

# Who can create equal opportunities for men and women to reach top management positions, and how?

Ásta Dís Óladóttir, Thora H. Christiansen, Sigrún Gunnarsdóttir and Erla S. Kristjánsdóttir  
 School of Business, University of Iceland, Reykjavik, Iceland. astadis@hi.is – thc@hi.is – sigrungu@hi.is – esk@hi.is

## Background

- Iceland has led the list of the WEF Global Gender Gap Report 12 years in a row.
- There are 19 listed companies on Nasdaq Iceland. No woman serves as a CEO.
- In 2010, Icelandic law was amended such that either gender should constitute at least 40% of the board of directors in companies with more than 50 employees.

## Objective

Explore how to close the Gender Gap and ensure equal opportunities for men and women to reach top management positions.

## Method

- Mixed methods.
- Survey, data from 189 women business leaders.
- In-depth interviews with 22 women on the boards of all listed companies in Iceland.

## Findings

- A gender-quota needed on topmanagement-team positions
- Implementation of gender equality policy by the corporate boards
- Leading institutional investors implement a gender equality policy as part of their ownership strategy.

## GEMMAQ ratings (Women in Corporate Leadership)

Nasdaq Iceland 2007 - 2021



## Representative quote

## Interpretation

### Gender quota

"Gender quotas need to be implemented on executive boards because then you are raising future managers like this, because if you are looking for a CEO, then you are looking for management experience, there needs to be pressure...if anyone can do that then it is prime minister through legislation."

The women felt that a quota was needed because other measures had been exhausted and without the quota, there would be no change. They explained that they envisioned the quota legislation would work through normalizing the even gender ratio in CEO positions.

**Acting body:** Government

### Board implemented gender equality policy and succession plan

"Succession plan is an incredibly underrated tool among company boards, it is the most powerful tool to support women in management positions...the message is that there should be a woman and a man in every box in the organization chart as potential successors to positions."

They recommended succession plans as a tool that would both force the inclusion of women and ensure that those women would receive the appropriate leadership mentoring.

**Acting body:** Corporate Boards

### Gender equality policy implemented by institutional investors as part of their ownership strategy

"The pension funds are the largest investors in the Icelandic market and this is achieved through them, they should strive for an equal gender ratio."

The women identified the leading institutional investors as supremely powerful agents who through inaction have perpetuated the gender inequality.

**Acting body:** Institutional Investors

## What is recommended?

- Board composition is critical for improving the likelihood of leadership success
- Gender-quota on top-management-team positions
- Gender equality policy by companies and investors.

Soft or binding quota regulations

Ownership strategies of pension funds and investors

Gender equality policy by boards



UNIVERSITY OF ICELAND