Pulling the Rug from Under our Feet?

A Critical Evaluation of the Scholarly Pursuit of the Value-in-Diversity Argument for

Women’s Representation in Leadership Positions

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Extended Abstract

A great majority of the contemporary gender and diversity in organizations literature is focused on making the business case for women and other minorities’ representation in leadership positions in organization, that is, establishing the value-in-diversity (VID) argument, or what is commonly referred to as the business case for diversity (Nkomo & Hoobler, In Press; Noon, 2007; Zanoni et al., 2010). This literature seeks to document the link between a higher representation of women and/or minorities and higher firm performance. Yet, despite the large number of studies published within this paradigm, findings regarding the VID argument have been less than conclusive for various reasons: both diversity and performance have been operationalized in many different ways, and performance is likely determined by a host of factors irrespective of the diversity of firm leadership (Joshi, Liao, & Roh, 2011).

PURPOSE. The purpose of this manuscript is to problematize gender and diversity researchers’ dogged adherence to the VID paradigm, and to call attention to ways in which an insistence on linking the representation of women in leadership positions to bottom-line measures of firm performance may actually “pull the rug out from under our own feet” as researchers. This possibility exists because the way in which we have framed the VID argument suggests that if we do not find inconclusive evidence of a link between gender representation and firm performance, there is little justification for advocating for changes in women’s presence in management.

METHODOLOGY/APPROACH. We draw upon Alvesson and Sandberg’s (2011) proposal of problematization as a methodology for identifying and challenging assumptions that underlie existing theories and research questions. Problematization goes beyond gap spotting to help scholars develop more interesting theories and research questions outside of the existing paradigm. To achieve this we employ the six principles proposed by Alvesson and Sandberg (2011). First, we conducted a literature review of studies testing the link between gender representation in leadership and firm performance. We added to the analysis of this literature problems and reservations that emerged regarding our own research, which tests links between women’s representation in leadership positions in South African corporations and multiple firm performance measures. We next identified the underlying assumptions of the gender representation and performance link question, and developed alternative assumptions and new potential paradigms. Taken together, our analysis results in a critical evaluation of the continued use of the VID paradigm.

RESEARCH IMPLICATIONS. Our literature review uncovered limited and often equivocal main effects between women’s representation in leadership positions and firm performance. And our study of VID in South Africa surfaced some of the methodological and ideological stumbling blocks to making the VID link. In questioning and reflecting upon our, i.e., scholars’, insistence on establishing the VID argument, we offer that we may do well to instead focus on the virtually abandoned moral argument for diversity (van Dijk, Engen, & Paauwe, 2012; Noon, 2007)--that more women at the top is simply “the right thing to do.” We discuss the continued reliance on the VID paradigm from several perspectives, including: 1) the hegemony of linking all practices in management to firm performance (Alvesson & Willmott, 2012), 2) the legitimatization of the diversity literature through the use of quantitative methods (Fleming & Spicer, 2003; Nkomo, 2009), and 3) the gendered double standard of men’s representation in leadership positions never having been justified by establishing the link to firm performance (Hiller, Dechurch, DeChurch, & Doty, 2011).

VALUE OF THE PAPER. While there have been other scholars who have questioned the VID approach to diversity (e.g., Jones & Stablein, 2006; Noon, 2007; Zanoni et al. 2010), this paper takes an in-depth problematizing approach by examining the argument from a methodological perspective as well as focusing on a specific dimension of diversity—gender. Focusing on a specific set of research studies and a single dimension of diversity helps to surface the underlying ideological assumptions embedded in both the methodology of VID and gender in organizations. We conclude with a call for researchers to end our VID paradigm paralysis. When we fail to establish the nebulous link between women’s representation in leadership positions and firm performance this may serve to support diversity opponents’ skepticism about whether women are needed in the top positions—in essence, this “pulls the rug out” from our own purpose to advance women in leadership. The VID may blind us from asking numerous other important questions about women’s representation in organizations.

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