Breaking the glass ceiling: unveiling the talent management gap in boardrooms and its impact on low women representation

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ABSTRACT

Extensive research has been dedicated to the study of women on boards, revealing a gradual improvement in the actual representation of women as directors on firm boards. This paper presents a comprehensive critical theory framework that combines talent management with corporate governance, human resources, and gender theories to elucidate the underrepresentation of women on corporate boards. This conceptual study, conducted through theoretical literature analysis, identifies a knowledge gap in the limited attention given to studies on the talent of women serving on boards. The purpose of this essay was to explain the sluggish progress of female directors on boards globally, despite the implementation of different laws and the evident business rationale for enhancing women's presence on boards. This study incorporates divergent and unanimous critical analyses of women on boards research, which either facilitates or impedes the advancement of women to executive positions. The primary discoveries of this study enhance the existing information by pinpointing several obstacles that contribute to the underrepresentation of women on corporate boards. These problems stem from structural factors inside organizations, individual psychological factors, and societal preconceptions. These theoretical perspectives identify obstacles and biases in the process of recruiting, developing, and retaining women directors. The implementation of a suitable talent management solution can address these issues.

INTRODUCTION

The global average for women holding corporate board positions is only 19.7% (Konigsburg & Thorne, 2022). The proportion of female boardroom chairmen acting as leaders of boards is less than 7% (Delloitte, 2022). Women serving as board directors are a minority in all industries and sectors. Even in enterprises that produce household consumption staples, women occupy only 20% of board seats (OECD, 2020). International initiatives in multiple nations have been actively working towards increasing the proportion of women serving on corporate boards. Catalyst, 30% Club, McKinsey Global Institute, and Women Corporate Directors (WCD) are prominent organizations and research advocacy institutes that have implemented strategies to enhance the participation of women on boards (WOB).

They achieve this through conducting research, facilitating networking opportunities, and implementing various programs and activities. Researchers from many nations have compellingly presented empirical facts to substantiate the economic and financial advantages of having women directors, as supported by the business case. Several governments, such as Norway which is considered a pioneer in this area (Allemand et al., 2015), have enacted legislation mandating strict adherence to a specified Women on Boards (WOB) quota. In contrast, other governments have chosen to adopt a comply or explain strategy. Although this activism has raised awareness to some extent, global initiatives for enhanced representation of women on boards face substantial obstacles, especially in nations that have implemented laws promoting gender diversity (OECD, 2020). These issues are rarely documented in the theoretical fields of corporate governance, human resources, and gender studies.

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Terjesen et al. (2009) emphasizes the use of several theories to better explain the inadequate representation of women on boards (WOB). They achieve this by examining existing literature and theoretical viewpoints that affect WOB, specifically from a corporate governance standpoint. Subsequently, academic research has not addressed the utilization of a multi-theoretical, cross-disciplinary methodology to effectively address the issue of underrepresentation of women directors in a proactive manner, such as through talent management. Nienaber and Moraka (2016) argue that by strategically investing in women's skills through a talent development plan and providing support, women may fully optimize their potential.

The importance of talent management has recently become more prominent due to its integration of the recruitment, development, and retention processes necessary for acquiring the desired talent (Armstrong, 2007; Mukundete & Mulyungi, 2018; Nilsson & Ellsstrom, 2012; Oosthuizen & Nienaber, 2008; Thunnissen, 2016; Tristiyawan & Purba, 2018). The literature in the field of board of directors g has not taken into account the role of talent management (which includes recruiting, development, and retention) in contributing to the progress of improved female representation on boards. This disregard is warranted because the concept of talent lacks a universally accepted definition (Nienaber & Sewdass, 2016; Tristiyawan & Purba, 2018). Modern businesses consider talent to be a catalyst for performance (Collings, 2015). While it is challenging to measure precisely (Mukundete & Mulyungi, 2018; Nienaber & Sewdass, 2016), the majority of studies on Women on Boards (WOB) suggests that having female talent in boardrooms contributes to a diverse range of abilities, innovation, and better decision-making, which in turn leads to enhanced financial success (Choudhury, 2014). The presence of a variety of talents among male and female board members enhances the effectiveness of competent boards due to the combination of different qualities and expertise that improve decision-making (Arfken et al., 2004; Van der Walt & Ingley, 2003). Gender diversity is regarded as a valuable asset in WoB research because it has been shown to bring about enhanced financial and company performance benefits (Campbell & Mínguez-Vera, 2008; Spender, 2015).

The limited perspective of women on boards worldwide necessitates a thorough examination of the current transdisciplinary literature to better understand how women may be effectively incorporated into talent management components. The structure of this article is as follows: Initially, this empirical inquiry outlines the methodology and approaches employed, specifically focusing on a literature review synthesis. The subsequent analysis examines the incorporation of talent management into corporate governance, human resources, and gender theories to elucidate the global underrepresentation of women on corporate boards. The paper concludes by providing a comprehensive overview of the contribution made by this study. It includes a summary and conclusions that emphasize the distinct issues that contribute to the underrepresentation of women on boards in various circumstances, such as organizational, psychological, and societal factors.

**Literature Review**

**Theoretical and Conceptual Background**

**Multi-theoretical literature integration of corporate governance, human resources, and gender theories**

This literature analysis paper reviewed the prevailing studies within the confines of theories to learn what other researchers found through empirical investigations (Hofstee, 2006:91) of the slow progression of women on boards, contextualised from the different disciplines. A contextual theory base is presented for this research by integrating talent management comprehensively with corporate governance, human resources, and gender theories (Mayer & Sparrowe, 2013:917). Mayer and Sparrowe (2013) approaches for successful integration of theory guided the analysis in three lenses; firstly, three theories can discuss the same concept but in different disciplines, where gender diversity is regarded as “talent”, as a human resource function, a corporate governance imperative and as a gender (equality/feminist) perspective. Secondly, two different streams can be found not to be so diverse. Lastly, two theories may extrapolate different concepts, generate new findings or related and similar conclusions. In this literature review blend these methodological approaches were adopted, as corporate governance, human resources and gender studies are cross disciplinary, nevertheless they can be integrated to explain related findings to respond to research questions (Mayer & Sparrowe, 2013). The research questions posed in this article refers to interrogate reasons for little attention to talent of WOB. This synthesis clarifies the slow pace of WOB worldwide, which can be resolved through an appropriate talent management mediation, namely recruitment, development, and retention of women directors.

**Conceptual framework**

This section presents a multi-theoretical literature integration of talent management within corporate governance, human resources, and gender theories to explain low representation of women on boards. It discusses challenges and opportunities related with recruitment, development, and retention of women directors within the talent management as displayed in Table 1 below.
<table>
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<th>Discipline</th>
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<th>Findings (implications for talent management framework)</th>
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<td>Corporate governance</td>
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<td>External recruitment for independent directors creates glass ceiling</td>
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<td>Resource dependence theory</td>
<td>Pfeffer &amp; Salancik, 1978 (directors provide the link to other resources)</td>
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<td>Shareholder activism</td>
<td>Bethel &amp; Liebeskind, 1993 (shareholders monitor and influence change)</td>
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<td>Enforced pressure facilitate recruitment but promote token appointments</td>
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<td>Stakeholder theory</td>
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<td>CEO and Board Chair vital to influence WOB recruitment.</td>
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<td>Eagly &amp; Karu, 2002 (women’s fitness for board challenged)</td>
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<td>Human Resources</td>
<td>Human capital theory</td>
<td>Becker, 1964 (role of a person’s bundle of education, experience, and skills in enhancing cognitive and productive capabilities that can be used to the benefit of an organization)</td>
<td>Female talent is not fully explored</td>
</tr>
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<td></td>
<td>Social capital theory</td>
<td>Burt, 1992 (board directors would be expected to have connections as important resources of value to the company on whose board they sit)</td>
<td>Female talent is not fully explored</td>
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<tr>
<td>Gender studies</td>
<td>Social identity theory</td>
<td>Turner &amp; Haslam, 2001 (people are inclined to associate with who they consider as members of their in-group)</td>
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<td></td>
<td>Social role theory</td>
<td>Eagly, 1987 (men and women interact corresponding to stereotypes and beliefs, associated with their social roles)</td>
<td>Gender roles stereotypes affect retention of women in boards</td>
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<td></td>
<td>Gender differences theory</td>
<td>Eagly et al., 1995 (Gender related difference have implications for board processes and hierarchies of power)</td>
<td>CEO and Board Chair vital to influence WOB recruitment, development, and retention.</td>
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**Source:** Own compilation
Corporate governance theories

The agency theory

The agency theory provides the rationale for the board's critical function of monitoring management on behalf of the shareholders (Bear et al., 2010; Eisenhardt, 1989; Fama & Jensen, 1983; Jensen & Meckling, 1976; Sila et al., 2016). Agency theory explains the need to appoint independent directors to the board (Baysinger & Butler, 1985) to successfully perform the necessary monitoring duties (Hillman & Dalziel, 2003).

The positive impact of effective board monitoring on organisational success has been largely documented in the academic literature (for a review see, Gillan, 2006). Much advocacy is drawn on the need to include women as independent directors to carry out the monitoring role more effectively (Isidro & Sobral, 2015). The benefits of women as good monitors are shown in research as they more likely to pay more attention to audit and risk oversight and control than men (Stephenson, 2004). Singh et al (2008) study found that almost 50% of newly appointed women directors in the UK had previous experience in financial institutions. Burke (1997) also found that the professional backgrounds of women directors are in accounting, legal or medical professions. Further, women directors are largely appointed externally, more likely to be independent directors outside directors (Daily et al., 1999; Kesner, 1988) bringing independence in the monitoring role. Whilst the independence strength of women is recognisable, it limits the appointment of women from internal, bringing less focus on talented women for executive and C-suite position. This invisible barrier is strengthened by authors like Kang et al (2007) who have found that the market reacts more positively to the announcement of the appointment of women directors when they are appointed as independent directors than as CEOs. The effective monitoring role of women is substantiated by their commitments to board roles such as better board meeting attendance records than men, which influences in a positive way male attendance (Adams & Ferreira, 2009). The reason behind the increasing of the representation of women could be a means to improve monitoring and controlling management (Lucas-Perez et al., 2015). However, it further confines women to independent roles and not executive roles (insiders) where they can effectively influence change within the organisation. Executive roles are non-independent, provides opportunities for internal talent building, eliminates glass ceilings which the agency theory disregards.

Resource dependence theory

The resource dependence theory provides a theoretical foundation for directors' resource role (Daily et al., 2003). From the work of Pfeffer & Salancik (1978) this theory argues that organisations are not autonomous, are open systems thus highlighting the interdependence between organizations and their external environment for survival (Hillman et al., 2007). This creates uncertainties and costs which organisations must mitigate. Since organisations are dependent on resources, they create links with the environment, and board of directors are one such link of facilitating access to resources that are vital for the success of the (Johnson et al., 1996; Pfeffer & Salancik, 1978; Hillman & Dalziel, 2003). The board’s primary functions are: (a) provision of advice and counsel, (b) creation of legitimacy for the organisations in the external environment (c) creation of channels of communication between the organisation and external entities, and (d) preferential access to commitments or support from important elements outside the firm (Isidro & Sobral, 2015). To maximize the performance of these functions, Hillman et al (2000) suggest that boards should include a diversity of directors, namely: insiders, business experts, support specialists, and influential community members.

Resource dependence theory provides the basis for some of the most convincing theoretical arguments for a business case and gender equality (Lucas-Perez et al., 2015). Since women are less likely to be insiders but independent directors or business experts, they can bring unique perspectives such as enhancing complex problem solving and improving the quality of strategic decision making (Daily & Dalton, 2003; Hillman et al., 2002). It was also found that WOB improved representation enhances the firm’s external legitimacy because it signals that those organisations promote gender equality and considers the importance of women in the labour and product markets, something that is reflected in organisational value (Luckerrath-rovers, 2015). Some argue that having women also signals that the organisation values the success of its women employees (Bilimoria, 2000). Following Hillman et al (2000) suggestion that boards should include insiders, business experts, support specialists, and influential community members, provides the appointment of female talent from diverse background, increasing the prospect to seek and appoint more women, but female talent not adequately recruited.

Shareholder activism

From an agency point of view, shareholder activism is an established mechanism intended to guard shareholders’ interests, such that the governance reforms required by shareholder activists are indicative of the governance practices that shareholders perceive as both legitimate and effective in protecting their interests (Daily et al., 2003; Perrault, 2015). Shareholders with significant ownership positions have both the incentive to monitor executives and the influence to bring about changes they feel will be beneficial (Bethel & Liebeskind, 1993). Shareholders typically become activists when they perceive that the board is not effective in its fiduciary function (Gillan & Starks, 2007), that is, when they experience a level of distrust in organisations. Thus, shareholders may demand a better representation of women on boards as a response to internal preferences and external pressure for greater inclusion, suggesting that women are added to boards to achieve a desired gender mix (Farrel & Hersch, 2005). Legislator and regulatory compliance could put pressure on shareholders for female board representation to avoid negative publicity (Daily et al., 2003). These pressures may
appoint women for compliance (Farrel & Hersch, 2005) which may be detrimental to the talent of women, as they may be considered tokens, and hence resign from the board.

Institutional theory

Institutional theory addresses the role of social influence on organizational actions, emphasising the importance of organizational legitimacy, which represents the level of acceptance from the external environment (Bilimoria, 2006; Carrasco et al., 2015; Meyer & Rowan, 1977). Organizations are perceived as legitimate if they act in a way that is consistent with societal expectations of organisational behaviour (Geiger & Marlin, 2012). Scott (2001) argues that organizations are legitimate if they comply with laws and regulations. Allemand et al (2015) claim that institutional pressures (rules, norms, frameworks), social constructs and laws could promote certain types of behaviours and attitudes and could lead organisations to encourage more gender equality. For example, laws may incite firms to identify women in their teams who could become directors and to encourage their promotion. Yet the agency theory’s requirement for external monitoring function from board independence may prohibit internal talent development. Both Grosvold et al (2007) and Parboteeah et al (2008) argued that gender equality exists mainly in countries having regulative institutional pressures. In a society advocating for gender equality, organisations may comply with the system of values and social constructions (Oliver, 1991). Additionally, the beneficial institutional role of women corporate directors, especially for other women employees is important (Bilimoria, 2006). For instance, CEO’s regularly report that having women on their boards makes women employees at the company feel more positive about their own career opportunities (Burke, 1995). The visible presence of women directors thus enhances a firm’s legitimacy by indicating the institutional importance and success of women at the highest level in the corporation and signalling to women employees, investors, and the public the existence of a corporate culture that accommodates women in business. These signals enhance the self-selection and retention of talented women top managers in organizations with such leadership and encourage male executives to advance and retain talented women in the senior management ranks. Thus, firms with women directors gain institutional approval that increases their likelihood of attracting and retaining women in their executive ranks (Bilimoria, 2006; Meyer & Rowan, 1977).

Although legitimacy may be gained by organisations, the creation of an inclusive culture that supports and nurtures female talent, is necessary. Additionally, how women are recruited, developed, and retained in comparison to men merits some scrutiny, as these practices may intensify inequalities even though regulation requirements are met.

Stakeholder theory

Freeman (1984) introduced the idea of stakeholder management and defined stakeholders as any groups or individuals who can affect or are affected by the achievement of an organization’s purpose. Stakeholder groups include, but not limited to, shareholders, creditors, consumers, employees, and local communities (Harjoto et al., 2015; Magnier & Rosenblum, 2014). Therefore, boards of directors, as representatives of shareholders, have a crucial role in overseeing management’s plans to balance the interests of multiple stakeholders (Harjoto et al., 2015). Donaldson and Preston (1995) identified three aspects of stakeholder theory descriptive, instrumental, and normative, where descriptive theory presents the observation that organisations have stakeholders, where instrumental theory refers to the acknowledgement of responsibility towards stakeholders to achieving greater economic effectiveness efficiency, and where normative theory draws on moral and community values that require stakeholders be considered as an end in themselves.

Gazley et al (2010) applied the stakeholder theory to model the association between board characteristics, external linkages, and outcomes. They reason that by incorporating stakeholder diversity and gender diversity (female talent), as well as racial diversity, the board can be a tool to balance the diverse goals of stakeholders. As such, board composition is important to secure the different stakeholders’ interests (Ellwood & Garcia-Lacalle, 2015). Hence, the pressure on organisations to appoint talented female directors comes from a broad set of stakes (Fields & Keys, 2003).

Signalling theory

There is a link between the signalling theory due to attending to stakeholder theory needs. However, the signalling theory does not aim to appoint women to respond to stakeholder needs as a moral obligation, but as a signal to appreciate the benefits of having women on boards (Bilimoria, 2006). Signalling theory indicate to all stakeholders that women and their qualifications are recognised and valued, and that career advancement is not hindered because of gender, thus signalling an equality driven organisation (Inkeroinen, 2008). Signalling theory may also offer a competitive edge when it comes to recruiting and retaining talented women. For example, women on boards may act as role models for women and mentors (Bilimoria, 1996; Van der Walt & Ingley, 2000). Furthermore, the visible presence of women directors enhances organisations’ legitimacy, especially among stakeholders interested in corporate diversity (Bilimoria, 2006). It does so by signalling to women employees, investors, and the public the existence of a culture that is friendly to women’s careers and lives. It inspires male executives to advance and retain talented women in the senior management ranks and increases their likelihood of attracting and retaining women in their executive ranks (Bilimoria, 2006).

Power perspective theory

The power perspective applied to corporate governance studies addresses the potential conflict of interests among executives, directors, and shareholders (Jensen & Werner, 1988). For example, in CEO succession studies researchers often incorporate power
Boardrooms are known to be places where power is wielded, and minorities like women may have limited opportunities to attain such power (Westphal & Milton, 2000), which are deeply embedded in gender difference (Acker, 1990). Thus, women may easily become second-class members of the board unless they command sufficient power and esteem (Virtanen, 2012). Some women may even feel the pressure to exercise their power and esteem by being vocal in the boardroom, instead of keeping quiet, but some may not. Male directors, by contrast, are not in a minority and they have the leisure to exercise their power through their voice (Huse et al., 2009; Zona, 2007). These power relations dictate who has the right to exercise their power and further challenge the behaviour of women, especially because few women have confidence in dominant power structures to exert influence and advocate for change. The low confidence of women may render them unable to influence decisions in board discussions (Virtanen, 2012) and in turn affect their retention to boards. The way women and men display emotions is gendered (Letherby, 2015), thus creating a double bind situation for women (Cotterill et al., 2007). This double bind position views women as both professionals (efficient and experts) and emotional demonstrating gender stereotypical attributes of kindness, care, and support (Cotterill et al., 2007). Some studies have found that the behaviour and expectations of men and women is assessed differently in boards (Jago & Vroom, 1982). These expectations reinforce men to be associated with dominance, rationality, and assertiveness while women’s behaviours may be taken as emotional (Diekman & Schneider, 2010; Eagly, 1984; Hochschild, 2003). These gendered stereotypes affect the power of women, how they behave and their right to exercise their freedom and authority, implying female talent is dually evaluated.

**Tokenism theory**

As a pioneer of the tokenism theory in 1977, Rosabeth Moss Kanter first made the argument that the number of women affect how women will behave on boards (Konrad et al., 2008). As such boards which appoint only one woman led scholars to believe that the appointment of a is tokenism to comply with social pressures and mask inclusion (Arfken et al., 2004; Branson, 2006; Broome, 2008; Burgess & Tharenou, 2002; Kanter, 1977; Kogut et al., 2014; Torchia et al., 2011). Appointments of only one woman on the board are usually seen as a way corporate social responsibility (CSR), questioning the real intent of appointing a woman on board (Abdullah, 2014; Colaco et al., 2011). Kanter (1977) defined a skewed group as having a ratio of 85:15, where the members of the majority (85% or higher) were labelled as “dominants” and the remaining minority members were labelled ‘tokens. Since it is hard to qualify tokenism, the ratio of 85:15 provides an assumption of tokenism, but the experiences of women as minority in boards should give evidence of tokenism, which is explained in the next section, role incongruity theory.

**Role incongruity theory**

Role incongruity theory identify the potential challenges women directors may experience as tokens (Glass & Cook, 2016). According to Kanter (1977) tokens often experience severe scrutiny, exaggerated stereotypes and exclusion and isolation. As a result, they experience pressures to perform and to assimilate to the interactive style of their peers in the board majority, which affect their retention (Glass & Cook, 2016). Women's fitness for boards is often challenged leading to negative evaluations of women irrespective of their preparation, ability, or performance in board duties (Eagly & Carli, 2007; Eagly & Karau, 2002). Consequently, women regarded as tokens may find it more difficult to speak their mind (Broome, 2008; Huse & Solberg, 2006; Kanter, 1977; Lansing & Chandra, 2012) and influence decision making (Kanter, 1977; Ashfrod et al., 1998; Maume, 2011). Other problems tokens face is being mocked and not taken seriously (Torchia et al., 2011). Such mockery arises from dominant group’s insecurities and discomfort around tokens, and therefore they heighten their dominance by amplifying their similarities and embellishing the differences of tokens. In board meetings men may be less inclined to share information with women exclude the tokens from external social functions (Elstad & Ladegard, 2012). Thus, tokens feel isolated and excluded from crucial networks where informal socialization and sometimes board discussions take place (Gustafson, 2008). Informal discussion and socializing with the other board members outside formal meetings are important activities (Parker, 2007; Stevenson & Radin, 2009) as they build stronger bonds amongst board members. Therefore, the exclusion of women in external social functions with other board classify them as members of the out-group (Huse & Solberg, 2006; Elstad & Ladegard, 2012).

As members of the outgroups, tokens, are often questioned and not trusted because being labelled as a token often creates discomfort, isolation, and self-doubt (Kanter, 1977), and being perceived as a token can interfere with performance (Powell, 1993). Some empirical responses from those classified as tokens was that they avoid conflicts and controversies by withholding their honest views during board discussions (Li, 1994) and being careful not to outshine their dominant peers (Gustafson, 2008). Some will opt for social invisibility and maintain a low profile (Elstad & Ladegard, 2012). Due to arguing against the dominants can threaten the dominant group’s self-esteem, tokens demonstrate tamed behaviour (Li, 1994). Whilst tokens who express controversial or
nonconforming viewpoints may risk amplifying the salience of group differences, increasing bias and provoking social disapproval from the majority (Phillips & Loyd, 2006). As a result, tokens face pressures to assimilate to traditional attitudes and behaviors and are reluctant to ‘rock the boat’ regarding controversial or innovative decisions (Bradshaw & Wicks, 2000). These types of conditions make women directors to conform to men’s way of leading, with the inability to make unique contributions. Furthermore, tokens may find themselves being second-guessed that even small mistakes can be serious, and hence work harder to receive recognition (Elstad & Ladegard, 2012).

Broome (2008) argues that boards needed to understand that equal opportunities is not achieved with a single women director nor two. Many researchers suggest avoiding tokenism and derive benefit from women representation, three women should at least be appointed (Erkut et al., 2008; Fitzsimmons, 2012; Kanter, 1987; Lansing & Chandra, 2012). Whilst the critical mass theory may provide alternate solution to reduce tokenism, board size should be considered as a determinant for female representations on board. For instance, a board with fifteen members and only three women would still pose significant tokenism outcome challenges for women.

Critical mass theory

The critical mass theory suggests that size determines the characteristics of group interactions (Kanter, 1977; 1987; Granovetter, 1978). The critical mass theory proposes that a minimum of three women on boards as a implies a different definition to equality to numerical targets. In particular, the critical mass advocates for the influence of women on board interactions when the size of the women reaches a certain threshold. The critical mass is deemed as a measure for women to be powerful and empowered to break up the “old boys’ clubs”(Kogut et al., 2014). The assumption of this theory is that the presence of three women increases men directors’ perceptions that the women were recruited for their talent rather than their gender, which enable women wield the influence to decision making. The overarching suggestion of the critical mass of women in the board to be equal to three is supported by many scholars (e.g., Elstad & Ladegard, 2012; Jia & Zhang, 2013; Joecks et al., 2013; Post et al., 2011; Torchia et al., 2011). Konrad et al (2008) submitted the following propositions regarding a critical mass: First, if three people on the board speak strongly and unanimously in favour of a particular point, and no one disagrees, it is likely that others will conform to the apparent majority decision. Second, if even one person on the board makes a strong statement in disagreement with a majority of three and does not waver from his or her view, that disagreement from a persistent minority is likely to lead the group to deliberate on the issue more fully than would otherwise be the case, with the result that the board will make a better decision. Third, people within the minority are more likely to speak up and state their disagreement with a strong majority when they know they have an ally in the room. People who perceive themselves as being alone in disagreeing with the majority are more likely to conform and therefore considerably less likely to share their disagreement. Hence, although lone dissenters can stimulate an effective group process, they are less likely to do so than dissenters with allies.

Despite its popularity and massive support of the critical mass theory some limitations have been established. The critical theory mass rarely directly tests Kanter’s predictions on the performance of different group types (Joecks et al., 2013). For example, how women from different races or same races with the critical mass behave to influence decisions. Furthermore, how would the critical mass make an impact when women do not agree by virtue of principle and not based gender or race. The implies that where women disagree, the power of critical mass maybe undermined because the assumption of the critical mass is that men tend to consider women’s contributions only when their opinions are similar (Nemeth, 1986; Post et al., 2011). Thus, the critical mass theory has the potential to hinder or facilitate talent.

Upper echelon theory

Upper echelon theory was proposed by Hambrick and Mason (1984:193) and holds that ‘organisational outcomes are viewed as reflections of the values and cognitive bases of powerful actors in the organisation’. This implies that it is not merely the presence of women on the board that may influence performance, but also the position they hold in the boardroom (Ellwood & Garcia-Lacalle, 2015). As leaders of the organisation, both the Board Chair and the CEO are key cronies for its performance (Ellwood & Garcia-Lacalle, 2015). They are the most powerful actors within the organisation and, to better understand organisational outcomes, it is necessary to consider the experiences and demographic characteristics of its leaders (Hambrick & Mason, 1984). Waldman et al (2004) suggest that the connection between top executives and firm outcomes goes beyond demographic characteristics and depends to a large extent on the executives’ charismatic leadership. However, there are very few settings where women are in the uppermost positions and, hence, few empirical studies to develop the theory of how women in important board positions influence performance (Ellwood & Garcia-Lacalle, 2015). Better representation of women on boards requires leadership that understands the equality and business case of women representation, thus the leadership compatibility of CEO and Board Chair in facilitating talent management is important.

Human Resources Theories

Human capital theory

Human capital theory examines the role of a person's bundle of education, experience, and skills in enhancing cognitive and productive capabilities that can be used to the benefit of an organization (Becker, 1964 in Lucas-Perez et al., 2015). Inequalities in
earnings and positions can be related to differences in the accumulated human capital value of individual talents, backgrounds, and other assets (Becker, 1964 in Singh, 2007).

As women in the past had less education and work experience than men, men who are often responsible for recruitment assume that women lack sufficient human capital to serve as board members (Burke, 2000; Cabo et al., 2012). Empirical evidence, however, does not corroborate this argument. In fact, several studies suggest that women are as well qualified as men and that the board effectiveness will be positively affected by their uniqueness because of women's diverse and unique human capital (Terjesen et al., 2009). Regardless of the backgrounds of women, Hillman et al (2002) and Daily and Dalton (2003) affirm that women directors may bring unique perspectives in the boardroom, enhance the board's deliberations and more participative communication styles. Women’s unique contribution in the business case argument regards them as effective monitors and better risk or audit managers. Thus, to make accountable and responsible decisions, a male-dominated board should attract diversified human capital and overcome gender discrimination, biases, and prejudices, which improves efficiency and productivity (Sun et al., 2015).

Social capital theory

Burt (2000) considers social capital theory as a core theory across several disciplines and as a metaphor for social advantage. Social capital is created when individuals or organizations interact, for example in networks of relationships through which information, support and knowledge are communicated, facilitating instrumental outcomes (Seibert et al., 2001). Singh (2007) suggest that networks consist of the social actors at nodes, linked by criss-crossing ties of varying strengths to other social actors. Some networks are dense, with strong ties, but there are advantages when networks are extensive with areas unconnected to the core (Singh, 2007). From social capital theory, those board directors would be expected to have connections as important resources of value to the company on whose board they sit (Burt, 1992). As directors are connected in a net of linking ties across the business world, each individual director brings social capital to their board and to their network (Singh, 2007). If the new director is demographically different to existing members, then it is likely that a new set of ties will be added through that appointment, thereby extending the social capital of the organization. Evidence of social capital ties is revealed in director biography accounts of previous employment in other prestigious institutions and important tasks undertaken for other organizations, such as government committees and business institutions (Singh, 2007). Thus, the networks that form part of the board composition influences the social capital.

Van der Walt and Ingley (2003) suggest that board appointments are surrounded by a tradition about who should serve on board, and that “boards need to focus foremost on merit criteria for director selection and, ideally, to comprise qualified individuals reflecting in the mix gender, and a range of experience and ethnicity” (van der Walt & Ingley, 2003:232). This implies that boards focus on networks rather than merit in recruitment, which may disadvantage women as women do not have the networks that men often do (Hawarden, 2010). Hawarden and Marsland (2011) state that women directors are found in the largest components of the network, however they differ with men in effectively using their networks (Smit et al., 2013). One more reason would be aspiring women executives do not socialize more with men because they do not share the same networks or are not invited or do not accept invitations promptly as men do, for example, sports events or golf (Smith et al., 2013:386).

Gender Studies Theories

Social identity theory

According to social identity theory, people are inclined to associate with who they consider as members of their in-group and can compete to those they consider as out-groups (Turner & Haslam, 2001). Gender is one characteristic that grouping, and categorisations are made (Rothbart & John, 1985). In-group members are considered to share same interests and advance those interest for shared and self-benefit (Joshi & Jackson, 2003). Consequently, out-groups may be marginalized with ease on the account of the greater numbers of the majority (Asch, 1955). The distinction and categorisation between in-group and out-group invigorates effective team collaboration and promote competitive behaviour in the boardroom (Joshi & Jackson, 2003). As members of the outgroups or considered tokens women are likely to be mistrusted (Torchia et al., 2011). As a result, of such category, women directors may feel uneasy, detached, with belief in themselves and their competencies (Ibarra, 1992; Mathisen et al., 2013). When women are accepted as member son the in-group, they contribute positively to boardroom discussions, however boards are not designed to value diverse setting (Westphal & Milton, 2000). According to social identity theory, there majority member views will be prioritised while outgroups (minorities) views are dismissed (Westphal & Milton, 2000; Tanford & Penrod, 1984). This affects who has a voice and who does not in a boardroom.

In a qualitative study, Huse and Solberg (2006) found that creating associations was the area valued by women directors when they were asked about power and processes. Women interviewed alluded that to influence decisions in the boardroom, one would need to build alliances with other influential directors. Konrad et al (2008:154), correspondingly in a qualitative study interviewed women directors and one of them stated that she felt “that some boards matters were discussed outside the boardroom. She stated that women were not quite part of the inner circle enabling poor contributions to decision-making where contribution of talent to decision-making in unequal (Mathisen et al., 2013).
Social role theory

Social role theory by Eagly (1987) suggests that men and women interact corresponding to stereotypes and beliefs, associated with their social roles reflected in a biosocial relation between male and women physical characteristics and the social formation. The social role theory holds women and men set of expectation at home and work (Eagly & Wood, 1999). Gender specific roles transfer to attitudes that influence beliefs of what men and women should be in the workplace (Diekman & Schneider, 2010). Moreover, men and women in the same organisational positions face different pressures to comply with gender roles (Boulouta, 2013).

Women face stereotypes of traits such as sympathy, kind, compassion for others and nurturing relationships and communal (Fondas, 1997). As such women are considered emotive, sensitive, tender, frail, feminine, vulnerable, nurturing, and generous (Barker, 2012). Gender stereotypical beliefs put considerably higher pressure on women to act in a more ‘caring’ way, so no to absolve their expected gender role (Gutek & Morasch, 1982). Due to these pressures, women are supposed less worthy for leadership roles than men who are deemed more capable and able (Carli & Eagly, 2001: 631). These assumptions associate men with boldness, directing, aggressive, self-reliant, independent, self-self-assured, direct, and firm. Traditionally, intelligence, self-confidence, and other traits used to describe effective leaders have been associated with men. These ideas continue “to influence views and talent of women as leaders” (Banks & Banks, 1995: 66).

Gender differences theory

The theory on gender differences suggests that whereas there are no inclusive differences in effectiveness between women and men, there are some gender related differences for some behaviour and skills in varying conditions (Yukl, 2002). Such differences in leadership styles may have important implications for board processes and dynamics as well as for board effectiveness (Nielsen & Huse, 2010). Implying that women may behave differently than men and be more effective in the performance of certain tasks over others (Eagly et al., 1995). Accordingly, Palvia et al (2015) document that women and men often act and behave differently. Gender differences have been widely documented in the cognitive psychology and behavioural economics literature, and are perceived to be related to information processing, diligence, conservatism, overconfidence, and risk tolerance (Byrnes et al., 1999). Personal preferences, values, and opinions of executives may affect corporate decisions and financial policies (Graham et al., 2013).

Empirical findings of Palvia et al (2015) demonstrate that the behavioural differences between women and men may have important implications for corporate financial decisions. Specifically, they find strong evidence that women led banks hold higher levels of capital and are therefore more conservative. Other studies have focussed on the effects of women executives and directors have on corporate outcomes. Jurkus et al (2011) for example, document that gender diversity in top management may constrain agency costs and have a positive effect on risk adjusted stock returns. Huang and Kisgen (2013) find that firms with women CEOs and Chief Financial Officers (CFO’s) are less likely to make acquisitions and less likely to issue debt than male-dominated firms. Faccio et al (2013) document that firms run by women CEOs make less risky financing and investment decisions. In a study in which board directors completed a test of moral reasoning, Bart and McQueen (2013) found that women directors were more likely to use a cooperative decision making approach that results in fair decisions when competing interests are at stake; in contrast, male directors were more likely to make "decisions using rules, regulations and traditional ways of doing business or getting along” (Post & Byron, 2015). Post and Byron (2015) present meta-analytic evidence which suggests that, compared to men, women tend to apply stricter ethical standards. Women are more likely to judge questionable business practices as unethical (Franke et al., 1997). These value differences may come to bear in the boardroom, as research suggests that women directors tend to embrace their fiduciary responsibility more strongly than males by showing greater propensity than men to sit on boards’ audit and monitoring committees (Adams & Ferreira, 2009; Zhu et al., 2010). Virtanen (2012)’s analysis of the findings revealed that women's backgrounds are different, and they behave differently on boards than men. Their experiences can give them different links outside the board (Hillman et al, 2002; Kesner, 1988). Virtanen, (2012) reports that women may rather focus on questioning the old rules and games seeking changes rather than consensus (Pesonen et al., 2009). Women take active roles working seriously and trying to use the power they have (Nielsen & Huse, 2010). However, the men do not always appreciate women's contribution to the boards (Nielsen & Huse, 2010).

Ricketts (1991) assess gender relations in the Jamaican financial industry and presented interesting results that suggests that there is a perceived difference between the management and decision-making tendencies of men and women (Tennant & Tennant, 2008). Ricketts (1991:3-5) documents that ‘women are straight, no nonsense and tend to take the moral high ground whereas men will make provision for the boys or twist the rules a bit to make the end justify the means.’ This perception according to Ricketts (1991:3-5) makes men more comfortable working with men, though they will appoint women as second in command because the women will be loyal and will carry out instructions. ‘He concludes that ’decision makers therefore like women to supervise things but hate having them across the table as counterparts... (so) until men feel comfortable that women can play the game, or until the game is no longer necessary, then it will continue to be a man’s world in the corporate board rooms.’

According to De Jonge (2014) it has been argued that women are better at ‘relationship management’ and ‘people management’ than are men. This proposition has been supported by some previous studies showing that women are more likely to be prevalent at senior level in service industries that place value on customer relations than in other industry sectors (Hakim, 2006). De Jonge, (2014) reveals that other studies e.g., Melamed (1995) have found that women are psychologically more suited to developing skills in human relations. Applying theories of gender related differences in the context of board research, the differential impact of women directors
on different board processes and board tasks is limited in literature (Nielsen & Huse, 2010). Theories of gender-based differences can be effectively applied to the context of boards to advance our understanding of how boards comprised of both genders work (Nielsen & Huse, 2010).

Conclusions

This paper elucidates the underrepresentation of women on boards from a multifaceted theoretical standpoint. The main findings of this study indicate that boards of directors do not have effective talent management strategies in place, particularly in relation to the persistent barriers that prevent women from reaching top positions. Some women who are appointed to boards also face structural inequities that result in shorter tenures. The perceived inclusion of women on boards to comply with requirements also impacts the potential contributions that women can make to those boards. The main value of this work is in its utilization of contrasting radical literature evaluations on women on boards research, which explore both the factors that support and impede the advancement of women to boardrooms. Theoretical perspectives identify obstacles and biases in the process of recruiting, developing, and retaining women directors. These challenges can be addressed by considering the consequences for talent management. These contributions elucidate the particular obstacles that lead to a low representation of women on boards within structural (organizational), individual (psychological), and cultural contexts.

Considering the organizational implications of talent management, effective strategies to address obstacles to increasing female representation on boards involve prioritizing diversity objectives within the board nominations committee. This can be achieved by actively seeking gender balance in recruitment and hiring decisions. Theoretical frameworks, including agency theory, provide support for the business argument on the monitoring responsibilities of women directors in their capacity as independent directors. The agency approach exacerbates the glass ceiling by disregarding the potential for women's skill to be cultivated internally, hindering their progress towards executive positions. The proponents of the resource dependence hypothesis acknowledge the valuable human and social capital possessed by internal executives. If properly cultivated, these executives can contribute their expertise, skills, and experience to the boardroom. The power perspective hypothesis focuses on identifying influential individuals on boards, such as the CEO and board chair, who possess the necessary authority to actively seek for and attract more qualified women for board positions. Similarly, the upper echelon theory offers theoretical insights into the role of directors in promoting changes in board configurations. The Board Chair has the ability to strategically assign women to important committees such as nominations, audit, finance, risk, and remuneration, in order to influence decision-making and assert their authority. According to the critical mass theory, it is recommended to have a minimum of three women directors on any board. This theory suggests that having a greater number of women will enhance their confidence and contribute more effectively. Similarly, the concept of critical mass acknowledges the issues raised by the idea of tokenism, which posits that the appointment of a single woman to a board may be seen as a symbolic gesture rather than a genuine commitment to diversity.

By considering the societal ramifications of talent management, the institutional and stakeholder theory acknowledges the significance of many entities and interested individuals in society who might advocate for the increased presence of women on corporate boards. Various stakeholders, including governments, legislators, shareholders, investors, and women advocacy groups, have a vested interest in applying pressure on company boards to achieve gender balance. These forces should prioritize the monitoring of the successful recruitment, advancement, and retention of women on boards, rather than solely focusing on recruitment requirements. Similarly, shareholder activism can help drive the need for enhanced corporate governance to accommodate the diverse needs of stakeholders. Nevertheless, these pressures may result in women being labeled as token appointees, perhaps undermining rather than fostering their aptitude, as they are inclined to resist prevailing cultures.

Based on the psychological implications for talent management, ideas on gender differences demonstrate clear distinctions between men and women, highlighting women as valuable contributors to boards due to their distinctive skills. Other scholars further develop social identity theory to contend that individuals align themselves with those who possess similar identities, and this alignment may influence the integration of women in boardrooms. The explanation highlights that the recognition of women's contributions will be contingent upon their acceptance as members of the majority. Hence, board cultures that do not welcome or acknowledge the potential of female talent hinder the effectiveness of boards. Male executives should actively contribute to fostering inclusive cultures in boardrooms to support the development and retention of women, rather than perpetuating hostile work situations. Several theoretical views demonstrate the influence of gender-based social roles on board procedures. These structures ignore the talented efforts of individuals, regardless of their gender. They stereotypically portray women as emotional and men as rational, which contributes to the problem of women being underrepresented. The literature on tokenism theory illustrates the way in which women are perceived and treated when they are in the minority on a board. This has a direct impact on their confidence and their ability to contribute effectively. While critical mass theorists advocate for the increased confidence of women when they are in groups of three or more, they fail to consider the possibility of these women having differing opinions, which could undermine their ideas. This study proposes that firms should incorporate key components of talent management, specifically recruitment, development, and retention, into a comprehensive framework to enhance workforce optimization. Further research should examine the integration of talent management components inside boards that possess a significant number of members, in order to establish a framework for implementing talent management interventions specifically tailored for boards.
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