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GENDER-QUOTA IN THE BOARDROOMS: A GLOBAL PERSPECTIVE

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ABSTRACT

The representation of women at the top levels in business have been very low worldwide. Women constitute almost 50 percent of the world's population but still represents only 15 percent in the boardrooms at the global level. Deloitte's Global Center for Corporate Governance report (2017) found that 15 percent of all board seats globally are taken up by women, representing only a modest improvement over the 12 percent reported in 2015. In Spite of a good number of women entering the workforce, there are very few women who reach the top positions in organisations. This trend proves that growing workforce participation of women has shown an unacceptably slow improvement when it comes to women participation in the decision making. This trend thus, have generated a debate around the world regarding gender-quota. The modern state has adopted gender-quota to improve the gender imbalance in the organisations. This paper will discuss the facts and figure around women in the boardrooms around the globe and discuss the debate around gender-quota to improve the situation.

Keywords: Gender-quota, women in the boardrooms, diversity at workplace, gender-quota debate

Introduction

As Donna A. James, one of the very successful women executive and board directors, says that "There is a wonderful African proverb, if you want to go fast go alone, if you want to go far, go together. In business, as in life, it's important where we stand, and standing for diversity is not only the right thing to do, but also the smart thing to do." Diversity is a business peremptory and creating a diverse and an inclusive culture is fundamental to the long term success of any organisation. It is imperative to include different perspectives, diverse experience, right mix of skills and working style in corporate boardrooms where strategic decisions are made and governance applied. Gender representation on a company board generally refers to proportion of men and women occupying the board positions. A need to form a board chair which is truly aware and conscious about the governance processes and the board dynamics is of utmost importance. There may be a different set of patterns in decision making process. Men might have

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a tendency to process things in one way and likewise women might possess a different proclivity to carry out the proceedings.

Women in the boardrooms around the globe: Facts and Figures

The following data has been taken from the Deloitte's Global Center for Corporate Governance survey 2016 in order to understand the data around boardroom worldwide. It has used database for nearly 7,000 companies in 44 countries—more than 72,000 directorships. It has observed that women hold only 15 percent of all board seats globally in 2017 making slight improvement over the 12 percent in 2015.

- Abbreviations used for the tables: -
- Boards seats held by women- B_{sw}
- Boards chairs that are women- B
- Women on boards- N_w
- Stretch factor- S
- Women on boards with female CEO- W_{fc}
- Women on boards with male CEO- W_{mc}
- Women on boards with female chair- W_{fch}
- Women on boards with male chair- W_{mch}
- Quota status- Q
- Companies analysed- C_n
- CEO that are women- W_c

In the above table (-) represent that the data is not available.

<u>NORTH AMERICA</u>

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
Canada	17.7	5.0	434	1.29	No*	320	2.7
The United States of America	14.2	3.7	2784	1.34	No	2726	4.6

Source: Deloitte's Global Center for Corporate Governance, 2017

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The data has been analysed by continent wise in order to understand the diversity in the boardroom in different continents and the improvements in the last few years. It will also briefly discuss about the interesting facts and figure from different countries under the continents. The first continent which has been discussed here is North America. The countries that have been analysed under North America are Canada and the United States of America. The following data shows that there Canada has mere 17.7 percent women in the boardrooms whereas the United States has just 14.4 percent. The number of women chairs are even worse with 5 percent in Canada and 3.7 in the USA. There is no gender quota in Canada and the United States of America. The Ontario government in Canada however, has set a target of 40 percent for female appointments to every provincial board and agency by 2019. On The other hand, different State governments have passed nonbinding measures in recent times in the USA to increase the number of women in the boardrooms as well as in the executive positions. Several organisations such as 30% Club, Catalyst, The Alliance for Board Diversity and the The Defiant Girl are also working in the area of diversity in the boardrooms in the USA.

LATIN AND SOUTH AMERICA

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
Argentina	-	-	-	-	No[1]	-	-
Brazil	7.7	1.5	53	1.08	No[2]	64	0
Chile	6.5	0	13	1.08	No	22	-
Colombia	14.4	-	10	1.2	Yes[3]	10	-
Mexico	6.0	2.2	33	1.15	No	43	0
Peru	-	-	-	-	No[4]	-	-
Trinidad and Tobago	-	-	-	-	No	-	-

Source: Deloitte's Global Center for Corporate Governance, 2017

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Latin america presents some interesting facts and figures around gender diversity in the boardroom. There is no gender quota in most of the South American countries. However, Colombia introduces 30 percent quota for women in the decision making positions in 2000 which applies only to State owned companies but there is no gender quota for private entities with respect to board positions. Brazil is still in the process of drafting a bill regarding 30 percent gender quota in the boardrooms. A number of Brazil's prominent business enterprises had demonstrated leadership in the reporting of social, environmental, and governance data. However, when it comes to board diversity, Brazil's credentials fall short. Only about 5% of the Brazilian directors were women at the 80 companies in GMI Ratings' sample that was over $1 billion in market cap, a figure below the emerging markets collective percentage of 7.4%. This marked a 0.6 % point increase after an increase of only 0.1 percentage point in 2009-2011. Only 40% of these companies accounted for at least one woman on the board (below the collective developing-world percentage of 45.8%),although this did mark a 9.7 percentage point increase since 2011, when only 30.3% of companies had any women at all.As of 2013, however, there were no companies at least three women on the board. However, a report by the Brazilian Institute for Corporate Governance (IBCG), based on a much larger sample of companies, found the percentage of female directors in Brazil to be 7.7% as of 2011. Sample collected by GMI Ratings' included the largest firms in the country, the discrepancy between their findings and those of IBCG suggested that in Brazil, smaller firms were more likely to have female directors. This is the opposite of the pattern seen in most developed markets, where large-cap firms lead on gender diversity. One possible explanation furnished for this was that the smaller Brazilian firms were more likely to be family-owned, and to appoint female family members to board seats.

In Peru, there is no quota for women on boards, but there was a draft bill introduced in 2015 to require a 10% representation of women in boards of publicly traded companies. The bill did not pass. From the above data we can see that the percentage of boards seats held by women is highest for Colombia (14.4%), one of the main reason for this is that there is a quota of 30% for women in decision making positions for state owned companies. Another interesting thing which we can find in the above table is that there is no women CEO in any companies which are analysed. The stretch factor for each country is greater than 1 which implies that some of the women representative hold more than one position in boards (Deloitte, 2017).

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ASIA

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
China	10.7	1.9	238	1.07	No	196	2.3
Honk-Kong	9.6	5.0	129	1.14	No	130	4.2
India	12.4	3.2	140	1.22	Yes	132	6.6
Indonesia	7.9	6.6	40	1.08	No	61	-
Japan	4.1	0.6	217	1.22	No	589	0.4
Korea	2.5	1.1	22	1.14	No	116	0.9
Malaysia	13.7	2.7	126	1.13	Yes	108	5.6
Singapore	10.7	5.4	67	1.16	No	81	11.6

Source: Deloitte's Global Center for Corporate Governance, 2017

Asia has a lot of developing states and the social, cultural and economic reasons are said to be the obstacles for women getting in the top positions. The above table presents some very interesting facts and figures regarding gender diversity in the boardrooms. Japan being the most industrialised and high income economies of Asia has only 4.1 percent women in the boardroom. However, The Japanese Prime Minister Shinzo Abe in 2014 has set a target of having 30 percent women in all leadership positions by 2020, in both the public and private sectors. Women held 16.1 percent of board seats in publicly listed companies in Malaysia due to the Malaysian cabinet mandate which approved that women will comprise at least 30 percent of senior management and board positions in companies with more than 250 employees by 2016. The People's Action Party Women's Wing and BoardAgender made a joint proposal to the Monetary Authority of Singapore (MAS) on 23 March 2017 to double the proportion of women on boards to 20 percent by 2020. The gender quota in India is unique, it does not put some threshold percentage of gender quota rather it requires a minimum number of women representative in boardroom.

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According to the revised Companies Act, which came into picture in August 2013, made it mandatory for all listed companies and other large public limited companies to appoint at least one independent woman director to their boards. The law has helped India to increase the number of women in the boardrooms from from 7.7 percent in 2015 to 12.4 percent in 2017. The increase is not impressive though it made India to come closer to global average, which stands at a roughly 15 percent.

AUSTRALIA

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
Australia	20.4	4.6	231	1.41	No	215	5.7
New Zealand	27.5	11.1	32	1.19	No	18	0

Source: Deloitte's Global Center for Corporate Governance, 2017

In 2012, the Australian government passed the Workplace Gender Equality Act to "improve and promote equality for both women and men in the workplace.". Under this legislation the companies has to report on efforts to increase women's participation in their workplaces. In particular, they must also disclose the gender composition of their boards. Women's representation on Australian public company boards escalated from 10.7% in 2010 to 22.7% in 2016, and women accounted for 34% of new appointments to ASX 200 boards in 2015. However, progress in the area of setting and reporting measurable objectives has been slow (Catalyst, 2016). Since 2011, the Australian Securities Exchange (ASX) has made it mandatory for all publicly traded companies to adhere to an "if not, why not" model to augment the number of women members on boards. This approach is most similar to the "comply or explain" approach adopted by the Canadian securities exchange. The ASX rules requires the companies to establish a robust diversity policy which must be made available to the larger public. Under the rules the companies also must disclose measurable objectives for and progress towards achieving these objectives, failing which they must explain the reasons to not take the steps towards representation of women on boards. Although there is no legislated gender quota for boards in New Zealand, the government has committed to increasing women's participation on state sector boards and committees to 45 percent. Women represented 43.4 percent of state sector boards and committees at the end of 2015, up from 41.7 per cent in 2014. The stretch factor for Australia is 1.41 which is quite large compared to many other countries analysed in this paper.

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AFRICA

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
Kenya	-	-	-	-	Yes	-	-
Morocco	4.3	0	4	1	No	11	-
Nigeria	21.2	6.3	37	1.05	No	15	6.7
South Africa	19.5	9.0	185	1.32	No	109	2.9

Source: Deloitte's Global Center for Corporate Governance, 2017

Any of the African countries does not have gender quota in corporate but surprisingly the percentage of women in some of the African countries such as Nigeria and South Africa is better than the global average of 15 percent. South Africa has 19.5 percent and Nigeria is even better with 21.2 percent of women in the boardrooms. The Capital Markets Act of 2015 in Kenya, requires companies to consider gender when appointing board members, and that board appointments should not be perceived to represent a single or narrow constituency interest whereas the Broad-Based Black Economic Empowerment Act forms the basis of transformation/equality legislation in South Africa to "situate economic empowerment within the context of a broader national empowerment strategy focused on historically disadvantaged people,".

EUROPE

Country	B_{sw}(in %)	B_{cw}(in %)	N_w	S	Q	C_n	W_c(in %)
Austria	16.4	5.9	64	1.08	Yes	31	-
Belgium	27.6	9.1	129	1.1	Yes	47	11.6

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Denmark	24.2	0	98	1.12	-	42	-
Finland	24.7	4.8	83	1.1	Yes	42	-
France	40.0	2.7	354	1.48	Yes	120	1
Germany	19.5	2.2	451	1.1	Yes	178	0
Ireland	16.5	4.3	78	1.05	No	51	6.7
Italy	28.1	8.5	279	1.19	Yes	95	3.5
Netherland	21.4	4.9	131	1.08	Yes	81	5.0
Norway	42.0	7.0	147	1.09	Yes	45	-
Poland	15.2	7.8	191	-	No	486	6.3
Russia	5.8	3.3	22	1	No	29	0
Spain	16.3	4.2	131	1.12	Yes	69	1.8
Switzerland	14.8	1.6	147	1.05	No	123	2.9
United Kingdom	20.3	3.1	665	1.24	No	479	4.8

Source: Deloitte's Global Center for Corporate Governance, 2017

It is not that the high HDI and GDP mean greater representation of women in the boardroom. There are many developed countries with low levels of female representation, such as the 11.3% female legislators in Japan or 17% in the United States. In contrast, there are also countries with low levels of development and higher representation, even without legislated quotas, such as 39.2% women in the Parliament in Mozambique. Similarly in corporate boards, 17% of board directors are women in Bulgaria and Latvia, compared to the median in Europe, which is below 9% and mere 3.9% of board directors are female in Italy. Talking about UK, Singh and

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Vinnicombe argues that "senior women do not easily gain access to the boardroom, where an elite group of male directors maintain their power." They further argues that women face manifold organizational barriers such as less support for career-making than their male counterparts, expectations to follow the so called masculine traits for being a woman in management, and important networks remain out of women's reach at crucial career junctions (Oakley, 2000; Singh and Vinnicombe, 2004).

Norway became the first country to come up with gender-quota in corporate in 2008 with 40 percent of gender -quota in the boardrooms. The Norwegian Public Limited Liability Companies Act requires a 40 percent representation of both sexes on the board for boards having more than 9 board of directors. (Huse, 2012). Other European countries followed the Norwegian debate and has quota in the boardrooms. In 2011, the Belgian law on gender diversity became effective, requiring a minimum of one-third male directors and one-third women directors on boards of both listed companies and some federal state-owned enterprises. Large listed companies are required to achieve this target in 2017, while small and medium sized listed companies have until 2019 to comply. There is no gender quota legislation in Finland for listed company boards. There is, however, a requirement for government bodies or state-owned enterprises to have men and women equally represented on their boards unless there are special reasons to the contrary.

TOP THREE

Percentage of Boards seats held by women	Percentage of board chair that are women	Stretch factor	Percentage change of board seats held by women in last two years (2015-2017)
Norway (42.0)	Greece (18.2)	France (1.48)	France (10.1)
France (40.0)	Colombia (12.5)	Australia (1.41)	New Zealand (10.1)
Sweden (31.7)	New Zealand (11.1)	United states (1.34)	Colombia (7.5)

Source: Deloitte's Global Center for Corporate Governance, 2017

The following tables shows the facts and the figures around gender diversity in the boardroom around the globe. The table above however, summarises the facts with Norway being the state having the largest percentage of board seats held by women. This is because of Gender quota law

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in norway which complies all Public Limited Companies to have at least 40 percent of both the genders in the boardrooms.

It has always been a disputed area whether the low level of women in top management is a result of discrimination or women having lower ambitions and competence or if the matter is due to a complicated interaction between these two factors. There have been studies that focuses on women's lack of line management experience, the persistence of male networks and traditional gender roles in society are the main causes for the persistent gender imbalance in top jobs. The article further explains women-in-management perspective on corporate boards and argues that this perspective is based on tracking the challenges faced by individual women and on making a business case argument for their inclusion at the top (Burke, 1994, 1997; Cassell, 1997; Singh and Vinnicombe, 2004; Martin et al., 2008). Even if women reach corporate boards, they may be considered tokens by their male colleagues (Kanter, 1977; Burgess and Tharenou, 2002) and their "real input and responsibility" may be questioned (Peterson and Philpot, 2007, p. 177). Thus, there is an immediate need that women should be seen in a substantial number at the top positions and in the boardroom.

Reasons for Low Representation of Women on Board:

- Gendered organisations: It has been concluded by many studies that organisations are gendered. In one of her famous work Joan Acker argues that organizational structure is not gender neutral. She further argues that how gendered nature of the organisations are partly masked through obscuring the embodied nature of work (Acker, 1990). This leads to gender segregation of labor which has been a common characteristic of the capitalist world. Acker (2012) identifies five processes that reproduce gender in organizations: the division of labor, cultural symbols, workplace interactions, individual identities, and organizational logic. Acker explains that how hierarchies are rationalized and legitimized in organizations. But Acker mostly talked about traditional career model. It is not that the organizations are not gendered in contemporary time but the mechanism is different and much more complex.

- Societal Perceptions:- In almost all societies, women have occupied the primary caretaker/homemaker role and less as a role of the provider. So the perception of society of how the trade-offs between women's caretaker and provider roles should be weighted is not changing much and thus women find it difficult to adjust with the situation. The traditional roles of women and men creates unconscious biases at the workplaces. There have been many studies which demonstrates that our beliefs about gender affect the way we perceive men and women in leadership roles (Eagly and Karau , 2002). The traits have been gendered as some traits are seen as 'masculine' whereas others are seen as

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‘feminine’ and it has been associated with leadership traits. The traits such as “assertive,” “forceful,” “dominant,” and “competitive.” have been associated with men and traits like “affectionate,” “compassionate,” “warm,” and “gentle.” have been associated with women (Rudman et al,. 2008).

- Lack of Formal Search and Networking:- There can also be lack of formal search and nomination process due to various reasons where most rely on personal networks, making it difficult for qualified females to be identified and appointed. Networking has been used traditionally for appointing board members. Men in organization are more likely to foster relationship and develop network to promote career advancement of other men (Ibarra, 1992). The popular concept of ‘old boy’s club’ has been one of the major obstacles for women to get into the board positions. In addition, certain attributes like previous board experience or experience in traditionally male dominated industries or functions limit the opportunities for women to join the board. It creates a self perpetuating cycle where boards are composed of men who tend to hire people like themselves thereby creating vicious cycle in which women are not able to join boards and therefore gain no board experience.

- Lack of gender sensitive social and corporate policies: The social policies such as parental leaves, kindergartens etc. are not in place which makes women to take the primary caretaker role. Child care costs, company policies and inflexible working hours make it difficult for many women to juggle work and home life in a way normally expected of corporate board members.

Gender-quota has always been the matter of debate in the policy making arena and corporate governance. The modern state has a potential to reshape gender relations, but not unconditionally since it continuously has to reach compromises involving a multitude of political claims. Quota comes under the direct policy intervention by the state.Gender-quota has been used as one of the most important and famous state’s tool to balance the inequality at the political as well as the corporate level. Gender-quota in politics has been an old story but it is quite a new concept in the business sphere thus, creating an intensive debate in the recent past. In the Scandinavian countries, quotas were seen as a critical act made by a large minority of women to consolidate women's representation and make more room for elected women (Dahlerup 1988).

Arguments in support of Gender-Quota in the boardroom

There has been evidences which demonstrates that men and women differ in policy preferences. For instance, Miller (2008) shows that an increase in female quotas aim to directly increase female representation in leadership positions. They can bypass discrimination by directly

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mandating that certain positions be reserved for women. Similarly, when the structure of the labor market inhibits a woman's advancement; gender-quota can enable more equitable representation of women in leadership positions. Thus, it improves descriptive representation of women. Gender diversity has been a major part of the debate around the globe in the world of corporate governance. The immediate question arising after is that, why we need women in the boardroom. There has been justification given on the basis of social justice and functional grounds. The social justice background is based on the idea of democratic leadership. To put the argument by Peta Spender, women's participation on boards is 'a measure of democratic leadership because these corporations are critical actors in the public sphere and their directors influence public debate and access to resources (Peta Spender, 2012).

There have been evidences that how gender inequality have a direct impact on the female leadership which further translates directly into an underrepresentation of women's interests in policy decisions Thus, increasing the proportion of female leaders through quotas can improve representation of women's policy interests. On the question of efficiency, quotas may increase efficiency by lessening discrimination in the short term and changing attitudes and social norms in the long term. Kanter in her pioneering work in 1977 'gender and organisations' concludes that 'critical mass' has an impact on the nature of organisations in the long run. Drawing on the similar arguments, Konrad and Kramer (2008), presents a very interesting idea that a critical mass of at least three women in a boardroom is necessary in order to see the positive benefits of gender diversity. McKinsey shares the similar view and presents correlations that companies with three or more women score higher on various measures of organizational performance.

The proponents of gender-quota also talks about how affirmative policies can change the nature of organisations in the long run. There has also been a study that shows that female leaders may serve as role models for other aspiring women. Role models can show the returns to a particular type of person achieving a certain position, and so provide information about the value of current decisions for those making career choices, resulting in efficiency gains for the market (Chung 2000). For example, only a female board director can effectively demonstrate the payoff of being a female director to other aspiring business women and acquire expertise on how to effectively manoeuvre as a female director in a traditionally male-dominated environment. So, a gender-quota can create a huge pool for such women and thus, creating role models in the long run. Quota-induced female leadership may increase improve aspirations for women and overcoming self-imposed stereotypes. Evidence in support of this channel comes from studies that show how self-imposed stereotypes may adversely influence the performance of women who believe they are expected to do worse than males. Spencer et al. (1999) uses a combination of psychology experiments to show that women perform worse than men on math tests when they are told that the test is particularly difficult for women, but perform as well as men on tests that are presented as being equally difficult across genders. The study suggests that performance and motivation of women may be affected by a woman's own implicit biases on her expected performance compared to men.

Despite the presence of talented women, discrimination or other structural features of labor markets exclude them from leadership positions, and then there is an efficiency case for using quotas to improve the allocation of talent in the labor market. Quotas may increase efficiency by correcting beliefs about female labor benefits and reducing inaccurate statistical discrimination. This, in turn, will increase the average quality of representation. It has also been seen that quotas may correct market failures in the existing system or have a positive effective on potential women leaders themselves resulting in a more efficient selection of leaders.

The functional basis deals with the instrumental value rather than the intrinsic value of the women. It suggests the way that how women can bring the business. The argument is based on the research and studies that shows that diverse teams bring more business and are tend to be more successful (Suisse Research Institute, 2012). There has been significant work that confirms that female directors make unique and positive contributions to board work (Burke 1994) and can contribute to better understanding of female customers. Fondas and Sassalon (2000) report that women tend to take board work very seriously, while Huse (2007) notes that women tend to be better prepared than men for board meetings. The interesting point about functional basis is that they make arguments in favour of diversity of any kind on the boards and not something specifically anything about gender diversity. There are studies which suggest that age has an effect on the performance of the board. There are cases, supported by research, that shows that ethnic diversity (Lisa Fairfax, 2005) and international diversity (Regina Burch, 2011) has a positive impact on the performance of the board (Ali et,. 2013).

The following figures and facts around the globe shows that today we are on the cusps of having a critical mass of women with the experience, expertise and skill sets required to support the board of directors. According to Catalyst ("Why Diversity Matters", Catalyst July 2013), the business benefits of diversity span four pillars: financial performance; leveraging talents; reflecting the market place and building reputation; and increasing innovation and group performance. In terms of financial performance (2016 Peterson Institute for International Economics study), it was found that there was a 15 percent increase in net revenue margin on average of companies which went from Zero level female representation at board to a 30 percent female share. Also, with a larger female representation on board, it was easy for women to have a voice and raise issues thus leveraging talent and also speaking for a larger section of women and addressing key areas. When it comes to reflecting the marketplace and building reputation, the studies revealed that having female directors is directly related to corporate social

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responsibility ratings ultimately leading to better reputation. In China, the presence of at least one woman on the board showed many benefits from better independence of the board to a lower chance of financial restatement and improved monitoring. Diversity has also been linked to an increase in innovation within Fortune 500 companies with both racial and gender diversity positively affecting a board's ability to innovate.

Arguments against Gender-Quota

There have lot of arguments which do not support gender-quota. Some have criticised gender-quota on the basis of efficiency and competence whereas some on the basis of discrimination against men and other marginalised groups.It is also been argued that quotas could worsen allocation by assigning leadership positions to less competitive candidates. Quotas, as argued, encourage promotion of inexperienced women. It leads to resulting in a less-efficient allocation of female leaders. Women leaders represent important role models, encouraging other women to follow suit (Dahlerup 1978, Phillips 1995). The core idea behind electoral gender quotas is to recruit women into institutional politics and to ensure that women are not isolated in political life.

In the distinction between representation of ideas versus social representation (Esaiasson & Holmberg 1996, Holmberg 1999, Phillips 1995), quotas for women represent the second. It has also been argued that a quota can reduce a woman's incentive to invest if she believes her path toward advancement has been made easier with a gender quota (Coate and Loury, 1993). One of the study concludes that whether corporate board quotas lead to better or worse firm outcomes in the long run (Matsa and Miller, 2012). First, board decisions are mediated through management and the medium to long-term impact of quotas will depend on whether and how management changes attitudes towards female leaders over time. Unlike female leaders in politics, board members in a corporation rarely make decisions directly. Thus, how the management (and the stock market) perceives the efficiency impact of changes in board membership is likely to be a key factor of influence. If management or stockholders start with biased views of how changing board composition influences firm outcomes, then these may be self-fulfilling (especially when it comes to stock market valuation). Second, to the extent that female board members make different labor hiring and firing choices, the benefits may accrue over a longer time horizon while costs are borne upfront. Third, as we have discussed earlier, the empirical tests of board quotas rely on difference-in-difference methods which make stronger assumptions on. In her classic text, Hanna Pitkin argues, that there is no common understanding about the nature of representation and about what fair representation is (Pitkin 1967).

Conclusion

This paper concludes that the percentage of women in the boardrooms has been very dismal and has been showing a very slow progress in the last one decade. On examining available data and literature review, it was concluded that the global data points to gender- based exclusion of women from corporate boards. Thus, the gender-quota has been adopted as one of the affirmative actions by the state to bring gender equality in the organisations. Many states such as Norway, Germany and France have adopted gender quota in the boardrooms which has created a heated debate around it in recent past. However, it can be concluded that the use of quotas alone is not sufficient to ensure high levels of representation for women. The corporate culture and the organisations also need to internalize new ideas in their way of thinking and willing and capable of of implementing the ideas to lower the gender imbalance in the organisations. The focus on education, women safety and gender prejudices need to be tackled in developing countries t to bring more women in the powerful positions. On the other hand, it has also been concluded that bigger and advanced economies have also huge gender imbalance in the boardrooms. The big economies like Japan, the USA, Canada and many more has a very low rate of women board members. So, there is a need to understand the historical, social, political and economic reasons for such few numbers of women boardroom members in order to solve the issue in a sustainable way.

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