

The Review of CEO Gender: Based on the Perspective of Empirical Literature

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Abstracts: In China, the CEO position is still dominated by men in traditional companies. However, in some emerging industries and the Internet field, there are gradually increasing numbers of female CEOs and the rise of female leadership. In the international community, male CEOs still dominate, and female CEOs are showing a gradually changing trend. CEO gender promotes economic diversity in economic construction, which helps companies better respond to market competition and changes and promotes the economic construction of enterprises. For technology, CEO gender drives innovation and problem-solving, and gender diversity encourages different ways of thinking and problem-solving, which is crucial for innovation and technological progress. At the social level, the promotion of gender diversity can help reduce gender discrimination and promote a more equal and inclusive society. All in all, the theoretical significance of CEO gender in economic construction, technological progress, and social development is to promote diversity and inclusion and create a more competitive, innovative, and just social and business environment. In practice, companies and governments should proactively take steps to ensure that more women have the opportunity to serve as CEOs and other senior leadership positions to fully leverage the advantages of gender diversity.

Keywords: CEO gender, economic construction, market competition

1. Introduction

The CEO plays the role of strategic planner, leader, decision-maker, and spokesperson in the company. Their leadership, strategic vision, and general management capabilities are critical to the company's success and continued growth. CEO plays an important role in the company. CEOs should have multiple characteristics in order to shape the company's culture, decision-making, strategic planning, and overall performance. CEO characteristics have a profound impact on shaping a company's culture, decision-making, strategic planning, and overall performance. They are not only leaders of the company but also role models and driving forces of the organization, and their influence extends to all levels within and outside the organization. Therefore, companies need to pay special attention to the importance of these characteristics when selecting and developing CEOs. As we know, CEO has different genders; male and female may make different decisions that may affect a firm's performance. Ullah and Jebran found strong evidence that CEO gender could enhance a firm's value [1]. Khan and Vietio found that CEO gender matters for firm performance [2]. Female CEOs now have an important role in our society. Gender diversity in the top management of companies has been a topic of concern

over the past few decades. In the past, the vast majority of corporate executive teams were dominated by men, and women were relatively underrepresented in top management positions. However, in recent years, with society's emphasis on and promotion of gender equality, more and more companies have begun to pay attention to and promote gender diversity at the level. CEO gender diversity is important because it can bring different perspectives and creativity, reflecting employee and customer diversity, promoting gender equality, and so on. The CEO plays the role of strategy maker, leader, decision-maker, and spokesperson in corporate operations. Their influence spans every aspect of the company and is critical to its success and growth. Now, in every firm's operation, male and female CEO has different strategies that make a difference in the firm, and it helps us research them.

As we know, there is a lot of literature on CEO gender that is about industry practice and internal structure optimization of enterprises and so on. It can be seen that many pieces of literature are online. However, they are all based on a certain perspective, and sometimes the conclusions conflict with each other. It needs to be summarized. For me, I need to summarize the differences and consensus of predecessors, break through a single perspective, and hope to provide guidance for future academic development. Many different kinds of literature on CEO gender try to express themselves academically. I have to find a new angle of view on CEO gender and find the core of the CEO gender on its firm, enterprise internal, culture, innovation, society, and so on.

2. Literature Review

2.1. CEO Gender in Firm Operation

The impact of a CEO's gender is complex. I start with the CEO's gender and the way the company is run. Faccio et al. made the point that the gender of the CEO affects the corporate risk-taking decisions that are made and discovered that female CEOs appear to make less risky financial and investable decisions than those made by male CEOs [3]. The research by Pillemer and Burke entitled "The face says it all: CEOs, gender, and predicting corporate performance" revealed a correlation between a company's ranking and/or profits and a male CEO's power, whereas a female CEO's supportiveness, warmth, and empathy were associated with those same outcomes [4]. Despite the fact that these findings do not support the risk aversion hypothesis, According to Ullah and Jebran, having a female CEO on a corporate board is favorably correlated with the value of the company. Additionally, research demonstrates that female chief executives (FCEOs) boost business value [5]. According to Khan and Vieito, the gender of the CEO affects a company's performance. Companies are less dangerous when the CEO is a woman than when the CEO is a man and when the board of directors gives a female CEO a pay package that includes a less risky component than it gives a male CEO [2]. According to Sah et al., female CEOs exhibit risk aversion by employing risk-reduction measures in addition to keeping higher levels of physical cash on hand [6]. According to Manner, CEO gender was related to business performance, and strong or excellent CSPs are positively correlated with CEOs having a BA in Humanities, having a wide range of professional experience, and being female [7]. Wu et al. believed that firms with female CTOs are more innovative (in terms of patent count and patent citations) than companies with male CTOs [8]. Han et al. highlighted that compared with male CEOs, female CEOs considerably boost corporate incremental and radical innovation behaviors. This effect is particularly pronounced in businesses with female CEOs, empowered female CTOs, and stronger innovation support cultures [9]. According to Cowen and Shropshire, retail investors assessed female and male CEOs similarly, but through proxy voting, these investors were more inclined to support campaigns aimed at female-led companies than male-led ones [10]. According to Elsaid and Ursel, Regardless of other succession factors, such as whether the new CEO comes from within or outside the company, the likelihood that the incoming CEO will be a woman increases the higher the ratio of women on the board. In addition, a change in the CEO's gender was linked to

decreases in a number of indicators of business risk-taking [11]. Hernandez-Nicolas et al.'s analysis, supported the notion that women are more risk-averse by noting that businesses led by women and with gender-diverse boards typically borrow less, have lower debt, and pay lower long-term loan expenses [12].

2.1.1. CEO Gender in Firm Governance

The impact of the CEO's gender on corporate governance is, in my opinion, the opposing side. Frye and Pham noted that smaller boards with more independence, gender diversity, a lower ratio of inside to outside directors, a broader director network, and younger directors are associated with female CEOs. As a result, we find that the boards of female CEOs are structured for greater monitoring [13]. According to Dah and Kebbe, having a female CEO lowers the sensitivity of turnover to performance, raises the E-index, and raises CEO pay [14]. According to Bugeja and Spiropoulos, there is no indication of a gender pay gap at the CEO level. Hence, managing the role is beneficial for the company. Bugeja and Spiropoulos [15]. According to Klenke, power, political savviness, conflict management, and trust are the four constructs that mediate the hypothesized relationships explained in the model and account for differences in decision-making among senior female and male executives rather than gender per se [16].

2.1.2. CEO Gender on Corporate's Market Effect

The CEO gender and the business market effect is the second aspect I discovered. Because they have a greater market orientation than male-dominated service SMEs, according to Davis and Pett, female-dominated service SMEs perform much better. Further research indicates that when converting market performance into financial performance, female-led enterprises perform marginally better than their male-led counterparts [17]. According to Audretsch et al., female CEOs can reduce the effects of corruption in two separate ways. Pervasive and arbitrary types of corruption have different effects on a company's exports. Female CEOs are less susceptible to institutional corruption in emerging and developing economies [18]. According to Frii et al., companies that change their CEOs from men to women are less likely to go public. When board gender balance is taken into account, the results still hold, indicating a link between CEO gender and the likelihood that businesses will go public [19]. According to Miah, the cost of raising capital from external sources is significantly impacted by the gender diversity of top-level management. Female CEOs and the cost of debt have a clear correlation that is not mitigated by accounting conservatism [20].

2.1.3. CEO Gender and Earning Management

CEOs and upper management have also been researched. Gull and Chtioui found that the appointment of women to corporate boards should be based more on their statutory and demographic qualities than on the mindless implementation of gender quotas [20]. Peni and Vähämaa found that firms with female CEOs are associated with income-decreasing discretionary accruals, implying that female CFOs are following more conservative earnings management strategies. The tendency for female CEOs and CFOs to minimize earnings management is substantial [20].

2.2. The Other Discussions in CEO Gender

There are still further discussions concerning CEO gender after the impact on corporate performance. According to Ullah and Jebran, gender diversity may have an impact on the gender of the CEO [1]. According to Wang and Bishoff, despite the fact that female CEOs are said to have more human capital than male CEOs, they tend to run businesses with a worse reputation. In addition, female

CEOs experience less success in their individual careers while having equivalent degrees of accounting-based training [21]. According to Sun and Zou, there is a link between politics and CEO gender as the CEO gender gap in corporate performance is decreasing as female CEOs' political links are more undercut. their companies' market-based performance is weaker [22].

2.3. CEO Gender in Different Countries

I may discover several works about CEO gender in various nations. According to Lam and Vieito's research, private companies in China are more likely to have female CEOs than state-owned ones. In organizations where other women are present as directors, a female CEO is more likely. The participation or pay rates of female CEOs are not improved by an overseas listing. Mixed findings emerge from an analysis of the CEO gender and business performance connection [23]. According to Liu and Velamuri, female CEOs and entrepreneurs generally have more difficulty obtaining capital to take advantage of business possibilities. However, the setting in which these difficulties are more likely to occur is less well-known. Our research shows that female-led initial public offerings (IPOs) are more likely to be underpriced, but this effect is tempered by their ownership structure, reflecting the various institutional logics that these enterprises follow. Particularly, venture capitalist ownership attenuates the beneficial association between female CEOs and IPO underpricing, whereas state ownership exacerbates this relationship. According to Jadiyappa et al., after a woman assumes the position of CEO in India, the sample companies' average ROA drops by roughly 10%. Both time series and cross-sectional analysis show that this finding is still negative. When performance is gauged by ROE, the reduction is also seen. The authors go on to demonstrate that this adverse effect is linked to an increase in agency costs that is seen after the hiring of a female CEO [24]. Dwiharti and Adhariani discovered that tax evasion in Indonesia is significantly impacted by the presence of female chief executives. Female CEOs are more likely to use tax loopholes to their advantage. Adams contends that although fewer women in the USA hold CEO positions than men, those who do are paid similarly to their male counterparts once they do. Although female CEOs are on average, younger than male CEOs, they have remarkable professional and educational backgrounds [25]. In Spain, Expósito stressed that there are three different types of new categories that can come to mind while thinking about horizontal innovation. The new male executive officer, however, was introduced together with the female companion and the female counterpart, and the new course of action was enhanced. Japanese products will be produced differently in the new direction and will have a distinct appearance. Additionally, the joint analysis of the three companies' new decisions and the multidimensional approximation outcome model expression. Small and medium-sized businesses funded this study effort to support the use of novel materials, which has reduced the availability of fresh, significant literature [26]. Skalte discovered severe compensation discrimination against female CEOs in the industrial and tourist industries in Norway. Due to the fact that female CEOs work in comparatively smaller companies in the tourist industry than they do in manufacturing, the gender wage gap is greater in this industry. Women have stronger career prospects in tourism, but smaller, lower-paying businesses tend to hire female CEOs [27]. However, in Nigeria, Aifuwa and Gideon's study from 2022 discovered that the gender of the CEO had no appreciable influence on the financial success of Nigerian hotels. Second, the study discovered that the CEO's educational background significantly and favorably affects the financial success of hotels in Nigeria. The report suggests that in order to improve the financial situation of hotels in Nigeria, CEOs with training in the hotel and tourism industries should be selected [28].

3. Conclusion

In conclusion, the study on CEO gender is extravagant; the reason I study CEO gender is that is important to have an in-depth understanding of the importance of equality in terms of equality in terms of equality, leadership, corporate efficiency, social cooperation, and policy impact. The description I do is to study CEO gender diversity to find the CEO gender's relation to its firm, industry, market, operation and so on. The result is that CEO gender is important to the firm, but whatever male or female, they can offer their own value because they have different character traits and so on. CEO gender is also significant in firm governance. They can balance the differences in the internal structure of management. In the future, I hope CEO gender can influence more in different fields.

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