



Gender Diversity in The Boardroom: A Qualitative Exploration of Women Directors in Malaysia

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ABSTRACT

The role of women directors in strengthening corporate governance and improving company performance is well recognised, yet their representation on corporate boards remains limited. This study explores the underrepresentation of women on the boards of publicly listed companies in Malaysia and investigates the factors contributing to this issue. A qualitative research design was employed, involving in-depth interviews with six directors from publicly listed Malaysian companies. This approach provided rich insights into women directors' contributions and the barriers that hinder their broader participation. The findings reveal that women directors enhance board effectiveness by improving stakeholder representation, enriching decision-making processes, and advancing corporate social responsibility (CSR) engagement. The women directors' perspective was also noted as adding depth to boardroom discussions and strengthening governance outcomes. However, challenges persist, particularly in identifying suitable female candidates, which is often limited by industry-specific knowledge gaps and a lack of awareness of the available talent pool. These constraints highlight the structural and organisational complexities shaping gender representation on boards. The study contributes to the discourse on gender diversity by offering insights to guide future research, policymaking, and corporate practices to promote inclusivity in board leadership.

INTRODUCTION

The presence of women directors on corporate boards has been increasingly recognised as an essential element of good governance and sustainable organisational performance. Prior research highlights their unique strengths, including enhanced risk management and more balanced decision-making processes (Ho, 2017). Jaafar (2017) further emphasises that women directors create an inclusive work culture while strengthening a company's financial performance. Similarly, Reguera-Alvarado et al. (2017) argue that board diversity enhances governance quality by fostering independence in decision-making and encouraging more robust and informed deliberations.

In Malaysia, regulatory reforms have sought to address gender disparities in the boardroom. Beginning in 2023, all publicly listed companies must appoint at least one woman director to their boards, signalling an institutional commitment to advancing gender inclusivity in decision-making (The Business Times, 2021). Nevertheless, progress remains uneven. *The Edge* (2023) reported that 24 publicly listed companies had yet to appoint a female director as of June 1, 2023, reflecting resistance and reluctance to meet these updated requirements.

The absence of women on boards may result in several negative implications, including weaker performance outcomes (McKinsey & Company, 2020), diminished governance effectiveness (Terjesen et al., 2009; Carter et al., 2003), reduced innovation (Kagut et al., 2014), and adverse public perception (Catalyst, 2020; Burke, 2000). Consequently, the inclusion of women directors has become a focal point in the discourse on corporate governance, particularly about their contributions and the challenges they encounter.

A key issue concerns the persisting underrepresentation of women on corporate boards, even amid growing awareness of the benefits of gender diversity. While mandatory quotas and similar regulatory initiatives aim to correct this imbalance, many companies remain

hesitant to comply fully. Moreover, questions persist regarding how women directors can effectively promote stakeholder interests, strengthen decision-making, and advance corporate social responsibility (CSR) initiatives.

Against this backdrop, this study explores the contributions of women directors to corporate boards, focusing on their roles in stakeholder representation, decision-making, and CSR engagement. It also investigates the barriers hindering female participation, thereby providing a nuanced understanding of the structural, cultural, and organisational challenges surrounding board diversity.

The findings of this study contribute to the growing literature on gender diversity in corporate governance by offering empirical insights into the unique contributions of women directors. In particular, the study underscores their role in promoting inclusivity, enriching board discussions, and fostering socially responsible governance. From a practical standpoint, the results suggest that organisations must address structural barriers, such as industry biases and limited professional networks, to broaden female representation on boards. Policymakers and regulators may also strengthen diversity initiatives by introducing leadership development programmes for women and implementing transparent appointment processes. Fostering gender-inclusive boardrooms is a matter of compliance and a pathway to improved governance, enhanced corporate reputation, and long-term sustainable success.

LITERATURE REVIEW

The significance of gender diversity on corporate boards has gained increasing recognition, with an expanding body of research highlighting its wide-ranging benefits for governance, strategy, and organisational outcomes. This section reviews the key theoretical frameworks and empirical findings that underpin the role of women directors in enhancing board effectiveness.

2.1 Agency, Stakeholder and Resource Dependency Theory

Several theoretical perspectives provide a foundation for understanding the contributions of female directors. Agency theory (Jensen & Meckling, 1976) posits that diverse boards, including women, strengthen monitoring mechanisms and reduce agency costs. Women directors often ask more questions, provide alternative viewpoints, and contribute to more effective oversight, which enhances transparency, reduces information asymmetry, and improves financial performance (Francoeur et al., 2008; Gul, Srinidhi & Ng, 2011). Heterogeneous boards, therefore, serve as stronger governance mechanisms that promote ethical standards and accountability (Alvarado, Briones, & De Fuentes Ruiz, 2011).

Stakeholder theory (Freeman, 1984) suggests that women directors play a critical role in representing the interests of multiple stakeholders, including employees, customers, and communities. Their presence signals inclusivity and corporate commitment to broader stakeholder concerns, strengthening trust and attracting external partnerships (Fields & Keys, 2003; Friedman et al., 2010). By fostering broader engagement, gender-diverse boards enhance organisational reputation and sustainability.

Resource dependence theory (Pfeffer & Salancik, 2003) and stewardship perspectives further highlight women's ability to secure resources and reduce environmental uncertainty. Their negotiation skills, emotional intelligence, and relational capital expand a firm's access to strategic resources and strengthen ties with socially conscious investors and consumers (Adams & Ferreira, 2009). These theories form the theoretical foundation of this study, explaining how women directors enhance decision-making, stakeholder representation, and CSR engagement, thereby improving governance, performance, and sustainability.

2.2 Stakeholders Representation

Women directors enhance stakeholder representation by ensuring the voices of shareholders, employees, and broader communities are reflected in governance processes (Bowie, 2013). They help safeguard ethical conduct and reduce corporate misconduct, limiting regulatory noncompliance risk (Baum et al., 2022). Beyond governance, women on boards act as role models and advocates for gender equity, supporting fair recruitment and mentoring initiatives (Burke, 1994).

In family-owned businesses, women directors also mediate between family and non-family interests, reinforcing professionalism and transparency (Garcia-Meca & Santana-Martin, 2023). Their presence can improve responsiveness to markets with a large female customer base, as illustrated by Nike's women's division initiative led by Jill Conway (Rosener, 2003).

Stakeholder representation also contributes to ethical decision-making and enhances corporate reputation. Women directors' inclusive approaches attract female talent, strengthen diversity, and stimulate innovation (Berman et al., 1999; Catalyst, 2012). Their higher educational attainment further contributes to governance quality and firm reputation (Navarro-García et al., 2020). Nonetheless, barriers such as gender bias and restricted career advancement opportunities persist (Conde-Ruiz & de Artinano, 2016), underscoring the need for inclusive organisational policies (Erhardt et al., 2004).

2.3 Decision-Making Processes

A substantial body of research highlights women's contributions to board decision-making. Women directors bring diverse perspectives and independent judgment that improve deliberation quality (Daily & Dalton, 2003). In Indonesia, for example, a higher proportion of women directors in state-owned enterprises has been linked to improved performance due to their strong communication and reporting practices (Wardhani & Supratiwi, 2023).

Critical mass theory suggests that at least three female directors are required to make meaningful contributions (Torchia et al., 2011; Brahma et al., 2021). Alternatively, appointing only one woman may amount to tokenism, limiting their impact (Singh et al., 2019).

In Malaysia, genderdiverse boards have been shown to strengthen corporate governance by introducing new ideas and perspectives (Azmi & Barrett, 2013).

Beyond deliberation, women directors influence risk management and ethical choices. Research indicates that women are more risk-averse and socially responsible (Garcia-Meca & SantanaMartin, 2023; Tanasuica, 2023). Boards with female directors are less prone to corruption, more attentive to ethical considerations, and associated with reduced bankruptcy risks (Perryman et al., 2016). Nonetheless, gender-diverse boards may face challenges, including conflict and communication barriers (Martínez & Rambaud, 2019; Barnes et al., 2019). Despite these complexities, the evidence strongly supports the positive influence of gender diversity on governance quality and decision-making effectiveness.

2.4 Corporate Social Responsibility (CSR)

Women directors significantly advance CSR agendas. Studies show that firms with greater female board representation report higher levels of CSR disclosure and stakeholder engagement (Wang et al., 2021; Bear et al., 2010). Women's presence enhances moral legitimacy, responsiveness to stakeholder concerns, and proactive engagement in philanthropy and employee well-being (Zhang et al., 2013; Terjesen et al., 2016).

In addition, gender-diverse boards are associated with stronger environmental performance. Female directors prioritise sustainability, with research linking their presence to improved greenhouse gas disclosure and environmental initiatives (Kaspereit et al., 2016; Al-Najjar & Salama, 2022). Francoeur et al. (2019) also highlight women's contributions to less powerful stakeholder groups, including community development and environmental sustainability. However, normative pressures may constrain women directors' influence if they are expected to conform to traditional leadership styles (García-Sánchez et al., 2021). Despite such barriers, evidence overwhelmingly demonstrates the importance of women directors in strengthening CSR, enhancing corporate reputation, and fostering long-term sustainability.

2.5 Financial Performance

A considerable body of evidence links gender diversity to improved financial outcomes. Studies have shown positive effects on return on assets (ROA), return on equity (ROE), and Tobin's Q in firms with higher female board representation (Hunt et al., 2015; Chatterjee & Nag, 2022).

Companies with gender-diverse boards also achieve stronger profitability and stock performance (Luckeath-Rovers, 2013; Catalyst, 2004).

However, industry context and critical mass remain important. Evidence suggests that at least two or three women directors are required to generate significant benefits (Carmo et al., 2022; Brahma et al., 2020), while token representation yields limited effects (Maiso Fontecha, 2013; Konrad et al., 2008). The positive influence of women directors also appears stronger in service industries than in manufacturing or construction (Christiansen et al., 2016). Nevertheless, some studies caution that mandated quotas may lead to inexperienced appointments, potentially offsetting expected financial gains (Singh et al., 2019; Rayasam, 2013).

Overall, the literature demonstrates that gender diversity yields extensive corporate governance and firm performance benefits. Women directors strengthen stakeholder representation, enrich decision-making, advance CSR, and improve financial outcomes. While tokenism, resistance to quotas, and organisational barriers persist, the evidence underscores the importance of fostering gender-diverse boards as a pathway to stronger governance, enhanced reputation, and sustainable business success.

METHODOLOGY

This study employs a qualitative research approach to explore the contributions of women directors on corporate boards. A cross-sectional design was adopted to capture a snapshot of directors' perspectives and experiences on gender diversity in governance. Data were collected through structured interviews with directors from publicly listed companies in Malaysia.

A purposive sampling strategy was used to select participants with direct insights into boardroom dynamics and decision-making processes. Directors were targeted for their comprehensive understanding of corporate governance and their ability to provide informed perspectives on the role of women in boardrooms. A total of six participants were interviewed, comprising both male and female directors in leadership positions, including independent and non-independent directors, executive directors, and chairpersons. The participants represented diverse educational backgrounds, ranging from doctoral and master's qualifications to professional certifications such as CPA, MICPA, MIA, and ICA. This diversity enriched the study by offering multiple perspectives on corporate governance practices. The participants' profiles are presented in Table 1.

Table 1: Demographic profile of Respondents

No.	Position in Listed Company	Gender	Education level	Directorships
R1	Non-Independent Non-Executive Director	Male	PhD in Economics	Listed company
R2	Chairman	Male	MIA & ICA	Listed company
R3	Chairman	Male	Master Degree in Law	Listed company
R4	Executive Director	Male	Master of Business Development	Listed company

R5	Independent Non-Executive Director	Female	Bachelor of Economics (Hons)	Listed company
R6	Independent Non-Executive Director	Male	CPA & MICPA	Listed company

The interview protocol was designed to explore several aspects of women directors' roles in governance. Questions addressed definitions of gender diversity, women's contributions to stakeholder representation, decision-making, corporate social responsibility (CSR), financial performance, and the factors contributing to their underrepresentation on boards. The interview protocol was structured around four thematic areas:

1. Understanding of gender diversity – how directors define gender diversity and its perceived importance.
2. Contributions of women directors – their influence on stakeholder representation, decision making and corporate social responsibility (CSR).
3. Impact on organisational outcomes – whether women's contributions are perceived to enhance financial performance and board effectiveness.
4. Barriers to representation – factors contributing to the limited participation of women on corporate boards.

The data analysis followed a systematic thematic approach. First, the researchers reviewed the interview transcripts to familiarise themselves with the content. Initial coding was then conducted, identifying key phrases, recurring ideas, and notable insights. These codes were subsequently grouped into broader themes reflecting patterns across the data. To ensure validity, themes were cross-checked with the raw transcripts to confirm consistency and accuracy. Finally, the findings were synthesised and presented in a structured format, highlighting the contributions and challenges associated with women directors in Malaysian corporate boards.

KEY FINDINGS AND DISCUSSION

Definition and Importance of gender diversity

The interview responses indicate that all six respondents describe diversity as having male and female representation within an organisation. The emphasis was consistently on both genders' balanced or equal presence in decision-making bodies such as the board of directors. This response reflects a common understanding that gender diversity is more than just including women; it is about actively balancing gender representation to ensure broader perspectives. Several respondents linked gender diversity to better decision-making and performance outcomes, citing the complementary nature of male and female perspectives. These insights suggest that the value of gender diversity is functional, not merely symbolic. Respondents believed including both genders could enhance innovation, competitiveness, and operational effectiveness. Some responses touched on gender diversity as an ethical or equity-driven imperative, highlighting the need for fairness and inclusiveness. These perspectives highlight how gender diversity is not just about business logic, but also about social justice and equitable participation in leadership and organisational roles. Only respondent 6 explicitly referred to the MCCG, which recommends that women should constitute at least 30% of board membership. This reply shows a level of regulatory awareness amongst at least one participant, suggesting that gender diversity is not only valued for practical or ethical reasons but also as a compliance issue within the corporate governance framework.

The responses collectively reveal that gender diversity is widely recognised and valued by all six respondents, though their emphasis varies between performance-based benefits, ethical obligation and regulatory standards. While most participants focused on a binary definition of gender, some showed a progressive understanding that embraces broader inclusivity. These findings underscore the need for organisations to not only implement gender diversity in practice but also to raise awareness of regulatory expectations and the broader benefits of inclusive leadership.

Table 2 (i): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
1. What is your definition of gender diversity?	Equal or balanced gender representation	1,2,3,4,5,6
	Improved decision-making	1,2,3
	Fairness, equality and representation	3, 4
	Regulatory Awareness (MCCG)	6

Enhanced Stakeholder Representative

Analysis of the responses reveals strong perceptions of women directors as empathetic, detail oriented and holistic leaders who play a critical role in stakeholder representation. Respondents 1 to 2 repeatedly emphasised women directors' heightened awareness of how board decisions impact stakeholders and their tendency to prioritise risk considerations. These insights reflect a perception that women directors are particularly sensitive to risk, stakeholder well-being and ethical considerations, making them more cautious and *stakeholder-focused* in governance decisions. Several respondents characterised women directors as having *strong communication and emotional intelligence*, allowing them to engage stakeholders constructively. These views portray women directors as effective bridge-builders between the board and stakeholders, with a communication style that promotes cooperation, empathy and conflict resolution. Respondents 5 and 6 gave identical responses, stressing that women directors consider all parties

and are more attuned to interpersonal dynamics, including potential tensions within the board or with staff. This distinction underlines the belief that women directors promote a more balanced and comprehensive form of stakeholder governance. Respondent 4 describes women directors as honest, rigid and unafraid to speak up when something is wrong. This respondent also *refuted a common stereotype* that women directors only advocate for female staff interests. This highlights that women directors are perceived as nurturing or empathetic, principled, assertive, and focused on broader governance responsibilities. Across all six responses, there is a consistent belief that women directors make decisions with a *stakeholder-first mindset*. Whether through *risk sensitivity* (R1), empathetic communication (R3), assertiveness (R4), or holistic conflict resolution (R5, R6), women are seen as naturally inclined toward inclusive and ethical board operations. Multiple respondents explicitly contrast the behaviour of men and women in the boardroom. These observations suggest that gender diversity can complement and balance differing priorities in boardroom discussions and decision-making.

The interview data illustrate a shared view that women directors play a distinctive and valuable role in representing stakeholder interests, particularly through their holistic thinking, emotional intelligence, and ethical accountability. Their ability to balance diverse needs, detect conflict early, and approach problems from a stakeholder-centric lens is seen as making a measurable difference in how the board functions. These findings support the argument that increasing women's board representation can strengthen corporate governance and promote more sustainable and inclusive decision-making. .

Table 2 (ii): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
2. How do women directors as an effective stakeholder representative make a difference in how the board operates?	Stakeholder-first minded decision making	1, 2, 5, 6
	Emotional intelligence and soft communication style	2, 3
	Holistic perspective on conflict and operations	5, 6
	Assertiveness and integrity	4
	Risk and fraud sensitivity	1
	Rejection of gender stereotypes	4

Influence on Decision-Making

The findings from this question reveal varied yet insightful perceptions regarding women directors' decision-making styles and their impact on board operations. Most respondents emphasised that women directors are more *meticulous and cautious in decision-making* than their male counterparts. This suggests a strong consensus that women directors bring depth and thoughtfulness into boardroom decisions, adding value through their comprehensive and methodical thinking process. Respondent 1 also pointed out that women directors act as a check and-balance mechanism, due to their honesty and heightened sensitivity to fraud or unethical behaviour. This perspective connects women's decision-making style to *governance integrity*, showing their role in strengthening oversight and *reducing risk*. Women's ability to *think long term and strategically* was cited as a key differentiator. As Respondent 2 highlighted, women think outside the box and look ahead before making decisions. This was linked to a strong financial acumen, especially when dealing with budgets and financial implications. This perception positions women directors as value-added contributors in strategic planning and financial decision making. Respondent 5 described women's decision-making as *holistic*, noting that women directors aim to balance the needs of all parties involved and avoid decisions that could harm the company. This suggests that women directors are considered considerate of diverse stakeholder interests, leading to more inclusive and sustainable decisions. While most respondents expressed positive views of women's decision-making, there were exceptions. Respondent 4 maintained a *neutral stance*, arguing that men and women are equally capable and that there is no significant gender-based difference in decision-making effectiveness. Respondent 6 pointed out that decision making effectiveness depends on individual character, stating that some women are detail-oriented while others may not be. These responses serve as a reminder to avoid overgeneralisation, suggesting that individual traits and competence matter more than gender alone in determining decision-making effectiveness.

Most respondents agree that women directors make a significant difference in board operations due to their attentiveness to details, risk awareness, critical thinking, and stakeholder consideration. Their thoughtful and cautious approach contrasts with what is perceived as a more impulsive and profit-driven style among male directors. However, two respondents emphasised individual competency over gender, suggesting that while women directors may often bring beneficial traits, effective decision-making ultimately hinges on character, experience, and expertise, regardless of gender. These findings reinforce the view that gender diversity enriches board deliberations and enhances the quality of decision-making, especially when multiple perspectives are integrated into complex business judgments.

Table 2 (iii): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
3. How do women directors as good decision-makers make a difference in how the board operates?	Detailed-oriented and thorough decision-making	1, 2, 3, 5
	Ethical and risk-sensitive governance	1
	Strategic and long-term thinking	2, 5
	Holistic and inclusive approach	5
	Neutral or character-dependent view	4 (neutral), 6 (individual-based)

Impact on CSR

The insights from respondents indicate a strong perception that women directors play a meaningful and distinctive role in shaping the CSR direction and culture of organisations. Respondents consistently highlighted that women directors bring *compassion, empathy and social awareness* into CSR initiatives. Respondents 2 and 4 stated that women's soft hearts and motherly nature make them more inclined to focus on donations and community welfare, showing a deep personal commitment to social causes. This finding suggests that women directors approach CSR from a human-centric and community-focused perspective, emphasising care for the underprivileged and inclusive participation. Respondent 1 asserted that women are experts in organising impactful CSR activities, including fundraising, charity runs and public engagement events that reflect positively on the company's reputation. This theme points to a perception of women as *effective implementers and coordinators of CSR*, contributing to both the success and visibility of these initiatives.

Respondent 3 observed that women directors often propose CSR ideas that enable social interaction and a deeper connection with the community or stakeholders, such as community service programs. This demonstrates that women directors will likely *embed stakeholder relationship-building* within CSR strategies, enhancing social trust and goodwill. Respondent 6 emphasised that women directors broaden the CSR perspective, suggesting they *offer fresh ideas and target different societal segments*, enhancing overall corporate CSR inclusivity. This supports the idea that gender diversity on boards leads to greater CSR innovation and reach, extending beyond traditional or profit-centred activities. Respondent 5 highlighted a contrast in priorities, stating that *men are more profit-focused, while women are more active and effective in leading CSR efforts*. This theme reinforces a common narrative that women bring ethical balance and social responsibility to boardroom discussions that might otherwise lean heavily on financial metrics alone. Respondents 1 and 2 acknowledged that *CSR contributes positively to the company's public image* and that women directors enhance this through genuine and impactful contributions, not merely symbolic participation. This suggests that women's involvement in CSR not only addresses societal needs but also strengthens the company's brand attractiveness to stakeholders, including investors, employees and communities.

The findings affirm that the presence of women directors enriches the scope, impact, and authenticity of CSR efforts within companies. Women are seen as socially attuned, community driven, and empathetic leaders who naturally gravitate towards inclusive, charitable, and relationship-focused CSR activities. They help companies fulfil social obligations and enhance stakeholder relationships and public trust. Their involvement in CSR contributes to a broader, more meaningful definition of corporate responsibility, going beyond compliance or branding to genuine social contribution. This adds strategic and reputational value to the organisation, further justifying the push for greater gender diversity in boardrooms.

Table 2 (iv): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
4. How does the presence of women directors make any difference to the corporate social responsibility (CSR) of the company?	Women directors bring empathy and social sensitivity	2, 4
	Women are effective CSR organiser and executors	1
	Women promote stakeholder engagement through CSR	3
	Women introduce diverse and inclusive CSR perspectives	6
	CSR Priorities differ across genders (profit vs social impact)	5
	CSR enhances image and women strengthen its credibility	1, 2

Most Influential Contribution of Women Directors

The responses from six respondents reveal that women directors are perceived to contribute most significantly in two significant areas: Decision-making and CSR, with one respondent highlighting stakeholder representation as the most comprehensive and influential one. This reflects the diverse strengths women bring to board leadership, particularly through empathetic decision-making, social responsibility and stakeholder engagement. Respondents 1 and 2 emphasised that *women's strong analytical thinking, attention to detail, honesty and practicality make their decision-making contributions the most influential*. Women are seen as offering creative, thorough and fraud resistant decisions that elevate board quality. This reflects a belief that women enhance board effectiveness and integrity through thoughtful and responsible decision-making. Respondents 3, 4 and 6 viewed *CSR as the most*

impactful area of contribution for women directors. Women are associated with compassionate leadership, a natural tendency toward charity, volunteering, environmental concerns, and creating social value. Their influence in CSR is seen as a difficult match by their male counterparts, suggesting a gendered strength in social responsibility. This highlights how women directors can build trust and legitimacy for the company through authentic and meaningful CSR engagement. Respondent 6 uniquely identified *stakeholder representation as the most influential*, arguing that it integrates decision-making and CSR efforts. This indicates a holistic view of corporate governance, where understanding stakeholder interests enhances both decision quality and CSR outcomes. It underscores that women may offer an integrated leadership approach that balances multiple board functions effectively.

The findings suggest that there is no singular view of the most influential contribution by women directors, however, *CSR and decision making dominate the perceptions*, with CSR slightly leading in terms of consensus (3 out of 6 respondents). Women are praised for bringing empathetic, inclusive and ethical perspectives to the board, especially in areas requiring social sensitivity and thoughtful judgment. One respondent's integrated view, identifying stakeholder representation as the umbrella under which other contributions thrive, suggests a growing recognition of the interconnectedness of board responsibilities and the multi-dimensional strengths women bring to governance. These insights support the argument that gender diversity on boards enhances corporate integrity, social responsibility and stakeholder trust, all of which are essential to sustainable governance.

Table 2 (v): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
5. In your opinion, what is the most influential contribution of women directors based on their contribution as stated in item 2 (stakeholder representative), 3 (decision making) and 4 (CSR)?	Women are strong decision makers, Practical and logical approach to decision making	1, 2
	CSR is a dominant area of women's contribution	3, 4, 6
	Stakeholder representation as a holistic strength	5
	Different strengths valued across roles	All

Impact on financial Performance

All six respondents unanimously agreed that the contributions of women directors, particularly in stakeholder engagement, decision making and CSR, can positively influence company performance, both financially and non-financially. While some emphasised direct financial benefits, others focused on the indirect impact through enhanced governance, board effectiveness and corporate reputation.

All respondents agreed that the identified contributions of women directors lead to *performance improvements*. They saw a clear correlation between the presence of capable women on boards and improved company outcomes. This reinforces the perceived value-added role of women directors in boardroom dynamics. Several respondents highlighted that the benefits extend beyond financial gains. Respondents 1 and 2 emphasised that women's attributes ensure strong board functioning, ultimately boosting *financial and non-financial performance*. Respondents 4 and 5 mentioned *reputation and employee retention as crucial non-financial aspects directly affecting financial performance*. This reflects a holistic view of performance, where ethical governance, CSR involvement and stakeholder trust are seen as precursors to financial sustainability.

Respondent 5 offered a more nuanced perspective by stressing that a strong reputation, supported by ethical decisions and stakeholder sensitivity (*traits associated with women directors*), acts as a risk mitigation mechanism. A damaged reputation can trigger financial losses, hence protecting it is integral to long-term profitability. Multiple respondents (e.g. Respondents 1, 2, 3) acknowledged that decision-making quality, driven by women directors' diligence and analytical rigour, can directly influence company strategy, risk posture and profitability. This affirms that women's presence strengthens strategic deliberations that lead to sound financial outcomes.

Table 2 (vi): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
6. Do you think these contributions (effective stakeholder representative), good decision maker, encourage better CSR of women directors may increase the company's financial performance?	Positive impact on both financial and non-financial performance	1, 2, 3, 4
	Reputation as a strategic asset	4, 5
	Link between women's values and board effectiveness	1
	CSR and ethical leadership as drivers of performance	3, 4, 6
	Recognition of indirect pathways to financial performance	5
	Unanimous agreement on the positive contribution of women to performance	1-6

Challenges and Barriers to Women Representation

Responses from six respondents reveal a range of interrelated factors contributing to the underrepresentation of women on corporate boards. These factors include industry-related barriers, limited network access, perceived lack of qualified candidates and historical gender norms embedded in board structures. The findings underscore that the challenge is not merely a pipeline issue but also rooted in structural, cultural and systemic barriers.

Respondents 1, 2, 3 and 5 emphasised that the nature of the business sector, particularly in engineering, logistics, construction, manufacturing and chemicals, is a key reason for the low number of women on boards. These industries are viewed as *male-dominated* and physically or technically intensive, leading to a perception that they are not 'suitable' for women. There is an implicit assumption that *women lack the technical experience or interest* to lead in such sectors, reinforcing gender stereotyping. This suggests that gender around industry roles continues to limit women's access to board positions in traditionally masculine sectors. Respondents 4 and 5 indicate that board appointments rely heavily *on personal networks and informal recommendations*, often excluding women due to limited access to male-dominated networks. Respondent 4 described how companies prefer to appoint familiar faces or directors from within their circles to save *time and cost* rather than conducting a wide and formal talent search. This highlights the systemic exclusivity of board recruitment, where women are less likely to be identified as potential candidates due to networking gaps. Respondents 2, 4 and 5 acknowledged that companies often find it challenging to identify suitable or ready women candidates, which may be due to *limited visibility, insufficient mentorship or fewer leadership development opportunities for women*. This suggests that while capable women may exist, they are under-recognised, and companies are reluctant to invest effort into broadening the candidate pool. Respondent 6 provided a broader systemic explanation, citing the *historical structure of boards as a "men's club"* that has long excluded women. This reflects deep-rooted cultural barriers and gender bias, where male dominance in corporate leadership has become institutionalised over time. Such culture inertia slows change, and women continue to face structural disadvantages in gaining access to board roles.

The findings reveal that the lack of women on corporate boards is multifaceted, influenced by structural factors (industry type, historical dominance) and systemic practices (network-based recruitment, limited outreach). Sectors like engineering, manufacturing and logistics are seen as less open to women due to perceived unsuitability and technical barriers, even though such assumptions may not reflect women's capabilities.

Moreover, the closed nature of board appointments, often dependent on existing relationships and informal networks, further disadvantages women. The perception of a limited pool of qualified women candidates is more likely a result of limited visibility and effort in identifying them, rather than an actual shortage. The continuation of boardrooms as male-dominated spaces reflects entrenched cultural norms, suggesting that active interventions such as transparent board nomination processes, formal talent searches, and gender-inclusive board policies are needed to change the landscape. These insights highlight the urgent need for structural reforms and mindset shifts to enable a more diverse and inclusive board environment in Malaysia.

Table 2 (vii): Summary Table of Key Themes Across Respondents

Question	Theme	Respondents
5. Why is there a lack of women representation on corporate boards?	Male-dominated industries (engineering, logistics and manufacturing)	1, 2, 3, 5
	Limited pipeline and talent identification barriers	2, 4, 5
	Reliance on network over merit-based recruitment	4, 5
	Structural and historical exclusion ("men's club" culture)	6
	Cost and time barriers in hiring female directors	4

CONCLUSION

The findings reflect that the concept of gender diversity is generally recognised and valued by the respondents, primarily for reasons related to board effectiveness, representation and regulatory compliance. While most definitions centre around male-female inclusion, there is some acknowledgement of non-binary identities, pointing toward a gradual shift in understanding. Importantly, the respondents associated gender diversity with practical organisational benefits, such as improved decision-making and risk management, while noting its ethical and representational value.

The interview findings highlight the significant contributions of women directors in corporate governance, particularly in stakeholder representation, decision-making, and corporate social responsibility (CSR). Women directors are perceived as effective advocates for diverse stakeholders, ensuring inclusivity in boardroom discussions and promoting ethical and transparent decision-making. Their presence enhances corporate governance by fostering well-informed, balanced decisions that align with stakeholder interests and contribute to sustainable business practices. Additionally, women directors are crucial in driving CSR initiatives, reinforcing corporate ethics, and strengthening stakeholder relationships.

The impact of women directors extends to financial performance, primarily through reputation management. Companies that embrace gender diversity, ethical decision-making, and strong CSR commitments are more likely to gain investor confidence, attract customers, and build long-term stakeholder trust, indirectly contributing to financial stability and sustainability. Conversely, a poor

corporate reputation due to weak governance or inadequate CSR efforts may result in financial decline, regulatory scrutiny, and diminished market competitiveness.

Despite these contributions, women continue to face challenges in securing board positions. Industry-specific gender imbalances, limited access to influential networks, and recruitment biases hinder their representation at the highest levels of corporate governance. Many board appointments still rely on male-dominated networks, reducing opportunities for qualified female candidates. Addressing these structural barriers is essential to fostering greater gender diversity, enhancing corporate decision-making, and ensuring more inclusive and effective governance.

From the Agency theory perspective, gender diversity introduces an alternative perspective that can mitigate agency problems, such as reducing groupthink and enhancing the monitoring of management behaviour. Women directors are perceived to be more risk-aware and detail-oriented, which supports board vigilance. Regarding the stakeholder theory, a gender-diverse board reflects the broader social fabric. It can better represent the interests of various stakeholder groups, including employees, customers and communities. According to the Resource Dependency theory, gender-diverse boards bring varied knowledge, experience and network, thereby enhancing the company's access to critical external resources and legitimacy in the eyes of the regulators and the public.

One of the key limitations of this study is the small number of participants involved in the interview sessions. Despite the limited sample size, the researcher obtained in-depth insights into the participants' understanding of the concept and significance of board diversity within their respective companies. The interviews also captured their perceptions regarding the contributions of women directors in areas such as decision-making, stakeholder representation, corporate social responsibility (CSR), and financial performance. Furthermore, the study revealed the challenges faced by women in securing appointments to corporate boards. All participants were directors of publicly listed companies, thereby providing informed perspectives on issues related to the participation of women on corporate boards.

The findings of this study have significant theoretical, practical, and policy implications. Theoretically, they contribute to the growing body of research on gender diversity by providing empirical evidence on how women directors influence decision-making, stakeholder representation, and corporate social responsibility, ultimately shaping corporate governance effectiveness. Practically, the study underscores the critical role of gender diversity in enhancing board dynamics, fostering ethical leadership, and improving corporate reputation, which can indirectly impact financial performance. From a policy perspective, the findings highlight the urgent need for stronger regulatory enforcement, targeted leadership development programs, and more inclusive board recruitment strategies to address persistent gender imbalances. By shedding light on both the contributions and challenges women directors face, this study provides a foundation for future research and policy reforms to promote more diverse and effective corporate leadership.

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