performance on the 40/60-rule and the IPI

ICB Sector	No of Companies	40/60-rule	IPI	Delta %pts
Real Estate	18	39%	24%	-15
Finance	15	31%	20%	-11
Consumer	15	27%	17%	-10
Infrastructure	9	27%	15%	-12
TMT	8	25%	11%	-15
Health Care	7	24%	9%	-15
Industrials	24	18%	7%	-11

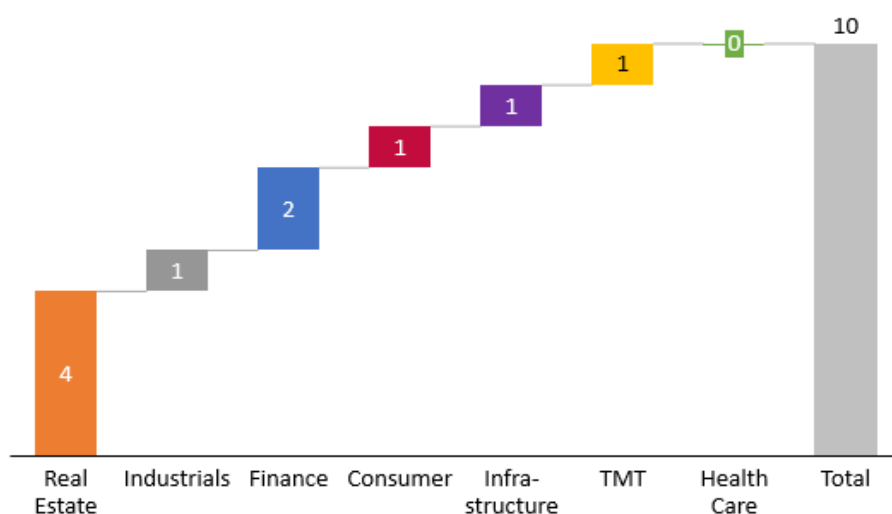
Table 8 shows that all sectors perform worse on the IPI than on the 40/60-rule. Thus, the gender distribution is more skewed in impactful positions than in group executive teams in all sectors, represented in Large Cap. The sector that performs best on the 40/60-rule is Real Estate at 39%, followed by Finance at 31%. The same sectors also perform best on the IPI, at 24% and 20%, respectively. The sector that performs the worst on the 40/60-rule is Industrials at 18%, followed by Health Care at 24%. The same sectors perform the worst on the IPI at 7% and 9%, respectively. All sectors show a significant discrepancy between the 40/60-rule and the IPI, which further supports that the hypothesis is valid for all sectors represented in Large Cap. The sectors with the largest discrepancy between the two indicators are Health Care, Real Estate and TMT.



26

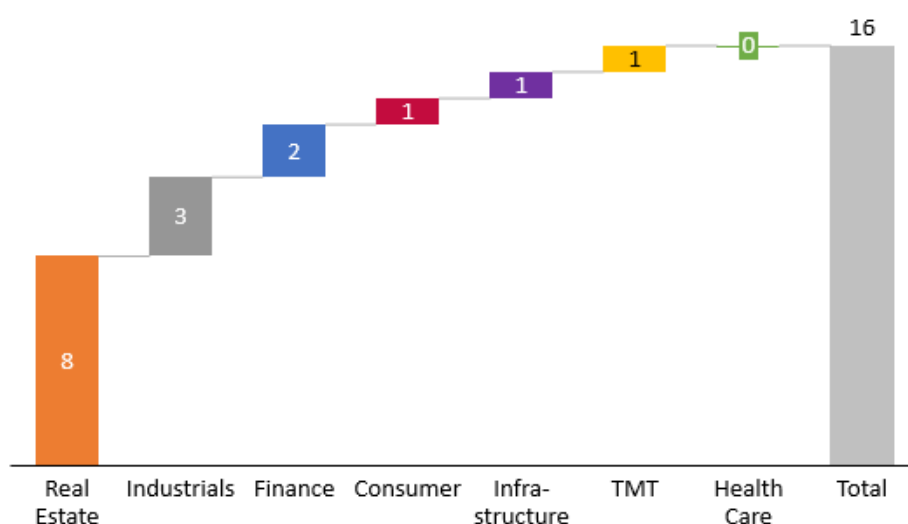
equality according to the 40/60-rule but not according to the IPI. Three companies achieve gender equality according to the IPI but not according to the 40/60-rule.

Figure 6. Total number of female CEOs divided by sector



Of the ten female CEOs in the sample, four are CEOs of Real Estate companies. Two are CEOs of Finance companies, and one is CEO of Industrials, Infrastructure, Consumer and TMT companies, respectively. There are zero female CEOs in the Health Care sector.

Figure 7. Total number of female CFOs divided by sector



Of the 16 female CFOs in the sample, eight are CFOs of Real Estate companies. Three are CFOs of companies in the Industrials sector, and two of companies in the Finance sector. There is one female CFO in the Consumer, Infrastructure and TMT sectors, respectively. There are zero female CFOs in the Health Care sector.

4.2 Qualitative Study

4.2.1 The Importance of Impactful Positions

The participants in the qualitative study agreed that the group executive positions CEO, CFO and LM are the most impactful, i.e., have the greatest possibility to influence business strategy and profit & loss of a firm. Individuals holding these positions act as the primary leaders within Swedish business, enjoying the highest pay and formal power. The CEO position is considered to be the most impactful within a group executive team.

Based on the participants' experiences, CEOs are most often recruited from impactful positions, i.e., from another CEO position or a CFO or LM position. One participant said about recruiting CEOs that: *"In most cases, I would say that it is from the line, that you already have a power position internally in the company, or externally."* For example, an individual holding an LM position can, in some cases, be considered a CEO for a specific business or region. One participant stated that: *"I would say it is a very good springboard to a CEO position, perhaps even the best."* In addition, it is increasingly common to recruit CEOs from the CFO position as the characteristics of the position has shifted towards becoming more operational. The CEO, LM and CFO positions are the most attractive to recruit from because they generally yield business-critical knowledge. Individuals in these positions generally gain a strategic and commercial mindset that enables them to handle a wide variety of challenging situations and create financial value for their firms. Moreover, these individuals are likely to have had extensive leadership experience.

However, this general result can vary depending on sector, company, the tasks assigned to different positions, and the specific situation a company finds itself in when recruiting its CEO. One participant stated: *"I believe that it depends a lot on the type of company. If it is a heavy industry company, then I am uncertain how easy it is to have a CFO background, but if it is, for example, a service company where you do not need to handle production issues, subcontractors in China and the likes, there are good examples of recruiting a CFO for a CEO position."* Furthermore, the individual competencies and experiences of the candidate naturally affect their eligibility for a position, regardless of their professional title.

Moreover, the participants agreed that in order to reach an impactful position, it is preferable to have extensive experience from operational functions and from having P&L accountability. In addition, it is essential to have a track record with accomplishments that can be objectively assessed through numerical performance indicators, such as sales figures and contributions to

financial performance. One participant said about recruitment to impactful positions: *"You choose people with an extensive operational background. If it is a large company where it has also been possible to have P&L responsibility in part of the company, it builds a CV."* Another stated that: *"If you have had a clear responsibility for results and are successful, then the results show that you can move forward in your career."* It is important to hold these types of positions from an early stage in the career to be eligible for an impactful position later. One interviewee explicitly advised young people to: *"Try to take a job that objectively can be evaluated and measured, not subjective."*

Further, the qualitative data shows that all interviewees have, since becoming CEO, been offered at least one external company board position. A majority stated that almost all offers had a direct link to their CEO position. Thus, while having P&L responsibility in an operational function can be decisive for being offered an impactful position, and while having an impactful position can be decisive for becoming a CEO, having a CEO position can, in turn, be decisive for obtaining a board assignment (Figure 8). Having a board position is generally favourable from a career perspective. One participant said that board assignments are: *"A very good way to develop professionally"*. Another participant said: *"It helps one in the sense that it continuously strengthens one's competence by learning about other sectors and other issues, you see how CEOs tackle similar problems but perhaps in different ways."*

Figure 8. The impactful career path



4.2.2 The Importance of Equal Access to Impact

Based on the view that impactful positions are the primary leadership positions within Swedish business, the participants stated that the skewed gender distribution in impactful positions found in the quantitative study is problematic. This is because it implies that women and men currently do not have the same access to leadership, power, and pay. Regarding if the quantitative results are problematic, one participant said: *"I think that because we live in a democracy, we need to see it as a democratic right that it should be gender-equal. That goes for diversity at large."* and: *"I think that you disqualify a large part of the competence that exists."* Another interviewee stated: *"I find it difficult to understand that a firm can have only men in leading positions because then you have missed out on half the population."* In addition, it was stated that: *"It is*

problematic because these roles have more impact, they have a greater possibility to influence. These positions run the companies."

Further, the interviewees agreed that discriminating against female competence implies weakened competitiveness for a firm. Diversity, both in terms of gender but also at large, contributes to better decisions. A CEO stated that: *"I genuinely believe, and it has been shown to me throughout my professional life, that you make better and braver decisions the more diverse you are"*. Another interviewee stated that: *"Having a not so homogenous group forces people out of their comfort zone, one is forced to listen to and value other experiences and competencies."* Moreover, it was stated that: *"If you have heterogeneous groups, with competent individuals who have different experiences, different backgrounds, different references, then you get a much more dynamic discussion and you make better decisions. If you do it time after another, then it leads to better results and better profitability."* This implies that the dominance of gender in any group is undesirable, which entails that male dominance in impactful positions and female dominance in the CHRO and CCCO position are equally problematic. Lastly, one participant said that companies should: *"Just realise that you get better if you have more breadth."*

4.2.3 Reasons for the Quantitative Results

The interviewees stated that it is difficult to fully explain the reasons for the distorted gender distribution in impactful positions and that interlinking dynamics likely cause it. However, the main recurring explanation was that Swedish business is built on male structures, inhibiting women from reaching impactful positions. The building blocks of these structures are discussed below.

The participants stated that they, during their careers, have experienced both actual and perceived gender differences. Several mentioned actual gender differences being apparent in, for example, interview situations, where male candidates tend to be more self-confident and show a stronger belief in their ability to succeed in the role. In contrast, female candidates tend to have a more careful approach, devaluing their competence and emphasising their willingness to learn on the job. One interviewee said that a colleague had told her that: *"When putting the question to women respective men, with men you have to take away 30% of the boasting whereas with women you have to add 30% because women are generally more careful."* The qualitative data showed that these behavioural gender differences can lead women not to voice

their expectations and goals and disqualify themselves from impactful positions to a larger extent than men do.

Regarding perceived gender differences, one participant said that: *"There are somehow some professional categories where it is predetermined that it should be a woman or a man."* Such structures are believed to contribute to a perception that men are more suited to leadership than women. The qualitative data agreed that the generic template for successful leadership is built around male characteristics as it is men who historically have dominated leadership positions. One participant stated regarding this template that: *"It is a heritage, it is men who have ruled, governed, been leaders."* This template still excludes women and members of other minorities. In addition, it excludes men who do not fit into the traditional stereotype of a man. This discrimination is believed to be primarily unconscious; however, the participants stated that it produces and upholds gender inequalities in Swedish business by limiting women's actual access to impact.

The qualitative data further highlights a lack of understanding of and adjustment to factors that biologically pertain to women. As women go through pregnancy, childbirth, and breastfeeding, they must allow more time for their personal life than a man when starting a family. If the business sector does not account for this, the woman will have less professional experience than her male peer after starting a family. In turn, the male candidate will naturally be perceived as a safer choice for recruitment and promotion, leading to fewer women in impactful positions. One participant said that: *"If you have not had the chance to get the range of experiences that will allow you to compete versus your male peers, then definitely there becomes a glass ceiling."* This suggests that Swedish business has not ensured equal prerequisites for men and women who want to pursue a career and build a family.

Moreover, some participants stated that they have found it challenging to fit into company cultures that are male dominant. When asked about potential reasons for the low female participation in impactful positions, one participant said: *"I think it can be due to men having their business networks, and I notice that I have a hard time getting into some male structures."* In addition, it was stated that: *"It is difficult to get into that group of men."* To mitigate this, some participants stated that they have adjusted their behaviours to suit the context better. For example, one participant said: *"I have devoted my entire professional life to understanding the male game and the male language. I have always thought that it is very unfair that only I should make an effort. I have always thought that they could make some effort."*

4.2.4 Solutions to the Quantitative Results

When asked what interventions are necessary to increase female impact on Swedish business, participants primarily focused on two themes: the importance of support networks and the importance of redefining competence.

4.2.4.1 Support Networks

A support network includes a supportive home environment, a supportive company culture and supporting business networks.

Firstly, supportive home and company environments are necessary to ensure that women have access to experiences that make them competitive with their male peers. One participant said that both components must work because: *"You cannot be gender equal at work if you are not gender-equal at home."* A supportive home environment entails having a family situation that allows for a career with a high workload. A supportive company culture entails having an environment that allows women to start families. One participant expressed that firms need to ask themselves: *"How do we support women so that they get the experiences they need so that they can compete for those executive positions in either business unit leader roles or CFO and CEO roles, and so they do not just naturally say that I cannot do it because I cannot be away from my family?"*.

Further, another participant stated regarding a supportive company environment: *"We need to do a better job in ensuring that we do not lose talented women during periods such as becoming a mother, motherhood, becoming a wife, becoming a carer or whatever it is that unfortunately still means that the woman is more likely to carry the broader load of family life."* In addition, a participant said that to achieve change: *"Parental leave is a super important thing. There are relatively equal prerequisites until this point; however, when it comes to balancing a family and a career, society has different expectations of men and women. You need to have an environment which is supportive."*

Thus, establishing a supportive environment requires addressing structural gender expectations and creating a new business norm. Corporate policies can promote equal prerequisites and help neutralise gender expectations through encouraging shared housework and parental leaves. In addition, employers can implement initiatives to support and retain talented individuals during parental leaves and increase flexibility in office hours and work location. A more flexible work setting will allow women to be more visible and consequently more competitive while still being able to start a family. The participants stated that there has been a positive development

in this area in recent years due to corporate initiatives and digitalisation. One participant said that: *"It is easier now with today's technology as you can work elsewhere."* In addition, another participant said that: *"It is about getting things done; how it is done should not be as important. With Covid-19, women benefit as it is more ok to do things from home. Men are usually able to be more visible in the office because they do less housework. Now, this is balanced."*

Secondly, business networks are essential in several aspects. By building and cultivating internal and external networks, an individual becomes more visible for new opportunities. In addition, business networks can support an individual to take on new positions and to grow professionally. For example, several participants mentioned that support from individuals in their business networks helped them reach their CEO positions. Moreover, female networks can be helpful through providing role models, mentorship and encouragement.

4.2.4.2 Redefining Competence

In addition to support networks, there must be a renewed focus on competence which eliminates gender stereotypes and ensures equal evaluation of individuals from the entire demography. There is a general agreement in the qualitative data that men and women are evaluated differently in Swedish business. The participants explained this difference as a cause of a narrow definition of competence and the generic template for leadership. When an individual fits into this definition or template, the perceived risk of recruiting or promoting this person to an impactful position is low. Moreover, the perceived risk is likely lower when the candidate is more similar to the decision-maker. One participant said: *"Because we do not have the right diversity in executive teams and company boards, we still probably choose candidates that are a little too similar to the leaders themselves because they are the safe bet."*

On the other hand, when an individual does not fit into this definition or template, the risks associated with recruiting or promoting this person to an impactful position are high. This prevents women from rising beyond a certain level in the hierarchy. Several interviewees used the expression that male candidates are evaluated on potential, and female candidates are evaluated on track record. One participant further stated that as a woman: *"You are valued, and you are examined differently. You are not taken seriously in the same way, regardless of your formal position."* Thus, the renewed focus on competence must actively attempt to identify and work against such gender-based judgements and be built on a genuine understanding that competence is not related to gender-specific characteristics or appearances but instead to experiences and achievements. One interviewee said that: *"Clearly, we need to educate every leader to be able to better assess peoples' potential, beyond what they look like and what their*

backgrounds are." Another interviewee stated that: *"I think that it is a competence to look for competence, which many recruiting leaders do not have, but that executive search companies are starting to develop."* In order to achieve this, company boards must provide clear guidelines and communicate expectations regarding gender diversity in the firms at large. One interviewee said that: *"The board must say that we want a gender-equal company and we want to recruit the best, and we want to use the entire recruitment base. If you do not have a board that is so clear, it will not permeate the entire business, so it starts already there."* The board should also hold the CEO accountable for implementing initiatives and for recruiting women to impactful positions. A diverse group executive team can create a trickle-down effect by providing role models and establishing a diversity promoting culture throughout the firm. This, in turn, broadens the recruitment base at all firm levels, increasing the firm's chances of recruiting the best talent.

In addition, there must be active commitments from external and internal recruiting leaders to review and improve recruitment and promotion procedures. One participant gave an example of such a commitment: *"Everyone should be informed about and able to apply for an internal job because it is not sure that it is the person who enters the boss' room every day who is the most suitable for the job, although this person is the most visible. That is why I believe in transparency. When you have an open position at a firm, announce the position and define the role based on the task at hand, not based on a person you know."* In addition to having transparent processes, a broadened definition of competence values differences between individuals. If diverse individuals are moulded into a generic template, the group will not reap the benefits from the individuals' heterogeneity. One participant said that: *"Basically, it must be the case that skills are valued differently and more broadly and more courageously. It cannot be the case that there can be no cultural change. It must be a combination of changing the way we work and the culture, but I still believe that it is the responsibility of men to understand that we are different and learn to deal with it. Women must also dare more, be clear about what they want, say yes to things that seem scary."* Thus, although women should not strive to act like men to reach impactful positions, it is beneficial if women make an effort to be more confident and communicate their professional ambitions.

4.2.5 Real Estate – A Case Study on Female Impact

Although the Real Estate sector does not reach the 40/60 criteria in terms of the IPI, it is the most successful sector in developing gender equality, resulting from initiatives taken by both individual firms and industry organisations. Firstly, organisations adopted initiatives to push

forward women early on. An example of this was when the magazine *Fastighetsnytt* started a yearly reward to the best female Real Estate representative in the 1990s and early 2000s. In addition, the sector understood the importance of female role models, and several female networks were founded to promote women in the sector. A CEO stated: *“I think role models have been very important because otherwise you almost think it is unattainable. However, if there are some women in those positions, you think if she has succeeded, others can also succeed.”*

Secondly, the Real Estate sector's performance in gender equality is also due to the successful development of business cultures within the firms. The interviewed Real Estate professional stated that appropriate goals were established early on, and from them, supportive cultures have developed. A CEO further stated that the development of business cultures was due to companies being open for change, honest in terms of gender equality in their firms, and not being afraid to put demands. In addition, the interviewees stated that the sector has adopted an approach that values professionals being able to combine career and family life and measures facilitating this. The interviewed Real Estate professional stated that *“It is very permissive to have a family; many men take at least six months of parental leave.”*

In terms of recruiting, firms in the Real Estate sector have previously searched for a narrow competence, mainly looking in their own sector. According to the Real Estate professional, this led the sector to suffer from a lack of competence for several years. Today, Real Estate firms recruit from many different sectors and are open to recruiting people with varying skills and competencies. A CEO exemplified this by stating that: *“We have a solid recruitment process and almost always search for talent externally.”*

Lastly, the Real Estate professional claimed that the Real Estate sector's journey could be implemented in all other sectors. However, this can only be achieved if there is an inclusive culture in the firms that promote women and facilitates the balance between pursuing a career and having a family. The Real Estate professional stated that the most important reason women stay at a firm is the business culture. If the appropriate culture is not achieved, women will seek other opportunities.

5 Analysis & Discussion

The thesis results show that female impact does not correspond to female participation as the percentage of women in impactful positions is lower than the percentage of women in group executive teams. Consequently, the results negate the research question and confirm the hypothesis:

Research question:

- Does female impact on Swedish business correspond to female participation in Swedish business?
 - Female impact \neq Female participation

Hypothesis:

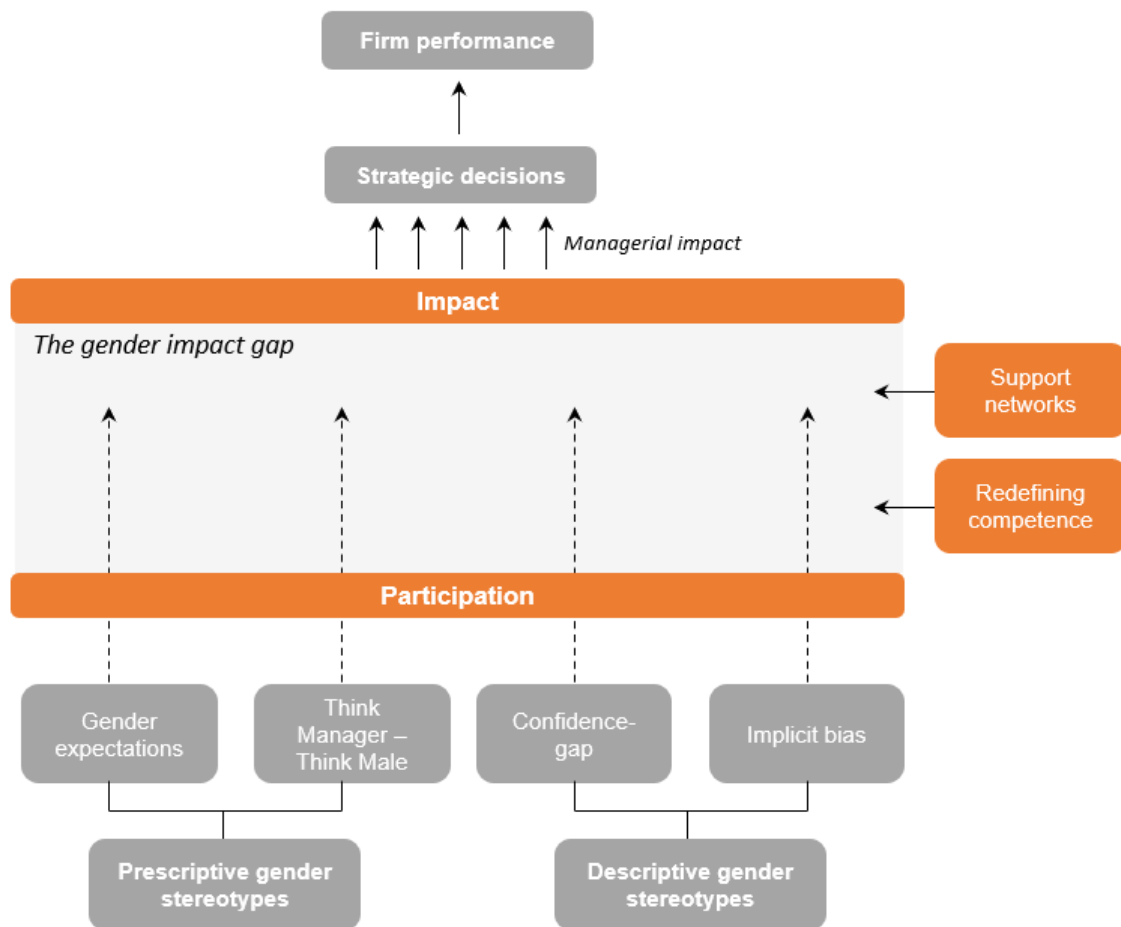
- We hypothesise that the percentage of women in impactful positions is lower than the percentage of women in group executive teams.
 - $IPI = 14\% < 40/60\text{-rule} = 27\%$

5.1 The Gender Impact Gap Framework

The discrepancy between female impact and female participation constitutes a female impact gap. In this study, this gap is explained with an introduced Gender Impact Gap Framework. This framework aims to illustrate a model to assess reasons for, implications, and solutions to this gap. The framework combines the study findings with previous research and contributes to a more comprehensive understanding of existing dynamics within Swedish business.

In Figure 9, the light grey area illustrates the female impact gap. The area is framed by participation at the bottom and impact at the top. Below the participation bar, the reasons for barriers to participation are stated, in accordance with the literature. The dashed arrows illustrate how these reasons are also present as barriers to impact, as stated by the qualitative results. On the right side of the figure, the proposed interventions to bridge the gap are stated. Above the impact bar, the possible effect of exerting impact is illustrated, in accordance with both literature and the conducted pre-study. Each part of the framework is discussed in more detail below.

Figure 9. The Gender Impact Gap Framework



5.1.1 Implications

The results of the thesis imply that there does not exist a 1:1 relationship between participation and impact. This implication is applicable for both genders. However, the relationship between participation and impact is suggested to be different for women respective to men. This is inferred by the quantitative results that show that the percentage of women in impactful positions is lower than the percentage of women in group executive teams. Conversely, the percentage of men in impactful positions is higher than the percentage of men in group executive teams. Thus, while an increase in male participation likely leads to a greater increase in male impact, an increase in female participation may not equally lead to an increase in female impact.

The quantified female impact gap, with the percentage of women in impactful positions at 14% (Figure 3) and the percentage of women in group executive teams at 27% (Figure 1), is as shown statistically supported (Table 6). This suggests that the discussed relationship between impact and participation is structurally present in Swedish business. This proposedly implies that the

factor ‘gender’ affects an individual’s access to impactful positions and thus to managerial impact. This finding contributes to the literature on access to managerial impact by adding the factor ‘gender’ to Finkelstein's factor ‘power’ (1992). In addition, it contributes to research that relates female participation to firm performance through proposing the factor ‘impact’ as a potential explanatory variable to this relationship. In line with the two-step model of managerial impact presented in Helfat & Martin (2015), an executive without access to impact will not be able to shape strategic decision-making and, in turn, impact firm performance. Thus, the relationship between female participation and firm performance is likely dependent on women’s access to managerial impact and, in turn, on women’s presence in impactful positions. Further, this reasoning agrees with studies on heterogeneity in group executive teams that states that the relationship between heterogeneity and managerial impact is dependent on the power distribution of the team (Smith et al., 2005). Consequently, research together with the study results suggests that a more gender-equal distribution in impactful positions could enhance the positive effects of heterogeneity on strategic decision-making and, in turn, on a firm’s performance and its competitive position.

As the quantitative sample represents large Swedish firms that together cover 16 separate sectors, the male dominance of managerial impact likely has significant implications on Swedish society. The represented sectors contribute to many societal functions, including socially essential and discretionary spending goods and services. Consequently, with 44% of the firms in the sample having zero women in impactful positions (Table 7), these societal functions are likely formed primarily by men. This supports the qualitative data, which proposes that Swedish business is built on male structures. In turn, this implies an overrepresentation of men in decision-making processes that contribute to the forming of both the current and future society.

5.1.2 Reasons

Previous research provides several reasons for why men and women might have different access to participation in business. The literature focuses on factors that can be explained by prescriptive and descriptive gender stereotypes, including gender expectations, the ‘Think manager – Think male’ phenomenon, the confidence gap and implicit bias (Schein, 1973; Greenwald & Banaji, 1995; Harris, 2011; Heilman, 2012).

The qualitative data provide corresponding explanations for why women and men might have different access to impact. For example, participants stated that they have experienced men

being more confident than women in interview contexts and that male candidates are often perceived as safer choices than female candidates in recruiting and promotion processes. They also stated that they believe that such unequal evaluations of men and women result from unconscious judgments relating to the theoretical concept of implicit bias. Consequently, the qualitative data suggestively confirms that existing literature is applicable for explaining the female impact gap in Swedish business. This further implies that women's barriers in accessing participation also permeate the impactful career path (Figure 8).

As the same structural barriers seem to be present for women when accessing both participation and impact, it is interesting to examine why there exists an impact gap. The progress of female participation in group executive teams indicates that firms are incentivised to include women. Potential drivers of such incentives could be pressures from both society and stakeholders to perform on participation metrics and comply with gender equality goals and commitments. Given that the quantitative research sample consists of listed Large Cap companies, such pressures are enhanced by scrutiny from stakeholders and higher ESG disclosure requirements (Table 1; Tamimi & Sebastianelli, 2017; Nasdaq, 2019). As gender equality is primarily measured through the 40/60-rule, an increase in the participation of women in group executive teams could be sufficient to maintain a good relationship and reputation with stakeholders. However, this does not necessarily entail that female access to impact has increased according to gender equality goals. This can be exemplified with the quantitative results where 21% of the firms have one woman in their group executive teams, wherein 35% of these companies (7 companies), the woman holds an impactful position, and in the remaining 65% (13 companies), the woman holds another position (Table 5). This illustrates that the participation of the sole woman in 65% of the companies might not imply increased female access to impact, suggesting that the structural barriers inhibiting female participation remain as barriers to female impact after participation has been achieved.

5.1.3 Solutions

The qualitative data highlights several possible actions for women to mitigate the barriers that permeate the Gender Impact Gap Framework. Actions include following the impactful career path through seeking out positions in operational functions and attempting to receive P&L accountability early in the career to establish a track record. In addition, it is encouraged to voice goals and ambitions and be more confident in professional contexts. However, to close the impact gap, efforts need to be implemented on a societal level. Currently, said individual efforts could be necessary for women to reach impactful positions, implying that women to

some extents are responsible for surpassing the gap. However, equal access to impact is difficult to achieve if women are obliged to fit into a system that men have primarily built. Thus, a long-term solution must include the removal of structural barriers on a societal level. As shown in the Gender Impact Gap Framework, such interventions should include support networks and a renewed focus on competence, as per the qualitative findings. These actions are supported in literature where lack of support is stated as a potential glass ceiling for women in business (Ng & Sears, 2017).

The proposed initiatives have further proven effective in the Real Estate sector, as explained in the case study in the qualitative results. The success of these initiatives is further proven in the quantitative results, where the Real Estate sector is the best performing sector in both the IPI and the 40/60-rule. In addition, 40% of the female CEOs and 50% of the female CFOs in the sample belong to the Real Estate sector. However, despite performing best on the presented metrics, the sector has one of the most significant discrepancy values between the IPI and the 40/60-rule. The discrepancy is in line with values for the sectors Health Care and TMT, which are amongst the worst-performing sectors on the IPI. Thus, the impact aspect of the IPI largely affects the gender equality results in the Real Estate sector, arguably providing a more accurate measure of the genders' access to power and influence. In addition, the IPI highlights that the perception of Real Estate being the best performer in gender equality in Swedish Large Cap might not be entirely accurate. By using the IPI and highlighting this, more targeted initiatives can be implemented to address the differences in access to impact between the genders and thereby further improve gender equality in Swedish business.

5.2 Managerial Implications

The IPI can be used as a complement to the 40/60-rule to quantify eventual female impact gaps in Swedish business at large, in individual sectors or individual companies. The two indicators can be used together with the Gender Impact Gap Framework to guide the development of strategies to close such gaps. The framework provides guidance by highlighting common inhibiting structures that entities should look for in their organisation and suggested interventions to neutralise these barriers. Further, the user can adjust the framework to suit the specific needs of the relevant entity through inserting identified barriers and desirable interventions of the specific organisation in the boxes of the framework. As such, the framework is dynamic and can be updated along with progress and new prerequisites. When conducting a gap analysis, entities can also identify the impactful career paths (Figure 8) of the

own organisation. By identifying feeder roles to impactful positions, an organisation can measure the gender distribution in these positions and consequently estimate the future recruitment base for impactful positions. In line with the gender equality goals and commitments of Sweden, the EU, and the UN (Table 1), the purpose of using the framework is to reach a state where impact equals participation. When this is achieved, the female impact gap is closed.

6 Conclusion

In conclusion, the thesis shows that female impact on Swedish business does not correspond to female participation in Swedish business. The research question was answered by comparing the value of the introduced Impactful Position Indicator with the value of the 40/60-rule for the quantitative research sample consisting of the Swedish Large Cap firms. It was shown that the percentage of women in impactful positions is lower than the percentage of women in group executive teams, confirming the hypothesis and negating the research question. The discrepancy between female participation and female impact is illustrated in the Gender Impact Gap Framework, which combines the quantitative results with qualitative findings and previous research.

The findings contribute to previous research by suggesting that the factor ‘gender’ affects an executive’s access to managerial impact. By proposing that male access to impact is greater than female access to impact, the thesis highlights that women are not sufficiently involved in critical decision-making processes that contribute to societal functions. Consequently, it is desirable to bridge the female impact gap to comply with Swedish, European and international gender equality goals and commitments. Moreover, the thesis suggests that the factor ‘impact’ can affect the studied relationship between female participation and firm performance. Thus, increasing the percentage of women in impactful positions can enhance the positive effects of heterogeneity on firm performance.

Finally, the thesis advises that the Impactful Position Indicator should be used as a complement to the 40/60-rule to help identify potential gender impact gaps and to produce a more comprehensive understanding of the state of gender equality in business. It is further proposed that the indicators should be used in combination with the Gender Impact Gap Framework to guide the development of targeted approaches to close the identified impact gap. Through a gap analysis, firms can identify the barriers impeding women from accessing the necessary

positions to pursue an impactful career path and thus ensure equal distribution of impact between genders in the future.

6.1 Limitations & Future Research

One of the main limitations of the study regards the classification of impactful positions. Despite survey respondents being independent of the firms in the sample and highly knowledgeable about the characteristics of group executive positions, their classification of impactful positions is based on current perceptions. This potential weakness was identified and tackled in the study by cross-checking the identified positions with Equity Research Analysts from Nordic Banks. However, to provide an entirely objective classification, it is desirable to base the classification on additional sources. As group executive positions differ between individual firms and sectors, there is a risk that the firm-specific titles are not accurately matched to the most recurring standard titles in Swedish business. In future replications of the study, internal company data such as P&L responsibility of each position could be used to measure the degree of impact in each position. This would ensure objectivity and accurate classifications of impact for the positions within each firm. Moreover, as the qualitative data stated that the CFO position has developed into an increasingly operational position with more impact on strategic decisions, it would be interesting to study the eventual changes in the impact of individual group executive positions.

Further, the study draws conclusions for Swedish business at large, based on a limited quantitative and qualitative sample. A suggestion for future research would be to apply IPI on other samples, including other groups of firms in Swedish business such as other listed firms and private entities. These studies, in combination, would provide a more accurate picture of the state of gender equality in Swedish business. In addition, as the IPI measures female access to impact at one point in time, the study should be continuously replicated to see the progress of gender equality in business.

Finally, the indicator could be broadened to include informal sources of impact, and it could also be applied to other diversity grounds, measuring the access of different groups to impact in business. The interlinkages between studies on managerial impact and studies on the effect of varying capabilities and gender on firms' performance shown in this study could be explored in terms of gender and other diversity variables. In addition, the indicator can be used together with financial performance metrics to examine whether there is a relationship between the value

of the IPI and firm performance. This could be compared to studies on the relationship between female participation and firm performance.

References

- Adams, R. B., Almeida, H., & Ferreira, D. (2005). Powerful CEOs and Their Impact on Corporate Performance. *The Review of Financial Studies*, 18(4), 1403-1432. <https://www.jstor.org/stable/3598025>
- Adner, R., & Helfat, C. E. (2003). Corporate Effects and Dynamic Managerial Capabilities. *Strategic Management Journal*, 24(10), 1011-1025. <https://www.jstor.org/stable/20060595>
- Allbright. (2020). *The Allbright Report 2020*. Allbright. <https://www.allbright.se/allbrightrapporten-2020>
- AP2. (2020). *Female Representation Index 2020*. AP2. <https://ap2.se/app/uploads/2021/03/kvinnoindex-2020.pdf>
- Baumgartner, M. S., & Schneider, D. E. (2010). Perceptions of Women in Management: A Thematic Analysis of Razing the Glass Ceiling. *Journal of Career Development*, 37(2), 559-576. 10.1177/0894845309352242
- Bihagen, E., & Ohls, M. (2006). The Glass Ceiling – Where is it? Women's and Men's Career Prospects in the Private vs. the Public Sector in Sweden 1979–2000. *The Sociological Review*, 54(1), 20-47. 10.1111/j.1467-954X.2006.00600.x
- Bridge Development-Gender. (2007). *Gender Indicators: What, Why and How?* Institute of Development Studies. <https://www.oecd.org/dac/gender-development/43041409.pdf>
- Carpenter, M. A., Geletkanycz, M. A., & Sanders, W. G. (2004). Upper Echelons Research Revisited: Antecedents, Elements, and Consequences of Top Management Team Composition. *Journal of Management*, 30(6), 749-778. 10.1016/j.jm.2004.06.001
- De Beauvoir, S. (2010). *The Second Sex*. (C. Borde & S. Malovany-Chevallier. Trans.). Vintage Books. (Original work published 1949)
- Deszö, C. L., & Ross, D. G. (2012). Does Female Representation In Top Management Improve Firm Performance? A Panel Data Investigation. *Strategic Management Journal*, 33(9), 1072-1089. <https://www.jstor.org/stable/23261318>
- Donald C. Hambrick, Theresa Seung Cho, & Ming-Jer Chen. (1996). The Influence of Top Management Team Heterogeneity on Firms' Competitive Moves. *Administrative Science Quarterly*, 41(4), 659-684. 10.2307/2393871
- EIGE. (2011). *Gender statistics and indicators*. European Institute for Gender Equality. <https://eige.europa.eu/sites/default/files/indicators.pdf>
- European Union. (2012). Charter of fundamental rights of the European Union . *International Journal of Public Law and Policy*, 2(4), 357-396. 10.1504/IJPLAP.2012.049333
- European Union: A Union of Equality: Gender Equality Strategy 2020-2025, (2020). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0152>
- Finkelstein, S. (1992). Power in Top Management Teams: Dimensions, Measurement, and Validation. *Academy of Management Journal*, 35(3), 505-538. 10.5465/256485
- Fletcher, C. (1999). The implication of research on gender differences in self-assessment and 360 degree appraisal. *Human Resource Management Journal*, 9(1), 39-46. 199447940

- Foschi, M., & Valenzuela, J. (2012). Who is the better applicant? Effects from gender, academic record, and type of decision. *Social Science Research*, 41(4), 949-964. 10.1016/j.ssresearch.2012.02.001
- Francoeur, C., Labelle, R., & Sinclair-Desgagné, B. (2008). Gender Diversity in Corporate Governance and Top Management. *Journal of Business Ethics*, 81(1), 83-95. <https://www.jstor.org/stable/25482199>
- FTSE Russell. (2018). *Industry Classification Benchmark (ICB)*. FTSE Russell. <https://www.ftserussell.com/data/industry-classification-benchmark-icb>
- Gentile, B., Grabe, S., Dolan-Pascoe, B., Twenge, J. M., Wells, B. E., & Maitino, A. (2009). Gender Differences in Domain-Specific Self-Esteem. *Review of General Psychology*, 13(1), 34-45. 10.1037/a0013689
- Greenwald, A. G. & Banaji, M. R. (1995). *Implicit Social Cognition: Attitudes, Self-Esteem, and Stereotypes* *Implicit Social Cognition: Introduction and Overview*, 102(1), 4-27 10.1037/0033-295x.102.1.4
- Haig, D. (2004). The Inexorable Rise of Gender and the Decline of Sex: Social Change in Academic Titles, 1945–2001. *Archives of Sexual Behavior*, 33(2), 87-96. 10.1023/B:ASEB.0000014323.56281.0d
- Hambrick, D. C., & Mason, P. A. (1984). Upper Echelons: The Organization as a Reflection of Its Top Managers. *Academy of Management Review*, 9(2), 193-206. 10.5465/AMR.1984.4277628
- Heilman, M. E. (2012). Gender stereotypes and workplace bias. *Research in Organizational Behavior*, 32, 113-135. 10.1016/j.riob.2012.11.003
- Helfat, C. E., & Martin, J. A. (2015). Dynamic Managerial Capabilities: Review and Assessment of Managerial Impact on Strategic Change. *Journal of Management*, 41(5), 1281-1312. 10.1177/0149206314561301
- Human Development Report Office. (2020). *Human Development Report 2020*. (). <http://hdr.undp.org/en/2020-report>
- ILO. (2019). *The business case for change*. International Labour Organization. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_700953.pdf
- Include Gender. (2014). *Gender Equality | Include Gender*. Include Gender (The Swedish Gender Equality Agency). <https://www.includegender.org/facts/gender-equality/>
- Kay, K., & Shipman, C. (2014). The Confidence Gap. *The Atlantic Monthly*, 313(4), 56-62,64-66. 1521710990
- Kling, K. C., Hyde, J. S., Showers, C. J., & Buswell, B. N. (1999). Gender differences in self-esteem: A meta-analysis. *Psychological Bulletin*, 125(4), 470-500. <https://content.apa.org/record/1999-05876-006>
- Lindhagen, Å, & Linde, A. (2019). *Gender equality policy in Sweden*. Government Offices of Sweden. <https://www.government.se/4a7738/contentassets/efcc5a15ef154522a872d8e46ad69148/gender-equality-policy-in-sweden#:~:text=The%20goal%20for%20Swedish%20gender,society%20and%20their%20own%20lives.&text=Men%20and%20boys%20must%20be,decision%2Dmaking%20and%20resource%20allocation.>
- Money, J., & Tucker, P. (1975). *Sexual signatures: On being a man or a woman*. Little, Brown & Co. https://www.jstor.org/stable/3173155?seq=1#metadata_info_tab_contents
- Mooney Marini, M. (1990). Sex and Gender: What Do We Know? *Sociological Forum (Randolph, N.J.)*, 5(1), 95-120. 10.1007/BF01115139

- Nasdaq. (2019). *ESG Reporting Guide 2.0 A Support Resource for Companies*. <https://www.nasdaq.com/docs/2019/11/26/2019-ESG-Reporting-Guide.pdf>
- Nasdaq. (2021). Nordic Large Cap. <http://www.nasdaqomxnordic.com/shares/listed-companies/nordic-large-cap> (Retrieved 11-02-2021)
- Ng, E. S., & Sears, G. J. (2017). The glass ceiling in context: the influence of CEO gender, recruitment practices and firm internationalisation on the representation of women in management. *Human Resource Management Journal*, 27(1), 133-151. 10.1111/1748-8583.12135
- Oakley, J. G. (2000). Gender-based Barriers to Senior Management Positions: Understanding the Scarcity of Female CEOs. *Journal of Business Ethics*, 27(4), 321-334. https://www.jstor.org/stable/25074386?seq=1#metadata_info_tab_contents
- Oxford Dictionary (2021). Impact. <https://www.oed.com/start;jsessionid=D2666450B6F3162EA08567D6CB4A7FF5?showLogin=false>
- Pallier, G. (2003). Gender Differences in the Self-Assessment of Accuracy on Cognitive Tasks. *Sex Roles*, 48(5), 265-276. 10.1023/A:1022877405718
- Rice, L. & Barth, J., (2016). Hiring Decisions: The Effect of Evaluator Gender and Gender Stereotype Characteristics on the Evaluation of Job Applicants. *Gender Issues*, 33(1), 1-21. 10.1007/s12147-015-9143-4
- Schein, V. E. (1973). The relationship between sex role stereotypes and requisite management characteristics. *Journal of Applied Psychology*, 57(2), 95-100. 10.1037/h0037128
- Schein, V. E. (1978). Sex Role Stereotyping, Ability and Performance: Prior Research and New Directions. *Personnel Psychology*, 31(2), 259-268. 10.1111/j.1744-6570.1978.tb00445.x
- Schein, V. E. (2001). A Global Look at Psychological Barriers to Women's Progress in Management. *Journal of Social Issues*, 57(4), 675-688. 10.1111/0022-4537.00235
- Schein, V. E., & Mueller, R. (1992). Sex Role Stereotyping and Requisite Management Characteristics: A Cross Cultural Look. *Journal of Organizational Behavior*, 13(5), 439-447. 228800533
- Shrader, C. B., Blackburn, V. B., & Iles, P. (1997). Women In Management And Firm Financial Performance: An Exploratory Study. *Journal of Managerial Issues*, 9(3), 355-372. 194164480
- Smith, A., Houghton, S. M., Hood, J. N., & Ryman, J. A. (2006). Power relationships among top managers: Does top management team power distribution matter for organizational performance? *Journal of Business Research*, 59(5), 622-629. 10.1016/j.jbusres.2005.10.012
- Smith, N., Smith, V., & Verner, M. (2006). Do women in top management affect firm performance? *International Journal of Productivity and Performance Management*, 55(7), 569-593. 10.1108/17410400610702160
- Swedish National Mediation Office. (2020). *Annual Report*. (2020). Swedish National Mediation Office. <https://www.mi.se/alla-vara-arsrapporter/>
- Tamimi, N., & Sebastianelli, R. (2017). Transparency among S&P 500 companies: an analysis of ESG disclosure scores. *Management Decision*, 55(8), 1660-1680. 10.1108/MD-01-2017-0018
- The Government of Sweden. (2018). *Sub-target 1: Equal division of power and influence*. government.se. <https://www.government.se/articles/2018/01/sub-target-1-equal-division-of-power-and-influence/>

- Todd D. Jick. (1979). Mixing Qualitative and Quantitative Methods: Triangulation in Action. *Administrative Science Quarterly*, 24(4), 602-611. 10.2307/2392366
- Turban, S., Wu, D., & Zhang, L. (. (2019, -02-11T14:00:59Z). Research: When Gender Diversity Makes Firms More Productive. *Harvard Business Review*, <https://hbr.org/2019/02/research-when-gender-diversity-makes-firms-more-productive>
- UNECE. (2016). *Using Gender Statistics A toolkit for training data users Prepared for UNECE by Jessica Gardner* https://unece.org/fileadmin/DAM/stats/gender/toolkit/Toolkit_V1.6.pdf
- United Nations. (1948). *Universal Declaration of Human Rights*. <https://www.un.org/en/about-us/universal-declaration-of-human-rights>
- Convention on the Elimination of All Forms of Discrimination against Women, (1979). http://bvbr.bib-bvb.de:8991/F?func=service&doc_library=BVB01&local_base=BVB01&doc_number=005407036&sequence=000001&line_number=0001&func_code=DB_RECORDS&service_type=MEDIA
- Transforming our world: the 2030 Agenda for Sustainable Development, Seventieth session Agenda items 15 and 116Cong. (2015). <https://sdgs.un.org/2030agenda>
- Wang, G., Holmes, R. M., Oh, I., & Zhu, W. (2016). Do CEOs Matter to Firm Strategic Actions and Firm Performance? A Meta-Analytic Investigation Based on Upper Echelons Theory. *Personnel Psychology*, 69(4), 775-862. 10.1111/peps.12140

Appendix

Appendix 1. Company List

Company	Ticker	Sector	40/60	IPI
AAK AB (publ)	AAK	Food, Beverage and Tobacco	9%	0%
Addtech AB	ADDT	Industrial Goods and Services	14%	14%
AFRY	AF	Construction and Materials	40%	14%
Alfa Laval AB	ALFA	Industrial Goods and Services	33%	14%
Arion bank	ARION SDB	Banks	38%	40%
Arjo AB (publ)	ARJO	Health Care	50%	25%
ASSA ABLOY AB	ASSA	Construction and Materials	9%	0%
Atlas Copco AB	ATCO	Industrial Goods and Services	33%	0%
Atrium Ljungberg AB	ATRLJ	Real Estate	50%	40%
Autoliv Aktiebolag	ALIV SDB	Automobiles and Parts	8%	17%
Avanza Bank Holding AB	AZA	Banks	44%	50%
Axfood AB	AXFO	Personal Care, Drug and Grocery Stores	50%	33%
Beijer Ref AB (publ)	BEIJ	Industrial Goods and Services	17%	20%
Betsson AB	BETS	Travel and Leisure	33%	0%
BHG Group AB	BHG	Retail	0%	0%
BillerudKorsnäs AB	BILL	Basic Resources	22%	33%
Boliden AB	BOL	Basic Resources	20%	0%
Bravida Holding AB	BRAV	Construction and Materials	8%	11%
Bure Equity AB	BURE	Financial Services	0%	0%
Castellum Aktiebolag	CAST	Real Estate	50%	33%
Catena AB	CATE	Real Estate	33%	50%
Dometic Holding AB	DOM	Consumer Products and Services	40%	20%
Electrolux AB	ELUX	Consumer Products and Services	20%	33%
Electrolux Professional AB	EPRO	Industrial Goods and Services	10%	0%
Elektro AB (publ)	EKTA	Health Care	13%	8%
Epiroc AB	EPI A	Industrial Goods and Services	9%	14%

Company	Ticker	Sector	40/60	IPI
Kinnevik AB	KINV	Financial Services	40%	40%
Klövern AB	KLOV	Real Estate	60%	0%
Kungsleden Aktiebolag	KLED	Real Estate	0%	40%
Latour, Investmentaktiebolaget Latour	LATO	Financial Services	25%	0%
Lifco AB (publ)	LIFCO	Industrial Goods and Services	11%	25%
Loomis AB	LOOMIS	Industrial Goods and Services	0%	0%
Lundbergsföretagen, L E	LUND	Real Estate	14%	0%
Lundin Energy AB	LUNE	Energy	14%	0%
Medicover AB	MCOV	Health Care	14%	0%
Millicom International Cellular S.A.	TIGO SDB	Telecommunications	33%	0%
Mycronic AB (publ)	MYCR	Technology	55%	17%
NCC Aktiebolag	NCC	Construction and Materials	0%	43%
NIBE Industrier AB	NIBE	Construction and Materials	25%	0%
Nobia AB	NOBI	Consumer Products and Services	0%	0%
Nolato Aktiebolag	NOLA	Industrial Goods and Services	45%	0%
Nordic Entertainment Group Sweden AB	NENT	Telecommunications	30%	20%
Nordnet AB (publ)	SAVE	Financial Services	75%	33%
Nyfosa AB	NYF	Real Estate	30%	67%
Pandox Aktiebolag	PNDX	Real Estate	25%	25%
Peab AB	PEAB	Construction and Materials	38%	17%
Platzer Fastigheter Holding AB (publ)	PLAZ	Real Estate	14%	0%
Ratos AB	RATO	Financial Services	30%	0%
Resurs Holding AB (publ)	RESURS	Financial Services	31%	17%
SAAB Aktiebolag	SAAB	Industrial Goods and Services	18%	22%
Sagax AB	SAGA	Real Estate	38%	0%
Samhällsbyggnadsbolaget i Norden AB	SBB	Real Estate	33%	20%

EQT AB	EQT	Financial Services	14%	0%
Ericsson, Telefonaktiebolaget L M Ericsson	ERIC	Telecommunications	20%	9%
Essity Aktiebolag (publ)	ESSITY	Personal Care, Drug and Grocery Stores	25%	17%
Evolution Gaming Group AB (publ)	EVO	Travel and Leisure	25%	25%
Fabege AB	FABG	Real Estate	56%	40%
Fast Partner AB	FPAR	Real Estate	20%	14%
Fastighets AB Balder	BALD	Real Estate	33%	0%
Getinge AB	GETI	Health Care	30%	0%
H & M Hennes & Mauritz AB	HM	Retail	36%	40%
Handelsbanken, Svenska Handelsbanken AB	SHB	Banks	20%	25%
Hexagon AB	HEXA	Technology	15%	0%
HEXPOL AB	HPOL	Basic Resources	0%	0%
Holmen Aktiebolag	HOLM	Basic Resources	17%	0%
Hufvudstaden AB	HUFV	Real Estate	25%	17%
Husqvarna Aktiebolag	HUSQ	Consumer Products and Services	25%	20%
ICA Gruppen Aktiebolag	ICA	Personal Care, Drug and Grocery Stores	42%	29%
Industrivärden AB	INDT	Financial Services	40%	33%
Indutrade Aktiebolag	INDU	Industrial Goods and Services	20%	0%
Intrum AB	INTRUM	Financial Services	27%	14%
Investor AB	INVE	Financial Services	60%	33%
JM AB	JM	Real Estate	30%	14%
Kindred Group plc	KIND SDB	Travel and Leisure	20%	0%

Sandvik AB	SAND	Industrial Goods and Services	23%	17%
SCA, Svenska Cellulosa AB	SCA	Basic Resources	33%	14%
SEB, Skandinaviska Enskilda Banken AB	SEB	Banks	20%	0%
SECTRA Aktiebolag	SECT	Health Care	14%	17%
Securitas AB	SECU	Industrial Goods and Services	18%	0%
Sinch AB (publ)	SINCH	Technology	33%	0%
Skanska AB	SKA	Construction and Materials	20%	0%
SKF AB	SKF	Basic Resources	27%	0%
SSAB AB	SSAB	Basic Resources	43%	0%
SWECO AB (publ)	SWEC	Construction and Materials	36%	30%
Swedbank AB	SWED	Banks	13%	14%
Swedish Match AB	SWMA	Food, Beverage and Tobacco	18%	0%
Swedish Orphan Biovitrum AB (publ)	SOBI	Health Care	25%	0%
Tele2 AB	TEL2	Telecommunications	31%	0%
Telia Company AB	TELIA	Telecommunications	14%	25%
Thule Group AB	THULE	Consumer Products and Services	14%	0%
Trelleborg Aktiebolag	TREL	Industrial Goods and Services	0%	0%
Veoneer AB	VNE SDB	Automobiles and Parts	25%	0%
Vitrolife AB	VITR	Health Care	27%	20%
Volvo AB	VOLV	Industrial Goods and Services	50%	0%
Wallenstam AB	WALL	Real Estate	57%	50%
Wihlborgs Fastigheter AB	WIHL	Real Estate	40%	40%

Appendix 2. CEO Interview Questions

Ethical Aspects and GDPR:

1. Your participation in this study is completely voluntary.
2. As a participant, you can at any time decide to end the interview, without giving any reason for why you have decided to do so. The answers you have provided until that point will then not be included in the study, if otherwise is not explicitly stated and consented to.
3. Your participation and your answers are completely anonymous.
4. Despite your anonymity, we might want to use quotes from this interview. Do you consent to us doing this?
5. Do you consent to us recording the interview for the sole purpose of being able to transcribe it? The recording will be erased once the transcription is complete.
6. We have prior to this conversation sent you a consent form. Have you received it and signed it? If not, please do so as quickly as possible.

Interview Questions:

- What type of positions have you held prior to becoming a CEO? Please specify if these positions were at your current employer, at a competitor, or at a company in a different sector.
- From what positions are new CEOs most often recruited according to your experiences?
- What factors do you consider have been the most decisive for you to reach a CEO position?
- Have you held, or do you currently hold a board position? (Excluding the firm of which you are the CEO of)
 - If yes: Do you feel that that position has opened further career opportunities for you?
 - If no: Do you believe that you have the same opportunity as a man to enter such a position?
 - Do you believe that you are qualified for such a position?
- Our quantitative study shows that females are disproportionately underrepresented in operational and ‘impactful’ positions within group executive teams, for example CEO, CFO, Business Unit Presidents and Commercial Officers.
 - What do you believe are the main reasons for this?
 - Do you consider this gender distribution problematic?
 - What do you believe are the most important measures to be taken to increase the number of women in these types of positions?
- Our quantitative study shows that females are overrepresented in the support function HR.
 - What do you believe are the main reasons for this?
 - Do you consider this gender distribution problematic?

- A ‘glass ceiling’ can be defined as: “*an artificial barrier that prevents qualified individuals from advancing upward in their organization into high-ranking positions.*” Do you experience, or have you experienced, any such glass ceilings for women during your career?
 - If yes: In what stages of the career have you experienced such ‘glass ceilings’?
 - If no:
 - Do you consider men and women to be equally treated across all stages of the career ladder?
 - Do you consider men and women to have equal opportunities across all stages of the career ladder?
- Has the sector in which your company operates within taken any sector-wide actions to improve gender equality in group executive teams?
- If you would give one advice to young women who are about to enter their careers, what would that be?

Appendix 3. Real Estate Professional Interview Questions

Ethical Aspects and GDPR:

1. Your participation in this study is completely voluntary.
2. As a participant, you can at any time decide to end the interview, without giving any reason for why you have decided to do so. The answers you have provided until that point will then not be included in the study, if otherwise is not explicitly stated and consented to.
3. Your participation and your answers are completely anonymous.
4. Despite your anonymity, we might want to use quotes from this interview. Do you consent to us doing this?
5. Do you consent to us recording the interview for the sole purpose of being able to transcribe it? The recording will be erased once the transcription is complete.
6. We have prior to this conversation sent you a consent form. Have you received it and signed it? If not, please do so as quickly as possible.

Interview Questions:

- Based on our quantitative data, Real Estate is the best performing sector overall. What do you think are the main factors for this?
- What concrete initiatives has the Real Estate sector implemented to achieve the status quo?
- Why have these initiatives been successful?
- Can similar initiatives be implemented to other sectors?

Appendix 4. Survey

Thank you for helping us with our Bachelor Thesis through answering this survey!

The aim of the survey is to identify the most impactful positions in group executive teams in Large Cap firms in Swedish business. Your answer is anonymised and we will not collect any personal information. All responses will be deleted at the time of publication of the thesis.

Best,
Klara Svensson, Natalia Hultner
Stockholm School of Economics

Page break

If you have taken part of the information provided on the previous page and wish to take part in this survey, please continue. Otherwise, please close this page.

Page break

Please enter the name of the firm you represent:

For the next question, please refer to the following definition of 'Impact':

The possibility to influence business strategy and profit & loss.

Please choose what you consider to be the 3-5 MOST impactful positions within group executive teams in Large Cap:

Items	Impactful Positions
Chief Communications Officer / Chief Marketing Officer	
Chief Executive Officer	
Chief Commercial Officer	
Head of Investor Relations	
Chief Legal Officer / General Counsel	
Head of Sustainability / Head of Corporate Governance	
Chief Strategy Officer	

Chief Operations Officer

Head of R&D / Head of
Innovation

Head of Supply Chain /
Head of Logistics / Head
of Purchasing

Chief Human Resources
Officer

Business Unit President

Chief Technology Officer /
Chief Information Officer /
Chief Digital Officer

Chief Product Officer

Chief Financial Officer

Please write any comments you might have regarding the identification of impactful positions within group executive teams in Large Cap firms:

What was this survey about?

- ☐ Retail stores
- ☐ Value investing
- ☐ Impactful positions

Thank you for taking part in our survey!

Your answer is anonymised and will be deleted at the time of publication of the thesis.