Received: 17.07.2025 | Revised: 12.12.2025 | Accepted: 19.01.2026

Executive Management Female Representation and Firm Performance in Switzerland

Lucas Knust, Patrick Chardonnens and Gabriela Nagel

Abstract: We examine the evolution of female representation in Swiss executive management and its impact on firm performance. We show a significant increase in female executive management members from 2005 through 2024. Examining the association between substantive female representation and firm performance in terms of return on equity and revenue growth, we find no significant relation. However, decomposing the return on equity via a DuPont analysis reveals that substantive female representation (top quartile, >14.3 %) is associated with higher profit margins and lower financial leverage, though these associations are sensitive to threshold specification. Additional analyses indicate that these performance implications have become more pronounced over time.

Keywords: Female representation, gender diversity, corporate governance, Swiss executive management, firm performance, profitability, DuPont analysis.

Frauenrepräsentation in der Geschäftsleitung und Unternehmensleistung in der Schweiz

Zusammenfassung: Die vorliegende Studie untersucht die Entwicklung der Frauenrepräsentation in schweizerischen Geschäftsleitungen und deren Auswirkungen auf die finanzielle Unternehmensleistung. Der Frauenanteil in schweizerischen Geschäftsleitungen ist von 2005 bis 2024 signifikant gestiegen. Bei der Untersuchung des Zusammenhangs zwischen nennenswerter Frauenrepräsentation und Unternehmensleistung in Bezug auf Eigenkapitalrendite und Umsatzwachstum wurde kein signifikanter Effekt gefunden. Jedoch zeigt die Zerlegung der Eigenkapitalrendite mittels DuPont-Analyse, dass nennenswerte Frauenrepräsentation (oberstes Quartil, >14,3 %) mit höheren Gewinnmargen und geringerem Leverage verbunden ist, wobei diese Zusammenhänge von der Schwellenwertspezifikation abhängig sind. Zusätzliche Analysen deuten darauf hin, dass diese Leistungsauswirkungen im Laufe der Zeit ausgeprägter geworden sind.

Stichwörter: Frauenrepräsentation, Geschlechterdiversität, Corporate Governance, Schweizer Geschäftsleitung, Unternehmensleistung, Profitabilität, DuPont-Analyse.

1. Introduction

Diversity in corporate leadership has been extensively discussed in both academic literature and business practice (e.g., Ahern & Dittmar, 2012; Zattoni et al., 2023; Zeng et al., 2025). Such diversity, encompassing gender, ethnicity, age, and professional background, is often viewed as a driver of organizational success. Beyond the business context, female representation in leadership has also gained attention as a matter of societal and political importance. Switzerland's corporate governance regulation reflects this attention to female representation. New regulations implemented in 2021 establish representation targets of 30 % women on the board of directors and 20 % in executive management for listed companies, to be achieved by 2026 and 2031 respectively (Code of Obligations (CO), Art. 734f).

However, the relationship between female representation in executive management and firm performance remains empirically contested. While some studies document positive associations (e.g., Campbell & Mínguez-Vera, 2008; Carter et al., 2003; Conyon & He, 2017; Liu et al., 2014), others find negative relationships (e.g., Adams & Ferreira, 2009; Ahern & Dittmar, 2012; Zeng et al., 2025), and some report null results (e.g., Marinova et al., 2016; Rose, 2007). Moreover, research specifically examining Swiss firms is limited, with most studies either focusing on board or management characteristics without examining performance effects (Ruigrok et al., 2007) or including Switzerland only within broader international samples (Zeng et al., 2025). Given these conflicting findings, the scarcity of Swiss studies and the recent regulatory changes, this paper has two main objectives: first, to document the evolution of female representation in Swiss executive management over the past two decades, and second, to examine the female representation-performance relationship within the unique Swiss context.

We obtain comprehensive data on the executive management composition of Swiss firms from a data set provided by guido schilling ag, which annually publishes the schillingreport.[1] We merge this management data with financials from the LSEG database (formerly Refinitiv), and where LSEG data is unavailable, Moody's ORBIS, and annual reports (hand-collected). Our final sample comprises 1,566 firm-year observations and 109 unique firms from 2005 through 2024.

Our data shows a substantial increase in female executive management representation, with the average number of females on executive management teams rising from 0.2 in 2005 to 1.7 by 2024. In 2005, 84.7 % of firms had no female executive managers, and none had three or more female executive managers. In contrast, by 2024 only 20.2 % of firms lacked female representation, while 21.5 % had three or more female executive managers. The proportion of females in executive management has also increased significantly. The percentage of female executive management members grew steadily from 2.3 % in 2005 to 4.4 % in 2015, then more than doubled to 11 % by 2020, before reaching approximately 21 % in 2024.

Next, we assess the impact of female representation on firm performance using OLS regressions. As proxies for firm performance, our dependent variables include return on equity and revenue growth, with our variable of interest being substantive female representation, that is, a dummy variable equal to 1 for observations in the top quartile

1 We thank guido schilling ag for providing the data used in this study. The annual schillingreport is available at https://www.schillingreport.ch/en/.

of female executive representation (>14.3 % women; this 14.3 % cutoff corresponds to the sample's 75th percentile). Control variables account for firm size and executive management team size. We employ three models: one without fixed effects, one with year fixed effects only, and one with both year and firm fixed effects, thereby, controlling for time trends and time-invariant firm characteristics. We cluster standard errors at the firm-level. Across all regression specifications, we find no statistically significant association between substantive female representation and either return on equity or revenue growth.

Collectively, our results suggest that female representation in executive management neither enhances nor diminishes overall firm performance. Moreover, our findings indicate that the substantial growth in female representation in corporate leadership has not resulted in any significant negative or positive impact on firm performance.

To further explore the relationship between female representation and firm performance, we apply the DuPont identity to decompose the return on equity into its three components: profit margin, asset turnover, and equity multiplier. We find that substantive female representation is positively and statistically significantly associated with profit margins across all specifications, while it is negatively associated with financial leverage, though this effect is not statistically significant when including year and firm fixed effects.

Additional tests show marginal significance (at the 10 % level) in models using a 20 % threshold. However, all results become insignificant when using a 10 % threshold or a continuous percentage measure. These findings highlight the sensitivity of our results to threshold specification and indicate that a critical mass of female representation might be necessary. Overall, the DuPont analysis provides a more nuanced understanding of the relationship between female representation and firm performance. The countervailing effects on different components of ROE – increased profit margins offset by decreased leverage – could explain the absence of a significant net effect on overall return on equity.

Splitting our sample into two periods (2005–2014 and 2015–2024), we document that significant associations are only present in the recent decade. These results suggest that the performance implications of female representation have become more pronounced over time, though this pattern may also reflect increased statistical power as substantially more firms reach the threshold in the later period.

We note that our study documents associations rather than causal relationships. Despite employing multiple regression specifications with various fixed effects, we cannot eliminate concerns regarding time-varying omitted variables or reverse causality that may confound the documented relationships.

This study contributes to the literature in several ways. First, it documents the evolution of female representation in Swiss executive management teams over time. Second, it provides recent and comprehensive evidence on the association between female representation and firm performance. Third, by utilizing DuPont analysis, we unpack the aggregate relationship between female representation and return on equity, revealing potentially offsetting effects on operational efficiency (profit margin) and financial strategy (leverage) that could help explain the often-inconclusive findings on overall performance metrics. Fourth, our analysis over a twenty-year period highlights that the relationship between female representation and specific performance components may evolve over time, suggesting that the implications have become more pronounced in the recent decade.

The study's findings also offer a direct contribution to the debate surrounding Switzerland's new gender diversity law (Art. 734f CO). This "comply-or-explain" rule mandates

that companies justify why they have not met gender targets for boards (30 % by 2026) and executive management (20 % by 2031). However, based on our analysis, we project this law is unlikely to substantially alter overall firm performance. This is for two reasons. First, from a compliance standpoint, our data shows many firms already meet the executive management threshold in 2024. Second, and more fundamentally, our DuPont analysis reveals that female representation is associated with compositional changes in financial performance. Rather than correlating with net changes in return on equity, it appears linked to specific, offsetting components – namely, profit margins and financial leverage. This suggests that regulatory effects may be more apparent in the individual components that drive firm performance rather than in aggregate performance measures.

2. Background

The composition of executive management teams has undergone significant changes in recent decades, moving away from historically homogeneous groups toward greater diversity. Research on diversity encompasses multiple dimensions including gender, age, nationality, education, tenure, and expertise (see e.g., Borges et al., 2025; Zattoni et al., 2023 for reviews). While acknowledging this multifaceted nature, this study focuses specifically on gender diversity of executive management teams. Prior research has examined a broad range of organizational outcomes including firm performance, strategy and innovation, risk-taking behavior, and governance practices (Zattoni et al., 2023). Our study focuses specifically on firm performance outcomes, contributing to this central but still inconclusive stream of research.

2.1 Swiss context

According to Swiss corporate law, a corporation has three governing bodies: the general meeting of shareholders, the board of directors, and the external auditor. The board of directors is entrusted by the general meeting with the ultimate direction of the company (Art. 716a, paragraph 1, no. 1, CO). It may delegate the operational management of the company to an executive management team (Art. 716a, paragraph 1, no. 2 CO), termed in this paper EM.

The Federal Constitution commits to the principle of equality between women and men, explicitly including equality in the workplace.[2] This understanding of equality entails that both genders have equal opportunities in all work functions, particularly in leadership positions. Despite progress, Switzerland continues to lag behind international comparisons (guido schilling ag, 2025). According to the Global Gender Gap Index, initiated by the World Economic Forum in 2006, Switzerland ranked 20th in 2024 (World Economic Forum, 2024, p. 12).

To support the achievement of gender equality in the professional environment, Art. 734f of the CO, amended in 2020 and incorporated into law on January 1, 2021, stipulates that if each gender is not represented by at least 20 % in the executive management by 2031, publicly listed companies must disclose in their compensation report the reasons for non-compliance and the measures being taken to promote the underrepresent-

2 See Swiss Federal Constitution (2024), Art. 8 para. 3: "Men and women have equal rights. The law shall ensure their equality in law and practice, particularly in family, education and work. Men and women have the right to equal pay for work of equal value."

ed gender.[3] This provision is intended to send a clear signal to the business community to "intensify efforts for active and comprehensive leadership development of women, who remain the significantly underrepresented gender in top management" (Forrer & Müller, 2022).

Prior to this legal requirement, gender diversity was merely listed as a recommendation in economiesuisse's Swiss Code of Best Practice for Corporate Governance, though without specifying a quota. The Swiss Code of Best Practice for Corporate Governance (Section 13) now explicitly refers to the CO, requiring that the board of directors aim to meet the legal targets for balanced gender representation on both the board and in executive management. In the context of personnel and succession planning, the board is expected to implement measures to promote the underrepresented gender.

While some prior studies have assessed Swiss board member characteristics, including gender (Ruigrok et al., 2007), they often do not explicitly link these attributes to firm performance. Other research connects board gender diversity to performance but includes Swiss firms only as part of broader international samples, potentially obscuring country-specific dynamics (Zeng et al., 2025). An exception is an unpublished working paper by Schmid & Urban (2015), who examine a broad international sample but additionally report countries separately. While they find a positive association between gender diversity and firm market value for Swiss firms, they do not report whether this association is statistically significant. Overall, there is a lack of studies focusing solely on Swiss executive management teams. Because the impact of gender diversity on Swiss firms' accounting performance remains unexplored, this study aims to close this gap by investigating the evolving role and impact of executive management gender diversity on firm performance, profitability, asset turnover, and leverage within the Swiss context.

2.2 Theoretical framework

The upper echelon theory (UET) provides our overarching theoretical framework. The theory's main premise is that organizations are a reflection of their top management. Observable demographic characteristics are proxies for their underlying cognitive bases and values, which arise from the accumulated experiences. Executives interpret complex situations and thus these cognitive bases directly influence the strategic choices (Hambrick & Mason, 1984). Gender serves in this context as a proxy for different life experiences, socialization patterns, and career paths. These divergent experiences lead to different knowledge bases, risk preferences, and value orientations, which can enrich or constrain decision-making.

Moving from the individual to the group level, the UET also emphasizes the importance of executive group heterogeneity (Hambrick & Mason, 1984), though heterogeneity can be a double-edged sword. A more diverse executive management could be better at generating new ideas through a higher level of creativity. By having wider ranges of

3 This requirement aligns with the corporate governance provisions set forth by SIX Exchange Regulation (Directive on Information relating to Corporate Governance – RLCG). It references Art. 732 CO, which mandates the preparation of a compensation report and specifies its content for listed companies. According to Section 3.8 of the annex to the RLCG, companies that are not subject to the provisions of company law under Art. 620 to 762 CO but exceed the thresholds defined in Art. 727, para. 1, no. 2 CO, are nevertheless required to comply with the disclosure obligations under the CO for both the board of directors and the executive management.

perspectives, diverse teams are better at analyzing complex problems and avoid the pitfalls of groupthink (Janis, 1972). Further, the information processing capacity with a higher variety of viewpoints is thought to lead to higher-quality decisions (Roberson & Park, 2007).

However, the potential downsides of diversity arise from challenges in social integration and group dynamics (van Knippenberg et al., 2004). The same differences that provide cognitive benefits can also create friction, conflict, and communication barriers that impede team effectiveness. Differences among the executive management can trigger interpersonal conflict. Heterogeneous teams may experience lower social integration, less frequent communication, and reduced group cohesiveness (Roberson & Park, 2007; Wiersema & Bantel, 1992).

Beyond these competing mechanisms, the level of female representation itself may matter. Tokenism suggests that individuals whose social category is underrepresented in particular contexts will face negative experiences such as increased visibility and social isolation. In the context of women, Kanter determined that women who composed less than 15 % of their work groups experienced negative processes (Kanter, 1977). This suggests a non-linear relationship where meaningful effects require substantive rather than token representation (critical mass), motivating our focus on substantive female representation in executive management.

2.3 Hypotheses

Hypothesis 1: Substantive Female Representation in EM and Overall Firm Performance

UET suggests that female representation in executive management influences firm performance through its effects on decision-making quality and team dynamics. However, the direction and the magnitude of these effects are ex-ante unclear.

On the one hand, female representation could enhance firm performance through improved group-level decision-making quality and problem-solving, as outlined earlier. Empirically, several studies find evidence supporting this positive relationship. A positive association between female representation and performance has been documented in Spain (Campbell & Mínguez-Vera, 2008), China (Liu et al., 2014), France (Sabatier, 2015), the US (Conyon & He, 2017), and the UK (Brahma et al., 2021).

On the other hand, the social integration challenges discussed earlier could impair performance. Beyond group dynamics, initiatives to increase female representation may influence the experience profile of appointed executives at the individual level. If these initiatives lead to the appointment of younger, less experienced executives, this could have negative performance implications (Ahern & Dittmar, 2012). Empirical evidence documents negative relationships between female representation and performance in various contexts: Adams & Ferreira (2009) in the US, Shehata et al. (2017) in the UK, and Zeng et al. (2025) across 40 countries in a cross-national study. Additionally, the introduction of mandatory gender quotas in Norway has resulted in a decline in firm performance (Ahern & Dittmar, 2012).

Finally, the competing mechanisms might offset each other, potentially explaining why some studies document null results (Marinova et al., 2016; Rose, 2007). In light of this tension and conflicting evidence, we formulate our hypothesis for the Swiss context in the null form:

H1: There is no statistically significant association between substantive female representation in executive management and firm performance among Swiss firms.

Hypothesis 2–4: Substantive Female Representation in EM and DuPont Analysis

To further explore the relationship between substantive female representation and firm performance, we apply the DuPont identity to decompose the return on equity (ROE) into its three components:

$$ROE = Profit\ Margin\ x\ Asset\ Turnover\ x\ Equity\ Multiplier \quad (1)$$

While overall ROE provides an aggregate view of profitability, decomposing it allows for a more nuanced understanding of *how* substantive female representation might influence performance through specific operational and financial channels.

Hypothesis 2: Substantive Female Representation in EM and Profit Margins

Profit margin reflects a firm's pricing strategy and its efficiency in controlling costs relative to sales. As with overall firm performance, the effect of female representation on profit margins is ex-ante unclear. On the one hand, improved group-level decision-making quality and problem-solving, as outlined earlier, could enhance operational efficiency and cost control, potentially increasing profit margins. On the other hand, group-level social integration challenges or individual-level factors such as less experienced appointments, as discussed earlier, could impair operational decision-making, potentially reducing profit margins. Given the tension, we formulate our hypothesis in the null form:

H2: There is no statistically significant association between substantive female representation in executive management and profit margins among Swiss firms.

Hypothesis 3: Substantive Female Representation in EM and Asset Turnover

Asset turnover measures how efficiently a company uses its assets to generate sales. The group-level decision-making improvements outlined earlier could enhance asset deployment efficiency and resource allocation, potentially increasing asset turnover. However, group-level social integration challenges discussed earlier could impair strategic asset management decisions. Moreover, individual-level risk preferences may influence asset deployment strategies, with some studies suggesting that female leaders might be more risk-averse (Perryman et al., 2016; Vo et al., 2023). This could translate into more cautious asset deployment (e.g., maintaining higher inventory or cash levels), potentially reducing asset turnover. Given these competing mechanisms, we formulate our hypothesis in the null form:

H3: There is no statistically significant association between substantive female representation in executive management and asset turnover among Swiss firms.

Hypothesis 4: Substantive Female Representation in EM and Equity Multiplier

The equity multiplier is a measure of financial leverage. A higher equity multiplier signifies higher leverage (more debt relative to equity). Individual-level risk preferences discussed earlier may influence financing strategies. Women in the general population are frequently

associated with greater risk aversion (Faccio et al., 2016), suggesting more conservative financing strategies with lower debt levels. However, Adams & Funk (2012) document that female board members are less security oriented and *more* risk loving and Ahern & Dittmar (2012) report that the Norwegian gender quota led to an *increase* in firm leverage (thus a positive association with mandated female representation). Given these conflicting arguments, we formulate our hypothesis in the null form:

H4: There is no statistically significant association between substantive female representation in executive management and equity multipliers among Swiss firms.

3. Research design and data

3.1 Research design

To examine the relationship between female representation and firm outcomes (Hypothesis 1 to 4), we estimate the following OLS regression model:

$$Firm\ Outcomes_{i,\,t} = \beta_0 + \beta_1 High\ EM\ Female\ Share + Controls_{i,\,t} + \alpha_i + \theta_t + \varepsilon_{i,\,t} \quad (2)$$

where *i* denotes firm and *t* denotes year. We use two different dependent variables to measure firm performance (H1): *ROE*, i.e., return on equity (net income divided by total equity), and *Revenue growth* (year-over-year percentage change in revenue).[4] To further explore the relationship between female representation and firm performance, we decompose the return on equity into its three components according to the DuPont framework: *Profit margin* (Net Income / Revenue) for H2, *Asset turnover* (Revenue / Total Assets) for H3, and *Equity multiplier* (Total Assets / Total Equity) for H4.

Our variable of interest is *High EM Female Share*, a dummy variable equal to 1 for observations in the top quartile of female executive representation (>14.3 % women; corresponding to the 75th percentile of the sample). For Hypothesis 1, the coefficient β_1 captures the association between having substantive female representation and firm performance. A positive and statistically significant coefficient would suggest that substantive female representation is associated with better firm performance, while a negative coefficient would indicate that substantive female representation is associated with lower firm performance.[5]

We include control variables for firm size (*Log(Assets)* and *Log(Revenue)*) and executive management team size (*EM Size)* since prior literature states that these factors could affect firm outcomes, including firm performance (Carter et al., 2003; Dezsö & Ross, 2012; Liu et al., 2014; Yermack, 1996). We include firm fixed effects (α_i) to control for all time-invariant characteristics, both observable and unobservable, of each firm, such as industry, corporate culture, founding history, or other stable firm attributes that might affect female representation and firm outcomes. We also include year fixed effects (θ_t) to

4 We focus on accounting-based performance measures rather than market-based ones (e.g., abnormal stock returns, total shareholder returns or Tobin's Q), as not all firms in our sample are publicly listed and therefore lack market data.

5 Following previous literature (e.g., Adams & Ferreira, 2009; Dezsö & Ross, 2012), we use contemporaneous rather than lagged variables. We do so for two main reasons. First, when a manager is initially elected to executive management (typically in Q1), she has up to three quarters to influence performance within the same year, making lags unnecessary. Second, with lagged variables, a departing manager would still appear to influence firm performance after leaving.

absorb time trends. For Hypothesis 1, in the specifications with firm fixed effects included, our analysis focuses on how changes in substantive female representation within the same firm over time are associated with changes in that firm's performance. We employ firm-level clustered standard errors to account for potential within-firm correlation over time in our panel dataset.

3.2 Data

We use a proprietary dataset on executive management gender composition of the largest Swiss firms by number of employees from 2005 through 2024, provided by guido schilling ag, which represents the underlying data for their annual schillingreport. The panel is unbalanced, with firms observed for varying numbers of years due to corporate events such as mergers, spin-offs and data availability. The number of firms per year fluctuates between 111 and 122 firms, with the dataset covering 157 unique firms and 2,350 firm-year observations.[6] From this dataset, we extract the total number of members (*EM Size*), the number of female management members (*EM Female*) and industry membership. We then calculate the percentage of females (*EM Female %*).[7]

We obtain firm-level financial data – Net Income, Revenue, Total Assets and Total Equity – from LSEG database (formerly Refinitiv). For firms where financial data is unavailable in LSEG (Refinitiv), in particular for non-publicly listed companies, we turn to Moody's Orbis or hand-collect the information from annual reports as alternative sources.

After merging the executive management composition data with the financial data, we eliminate observations where financial data was unavailable and drop singletons.[8] Our final sample comprises 1,566 firm-year observations and 109 unique firms from 2005 through 2024. The sample covers both publicly listed (84 % of observations) and non-publicly listed (16 % of observations) companies. Descriptive statistics are reported in Table A1 in the Appendix. Panel A shows the distribution by industry and Panel B by year.

We provide definitions of all our variables in the Appendix. We winsorize all financial, non-logarithmic variables at the 0.5 % and 99.5 % levels to mitigate the influence of extreme observations. Table A1 Panel C presents summary statistics for the variables used in our analyses. Our sample firms have an average ROE of 13 % and revenue growth of 4 %. Average total assets in our sample are CHF 60 billion, consistent with the schillingreport's focus on major Swiss firms.

Female representation in executive management is limited, with an average of 0.62 women per EM-team. The distribution shows extreme concentration at zero, with 916 observations (58.5 %) having zero female executives and only the top quartile exceeding 14.3 % female representation (untabulated). Given this distribution pattern, continuous measures do not adequately capture meaningful variation, making a dummy variable approach more appropriate. We use the 75th percentile as our threshold for our dummy

6 Sample sizes for some selected years for the schillingreport are available at https://www.schillingreport.ch/en/schillingreport-databasis-9-1/ (see section 9.1.1 Analysed Sample, subsection Executive Boards/Senior Public Officials, row 'Companies/organisations actually included in the report' for private sector firms). Our study period 2005–2024 refers to fiscal years; these correspond to schillingreport publication years 2006–2025.

7 We acknowledge that our binary approach to gender (male/female) does not capture the full gender spectrum.

8 Singletons refer to cases where a fixed effect group contains only one data point (see Correia, 2015).

variable *High EM Female Share* to ensure sufficient observations for statistical analysis while capturing critical mass effects.[9]

4. Evolution of female representation

Figure 1 Panel A illustrates the average number of females in executive management of Swiss firms from 2005 through 2024. The data shows small growth from 2005 to 2015 as the average increased from approximately 0.2 females in EM in 2005 to about 0.35 by 2015. Growth accelerated as average number of females had risen to 0.8 by 2020 and reached approximately 1.7 by 2024.

Figure 1 Panel B examines the percentage of females in executive management over time. Looking at percentages helps distinguish whether the increase in absolute numbers seen in Panel A reflects actual changes in gender composition or merely larger management teams. The data shows similar growth patterns: minimal change from 2005 to 2015 (increasing from 2.3 % to 4.4 %), followed by acceleration to around 11 % by 2020, and reaching approximately 21 % by 2024. Both metrics demonstrate consistent increases in female representation in executive management throughout the sample period.

While Panels A and B track these changes annually across all firms, Panels C and D provide a more detailed comparison of the endpoints of our sample period. Figure 1 Panel C illustrates the changing female representation in executive management by comparing the distribution of firms in 2005 versus 2024. In 2005, 84.7 % of firms had no females in their executive management. By 2024, this distribution had shifted, with only 20.2 % of firms having no females, 23.8 % having one female, 34.5 % having two females, and 21.5 % having three or more females. Figure 1 Panel D confirms these shifts. By 2024, firms with females representing more than 20 % of their executive management had become prevalent, with 32.1 % of firms having 21–30 % females, 19.0 % having 31–40 % females, and 8.3 % having over 40 % females.

An increasing representation of women in leadership positions could be driven by multiple factors. These include the gender diversity recommendation in the 2014 Swiss Code of Best Practice for Corporate Governance, and a heightened corporate focus on diversity initiatives, often linked to enhancing legitimacy or perceived performance benefits (Lückerath-Rovers, 2013; Vo et al., 2023; Zattoni et al., 2023).[10]

Figure 1: Female managers over time

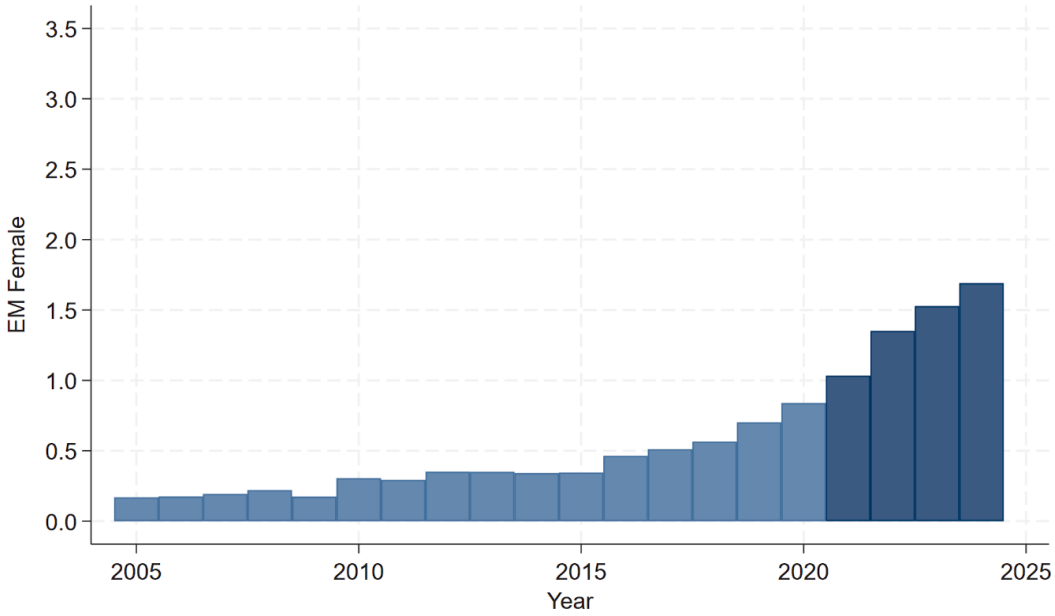
These figures present the evolution of female representation in Swiss executive management (EM) over time. Panels A and B report the average number and percentage of females in executive management per year, respectively. Panels C and D compare the distributions in 2005 versus 2024. The sample includes Swiss firms from 2005 through 2024. The color change to dark blue beginning in 2021 reflects the year following the

9 A potential concern with our dummy variable approach is that firms with very high female representation (e.g., 100 %) could have different effects due to reduced diversity. However, only 3 observations (0.19 %) exceed 50 % female representation, with a maximum of 66.7 %.

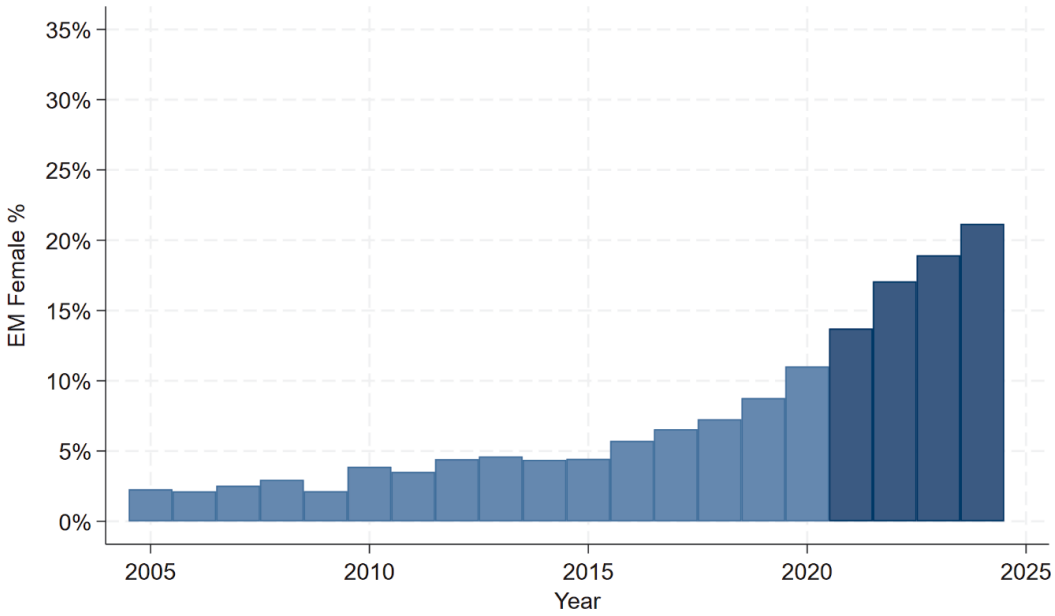
10 Consistent with our findings, numerous studies empirically document an upward trend in female representation in leadership positions. For example, Zeng et al. (2025) document an increase in the percentage of female board members from 8.42 % in 2009 to 19.07 % in 2018 across 40 countries. Single country studies find similar trends (e.g., Farrell & Hersch, 2005; Dezsö & Ross, 2012; Liu et al., 2014; Shehata et al., 2017; Brahma et al., 2021; Vo et al., 2023).

2020 amendment of Art. 734f of the CO, which set a 20 % gender quota target for executive management by 2031.

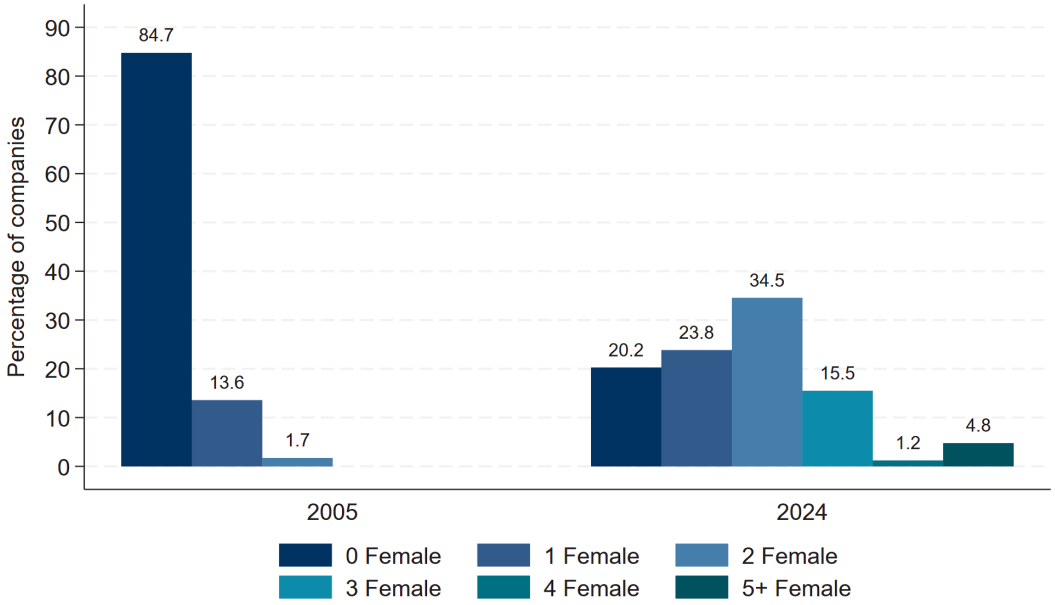
Panel A: Number of female managers over time



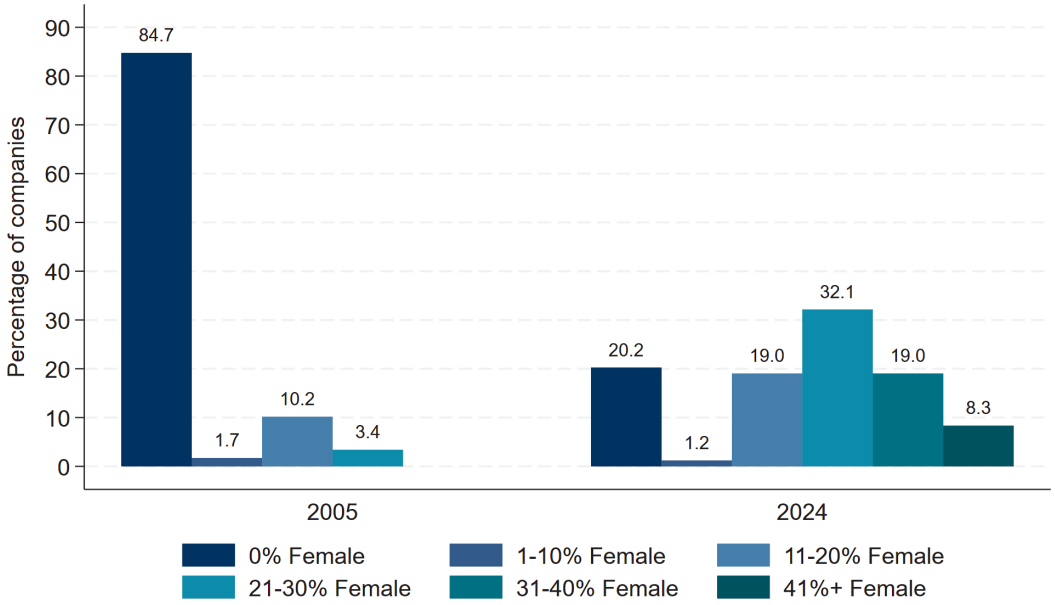
Panel B: Percentage of female managers



Panel C: Number of female managers 2005 vs. 2024



Panel D: Percentage of female managers 2005 vs. 2024



5. H1: Female representation and firm performance

We assess the impact of female representation on firm performance by estimating the OLS regression model defined in Equation (2). We present our results in Table 1. In Columns (1), (2), and (3), the dependent variable is *ROE*. In Columns (4), (5), and (6), the depen-

dent variable is *Revenue growth*. The variable of interest in all regressions is *High EM Female Share*, a dummy variable which is equal to 1 if female executive representation is in the top quartile (>14.3 % women). For each dependent variable, we run three different regression models: without fixed effects, with year fixed effects only, and with both year and firm fixed effects. Standard errors are clustered at the firm-level.

In Column (1), the coefficient of our variable of interest *High EM Female Share* is positive (0.001) but not statistically significant. When we add year fixed effects (Column (2)) to control for time trends, or both year and firm fixed effects (Column (3)), to control for time trends and time-invariant firm characteristics (such as industry affiliation) the coefficient of our variable of interest remains insignificant. The results in Columns (1) through (3) show that substantive representation of females in executive management is not associated with the firm's return on equity. We note that in specifications with firm fixed effects included (Column (3)), our analysis focuses on within-firm changes. That is, we document that changes to substantive female representation within the same firm are not associated with changes in that firm's return on equity.

For *Revenue growth*, the coefficient of *High EM Female Share* is also insignificant across all specifications. The regressions in Columns (4) through (6) indicate that substantive female representation in executive management is not associated with the firm's revenue growth.

Table 1. Female representation and firm performance

This table presents regressions to test the association between female representation in Swiss executive management and firm performance with the dependent variables being *ROE* (Columns (1)-(3)) and *Revenue growth* (Columns (4)-(6)). The sample includes Swiss firms from 2005 through 2024. All variables are defined in the Appendix. We winsorize all continuous, non-logarithmic variables at 0.5 % and 99.5 % levels. Standard errors are clustered at the firm-level. ***, **, * indicate the significance at the 1 %, 5 %, and 10 % levels, respectively.

Dependent variable:	ROE	ROE	ROE	Revenue growth	Revenue growth	Revenue growth
	(1)	(2)	(3)	(4)	(5)	(6)
High EM Female Share	0.001	-0.005	-0.014	-0.007	-0.006	0.001
	(0.068)	(-0.197)	(-1.002)	(-0.715)	(-0.605)	(0.104)
Log(Assets)	-0.030***	-0.029***	-0.101*	-0.007*	-0.005	-0.128***
	(-4.332)	(-4.147)	(-1.979)	(-1.885)	(-1.511)	(-3.216)
Log(Revenue)	0.029**	0.029**	0.151***	0.019***	0.017***	0.322***
	(2.416)	(2.378)	(2.941)	(3.204)	(2.944)	(6.718)
EM Size	0.013***	0.013***	-0.001	0.001	0.001	-0.000
	(2.845)	(2.806)	(-0.400)	(0.598)	(0.596)	(-0.156)
Observations	1,566	1,566	1,566	1,481	1,481	1,478
Adjusted R-squared	0.052	0.059	0.319	0.006	0.070	0.180
Year FE	No	Yes	Yes	No	Yes	Yes
Firm FE	No	No	Yes	No	No	Yes

Previous research provides mixed results regarding the relationship between female representation in EM and firm performance. The UET suggests that female representation could enhance firm performance through improved group-level decision-making quality and problem-solving, which has been documented in Spain (Campbell & Mínguez-Vera, 2008), China (Liu et al., 2014), France (Sabatier, 2015), the US (Conyon & He, 2017), and the UK (Brahma et al., 2021). In contrast, challenges related to social integration could impair performance, which was documented by Adams & Ferreira (2009) in the US, Shehata et al. (2017) in the UK, and Zeng et al. (2025) across 40 countries in a cross-national study. Finally, competing mechanisms might offset each other, potentially explaining null results (Marinova et al., 2016; Rose, 2007).

Overall, our results indicate that we cannot reject Hypothesis 1. We find no significant relationship across multiple specifications and performance measures, suggesting that female representation in executive management neither enhances nor diminishes overall firm performance.

These findings are also important in the context of the significant increase in female representation documented in Section 4. The substantial growth in female representation in corporate leadership does not seem to have resulted in any significant negative or positive impact on firm performance, whether measured by return on equity or revenue growth.

While our results suggest no significant relationship between female representation and firm performance, we acknowledge potential omitted variable bias and reverse causality concerns. Despite controlling for firm and executive management team size, as well as including year and firm fixed effects, unobserved time-varying factors might still influence both executive management composition and performance metrics. Though our comprehensive fixed effects mitigate some concerns, endogeneity issues limit causal interpretations of our findings.

6. H2-H4: DuPont analysis

6.1 Main results

To further explore the relationship between female representation and firm performance, we decompose the return on equity into its three components according to the DuPont framework: *Profit margin* (Net Income / Revenue), *Asset turnover* (Revenue / Total Assets), and *Equity multiplier* (Total Assets / Total Equity). Using the OLS regression model defined in Equation (2), we then examine the association between female representation and each of these components separately. Table 2 presents the results of this analysis.

In Columns (1), (2), and (3), the dependent variable is *Profit margin*. The coefficient of *High EM Female Share* is positive and statistically significant at the 5 % level in Columns (1) and (2) (the coefficients equal 0.027 and 0.032, respectively). In the model with year and firm fixed effects in Column (3), the coefficient of the variable of interest is positive (0.012) and significant at the 5 % level. These results suggest that firms with substantive female representation on their executive management tend to have higher profit margins, even after controlling for firm and year fixed effects.

Given the consistently positive and significant coefficients found in our regressions, we reject the null hypothesis (H2). Instead, our results indicate that female representation is associated with higher profit margins, suggesting that firms with more female executive management members are more efficient in controlling costs or pricing their products and services.

In terms of economic significance, in Column (3), the coefficient of 0.012 indicates that when a firm changes from non-substantive to substantive female representation in executive management, profit margin increases by 1.2 percentage points, or 15 % relative to the mean. These findings suggest that the relationship between female representation and profit margin is not only statistically significant but also economically relevant.

In Columns (4), (5), and (6), the dependent variable is *Asset turnover*. The coefficient of *High EM Female Share* is statistically insignificant throughout all regressions. This suggests that there is no association between female representation in executive management and asset turnover. We therefore cannot reject the null hypothesis (H3).

In Columns (7), (8), and (9), the dependent variable is *Equity multiplier*. The coefficient of *High EM Female Share* is negative and statistically significant at the 5 % level in Columns (7) and (8) (the coefficients equal -1.097 and -1.203, respectively). In the model with year and firm fixed effects in Column (9), the coefficient is negative (-0.203) but statistically insignificant at conventional levels. The consistently negative coefficients across all specifications, with statistical significance in two of the three models, provide partial support against the null hypothesis (H4). Our results suggest that firms with substantive female leadership tend to maintain more conservative financing strategies with lower debt levels. This finding is consistent with arguments linking female representation to risk aversion and more conservative financial policies.

In terms of economic significance, in Column (8), the coefficient of -1.203 indicates that a change from non-substantive to substantive female representation is associated with a 22.9 % decrease in the equity multiplier relative to its sample mean, suggesting an economically meaningful effect. For Column (9), when a firm changes from non-substantive to substantive female representation, the equity multiplier decreases by 0.203, or 3.9 % relative to the mean, though this effect is statistically insignificant.

Table 2: DuPont analysis

This table presents regressions to test the association between female representation in Swiss executive management and firm performance with the dependent variables being *Profit margin* (Columns (1)-(3)), *Asset turnover* (Columns (4)-(6)), and *Equity multiplier* (Columns (7)-(9)). The sample includes Swiss firms from 2005 through 2024. All variables are defined in the Appendix. We winsorize all continuous, non-logarithmic variables at 0.5 % and 99.5 % levels. Standard errors are clustered at the firm-level. ***, **, * indicate the significance at the 1 %, 5 %, and 10 % levels, respectively.

Dependent variable:	Profit margin	Profit margin	Profit margin	Asset turnover	Asset turnover	Asset turnover	Equity multiplier	Equity multiplier	Equity multiplier
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
High EM Female Share	0.027**	0.032**	0.012**	-0.035	0.009	0.004	-1.097**	-1.203**	-0.203
	(2.055)	(2.194)	(2.065)	(-0.710)	(0.139)	(0.270)	(-2.533)	(-2.438)	(-0.576)
Log(Assets)	0.024***	0.024***	-0.072***	-0.424***	-0.422***	-0.608***	3.628***	3.642***	2.343**
	(2.835)	(2.856)	(-2.952)	(-9.456)	(-9.490)	(-7.606)	(9.362)	(9.379)	(2.431)
Log(Revenue)	-0.033***	-0.033***	0.121***	0.416***	0.414***	0.549***	-2.945***	-2.951***	-1.104
	(-2.683)	(-2.723)	(3.667)	(6.371)	(6.348)	(5.692)	(-7.932)	(-7.934)	(-1.350)
EM Size	0.005***	0.005***	0.001	-0.006	-0.005	-0.002	-0.072	-0.078	-0.067
	(2.852)	(2.869)	(0.826)	(-0.712)	(-0.662)	(-0.795)	(-0.717)	(-0.773)	(-1.072)
Observations	1,566	1,566	1,566	1,566	1,566	1,566	1,566	1,566	1,566
Adjusted R-squared	0.105	0.109	0.562	0.672	0.673	0.969	0.478	0.476	0.814
Year FE	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Firm FE	No	No	Yes	No	No	Yes	No	No	Yes

Overall, the findings from the DuPont analysis provide a more nuanced understanding of the relationship between female representation and firm performance. While we do not find a significant association between female representation and total ROE, we do find that female representation is positively associated with profit margins and negatively associated with financial leverage (though not consistently significant across all specifications). These opposing effects on different components of ROE might explain why we do not observe a significant net effect on overall ROE.

As with our previous performance regressions, we acknowledge similar omitted variable bias and reverse causality concerns in these component analyses. Although our fixed effects specifications help mitigate endogeneity issues, unobserved time-varying factors could still influence both female representation and these financial ratios, limiting causal interpretations of the documented associations.

6.2 Alternative measurements for female representation

Next, we examine alternative measures to examine how our findings are sensitive to our choice of the top-quartile threshold. All specifications employ firm and year fixed effects, our most stringent econometric specification. We present our results in Table A2 in the Appendix.

First, we employ a 20 % threshold (*EM Female: >20 %*) to test the robustness of our main results (this threshold also corresponds to the Swiss legislative benchmark). The coefficient for *Profit margin* (Column 1) is positive and statistically significant at the 10 % level, consistent with but providing weaker support than our main findings.

Second, we examine a 10 % threshold (*EM Female: >10 %*) to test whether lower representation levels below the critical mass threshold show significant effects. The coefficient for *Profit margin* (Column 4) is positive but statistically insignificant, consistent with tokenism theory that minimal female representation is insufficient to generate meaningful effects.

Third, we use the continuous proportion of females in executive management (*EM Female %*) to examine whether female representation effects operate linearly rather than through threshold mechanisms. The coefficient for *Profit margin* (Column 7) is positive but statistically insignificant, consistent with our data section finding that continuous

measures do not adequately capture meaningful variation given the extreme concentration at zero and limited variation above the 75th percentile.

For *Asset turnover*, all alternative measures are statistically insignificant, consistent with our main results. For *Equity multiplier*, results are insignificant, consistent with our main results. An exception is the 20 % threshold (Column 3) which is negative and statistically significant at the 10 % level, while this variable was statistically insignificant in our main results using the 14.3 % threshold.[11]

6.3 Analysis over time

To examine whether the relationship between female representation and DuPont components has evolved over time, we conducted separate analyses for two periods: 2005–2014 (Table A3 Panel A) and 2015–2024 (Table A3 Panel B). We chose this sample split to create two equal time periods for comparison. Moreover, the revised 2014 Swiss Code of Best Practice for Corporate Governance (Section 12), issued by economiesuisse, introduced a recommendation that boards of directors should include both male and female members. However, the later decade features substantially more firms reaching the 14.3 % threshold: 79 firm-years (11.1 %) in 2005–2014 compared to 359 firm-years (41.8 %) in 2015–2024. Similarly, the number of within-firm switches from below to above the threshold increased from 21 in the earlier period to 70 in the later period. The increased prevalence could provide greater statistical power to detect existing relationships.

Panel A (2005–2014) shows statistically insignificant results for the variable of interest (*High EM Female Share*) across specifications for *Profit margin*, *Asset turnover* and *Equity multiplier*.

Panel B (2015–2024) reveals a different pattern. For *Profit margin*, the coefficient of *High EM Female Share* is positive and significant at the 5 % level in Columns (1) and (2) without firm fixed effects. The coefficient is positive and statistically significant at the 10 % level in the specification with year and firm fixed effects in Column (3).

For *Asset turnover*, the coefficient is negative and statistically significant at the 5 % level in Column (4) and at the 10 % level in Column (5), but becomes insignificant when year and firm fixed effects are included in the model in Column (6). For *Equity multiplier*, the coefficients are negative and significant at the 5 % level in models without firm fixed effects (Columns (7) and (8)), but this effect is statistically insignificant with firm fixed effects in Column (9).

Overall, these analyses reveal an evolving relationship between executive management female representation and firm performance components over time. The associations between female representation and the components of return on equity are only present in the last decade. These findings suggest that the performance implications of executive management female representation may have become more pronounced over time.

Several factors could contribute to the more pronounced relationships observed in the 2015–2024 period. Statistically, while the overall sample size difference between both periods is moderate, the later decade features significantly more firms with female executives

11 In untabulated results, we use the Blau Index (Blau, 1977), which measures the probability that two randomly selected management members would be of different genders. Results using the Blau Index are statistically insignificant across all performance measures, consistent with our findings that continuous measures do not adequately capture the relevant variation in our empirical context.

and more firms reaching the female representation threshold (exceeding 14.3 % female executives). This could provide greater statistical power to detect existing relationships.

7. Conclusion

This study analyzes the evolution and impact of female representation in Swiss executive management. We document a significant increase in female representation in executive management between 2005 and 2024. Despite this growth, our regression analyses reveal no consistent or statistically significant association between executive management female representation and firm performance in terms of ROE and revenue growth. However, a deeper look through DuPont analysis suggests that substantive female representation (top quartile, >14.3 %) may be linked to higher profit margins and lower financial leverage, though these associations are sensitive to how female representation is measured.

This study does not come without limitations. First, we document associations, not causal relations. While we include year and firm fixed effects, we cannot rule out that time-varying omitted variables or reverse causality drive our results. Second, our sample is limited to larger Swiss firms. Hence, the study results might not generalize to smaller Swiss firms. Third, like much of the existing literature, we use gender as a demographic proxy for underlying cognitive bases and experiences, which may only imperfectly capture the mechanisms through which executive characteristics influence firm outcomes.

These limitations open several avenues for future research. First, studies employing quasi-experimental designs could help establish causal relationships. Second, extending this analysis to smaller Swiss firms would test the generalizability of our findings. Third, future research could move beyond gender as a demographic proxy to examine how specific executive experiences and backgrounds shape decision-making and firm outcomes.

References

Adams, R. B., & Ferreira, D. (2009). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics*, *94*(2), 291–309. https://doi.org/10.1016/j.jfineco.2008.10.007

Adams, R. B., & Funk, P. (2012). Beyond the glass ceiling: Does gender matter? *Management Science*, *58*(2), 219–235. https://doi.org/10.1287/mnsc.1110.1452

Ahern, K. R., & Dittmar, A. K. (2012). The changing of the boards: The impact on firm valuation of mandated female board representation. *Quarterly Journal of Economics*, *127*, 137–197. https://doi.org/10.1093/QJE/QJR049

Blau, P. M. (1977). A Macrosociological Theory of Social Structure. *American Journal of Sociology*, *83*(1), 26–54. https://doi.org/10.1086/226505

Borges, M. F. R., Azevedo, G. M. D. C., & Oliveira, J. (2025). Literature review on gender diversity in top management teams of companies and its relationship with firm performance and audit quality. *International Journal of Disclosure and Governance*, *22*(1), 177–201. https://doi.org/10.1057/s41310-024-00248-1

Brahma, S., Nwafor, C., & Boateng, A. (2021). Board gender diversity and firm performance: The UK evidence. *International Journal of Finance and Economics*, *26*(4), 5704–5719. https://doi.org/10.1002/ijfe.2089

Campbell, K., & Mínguez-Vera, A. (2008). Gender Diversity in the Boardroom and Firm Financial Performance. *Journal of Business Ethics*, *83*(3), 435–451. https://doi.org/10.1007/s10551-007-9630-y

Carter, D. A., Simkins, B. J., & Simpson, W. G. (2003). Corporate governance, board diversity, and firm value. *Financial Review*, *38*(1), 33–53. https://doi.org/10.1111/1540-6288.00034

Conyon, M. J., & He, L. (2017). Firm performance and boardroom gender diversity: A quantile regression approach. *Journal of Business Research*, *79*, 198–211. https://doi.org/10.1016/j.jbusres.2017.02.006

Correia, S. (2015). *Singletons, Cluster-Robust Standard Errors and Fixed Effects: A Bad Mix*.

Dezsö, C. L., & Ross, D. G. (2012). Does female representation in top management improve firm performance? A panel data investigation. *Strategic Management Journal*, *33*, 1072–1089. https://doi.org/10.1002/smj.1955

Faccio, M., Marchica, M. T., & Mura, R. (2016). CEO gender, corporate risk-taking, and the efficiency of capital allocation. *Journal of Corporate Finance*, *39*, 193–209. https://doi.org/10.1016/J.JCORPFIN.2016.02.008

Farrell, K. A., & Hersch, P. L. (2005). Additions to corporate boards: The effect of gender. *Journal of Corporate Finance*, *11*(1–2), 85–106. https://doi.org/10.1016/j.jcorpfin.2003.12.001

Forrer, L., & Müller, M. (2022). Kommentierung zu Art. 734f OR. *Onlinekommentar – Der frei zugängliche Rechtskommentar*.

Hambrick, D. C., & Mason, P. A. (1984). Upper Echelons: The Organization as a Reflection of Its Top Managers. *The Academy of Management Review*, *9*(2), 193–206. https://doi.org/10.2307/258434

Janis, I. L. (1972). *Victims of groupthink: A psychological study of foreign-policy decisions and fiascoes* (S. viii, 277). Houghton Mifflin.

Kanter, R. M. (1977). Some Effects of Proportions on Group Life: Skewed Sex Ratios and Responses to Token Women. *American Journal of Sociology*, *82*(5), 965–990. https://doi.org/10.1086/226425

Liu, Y., Wei, Z., & Xie, F. (2014). Do women directors improve firm performance in China? *Journal of Corporate Finance*, *28*, 169–184. https://doi.org/10.1016/j.jcorpfin.2013.11.016

Lückerath-Rovers, M. (2013). Women on boards and firm performance. *Journal of Management and Governance*, *17*(2), 491–509. https://doi.org/10.1007/s10997-011-9186-1

Marinova, J., Plantenga, J., & Remery, C. (2016). Gender diversity and firm performance: Evidence from Dutch and Danish boardrooms. *International Journal of Human Resource Management*, *27*(15), 1777–1790. https://doi.org/10.1080/09585192.2015.1079229

Perryman, A. A., Fernando, G. D., & Tripathy, A. (2016). Do gender differences persist? An examination of gender diversity on firm performance, risk, and executive compensation. *Journal of Business Research*, *69*(2), 579–586. https://doi.org/10.1016/j.jbusres.2015.05.013

Roberson, Q. M., & Park, H. J. (2007). Examining the Link Between Diversity and Firm Performance: The Effects of Diversity Reputation and Leader Racial Diversity. *Group & Organization Management*, *32*(5), 548–568. https://doi.org/10.1177/1059601106291124

Rose, C. (2007). Does female board representation influence firm performance? The Danish evidence. *Corporate Governance: An International Review*, *15*(2), 404–413. https://doi.org/10.1111/j.1467-8683.2007.00570.x

Ruigrok, W., Peck, S., & Tacheva, S. (2007). Nationality and gender diversity on Swiss corporate boards. *Corporate Governance: An International Review*, *15*(4), 546–557. https://doi.org/10.1111/j.1467-8683.2007.00587.x

Sabatier, M. (2015). A women's boom in the boardroom: Effects on performance? *Applied Economics*, *47*(26), 2717–2727. https://doi.org/10.1080/00036846.2015.1008774

Guido schilling ag. (2025). *20 Jahre Schillingreport: Mehr Frauen in Geschäftsleitungen und Verwaltungsräten*. https://www.schillingreport.ch/de/mk-20-jahre-schillingreport-mehr-frauen-in-geschaeftsleitungen-und-verwaltungsraeten/

Schmid, T., & Urban, D. (2015). *Women on Corporate Boards: Good or Bad? AFA 2016 San Francisco Meetings Paper.*

Shehata, N., Salhin, A., & El-Helaly, M. (2017). Board diversity and firm performance: Evidence from the U.K. SMEs. *Applied Economics*, *49*(48), 4817–4832. https://doi.org/10.1080/00036846.2017.1293796

van Knippenberg, D., De Dreu, C. K. W., & Homan, A. C. (2004). Work Group Diversity and Group Performance: An Integrative Model and Research Agenda. *Journal of Applied Psychology*, *89*(6), 1008–1022. https://doi.org/10.1037/0021-9010.89.6.1008

Vo, T. T. A., Nguyen, T. N. T., Henry, D., Toan Nguyen, M., & Joseph, N. L. (2023). Does female leadership matter in firm risk-taking and performance? Evidence from gender equality reforms in an emerging market. *Applied Economics*, *55*(60), 7127–7149. https://doi.org/10.1080/00036846.2023.2206106

Wiersema, M. F., & Bantel, K. A. (1992). Top Management Team Demography and Corporate Strategic Change. *Academy of Management Journal*, *35*(1), 91–121. https://doi.org/10.5465/256474

World Economic Forum. (2024). *Global Gender Gap 2024* [Insight Report]. https://www3.weforum.org/docs/WEF_GGGR_2024.pdf

Yermack, D. (1996). Higher market valuation of companies with a small board of directors. *Journal of Financial Economics*, *40*, 185–211. https://doi.org/10.1016/0304-405X(95)00844-5

Zattoni, A., Leventis, S., Van Ees, H., & De Masi, S. (2023). Board diversity's antecedents and consequences: A review and research agenda. *The Leadership Quarterly*, *34*(1), 101659. https://doi.org/10.1016/J.LEAQUA.2022.101659

Zeng, J., Huang, P., Lu, Y., Wu, J. G., & Yin, L. (2025). Board gender diversity and firm performance revisited: International evidence. *Applied Economics*, *0*(0), 1–24. https://doi.org/10.1080/00036846.2025.2493390

Appendix: Variable definitions

Variable	Definition [source]
EM Size	Total number of individuals in executive management (EM). [guido schilling ag]
EM Female	Total number of females in the executive management (EM). [guido schilling ag]
EM Female %	Proportion of females in executive management, calculated as *(EM Female / EM Size)*. [guido schilling ag]
High EM Female Share	A dummy variable which is equal to 1 if female executive representation is in the top quartile (>14.3 % women).

Variable	Definition [source]
EM Female: > 10 %	A dummy variable which is equal to 1 if more than 10 % of executive managers are female.
EM Female: > 20 %	A dummy variable which is equal to 1 if more than 20 % of executive managers are female.
ROE	Return on equity, calculated as Net income / Total Equity [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Revenue growth	Percentage change in revenue compared to the previous year, calculated as (Revenue / Revenue in the previous year) – 1. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Profit margin	Net income divided by revenue. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Asset turnover	Revenue divided by total assets. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Equity multiplier	Total assets divided by total equity. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Log(Assets)	The logarithm of total assets. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]
Log(Revenue)	The logarithm of revenue. [LSEG (Refinitiv), Orbis, hand-collected from annual reports]

Table A1. Descriptive statistics

These tables report descriptive statistics of the main variables used in our regressions. Panel A displays the distribution of firms in our sample by industry and Panel B by year. Panel C shows the summary statistics of the variables used. The sample includes Swiss firms from 2005 through 2024. All variables are defined in the Appendix. We winsorize all continuous, non-logarithmic variables at 0.5 % and 99.5 % levels.

Panel A: Distribution of firms by industry

Industry	N	Percent
Banks	144	9.20
Insurance	154	9.83
Media/ICT	81	5.17
Business Services	42	2.68
Transport/Logistics/Tourism	91	5.81
Real Estate	3	0.19
Manufacturing Industry	491	31.35
Energy	49	3.13
Life Sciences	184	11.75
Retail/Consumer Goods	279	17.82
Wholesale/Raw Materials	48	3.07
Total	1,566	100.00

Panel B: Distribution of firms by year

Year	N	Percent
2005	59	3.77
2006	63	4.02
2007	62	3.96
2008	68	4.34
2009	69	4.41
2010	72	4.6
2011	75	4.79
2012	77	4.92
2013	80	5.11
2014	82	5.24
2015	84	5.36
2016	82	5.24
2017	86	5.49
2018	85	5.43
2019	84	5.36
2020	87	5.56
2021	87	5.56
2022	91	5.81
2023	89	5.68
2024	84	5.36
Total	1,566	100.00

Panel C: Summary statistics

	N	mean	sd	p25	p50	p75
EM Size	1,566	7.16	2.94	5.00	7.00	9.00
EM Female	1,566	0.62	0.90	0.00	0.00	1.00
EM Female %	1,566	0.08	0.11	0.00	0.00	0.14
High EM Female Share	1,566	0.28	0.45	0.00	0.00	1.00
EM Female: > 10 %	1,566	0.38	0.48	0.00	0.00	1.00
EM Female: > 20 %	1,566	0.17	0.38	0.00	0.00	0.00
ROE	1,566	0.13	0.21	0.06	0.11	0.18
Revenue growth	1,481	0.04	0.19	-0.03	0.02	0.09
Profit margin	1,566	0.08	0.12	0.03	0.06	0.11
Asset turnover	1,566	0.87	0.67	0.36	0.77	1.23
Equity multiplier	1,566	5.26	6.76	1.98	2.69	4.06
Total Assets (mio CHF)	1,566	60,041	175,256	2,139	6,019	37,748
Log(Assets)	1,566	16.02	1.87	14.58	15.61	17.45
Revenue (mio CHF)	1,566	11,557	22,588	2,071	3,915	9,863
Log(Revenue)	1,566	15.39	1.24	14.54	15.18	16.10

Table A2. Alternative measurements for female representation

This table presents regressions to test the association between female representation in Swiss executive management and firm performance. In Columns (1), (4), and (7), the dependent variable is *Profit margin*. In Columns (2), (5), and (8), the dependent variable is *Asset turnover*. In Columns (3), (6), and (9), the dependent variable is the *Equity multiplier*. In Columns (1), (2) and (3), we construct a dummy variable which is equal to 1 if more than 20 % of executive managers are female. In Columns (4), (5) and (6), we construct a dummy variable which is equal to 1 if more than 10 % of executive managers are female. In Columns (7), (8) and (9), we include the proportion of females in executive management. The sample includes Swiss firms from 2005 through 2024. All variables are defined in the Appendix. We winsorize all continuous, non-logarithmic variables at 0.5 % and 99.5 % levels. Standard errors are clustered at the firm-level. ***, **, * indicate the significance at the 1 %, 5 %, and 10 % levels, respectively.

Dependent variable:	Profit margin	Asset turnover	Equity multiplier	Profit margin	Asset turnover	Equity multiplier	Profit margin	Asset turnover	Equity multiplier
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
EM Female: > 20 %	0.012*	0.005	-0.692*						
	(1.686)	(0.290)	(-1.796)						
EM Female: > 10 %				0.003	0.011	-0.059			
				(0.634)	(0.682)	(-0.204)			
EM Female %							0.043	0.033	-1.823
							(1.447)	(0.412)	(-1.146)
Log(Assets)	-0.073***	-0.608***	2.363**	-0.072***	-0.608***	2.330**	-0.072***	-0.607***	2.325**
	(-2.963)	(-7.602)	(2.428)	(-2.949)	(-7.603)	(2.390)	(-2.967)	(-7.611)	(2.425)
Log(Revenue)	0.122***	0.549***	-1.107	0.122***	0.549***	-1.118	0.121***	0.549***	-1.101
	(3.658)	(5.697)	(-1.360)	(3.672)	(5.688)	(-1.364)	(3.667)	(5.692)	(-1.347)
EM Size	0.001	-0.003	-0.064	0.001	-0.002	-0.067	0.001	-0.002	-0.062
	(0.721)	(-0.875)	(-1.113)	(0.769)	(-0.805)	(-1.108)	(0.715)	(-0.824)	(-1.058)
Observations	1,566	1,566	1,566	1,566	1,566	1,566	1,566	1,566	1,566
Adjusted R-squared	0.561	0.969	0.815	0.561	0.969	0.814	0.561	0.969	0.814
Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table A3: DuPont analysis over time

These tables present regressions to test the association between female representation in Swiss executive management and firm performance. In Columns (1), (2), and (3), the dependent variable is *Profit margin*. In Columns (4), (5), and (6), the dependent variable is *Asset turnover*. In Columns (7), (8), and (9), the dependent variable is the *Equity multiplier*. The sample includes Swiss firms from 2005 through 2024. We estimate our regressions separately for two time periods: in Panel A 2005–2014 and in Panel B 2015–2024. All variables are defined in the Appendix. We winsorize all continuous, non-logarithmic variables at 0.5 % and 99.5 % levels. Standard errors are clustered at the firm-level. ***, **, * indicate the significance at the 1 %, 5 %, and 10 % levels, respectively.

Panel A: 2005–2014

Dependent variable:	Profit margin	Profit margin	Profit margin	Asset turnover	Asset turnover	Asset turnover	Equity multiplier	Equity multiplier	Equity multiplier
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
High EM Female Share	0.024	0.026	-0.007	0.205	0.211	0.012	-0.880	-0.783	0.294
	(1.280)	(1.384)	(-0.856)	(1.239)	(1.260)	(0.611)	(-1.165)	(-1.056)	(0.912)
Log(Assets)	0.023**	0.024**	-0.080**	-0.465***	-0.464***	-0.627***	3.756***	3.769***	2.354**
	(2.215)	(2.214)	(-2.177)	(-8.239)	(-8.208)	(-5.548)	(8.347)	(8.293)	(2.150)
Log(Revenue)	-0.029*	-0.030**	0.115**	0.465***	0.464***	0.540***	-3.305***	-3.307***	-0.450
	(-1.987)	(-2.002)	(2.043)	(5.534)	(5.504)	(4.014)	(-7.387)	(-7.314)	(-0.559)
EM Size	0.005**	0.005**	0.002	-0.007	-0.008	0.002	-0.018	-0.020	-0.072
	(2.560)	(2.568)	(0.750)	(-0.734)	(-0.737)	(0.513)	(-0.202)	(-0.222)	(-1.100)
Observations	707	707	704	707	707	704	707	707	704
Adjusted R-squared	0.093	0.106	0.482	0.667	0.665	0.972	0.541	0.540	0.841
Year range	2005–2014	2005–2014	2005–2014	2005–2014	2005–2014	2005–2014	2005–2014	2005–2014	2005–2014
Year FE	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Firm FE	No	No	Yes	No	No	Yes	No	No	Yes

Panel B: 2015–2024

Dependent variable:	Profit margin	Profit margin	Profit margin	Asset turnover	Asset turnover	Asset turnover	Equity multiplier	Equity multiplier	Equity multiplier
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
High EM Female Share	0.034**	0.034**	0.012*	-0.099**	-0.089*	-0.001	-1.098**	-1.368**	-0.093
	(2.225)	(1.998)	(1.793)	(-2.375)	(-1.842)	(-0.103)	(-2.152)	(-2.251)	(-0.290)
Log(Assets)	0.024***	0.024***	-0.081**	-0.385***	-0.385***	-0.664***	3.572***	3.591***	2.218*
	(2.740)	(2.717)	(-2.282)	(-9.990)	(-9.921)	(-8.437)	(7.257)	(7.236)	(1.903)
Log(Revenue)	-0.035***	-0.035***	0.180***	0.380***	0.379***	0.574***	-2.708***	-2.715***	-1.831
	(-2.665)	(-2.666)	(3.264)	(6.766)	(6.719)	(6.777)	(-6.723)	(-6.685)	(-1.115)
EM Size	0.006**	0.006**	-0.001	-0.005	-0.005	-0.002	-0.123	-0.132	-0.045
	(2.278)	(2.302)	(-0.744)	(-0.602)	(-0.565)	(-0.514)	(-0.719)	(-0.765)	(-0.738)
Observations	859	859	857	859	859	857	859	859	857
Adjusted R-squared	0.113	0.110	0.656	0.693	0.691	0.983	0.433	0.430	0.841
Year range	2015–2024	2015–2024	2015–2024	2015–2024	2015–2024	2015–2024	2015–2024	2015–2024	2015–2024
Year FE	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Firm FE	No	No	Yes	No	No	Yes	No	No	Yes

Funding

This work was supported by Innosuisse – Swiss Innovation Agency (127.407 INNO-SBM), Ernst Göhner Stiftung (2025–0268/1.1) and guido schilling ag.

Acknowledgements

We thank Daniela Frau, Silvia Coiro and Sharon Reiser for their valuable comments and suggestions.

Dr. oec. Lucas Knust is Senior Lecturer in Financial Accounting and Auditing at the School of Management and Law, Zurich University of Applied Sciences (ZHAW). He holds a PhD from the University of Zurich, Switzerland. His research interests include corporate governance and financial reporting.

Address: ZHAW School of Management and Law, Department of Banking, Finance, Insurance, Gertrudstrasse 8, 8400 Winterthur, Switzerland, Phone: +41–58–934–40–16
E-Mail: lucas.knust@zhaw.ch
ORCID: https://orcid.org/0000–0002–0289–7988

Dr. oec. Patrick Chardonnens is Senior Lecturer in Corporate Performance at the School of Management and Law, Zurich University of Applied Sciences (ZHAW). He holds a PhD from the University of Freiburg, Switzerland. His research interests include performance management.

Address: ZHAW School of Management and Law, Department of Banking, Finance, Insurance, Gertrudstrasse 8, 8400 Winterthur, Switzerland, Phone: +41–58–934–63–12
E-Mail: patrick.chardonnens@zhaw.ch
ORCID: https://orcid.org/0000–0003–2693–8008

Prof. Dr. oec. publ. Gabriela Nagel is Head of the Institute for Financial Management at the School of Management and Law, Zurich University of Applied Sciences (ZHAW), and has served on multiple corporate boards. She holds a PhD from the University of Zurich, Switzerland. Her research interests include corporate governance, performance management and sustainability reporting.

Address: ZHAW School of Management and Law, Department of Banking, Finance, Insurance, Gertrudstrasse 8, 8400 Winterthur, Switzerland, Phone: +41–58–934–78–51
E-Mail: gabriela.nagel@zhaw.ch