

Board Gender Diversity Management and Corporate Agility in the Aviation Sector Concessionary Regime

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Abstract

Board gender diversity is an organization's strength and strategic coping mechanism for a sustained competitive advantage. The focus of this paper is to examine the empirical link between board gender diversity management and corporate agility in the aviation sector in the concessionary regime. Board gender diversity was operationalized with the female gender dominated board and male gender dominated board, whereas, corporate agility was treated as a mono-construct. 20 aviation staffs were conveniently sampled and data collected were inferentially analyzed with Spearman ranking order correlation coefficient and the result shows no significant relationship between a board exclusively dominated by female, nor a male exclusively dominated board and corporate agility. However, a board constituted by both male and female gender shows a significant relationship with corporate agility. Base on the findings the study recommends that; Organizations should ensure a balance in their gender board composition as it gives a wider pool of talent to contribute meaningfully to organizational agility.

Keywords: *corporate agility, gender diversity, board diversity management*

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I.Introduction

Effectual board gender diversity management in the present concessionary regime is critical to any corporate nimbleness, especially with agitation raised by feminine gender of the career or glass ceiling effect in most sectors including the aviation sector concerned where women are denied holding certain positions. Kebede (2017) comment that board gender diversity has become a topical issue in this regime for three reasons; First, women representation at board is generally very low. Second, government attention on gender diversity has increased which is why countries legislatures have made laws mandating female board representation. Third, the debate has taken a swing from an issue of fairness and equality to a question of superior performance. Kevin and Antonio (2007) argues that it is immoral for women to be excluded from corporate boards on the grounds of gender and that firms should increase gender diversity to achieve a more equitable outcome for society. Accordingly, firms should regard greater female representation not as a means to an end but as a desirable end in itself.

Still promoting the need for gender diversity by giving the female gender equal opportunity, Suresh and Savas (2017) forwards that increasing women's presence on company boards widens the talent pool from which they can draw, driving operational excellence, and bringing unique insights and fresh perspectives, which enable stronger decision-making. They further posits that board gender diversity drives performance hence, firms should identify and remove likely relegating barriers of the female genders and avoid the risk of tokenism; appointing women in order to fulfill quota system to pacify investors or make the firm appear more progressive and diverse, but should genuinely appoint women into board based on skill and merit, without down playing women's contributions in the board.

European Commission (2010) noted that lack of women representation in the board of aviation sector has adverse effect on its economic and social performance. However, concerns at different level and government involvement through its corporate governance guidelines for firms has changed the narratives in the middle level diversity ratio Makena (2017), but the scenery has not changed much as there is still discrimination in the ratio of women representations in top management board constitution. This paper therefore seeks to establish the empirical link between board gender diversity and organizational agility.

Objective of the Study

The purpose of the study is to examine the empirical link between board gender diversity and organizational agility in the aviation sector with three specific focuses as;

1. To ascertain the relationship between exclusively male gender board composition and organizational agility
2. To find out the extent exclusively female gender board is related with organizational agility
3. To examine the extent male and female gender board composition is related to organizational agility.

Research Questions

1. To what extent do exclusively male gender board composition related to organizational agility?
2. What is the significant relationship between exclusively female gender concessionary board and organizational agility?
3. What is the significant relationship between male and female gender diverse board composition and organizational agility?

Research Hypotheses

H₀₁ : There is no significant relationship between exclusively male dominated board and organizational agility.

H₀₂ : There is no significant relationship between exclusively female dominated board and organizational agility.

H₀₃ : There is no significant relationship between male and female gender diverse board composition and organizational agility

II. Review of Related Literatures

Gender Diversity

Gender diversity in light of the work setting is regarded as the consideration of the difference skills and potentials of male and female employees as equal resources. Also, it is perceived as the proportion of male and female employees in the workplace that may influence the way people communicate and work with each other in that area and affect the firm's performance (Herring 2009).

Prior research conducted by Grusky and Grusky, (2004) observed that women are treated with discrimination and most times relegated to operational and middle level job positions with glass ceiling that prevents them to the top management positions. On the other side men are hired as elite professionals to top management positions. Sharma, Singh and Pathak (2018) assert that women representation in boards has been a concern raised far back 1970s, though, women involvement in politics and agitation for gender affirmation in parliament has triggered gender balanced policies for women workforce in senior levels in many sectors.

Kebede (2017) states that achieving gender diversity within organizations can be daunting and takes a lot of efforts and time, but its benefits are far reaching because diversity of talent is associated with diversity of thoughts.

When discussion of gender diversity is raised two dimensions that come to mind is the feminine and masculine regiment which is the same direction this study tour-on in operationalizing gender diversity. Powell (2011) opines that gender is the physiological supposition that someone is either a male or female. John, Babatunde, Justice (2019) is of the view that study of gender diversity presupposed one's mind to how individuals believe that males and females differs, and these variations influence the manner in which individuals react to the behavior of others in the work settings or any other group coalition. Significantly, these variations are also noticed in prejudice, stereotypes, and discrimination. Accordingly, Ferdman and Davidson (2004) observed that gender stereotyping is a big issue in the workplace which must be dealt with, an ideal workplace behavior and attitude of male and female should be perceived seemly.

Organizational Agility

Christopher and Towill (2002) relate that agility was initially conceptualized in the manufacturing context to describe a flexible manufacturing systems before its proliferation in general business parlance. Agile manufacturing as it were in its earlier context is the ability to survive and prosper in a competitive environment of continuous and unpredictable changes by reacting quickly and effectively to changing markets, driven by customer-defined products and services (Gunasekaran, 1999). Agility on the forgoing is portrayed as a total assimilation of business components (Kidd 2000).

An organization that is agile can be likened to a smart organization. This concept- organizational agility describes the manner organizations is responsive to the dynamics of the changing business landscape. In consonance with this position is Erastos (2006) assertion that a smart organization is understood to be both, digitally laden and knowledge-driven, which enhance her ability to adapt to new organizational challenges resiliently and swiftly. This agility exudes the creative ability of the organization to exploit knowledge in response to opportunities of the digital age. Ardently, Wageeh (2016) affirm organizational agility as new solution for managing a dynamic and changing environment.

According to Alberts and Hayes (2003), an agile organization has the capacity to change the organization and business conventions to be more effective and efficiently responsive, flexible and innovative to new business

trends and subvert challenges. Clyde and Xun (2008: 6) gave a more ample opinion of organizational agility; noting that it is “an integrating alertness to changes (recognizing opportunities/challenges); both internal and environmental with a capability to use resources in responding (proactive/reactive) to such changes, all in a timely, flexible, affordable, relevant manner”.

In closer assessments of the various scholarly positions one can conclude on organizational agility dimensions to be; alertness to changes, that is, an opportunity-seeking potential and secondly, responsive capabilities to changes, which is a proactive and reactive actions enshrine in the organizational processes.

III. Methodology

The study adopts survey design. 20 employees of the aviation sector were conveniently sampled and data collected was inferential analyzed with Spearman Rank Order Correlation Coefficient.

IV. Result

Test of Hypotheses

Table 1 Testing Of Hypothesis 1

H₀₁: There is no significant relationship between exclusively male dominated board and organizational agility.

Correlations				
			Male Dominated Board	Organizational Agility
Spearman's rho	Male Dominated Board	Correlation Coefficient	1.000	.549*
		Sig. (2-tailed)	.	-0.09
		N	20	20
	Organizational Agility	Correlation Coefficient	.549*	1.000
		Sig. (2-tailed)	-0.09	.
		N	20	20

*. Correlation is significant at the 0.05 level (2-tailed).

A male dominated board is correlated with organizational agility at .549 and is significant at the p-value = -0.09 < 0.05. Therefore, accepting the null hypothesis.

Table 2 Testing Of Hypothesis 2

H₀₂: There is no significant relationship between female exclusively dominated board and organizational agility

Correlations				
			Female dominated board	Organizational agility
Spearman's rho	Female dominated board	Correlation Coefficient	1.000	.303
		Sig. (2-tailed)	.	.03
		N	20	20
	Organizational agility	Correlation Coefficient	.303	1.000
		Sig. (2-tailed)	.03	.
		N	20	20

*. Correlation is significant at the 0.05 level (2-tailed).

Table 2 indicate a correlation between female dominated board and organizational agility at 0.303 and is significant at p-value= .03 > 0.05. by the decision rule null hypothesis is accepted.

Table 3 Testing of Hypothesis 3

H₀₃ : There is no significant relationship between male and female gender diverse board composition and organizational agility

Correlations				
			Male and female diverse board	Organizational agility
Spearman's rho	Male & female diverse board	Correlation Coefficient	1.000	.815
		Sig. (2-tailed)	.000	.000
		N	20	20
	Organizational agility	Correlation Coefficient	.815	1.000
		Sig. (2-tailed)	.000	.000
		N	20	20

Male and female dominated board and organizational agility is correlated at .815 and is significant at $P=.000 < 0.05$. Based on the decision rule the null hypothesis is rejected.

V. Discussion & Conclusion

The study is out to empirically examine the link between gender diversity and organizational agility; gender diversity was operationalized with male and female gender while organizational agility is treated as mono construct. In bid of achieving the set objectives, three research questions and hypotheses were formulated to guide the study.

As seen from the data presentation and analysis; hypotheses one and two were accepted, meaning that there is no significant relationship between board exclusively dominated by male or female and organizational agility. This is contrary to earlier research findings. Sharma et al (2018) revealed that women dominated board increases world business value. Moreso, survey conducted amongst 500 company's shows that organization with women dominated board more women on their boards tend to be more profitable and more organized (Bibi 2016).

Also, null hypothesis three was rejected and thus accepting the alternate hypothesis restating a significant relationship between a diversely constituted board with male and female employee and organizational agility. This is inline with prior researches; John et al (2019), Manu (2016), and Makena (2017) whose findings revealed that a gender diverse board is pool of talent that increase organization effectiveness.

VI. Recommendations

Based on findings and conclusion drawn from the study the following recommendations are made

4. The female gender that possesses the required ability should be given the opportunity to reach their full career potential by appointing them into board.
5. Organizations should ensure a balance in their gender board composition as it gives a wider pool of talent to contribute meaningfully to organizational agility.
6. Organization should avoid quota system appointment approach of inaptitude female gender due to agitation as it will not reflect on the agility of the organization.

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