

# ERASMUS UNIVERSITY ROTTERDAM

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## Executive Characteristics and Diversity: How CEO Characteristics Relate to Diversity Policy Adoption in Collective Labor Agreements

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## **Abstract**

This paper investigates the relationship between executive characteristics and the development, implementation, and effectiveness of diversity policies within organizations. Utilizing data from the Dutch Collective Labor Agreements (CLAs) on diversity policies from 2019, this study also examines the association between the presence of diversity policies and firm characteristics. The findings indicate that female leadership significantly increases the likelihood of implementing diversity policies by approximately 16 percentage points. Additionally, there is a small but statistically insignificant positive association between the age of the executive and the implementation of diversity policies. However, no significant evidence was found to support an association between firm size and the presence of diversity policies. Overall, the results underscore the importance of executive characteristics in influencing the adoption and implementation of diversity policies within organizations.

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## I. Introduction

In the context of increasing diversity, rising workplace inequality, and growing social interest in socially responsible organizations, recent literature has renewed focus on what organizations are doing to enhance employee diversity and ensure workplace safety (Aguilera et al., 2007; European Commission, 2024; Heyward, 2022). Diversity policies protect employees from inappropriate conduct and address potential issues before they escalate (De Oliveira, 2024; Icks et al., 2022).

Presently, employees and stakeholders expect organizations to establish and implement robust diversity policies and to demonstrate commitment to these initiatives. Investors are increasingly demanding concrete data evidence of diversity and inclusion practices (Aguilera et al., 2007). Unlike in the past, when the implementation of diversity policies was largely left to management, today's employees are proactive and critical regarding diversity changes within organizations. This shift is further driven by regulatory developments, with regulators demanding greater attention to diversity issues and employers contending with a shortage of skilled labor (Pearson, 2023). An illustrative example is the Dutch "Diversity Act" of 2022, which mandates that Dutch-listed organizations must have at least one-third male and one-third female supervisory board members. Additionally, this legislation requires all Dutch firms, including unlisted ones, to set target figures for gender diversity within their management and supervisory boards (Diversity (2022 Netherlands Board Index), 2024).

Workplace diversity refers to “the differences that exist between people at work” (Roberson, 2019) and “the existence of workplace diversity, within an organization, indicates that the workplace is heterogeneous in terms of gender, race, and ethnicity, in which employees possess distinct elements and qualities, differing from one another” (Foma, 2014). Hence, diversity policies are policies, mostly within organizations, with the objective to increase workplace diversity. Often diversity policies appear in the form of recruitment policies, communication and team spirit training programs for both employees and supervisors regarding the nature of discrimination to increase awareness of unacceptable behaviors, the statement of discrimination and non-tolerance, procedures for handling discrimination claims, and sanctions for inappropriate behavior (Cletus et al., 2018).

Around 80% of American firms stated to have implemented DEI policies (diversity, equity, and inclusion) by late 2021 (Obe, 2024). According to the European Commission (2024), half of survey responded firms stated to have implemented diversity policy. Furthermore, an increasing trend can be seen when looking at the female rate in CEO positions, as in 2020 6,6%

of the Fortune 500 firms had female CEOs (InStride, 2024) , while this was 10,6% in 2023. This led to 53 female CEOs in Fortune 500 firms in 2023, the highest it has ever been (Reiners, 2024).

I discuss the role of executives in the negotiations and establishment of these collective labor diversity agreements, considering the outcome data on the presence of diversity policies will be derived from a dataset on the diversity agreements within the Dutch collective labor agreements (CLAs).

Collective labor agreements (CLAs) are written agreements outlining employment conditions (Ministerie van Algemene Zaken, 2023). These agreements apply to all employees within the specific company or sector covered by the agreement. In the Netherlands, there are more than 900 different CLAs, providing stability for 85% of the Dutch working population (Fabrique, 2024). CLAs are categorized into two types: sector CLAs, which apply to the entire sector when declared generally binding by the Minister of Social Affairs and Employment, and firm CLAs, which are specific to a single firm (Ministerie van Algemene Zaken, 2023).

CLAs are established through negotiations between employee unions, employers, and employer associations. With an employee inventory as a starting point, negotiations commence. When all parties reach an agreement, an 'agreement in principle' is drafted. If the agreement is rejected, negotiations continue. When consensus cannot be reached, the bargaining ends with a 'negotiation outcome' (Fabrique, 2024).

On the employer side, employer associations represent and promote the interests of companies during these negotiations. Employer associations are collectives of multiple companies that advocate for their joint interests in various negotiations (De Snoo, 2023).

One of the most significant ways CEOs can exert influence in the CLA negotiations is by being present at the negotiations. Typically, the CEOs of the most important firms in the sector participate in the bargaining process and hold the final authority to approve or reject employee demands (McAlevey & Lawlor, 2021). Another influential avenue for CEOs is their participation as board members of employer associations. For instance, the board of VNO-NCW includes executives from major Dutch corporations such as Royal Ahold Delhaize N.V., Heineken Nederland B.V., and ABN AMRO Bank N.V.. By serving on the board, these CEOs ensure that their companies' interests are considered in CLA negotiations by setting agenda points for upcoming discussions (VNO-NCW, 2021).

An indirect way CEOs influence negotiations is through membership in employer associations. Similar to employee unions, employer associations solicit their members' preferences for negotiation outcomes. Membership in these associations also expands a firm's network, enhancing its bargaining power. Ozmel et al. (2017) found a positive significant relationship between an organization's network and the firm's bargaining power, suggesting that joining an employer association can indirectly increase a firm's leverage in CLA negotiations. Additionally, Klasa et al. (2009) provide evidence that firms in more unionized industries strategically hold less cash to gain bargaining advantages over labor unions and protect corporate income from union demands. Their findings imply that CEOs can enhance their bargaining power in CLA negotiations by managing cash reserves strategically. Based on these observations, it can be concluded that CEOs indeed have a significant influence on CLA negotiations through various direct and indirect mechanisms.

In this paper, I look at the role of executives in corporate diversity policies. Hereby I focus on whether executive characteristics are associated with the development, implementation, and effectiveness of diversity policies within organizations. In addition to the executive characteristics evaluation, I also investigate the association between firm characteristics, such as size, and the implementation of diversity policy. This leads to the following research question:

*What is the association between executive characteristics within organizations and the development, implementation, and effectiveness of diversity policies?*

The study combines insights from different theories, such as the gender socialization theory, age-related leadership studies, and diversity management literature in order to enrich the theoretical frameworks of leadership dynamics, corporate governance, and policy adoption. Moreover, the specially combined dataset of this paper is unique, since there are few datasets that combine information on executive characteristics, firm characteristics, and CLAs. This dataset can account for future research on executive characteristics and CLAs. Furthermore, the study strives to provide empirical evidence on the relationship between executive traits and organizational policies, through a data-driven research structure. The findings will not only support and expand existing theories and literature, it could also be a starting point for future empirical studies within this subject and management science.

Societally, this paper can provide insights for organizational leaders and policymakers regarding the critical role of executive demographics in fostering inclusive workplaces. By

demonstrating that certain executive characteristics enhance the likelihood of diversity policy implementation, the study informs strategic executive recruitment and development practices aimed at promoting inclusivity and equality within organizations. Moreover, the study offers information for a wide range of stakeholders, including employees, investors, and customers, and advocates for more inclusive and effective leadership practices. Lastly, the results of this research could support organizations that have the objective to expand the implementation of diversity, or behavior policies. As the study highlights the positive influence of diversity policies on overall organizational performance, the study compels a business case for their implementation.

This paper investigates the association between executive characteristics, firm characteristics, and the implementation of diversity policy. I build a unique, comprehensive dataset on firm characteristics, executives, their respondent firms, and the diversity agreements within the CLA group they are in. I find evidence that there is a positive association between the gender of the executive and the implementation of diversity policy. Female executives increase the likelihood of the implementation of a diversity policy with approximately on average 16 percent points. Yet, I do not find any evidence of an increased likelihood of implementing diversity policy with the increase in firm size or the age of the executive. Overall, point estimates do not change when reducing the sample size to the selection of firms with only firm CLAs.

The rest of the paper proceeds as follows. A theoretical framework is included in Section II. The sample and data are described in Section III. Section IV outlines the empirical strategy, while Section V includes the main results, and Section VI provides a discussion and concludes.

## **II. Theoretical Framework**

### ***Executive Characteristics and Firms***

This paper builds upon several strands of the literature. First, it speaks to the literature on the effects of certain executive and firm characteristics within organizations. However, previous research has predominantly examined the influence of CEO characteristics on financial policy rather than behavioral policy. For instance, Setiawan and Gestanti (2022) demonstrate that female CEOs significantly enhance firm performance, as evidenced by an increase in return on assets. Additionally, Battisti et al. (2021) provide evidence that the positive impact of intellectual capital on a firm's dividend policy is more pronounced when the CEO is a younger woman.



Research on the relationship between board gender diversity and firm performance has yielded mixed results. Some studies have found that gender diversity within the board positively and significantly affects financial performance (Duppati et al., 2019; Francoeur et al., 2007; Bernile et al., 2018; Ntim, 2013). Similarly, other studies have reported positive effects on overall corporate performance (Sarhan et al., 2018; Carter et al., 2003). However, Joecks et al. (2012) observed that enhanced firm performance occurs only after achieving a 'critical mass' of 30% female board members. Conversely, Marinova et al. (2015) found no significant relationship between board gender diversity and firm performance.

Building on the examination of CEO characteristics' influence on financial and behavioral policies, it is important to consider additional dimensions of executive attributes, such as age. Setiawan and Gestanti (2022) indicate that CEO age negatively influences financing policy but has no significant effect on investment policy and firm performance. Similarly, Serfling (2014) shows that CEO age impacts risk-taking behavior and firm performance. Additionally, Fernández-Temprano and Tejerina-Gaite (2020) find that board age diversity positively affects firm performance. Furthermore, Custódio and Metzger (2014) conclude that CEO education and age are associated with a more engaged leadership style.

Prior research has explored the relationship between board diversity and corporate social responsibility (CSR). The consensus from these studies indicates a positive correlation between board diversity and corporate social performance (Peng et al., 2021; Harjoto et al., 2014; Hartmann & Carmenate, 2020; Bear et al., 2010; Azam et al., 2019; Manner, 2010; Zhao, 2022). This suggests that increased diversity within boards is associated with higher levels of corporate social performance. Moreover, Beji et al. (2020) disaggregate this topic by examining the relationship between corporate social performance and various forms of board diversity, including gender and age. They find that board gender diversity is positively linked to human rights and corporate governance dimensions, while age diversity is positively associated with improvements in corporate governance, human resources, human rights, and environmental activities.

Board diversity not only impacts CSR but also influences corporate governance. Buse et al. (2014) demonstrate that the governance practices of boards are directly affected by the gender and racial diversity of their members. Their findings indicate an interaction effect wherein a more balanced gender distribution on boards mitigates the negative impact of racial diversity on governance practices. These results suggest that while a more diverse board

membership can enhance governance, such improvements are contingent upon inclusive behaviors and the presence of policies and practices.

In addition to the CEO characteristics, the results of previous research indicate that firm characteristics can influence firm policy and firm performance also. This implies that firm size could influence diversity policies within a firm. Former studies addressing the issues of firm size are mostly focused on firm performance and profitability (Corvino et al., 2019; Hou & Van Dijk, 2018; Hall & Weis, 1967; Amato & Wilder, 1985). Some others discussed the effect of firm size on innovation, such as Herrera and Sánchez-González (2012) who show the positive effect of firm size on innovation policy. This raises the question of whether firm size has a positive effect on behavioral policy also.

These studies collectively suggest that CEO characteristics and firm characteristics significantly influence management style and decision-making processes, potentially extending to the formulation and implementation of diversity policies. I contribute to this literature by focusing on the characteristics of CEOs on behavioral policy.

#### *Diversity and Inclusion Policies*

Another strand of literature that is relevant to this paper is the literature on the influence of diversity and inclusion policy on the organization and its employees. Diversity policy plays an important role in organizational and executive reputation, as shown by Pichler et al. (2017). They conclude that implementing LGBT-supportive policies shows substantial increases in firm value, productivity, and profitability of the organization and therefore provide evidence that implementation of diversity policy matters for organizations. Also, Richard (2000) states that high cultural diversity indeed adds value and contributes to the competitive advantage of firms. This shows that the implementation of diversity policies can increase organizational reputation and performance. On the contrary, some researchers state that diversity can influence firm performance negatively, such as Churchill and Valenzuela (2018) and Parrotta et al. (2014). They argue that higher levels of ethnic and linguistic heterogeneity are associated with poorer firm performance, explained by a lack of trust, social networks, and the presence of discrimination. However, this phenomenon calls for better diversity policies in order to decrease discrimination and increase internal trust and workers' safety. According to Zhang (2020), the diversity between gender diversity and firm performance is relative to acceptance in the broader institutional environment. "The more that gender diversity has been normatively accepted in a country or industry, the more that gender-diverse firms experience positive market valuation

and increased revenue.” Therefore, increasing diversity policies can help the acceptance of diversity in the workplace.

Besides firm value and performance, diversity management also increases labor productivity, as shown by Armstrong et al. (2010). Diversity management also has an indirect positive influence on labor productivity, as it is not only associated with higher levels of inclusion, which boosts affective commitment (Ashikali & Groeneveld, 2015) but also with a person’s job matching, job satisfaction, and job performance (Li et al., 2020; Stazyk et al., 2021; Pitts, 2010; Patrick & Kumar, 2012). These conclusions suggest that a diversity policy could be beneficial for labor productivity.

These studies collectively suggest that diversity policies significantly influence organizational performance and employee productivity. I contribute to this literature by providing answers to the question of whether or not certain executive characteristics are associated with the formulation and implementation of diversity policies, and in what direction.

#### *Implementation of Diversity Policies*

The last relevant strand of literature is the research on the implementation and effectiveness of diversity policies. Previous research explores the motivations behind the implementation of diversity policies. While Wentling and Palma-Rivas (1998) identify the primary reasons for managing diversity, Pitts et al. (2010) identify three additional drivers of diversity policy. Effective diversity management practices require HR managers to perceive their CEOs as genuinely committed to workplace diversity, as mere verbal commitment and actions from CEOs are insufficient for the successful implementation of these practices (Ng & Sears, 2018). Conversely, Majczyk (2022) argues that perceiving an organization as homogeneous can serve as a rationale for not addressing diversity, as it is often associated with potential problems and inequities. This suggests that executives who view their organization as homogeneous may not see the necessity for implementing diversity policies.

However, what factors contribute to the effective implementation of diversity policies? Previous research generally indicates that the implementation of diversity policies is effective in increasing the representation of minority groups. For instance, Verbeek and Groeneveld (2012) demonstrate that three different kinds of diversity policies are correlated with increased ethnic minority representation. A study conducted in the Netherlands highlights a positive relationship between policy measures and the reduction of the glass ceiling within universities,

showing an increase in the proportion of female professors following the implementation of culturally focused policies (Timmers et al., 2009).

Previous papers identified several indicators and conditions for effective diversity management, including senior management's involvement, effective communication, and the creation of positive diverse interactions and partnerships (Greybe, 2001; Bassett-Jones et al., 2007). Moreover, Scarborough et al. (2019) conclude that workplace diversity policies are more effective when supported by both managers and workers. Respondents show higher levels of support for workplace policies framed as necessary to address discrimination.

Collectively, these studies indicate that the success of diversity policies is shaped by multiple factors. This study contributes to the existing literature by examining what the characteristics of CEOs contribute to the development and implementation of diversity policies.

### *Theoretical Literature*

Even though there are no theories that directly relate diversity policies to firm characteristics and leadership styles yet, there are theories that are of influence on this research. To start, I look at theories that explain the differences in leadership styles by gender. The gender socialization theory states that women leaders compared to their male counterparts are more caring, stakeholder-oriented, and have a longer-term orientation. They tend to focus more on corporate social responsibility, employee benefits, and discouraging of unethical behavior. Female executives overall adopt an interactive leadership style. These characteristics could allow female leaders to be more attuned to diversity policies than men (Au et al., 2022). The opposite of this theory is the fem-power washing theory which implies that female directors can have a negative effect on the implementation of diversity policy, as adding females to the board may be seen as a big enough contribution to workplace gender equality. Thus providing no need to further improve social policies (Au et al., 2022).

Integrating gender socialization theory with the robust body of research on female leadership and board gender diversity, it is reasonable to infer that these positive associations may extend to the implementation of diversity policies. Thus, the following hypothesis is proposed:

*H1: Organizations led by female executives are more likely to implement diversity policies.*

The cognitive age theory indicates that the perception of the CEO's age influences their leadership style. A younger perception may exhibit more forward-thinking and adaptiveness, while older perceptions result in more traditional and risk-averse styles (Anderson & Craik,

2017). Based on this theory, executives whose perspectives are young might be more willing to implement diversity policies.

When considering this theory alongside existing academic evidence that associates younger age with a more engaged leadership style, it is reasonable to assume that younger executives are more attuned to diversity and the implementation of behavioral policies. Accordingly, the following hypothesis is proposed:

*H2: Organizations led by younger executives are more likely to implement diversity policies.*

Lastly, I look at firm size. The stakeholder theory implies that organizations aim to generate benefits for different stakeholders by acknowledging and managing stakeholder needs and demands. This enables firms to be strategic and with that, ensure long-term success (Mahajan et al., 2023). Employees are a big share of the organization's stakeholders, who in larger firms are typically more diverse. In order to build and maintain a positive relationship with this group of stakeholders, organizations could be urged to the implementation of diversity policies. Previous research has indicated that firm size is positively correlated with both firm performance and innovation policy. Consequently, it can be inferred that firm size may also be positively associated with the implementation of diversity policies. This leads to the following hypothesis:

*H3: Larger firms are more likely to implement diversity policies.*

### **III. Data**

I use several existing datasets to estimate the relationship between executive characteristics and diversity policies.

Data on diversity agreements within collective labor agreements (CLAs) is derived from the 'Diversiteit 2019' dataset, provided by the Dutch Ministry of Social Affairs and Employment (Diversiteit 2019, 2021). This dataset is based on a survey conducted by the Ministry in 2019, targeting CLA groups to gather information on various aspects of personnel policy, including the presence of diversity policies and confidants. Additionally, the dataset includes data on the branches' perspectives on diversity, diversity guidance, diversity management, labor market discrimination, quantitative agreements on labor participation, recruitment and selection processes, maintenance and outflow, and cooperation. The survey was administered to 95 Dutch CLA groups, with respondents answering closed-ended questions regarding the presence or absence of specific policies or conditions in their 2019 collective

labor agreements. The full set of survey questions is available in Appendix B. Of the 95 CLA groups surveyed, 33 were firm-specific CLAs, while the remainder were sector-wide CLAs. For this study, the collective labor diversity data are treated as firm-level data, as the agreements made within sectoral CLAs are applicable to all members covered by the agreements.

Information on European companies and their executives is linked to the CLA diversity dataset, using the firm name. These data are drawn from the dataset ‘composition of officers, directors and senior managers’ by BoardEx (Wharton Research Data Services, 2024). The dataset contains data on company names and IDs, director names, roles and IDs, the enrolment, and the seniority of the director on approximately 370,600 firms, operating in all kinds of sectors in Europe.

I relied on the BoardEX dataset ‘company profile details’ (Wharton Research Data Services, 2024) to retrieve information on the number of employees, which will be used as a measure for firm size, together with the board name, company ID and revenue. BoardEx contains information on corporate executives and board members from organizations worldwide. BoardEx collects its data from publicly available sources, including regulatory filings, annual reports, proxy statements, company websites, press, and news wire. They do this within the BoardEx standards of quality (FAQS - BoardEx, 2023).

Additionally, data from the ‘Executive Individual Profile’ dataset by BoardEx (Wharton Research Data Services, 2024) is utilized to investigate individual executive information. This dataset contains comprehensive details on directors, including their names, age, nationality, and gender. It also provides information on their title, birth and death dates, director ID, and network size. This BoardEx dataset encompasses information on 20,712 executives, covering the period from 2016 to 2023.

From the total sample of 96 CLAs, the sample was restricted to 70 collective labor agreement (CLA) groups encompassing 176 firms<sup>1</sup>. This restriction was necessary due to the limited representation of firms operating in the Netherlands within certain sectors of the dataset.

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<sup>1</sup> The data were filtered to identify the appropriate decision-making entity in 2019. This step was essential, as the dataset initially contained multiple firm entity observations per organization. The final umbrella company was determined by examining the decision-making hierarchy within each organizational group through official organizational websites and 2019 annual reports, prioritizing the holding company over subsidiary entities (BVs).

Among the included firms, 26 have their own CLAs, while the remaining firms are, on average, the five largest organizations covered by a sector's CLA. For a detailed list of included CLAs and companies per CLA, refer to Appendices C and D, respectively.

The individual executive characteristics were integrated into the firm-level data by merging the 'Executive Individual Profile' dataset with the current firm dataset on the variable *Director ID*. This Director ID provides a unique numeric code for each executive in the dataset, allowing for an accurate merge. Missing values of the variable *age* were updated with the use of the database Orbis (2024), which has, among other characteristics, data on gender and age. Additionally, office organizational websites were used to fill in the final missing values.

The resulting dataset offers a complete overview of firms, including their size and revenue, and their executives. Firm size is measured by the number of employees in full-time equivalents (FTE) in 2019. Missing values for the number of employees were supplemented using the Orbis database (2024), which includes data on various firm characteristics. Furthermore, corporate organizational websites and 2019 annual reports were consulted to fill in the remaining missing values, leading to some companies' firm size being reported as an estimate. The variable *revenue* is missing for the majority of companies and thus will not be considered in the final analysis.

The sample was further refined to include only executives who held board positions in 2019, as the diversity data was measured in 2019. This verification process involved reviewing official organizational websites and annual reports from that year. Observations where the executive name did not match the actual decision-making executive in 2019 were excluded from the sample. The final sample comprises of 119 executives from 112 firms, as some firms had two executives in decision-making positions in 2019.

The outcome variables of diversity policy are operationalized in four distinct ways: through the variables of *diversity policy*, *behavior control*, *complaint procedure*, and *confidant*, derived from the 'Diversity 2019' dataset<sup>2</sup>. Each of these outcome variables is represented as a dummy variable, taking a value of one if the respective diversity policy, behavior control, complaint procedure, or confidant is implemented within the organization, and 0 if not. More detailed definitions of the outcome variables can be found in Appendix A.

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<sup>2</sup> The outcome data was restricted to questions regarding the presence of a diversity policy, attention to inappropriate behavior, complaint procedures, and the presence of a confidant, as these questions are most relevant to the form of diversity policy. The specifically used questions are shown in bold in Appendix B.

### Descriptive Statistics

Table 1. Descriptive statistics

VARIABLES	(1) N	(2) mean	(3) sd	(4) min	(5) max
Number of FTE employees	116	10,637	20,328	2	89,732
Age	115	66.30	10.07	46	91
Has Diversity Policy	119	0.118	0.324	0	1
Has Behavior Control	119	0.345	0.477	0	1
Has Complaint Process	118	0.119	0.325	0	1
Has Confidant	119	0.210	0.409	0	1
Female	119	0.218	0.415	0	1

Table 1 presents summary statistics for the final sample.

Additionally, Appendix F Figure 1 illustrates the distribution of firm sizes within the sample, revealing that a significant proportion of firms had between 0 and 100 Full-Time Equivalent (FTE) employees in 2019. Conversely, there are fewer large firms, with only a minority employing between 6000 and 10,000 FTE employees. The largest firm employs nearly 90,000 FTE employees, whereas the smallest employs only two.

Regarding executive age, the average age of executives is 66 years, with a peak observed between ages 60 and 67 (see Appendix F Figure 2). The youngest executive is 46 years old, while the oldest is 91 years old.

In terms of outcome variables, approximately 12% of firms have implemented a diversity policy. 34.5% of firms report measures to manage inappropriate behavior. A complaint procedure is intact in 11.9% of organizations, and approximately 21.8% of firms have a designated confidant.

Finally, the gender distribution among decision-makers, detailed in Table 1, indicates that 21.85% are female, while the majority are male.

## **IV. Empirical Strategy**

### Main Analysis

To identify the executive characteristics' relationship with the implementation of diversity policy, I estimate an Ordinary Least Squares (OLS) regression model. This research is confined



to the year 2019, utilizing cross-sectional data to derive its final results. Consequently, the study employs a between-subjects comparison methodology within the single-year timeframe of 2019.

Specifically, for the baseline event study model, I estimate

$$(1) Y_i = \beta_0 + \beta_1 * GENDER + \beta_2 * AGE + \beta_3 * FS + \varepsilon_i$$

where Y is the dependent dummy variable, encompassing outcomes such as the presence of diversity policy, behavior control measures, complaints procedures, or the existence of a confidant within firms. The regression model includes  $\beta_0$  as the intercept,  $\beta_1$ ,  $\beta_2$ , and  $\beta_3$  as coefficients associated with the independent variables, and the error term  $\varepsilon$ . GENDER is the dummy variable of the female gender of the executive, AGE is the numeric variable of the age of the executive and FS stands for the variable *firm size*. The four models will be estimated separately, once with only gender included, once with only age included, once with gender and age, and once with all the independent variables combined. This approach is employed to assess the distinct influences of the executive characteristics and to assess whether the inclusion of one characteristic influences the explanatory power of the other characteristics.

The selection of the OLS regression model over the Logistic regression model<sup>3</sup> is informed by a combination of advantages associated with the OLS method and limitations of the logit method. One primary reason for favoring the OLS model is the straightforward interpretation of its coefficients. OLS coefficients directly represent the average marginal associations between the outcome variables and the independent variables. This simplicity provides a robust baseline for understanding the relationships, in contrast to the more complex interpretations required by logit models.

Moreover, the OLS method guarantees robust results even when the relationship between the variables is not perfectly logistic. In cases where the logistic model may fail to ensure robustness, the OLS model can still yield reasonable estimates of the associations between predictors and the outcome variable.

Logistic regression requires a substantial number of cases for each outcome category to produce credible results. The limited sample size of this study is insufficient to meet this requirement, thereby compromising the validity of the logit model results. Additionally, logistic

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<sup>3</sup> A logistic regression model was executed in order to compare both models. The results of the logistic regression model can be found in Appendix E.

models assume that all relevant interaction effects are included, which this paper cannot guarantee due to potential model specification issues.

Given these reasons, this study will utilize the OLS regression model to explore the associations between executive characteristics and the implementation of diversity policies within organizations.

#### *Robustness Check*

The findings of this research hinge upon the assumption that there is no discernible disparity in the influence exerted by executives between the firm collective labor agreement (CLA) group and the sector CLA group. However, it is plausible that executives within firm CLA groups may possess a higher degree of direct involvement in shaping the terms and conditions of agreements within their respective collective labor agreements. To address this potential scenario, a robustness check is conducted by re-running the previously mentioned regression solely on a subsample of firms that maintain their own CLA group. This robustness sample comprises 19 observations from 17 firms, indicative of a modest sample size.

#### *Limitations and Causal Inference*

While investigating this relationship, it is important to note that causality requires certain assumptions that cannot be met in this research design. In order to talk about causal relations, temporal precedence, covariation of cause and effect, and the elimination of alternative explanations must be established. However, this study uses cross-sectional data from 2019, and therefore cannot show the effect in time. An additional problem with this is the impossibility of determining the direction of the relationship. In addition, within this study design, additional confounding factors such as organizational culture or economic conditions are not accounted for, which most likely leads to omitted variable bias. Moreover, this study does not implement a randomized comparison and is therefore sensitive to a selection bias.

Considering these reasons, the conclusion is that for this study it is not possible to conduct a causal study. Instead, the current paper will look at the associations between executive characteristics and the presence of behavioral policy. This means that while there can be identification of correlations between executive characteristics and the presence of diversity policies, I cannot conclude that changes in executive characteristics directly cause the implementation of these policies. Instead, the findings can inform predictive models and descriptive analyses, alongside providing insights into the profile of executives in firms with diversity policies.

## V. Results

### Correlation Results

Given that all the outcome variables pertain to different aspects of diversity policy, it is plausible that there may be correlations between the presence of multiple outcome variables within the same organization. The correlations are shown in Appendix Table 5. Additionally, the correlation heat plot is shown in Appendix Figure 3, both to be found in Appendix F.

Appendix Table 5 shows that almost all correlations are positively insignificant at the 10% significance level. However, a significant positive correlation of 0.284 (N=118) at the 1% significance level can be observed between diversity policy and behavior control. Similarly, the correlation between diversity policy and the presence of a confidant within the organization is statistically significant, with a correlation coefficient of 0.324 (N=118) at the 1% significance level. The last positively significant correlation shows a correlation coefficient of 0.387 (N=118), significant at the 1% level.

These findings suggest that while there are statistically significant relationships between various forms of diversity policies within organizations, the strength of these correlations is generally weak. This indicates that the presence of one diversity policy does not strongly predict the presence of another, although there are some notable associations.

### Main Results

#### *Results Diversity Policy*

I first examine the associations between the executive characteristics, firm characteristics, and the implementation of diversity policy in general. Table 2 shows the first set of coefficient estimates that I obtained by implementing the specification in equation (1).

Table 2. Regression results Diversity Policy

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	0.145 (0.0883)		0.168* (0.0936)	0.156* (0.0935)
Age		0.0000 (0.00297)	0.00211 (0.00300)	0.00217 (0.00308)
Firm Size				0.0000** (0.0000)
Constant	0.0860***	0.128	-0.0545	-0.0393

	(0.0293)	(0.200)	(0.200)	(0.206)
Observations	119	115	115	112
R-squared	0.034	0.000	0.040	0.045

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

The findings indicate that the gender of female CEOs alone does not exhibit a statistically significant association with the presence of diversity policies at the 10% significance level. However, upon including variables for age and firm size in Columns 3 and 4 respectively, a noteworthy positive correlation emerges between CEO gender and diversity policy. Specifically, companies led by female CEOs are, on average, 16.8 and 15.6 percentage points more likely to adopt diversity policies compared to those led by male CEOs, *ceteris paribus*. This relationship achieves statistical significance at the 10% level.

In Table 2, no significant findings are observed for the variable age at the 10% significance level. This indicates that the age of CEOs does not influence the implementation of diversity policies within collective labor agreements.

Conversely, in Column 4 of Table 2, it is shown that the correlation between firm size and the presence of diversity policy is significant at the 5% level and approximately equal to zero, *ceteris paribus*.

### *Results Behavior Control*

Table 3. Regression results Behavior Control

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	0.100 (0.109)		0.110 (0.117)	0.0926 (0.117)
Age		-0.00385 (0.00437)	-0.00240 (0.00462)	-0.00365 (0.00466)
Firm Size				0.0000 (0.0000)
Constant	0.323*** (0.0489)	0.594** (0.295)	0.474 (0.319)	0.574* (0.321)

Observations	119	115	115	112
R-squared	0.008	0.007	0.015	0.022

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Column 4 of Table 3 presents the regression estimates investigating the relationship between executive and firm characteristics and the implementation of behavior control protocols. The point estimate for female CEOs indicates a slight positive association with behavior control. Specifically, having a female CEO increases the likelihood of a firm having implemented behavior control procedures by an average of 9.26 percentage points. Regarding CEO age, each additional year in age correlates with a modest decrease of 3.65 percentage points in the likelihood of behavior control implementation. For firm size, the analysis suggests a marginal, albeit negligible, reduction in the likelihood of behavior control protocols being in place.

However, none of these variables exhibit a statistically significant correlation with behavior control at the 10% significance level. This means that there is insufficient evidence to reject the null hypotheses of no association between CEO gender, CEO age, firm size, and the presence of behavior control within organizations.

### *Results Complaint*

Table 4. Regression results Complaint

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	-0.0998* (0.0536)		-0.161*** (0.0476)	-0.156*** (0.0488)
Age		-0.00148 (0.00227)	-0.00355 (0.00261)	-0.00274 (0.00256)
Firm Size				0.0000 (0.0000)
Constant	0.140*** (0.0363)	0.204 (0.158)	0.375* (0.193)	0.328* (0.189)
Observations	118	114	114	111

R-squared	0.016	0.002	0.044	0.045
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Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Furthermore, Table 4 presents the correlation between executive and firm characteristics and the presence of a complaint procedure within organizations. In Column 1, the analysis reveals a significant negative association between female executives and the presence of complaints at the 10% significance level. This suggests that firms led by female executives are, on average, approximately 10 percentage points less likely to have a complaint procedure in place within their collective labor agreements (CLA), solely considering gender and holding all other factors constant.

When examining age as a sole variable, no significant correlation is found between executive age and the presence of complaint procedures at the 10% significance level. This indicates that the available evidence does not provide sufficient grounds to reject the null hypothesis positing no association between CEO age and the presence of complaint procedures within organizations.

Upon considering both executive characteristics together, the results indicate a significant negative impact of female executives on the presence of complaint procedures at the 1% significance level. Specifically, companies led by female executives show, on average, a 16 percentage point lower likelihood of having a complaint procedure in place, *ceteris paribus*. However, executive age continues to show no significant correlation with the presence of complaint procedures at the 10% significance level.

In Column 4, which represents the full model for the variable of complaints, the results reaffirm a significant negative correlation between executive gender and the presence of complaint procedures at the 1% significance level. Additionally, the column highlights the non-significant relationships between executive age and firm size with the presence of complaint procedures at the 10% significance level. This implies that while firm size and executive age do not significantly influence the presence of complaint procedures, organizations led by female executives are, on average, 15.6 percentage points less likely to have such procedures in place, all else being equal.

### *Results Confidant*

Table 5. Regression results Confidant

	(1)	(2)	(3)	(4)
VARIABLES	Model 1	Model 2	Model 3	Model 4
Female	-0.0720 (0.0837)		-0.0769 (0.0904)	-0.0971 (0.0913)
Age		-0.000873 (0.00344)	-0.00189 (0.00361)	-0.00193 (0.00368)
Firm Size				0.0000 (0.0000)
Constant	0.226*** (0.0437)	0.267 (0.233)	0.350 (0.252)	0.383 (0.257)
Observations	119	115	115	112
R-squared	0.005	0.000	0.006	0.015

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Lastly, Table 5 presents coefficient estimates examining the potential associations between executive and firm characteristics and the presence of a confidant within firms. In Column 4, which represents the comprehensive model, all variables under consideration demonstrate a negative relationship with the presence of a confidant. Specifically, regarding gender, the analysis reveals that firms led by female executives are, on average, 9.7 percentage points less likely to have a confidant compared to those led by male executives, *ceteris paribus*. Furthermore, each additional year in the age of the executive correlates with a 1.93 percentage point decrease in the likelihood of having a confidant within the organization. Additionally, firm size exhibits a negligible reduction in the likelihood of a confidant being present in the workplace.

Table 5 also indicates that none of these variables exhibit a statistically significant correlation with the presence of a confidant at the 10% significance level. Thus, the available evidence does not provide sufficient grounds to reject the null hypothesis positing no association between CEO gender, CEO age, firm size, and the presence of a confidant within organizations.

### Robustness Results

Next, I perform an additional analysis in order to test the robustness of these results, since a possible concern is the difference in CEO engagement in the CLA negotiations for sector- and firm-CLAs. It is possible that executives associated with firms under sector collective labor agreement (CLA) groups have lower levels of involvement in the negotiations of these agreements. Conversely, executives of firms with their own CLAs might exert greater influence over the negotiation process. To address this concern, I focus on firms for which data on their specific CLAs are available, restricting the sample to these observations. It should be noted that the robustness sample comprises 19 observations from 17 firms, which constitutes a very small sample size and may limit the detection of significant associations.

Appendix Table 6, shown in Appendix F presents the associations within the robustness sample, controlling for the full model across the four outcome variables.

Examining Column 1, the results reveal that neither executive nor firm characteristics demonstrate a significant correlation with the presence of diversity policy within the robustness sample at the 10% significance level. A noteworthy difference from Table 2 is the reversal of the sign for the gender of the executive; while the main model indicated a positive correlation between female executives and the implementation of diversity policy, this association is not evident in the robustness sample.

The results in Column 2 indicate a negative correlation between having a female executive and the presence of behavior control in firms with their own collective labor agreement group. However, due to the small sample size, this association lacks statistical significance. Additionally, the variables of *age* and *firm size* do not exhibit a significant association with behavior control at the 10% significance level. Comparing these findings to those in Table 3, it can be stated that these findings contrast with the full sample, where the correlation between executive gender and behavior control tends to be non-significantly positive.

Considering the robustness regression results for the outcome variable *complaint* as presented in Column 3, it is evident that executive and firm characteristics do not significantly influence the presence of a complaint procedure within organizations that have their own collective labor agreement, based on the 10% significance level. Comparing these results to those in Table 4, it can be stated that the findings between the complete sample and the robustness sample for the presence of a complaint procedure are generally comparable.



However, the credibility and significance of the robustness results are limited due to the small sample size. Moreover, the robustness regression results for the outcome variable *confidant* cannot be considered, as all firms with firm-level CLA do not have a confidant.

## **VI. Conclusion and Discussion**

This paper researches the consequences of executive recruitment decisions and their role in the implementation and presence of diversity policy. Combining firm-level data and individual executive data across 119 individuals and 112 firms, I implement an OLS design in order to find the associations between executive characteristics and firm characteristics with the presence of diversity policy. The decision to utilize the OLS model instead of the logistic model was predicated on the focus on average marginal associations, robustness, and the absence of complete fulfilled logistic regression assumptions.

### *Main Findings*

#### *Executive Gender*

I find that a company led by a female CEO on average is between 15.6 and 16.8 percentage points more likely to have a diversity policy in place. This result implies that within firms where the CEO is female, there is more focus on the implementation of diversity policy. This corresponds with the gender socialization theory, which states that female leaders have qualities and leadership styles that attend better to the implementation of diversity policies, compared to the qualities and leadership styles of male colleagues (Au et al., 2022). These results validate hypothesis 1, which declares that organizations led by female executives are more likely to implement diversity policies.

Nonetheless, this finding did not withstand the robustness check, as the estimation sign for the female executive flipped to a negative result. This phenomenon may arise when female executives adhere to the recommendations of their fellow board members to refrain from implementing diversity policies, or when they experience pressure to conform in order to secure their positions. Additionally, this situation could occur due to a deliberation between the adoption of a diversity policy and the implementation of alternative behavioral policies within the framework of collective labor agreement negotiations. On the other hand, there cannot be attached too much value to the results of the robustness check, since the robustness sample is too small to show significant results.

I find that the likelihood of having a complaint procedure in place decreases by approximately 16 percentage points with the prevalence of a female executive. This implies

that organizations that are led by women are less likely to have a complaint procedure implemented.

A potential explanation is aligned with the concept of the fem-power washing theory. This theory suggests that the inclusion of women on the board is sometimes utilized as a symbolic gesture toward achieving gender equality in the workplace (Au et al., 2022). Consequently, this may lead to complacency regarding further advancements in social policies, including the implementation of comprehensive complaint procedures.

#### *Executive Age*

Furthermore, I conclude that the age characteristic of an executive is positively associated with diversity policy, while negatively associated with the beingness of behavior control, complaint procedures, and confidants within organizations. However, the estimated coefficient for the age characteristic of an executive is for the most part statistically insignificant on the 10% significance level, and therefore cannot state economically significant conclusions about this relationship.

These findings indicate that there is a likelihood of a higher diversity policy implementation rate when the CEO is older. This is contradictory to hypothesis 2. Contradictory, the findings on the other outcomes indicate that there is a likelihood of a lower implementation rate of behavior control, complaint procedures, and confidants when the CEO is in a later stage of life.

This contradiction can be elucidated through the cognitive age theory, which posits that CEOs act based on their perceived age. According to Anderson and Craik (2017), individuals with a younger self-perception tend to exhibit more forward-thinking and adaptability, whereas those with an older self-perception tend to adopt more traditional and risk-averse behaviors. Given that diversity management has emerged as a relatively recent focus, it is plausible that older CEOs acknowledge the importance of diversity policies but may lack a comprehensive understanding of the necessary steps to effectively implement them. In contrast, younger CEOs may possess a more nuanced comprehension of what a diversity policy entails and the actions required to ensure its effectiveness. This could explain why older-aged CEOs increase the likelihood of the presence of diversity policy in general, but decrease the likelihood of the existence of behavior control, complaint procedures, and confidants within their organizations.

### *Firm Size*

Evidence suggests that the average firm size of organizations has a positive relationship with the implementation of corporate policies. I find instead no full-fledged changes in the implementation of diversity policies in larger firms, as the estimates are all approximately equal to zero. These results suggest that the average firm size has no significant association with the implementation of diversity policy, alongside the implementation of behavior control procedures, complaint procedures, and the presence of confidants. Thus hypothesis 3, considering that larger firms are more likely to implement diversity policies, is not corroborated by these research outcomes. This finding argues that, on average, every size firm is equally likely to have a diversity policy at hand.

This could occur, as regulatory frameworks and industry standards often mandate or encourage diversity policies. These regulatory frameworks and industry standards are unassociated with a firm's size and so companies of all sizes must obey regulations regarding diversity policy implementation to exercise legally and ethically (Konrad & Linnehan, 1995). Another justification could be the growing emphasis on corporate social responsibility and the increased societal expectations for diversity in the workplace. Based on this, the idea is that organizations of all forms and sizes are pressured to reveal their commitment to diversity values (Aguinis & Glavas, 2012). As an extension of this, it could be argued that diversity policy implementation is indispensable to pull in talent, clients, and investors, who value inclusion and diversity, and on top of that, to augment their brand image and reputation. This could result in the fact that both small and larger firms could make diversity policy implementation a priority (Barak, 2016).

### *Implications and Recommendations*

The findings of this paper serve as a foundational guideline for understanding and addressing of the complexities of diversity policy implementation and associated practices. Specifically, the results advocate for the strategic placement of women in executive roles as a means to enhance the adoption and effectiveness of behavioral policies. However, it is crucial to acknowledge that appointing female executives should not be seen as a standalone solution for achieving comprehensive diversity policy implementation.

Given that this research does not establish direct causal relationships, stakeholders should exercise caution in interpreting and applying the results. Nonetheless, this paper offers valuable insights and can initiate broader considerations of management and corporate

governance. The research highlights that multiple factors need to be considered when aiming to improve diversity policy implementation.

Additionally, this paper emphasizes that the adoption of diversity policies is not exclusive to large firms; smaller firms are equally capable of implementing effective behavioral policies. This inclusive approach encourages organizations of all sizes to prioritize diversity and inclusion in their strategic planning.

#### *Limitations and Future research*

One of the primary limitations of this study is the inherent difficulty in establishing causal relationships, originating from the use of cross-sectional data, the absence of a randomized research design, and the limitation of the use of specific factors influencing diversity policy implementation. With the use of the cross-sectional data of 2019, I restrict the ability of this research to infer causality and observe changes over time. The decision to use solely 2019 data means that the findings reflect associations rather than causal relationships, and longitudinal studies with exogenous placement of executives would be necessary to track the evolution of diversity policies and executive characteristics over an extended period. Another reason for the non-causal format of this research is the limited use of control variables. The study may overlook the context-specific factors that influence diversity policy implementation and thus could be sensitive to omitted variable bias. For example, leadership commitment and executives' personal motives to implement behavioral policies are hard to measure. While the regression model provides a broad understanding, qualitative approaches could offer deeper insights into the motivations and barriers faced by executives in different organizational contexts.

Even for the specific factors utilized in this research, potential biases may exist. Self-reported data and previously missing values, along with selection decisions, could impact the accuracy of the findings. A significant number of observations lacked data for the variable firm size, leading to estimates of the number of employees in FTE in 2019 that were often based on rounded, substantiated approximations. This may contribute to the insignificant association observed for this variable. Additionally, it is frequently challenging to determine which organizational format ultimately makes the final decisions of behavior policy implementation for the organizational group. Identifying the individual responsible for implementing behavioral policies is also complex and subject to the researcher's substantiated arguments. Especially considering that CEOs could be replaced within the timespan of the collective labor agreement. However, this aspect is not addressed within the scope of the present study. Collectively, these

factors may result in a distorted representation. Implementing robust data collection methods and incorporating multiple data sources would enhance the reliability of the results.

Furthermore, the limited sample size of only 119 observations from 112 firms constrains the scope of the present study, which focuses on a specific subset of firms and executives. This limitation is primarily due to the very restricted selection of firms linked to sectoral collective labor agreement groups at the onset of the investigation. Consequently, the applicability of the results to other industries or geographical regions may be reduced, as different collective labor agreements and regulatory environments could yield entirely different outcomes. Additional research is required to examine the research question within the context of specific industries.

Furthermore, the combination of the aforementioned limitations renders this study inefficient for the application of a logistic regression model. Consequently, the use of an OLS regression model can only reveal average marginal associations, thereby restricting the elucidation of the true relationship between executive characteristics and the implementation of diversity policies. This limitation, in turn, constrains the practical applicability of the study's findings. Future research could benefit from employing a more rigorously constructed research model, enabling the use of logistic regression to yield more credible and practically relevant results.

Lastly, the study is limited by the minimal variation in the diversity outcome data. This limitation arises because sector-level diversity data is utilized as firm-level data within this research design. The lack of variation may account for the observed reduction in the statistical power of the results, potentially leading to the oversight or overfitting of the true association. Additionally, the minimal variation constrains the generalizability of the findings from this study.

For future research, it would be pertinent to explore the influence of CEO characteristics on the adoption and implementation of targeted behavioral policies, such as those pertaining to sexual harassment protocols and procedures. Another interesting question would be what aspects make diversity policy effective and whether and on what level it influences worker productivity. A significant step for future research would be to develop a more comprehensive research design for this topic, incorporating context-specific factors, robust data collection methods, a larger sample size, and the application of logistic regression models. Additionally, longitudinal studies could provide valuable insights over an extended period. Moreover, examining this subject across different sectors, countries, or perspectives could substantially

contribute to the expansion of knowledge in this area. A focused study on the attitudes toward diversity policy among executives with varying characteristics would also offer intriguing insights.

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## APPENDIX

### Appendix A. Detailed Definitions

The fully detailed definitions of the outcome variables can be found here.

1. *Diversity Policy*  
Refers to the presence of a diversity policy in an organization.  
Definition Diversity Policy: policies, mostly within organizations, with the objective to increase workplace diversity.
2. *Behavior Control*  
Refers to the presence of attention to inappropriate behavior in an organization.
3. *Complaint*  
Refers to the presence of a complaint procedure in an organization.  
Definition complaint procedure: “A prescribed method of lodging a complaint to an institution.”  
(Collins English Dictionary, 2024)
4. *Confidant*  
Refers to the presence of a confidant in an organization.  
Definition confidant: “A person, esp a man, to whom private matters are confided.” (Collins English Dictionary, 2024)

## Appendix B. Diversity Dataset 2019

The full survey list of the ‘Diversity 2019’ dataset can be found here. The bold questions were used for the outcome variables.

- How many members does this collective labor agreement have?
- What is the total of employees that fall under this collective labor agreement?
- What is the number of coded segments?

### A. General

1a. Are there relevant general provisions?

1b. If so, on what topics?

- Personnel policy
- Discrimination on the labor market
- Purpose and responsibility
- Inflow (recruitment and selection)
- Flow (retention and monitoring), and outflow
- Infrastructure (sectoral coordination point, UWV)
- Specific target groups, namely:
  - Women
  - Pregnant women, breastfeeding
  - Migration background, cultural background
  - Elderly
  - Youth
  - Long-term unemployed
  - People with a work disability
  - LHBTIQPA+
  - Others
- Others

2. Is there a vision of the branches on diversity?

### B. Personnel policy

3. Is there a general principle of personnel policy and diversity?

**4. Is there a diversity policy in place?<sup>4</sup>**

**5. Is there training on awareness on diversity in place?<sup>5</sup>**

If so, on what topics?

- Diversity policy
- Diversity management
- Recruitment and selection process
- Specifically targeted on management

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<sup>4</sup> Question 4 is used for outcome variable *Diversity Policy*.

<sup>5</sup> Question 5 is used for outcome variable *Awareness Training*, not used in analysis due to too little presence.

- Other

6. Are there special cultural aspects, such as prayer room, in place?

7a. Is there guidance for specific target groups in place?

If so, what guidance?

- Mentors
- Agreements regarding the induction procedure
- Other forms of guidance

7b. For which target groups is there guidance?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

8. Is the role of works councils established?

9. Are there agreements on promoting an inclusive social culture?

10. Are there other agreements on diversity?

C. Discrimination on the labor market

11a. Is discrimination explicitly rejected?

11b. Is a specific ground for rejection mentioned?

If so, on what ground?

- Cultural background
  - Ethnicity, migration background
  - Status holders
  - Religion
- Age
  - Elderly (55+)
  - Youth
- Political disposition
- Gender related topics
  - Equal rewards for women
  - Women and top functions
  - Breastfeeding
- Sexual orientation (LHBTIQAP+)
- Marital status
- Distance to the labor market
  - Disabled people
  - Long-term unemployed



- Other

**11c. Is there attention for unwanted manners regarding PSA?<sup>6</sup>**

11d. Is there attention for discrimination with occupational health and safety policy?

11e. Are there tasks of the Works Council with regard to discrimination and equal treatment?

11f. Does the Works Council reflects diversity of the company?

12a. Are equal opportunities explicitly laid down for target groups?

12b. For which target groups are equal opportunities explicitly laid down?

- Cultural background
  - Ethnicity, migration background
  - Status holders
  - Religion
- Age
  - Elderly (55+)
  - Youth
- Political disposition
- Gender related topics
  - Equal rewards for women
  - Women and top functions
  - Breastfeeding
- Sexual orientation (LGBTIQAP+)
- Marital status
- Distance to the labor market
  - Disabled people
  - Long-term unemployed
- Other

**13. Is there a scheme or committee for complaints regarding discrimination?<sup>7</sup>**

14a. Are there specific codes of conduct that promote equal treatment?

14b. Are there measures for pregnant women or for breastfeeding?

Regarding:

- Physically demanding work
- Hazardous substances / biological agents
- Breastfeeding room and associated supplies
- Schedule, overtime and shifts
- Work stress
- Other

**15a. Is there a confidant for target groups?<sup>8</sup>**

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<sup>6</sup> Question 11c is used for outcome variable *Behavior Control*.

<sup>7</sup> Question 13 is used for outcome variable *Complaint*.

<sup>8</sup> Question 15a is used for outcome variable *Confidant*.

15b. For which target groups is there a confidant?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

16. Are there other actions regarding discrimination?

- Yes, agreements in case of re-organisation
- Yes, refusal to work due to ethical concerns
- Yes, around representativeness, religious symbols
- Other

D. Purpose and responsibility

17. Are there quantitative agreements on labor participation, target figure?

18a. Are there best efforts obligation with regard to inflow target groups?

18b. For which target groups is there a best efforts obligation?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

19a. Are there agreements for internships, work experience placements, dual programs?

19b. Are there target figure for making internships available?

19c. For which target groups will these internships be available?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

20. Is there an evaluation for effort for the target groups?

- Yes, in the form of job satisfaction surveys
- Other efforts

21. Is there a role of the Works Council for evaluating efforts of target groups?

22a. Are there agreements on who is responsible for policy?

22b. Is there a motivation given for implementing a diversity policy?

- legal approach (social agreement, participation law)
- Tightness on the labor market
- Inclusive organization, just thought
- Better connection to target group, more innovative
- Mutual interaction, employee satisfaction
- Company image improved by cultural differences
- Other

23. Are there agreements that demonstrate an exemplary role?

E. Inflow (recruitment and selection)

24. Is there policy pursued for equal opportunities in recruitment?

25. Is accessibility of channels taken into account when recruiting?

26. Are there culture-free instrument for selection, tests, and assessments?

27a. Is there preferential policy regarding recruitment and selection of target groups?

27b. For which target groups is there preferential policy?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

28. Are there agreements about the composition of the selection committee?

29. Are there agreements about the induction procedure?

F. Flow (retention and monitoring), and outflow

30a. Is there education and training for employees from target groups?

- Yes, namely training/labor market relevant training
- Yes, namely technical course
- Yes, namely 'Dutch in the workplace'
- Yes, aimed at insufficiently qualified personnel
- Other

30b. For which target groups are training agreements determined?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

31a. Is there encouragement to move on to higher positions in the target group?

- Awareness of management, support is created
- Representation of minority groups
- Obstacles are inventoried
- Culture is communicated internally and/or externally
- Empowerment, coaching or mentoring
- Special internal cultural networks
- Other

31b. For which target groups are there encouragements?

- Migration background, cultural background
- Youth
- Elderly
- Women and pregnant women
- Distance to the labor market and disabled people
- LHBTIQPA+
- Other

32. Are there special days off and/or working on religious holidays?

33a. Is there monitoring of the reasons for departure?

33b. For which target groups is there monitoring of reasons for departure?

- Migration background
- Youth
- Elderly
- Women
- Disabled people
- Other

34a. Are there agreements on exit interviews for specific target groups?

34b. For which target groups are there agreements on exit interviews?

- Migration background
- Youth
- Elderly
- Women
- Disabled people
- Other

#### G. Infrastructure

35a. Is there a sectoral coordination point for labor participation?

35b. Are there regional branches of the sectoral coordination point?

36. Is there cooperation with the UWV?

### Appendix C. Used Collective Labor Agreement Groups

Out of the 95 collective labor agreement groups, 70 were used for this research. Here I specify which I did and did not use. The bold collective labor groups were used.

- ledenleden
- **ABN-AMRO 2018-2020**
- **Uitzendkrachten (633) 2019 2021 TTW dec 2019**
- **UWV 2019 2020**
- **DHL Express (2822) 2016 2018**
- **Levensmiddelen Grootwinkelbedrijven 2019 2020**
- **LEO 2017 2019 TTW aug 2018**
- **SVB 2017 2020**
- Schilders 2016 2021 versie juli 2019
- **reisbranche 2018 2019 ttw juli 2019**
- Productie- en Leveringsbedrijven 2018 2020
- beroepsgoederenvervoer ov weg 2017 2019 TWW 27 nov 2018
- **Bouw en Infra 2018 2019 TTW dec 2018**
- Fokus 2019
- **Open Teelten 2017 2020 TTW juli 2019**
- st Wageningen Research (Voorheen DLO) 2019 2021
- sociale werkvoorziening 2019
- **Retail Non Food (vh Fashion Sport Lifestyle nr 727) 2018 2020 t**
- **BVE 2018 2020**
- **Glastuinbouw 2018 2019 ttw sept 2019**
- M&T 2019 2021 TTW nov 2019
- **ICK 2020**
- **Uitgeverijbedrijf 2019 2020**
- **Prorail 2017 2019**
- **Postnl voor Postnl 2019 2020 TTW april 2019**
- **netwerkbedrijven 2018 2021**
- **motorvoertuigen 2018 2020 TTW okt 2019**
- **woondiensten 2019 TTW dec 2019**
- **Welzijn 2017 2019 TTW april 2019**
- **Boekhandel en kantoorvakhandel 2019 2020**
- **FLORA 2018 2021**
- PostNL Postbezorgers 2019 2021
- **meubelindustrie 2018 2019 TTW maart 2018**
- **VVT 2019 2021**
- **Albert Heijn 2017 2019 nov 2017**
- **DHL Logisticsc NL 2017 2019**

- Hoveniers 2018 2020 ttw feb 2019
- **Philips 2018 2019**
- VO 2018 2019
- **CONTRACTCATERING 2019 2020**
- **part beveiliging 2018 2023**
- **NS 2017 2020**
- **MSD 2019**
- **GVB 2017 2018 versie mrt 2018**
- **Horeca 2020**
- **Metalektro 2018 2020**
- **Kinderopvang 2018 2019**
- **Schoonmaak 2019 2021 ttw juli 2019**
- **ANWB 2016 2019**
- apotheken 2017 2019
- Jeugdzorg 2019
- **Taxivervoer 2019 2020 TTW juli 2019**
- **Tata Steel 2017 2019**
- **de Volksbank 2018 2020**
- Defensie Burgerlijk-ambtenarenreglement-defensie BARD versie 20
- **doe het zelf 2017 2020**
- Metalektro 2018 2020
- **KPN 2019**
- **ETOS B.V. WINKELPERSONEEL VAN 2015-2016 versie maart 2016**
- **Openbaar vervoer 2018 2020**
- NN 2019 2020
- MITT 2019 2020
- **APG 2018 2020**
- **grafimedia 2018 2020**
- **Ikea 2018 2020**
- **Sanquin 2017-2019**
- **Aegon 2018 2020**
- **Nederlandse Universiteiten 2019 2020**
- **Timmerindustrie 2019 2020 TTW sept 2019**
- **RECREATIE 2019 2020 ttw aug 2019**
- **achmea 2017 2018**
- **DSM 2018 2020**
- **Politie 2018 2020**
- **Levensmiddelenbedrijf 2019 2020 ttw april 2020**
- gehandicaptenzorg 2017-2019 versie september 2017
- **heineken 2018 2019**

- slagersbedrijf 2019
- **bakkersbedrijf 2019 2020 TTW JUNI 2019**
- **HBO 2018 2020**
- **Tankstations 2017 2019 TTW feb 2018**
- **Rabobank 2017 2021 TTW nov 2018**
- GGZ 2019 2021 TTW 2019
- **vleessector 2017 2019 TTW apr 2018**
- **Verzekeringsbedrijf binnendienst 2018 2019 TTW mei 2019**
- politie barp
- **Technische Groothandel 2016 2018 TTW aug 2017**
- huisartsenzorg 2019 2020
- **ING Bank 2019 2020**
- Gemeenten 2020 2021
- **ziekenhuizen 2017 2019**
- **Uitvaartbranche (3768) 2018 2019 TTW jan 2019**
- Rijkspersoneel VWNW en WW
- Rijk 2020
- provinciepersoneel 2017 2018

#### Appendix D. Used Firms Per Sector Collective Labor Agreement Group

For the sector used collective labor agreement groups, I took on average the five biggest firms in the sector. Here you can find which firms were used for which collective labor agreement group.

- **Uitzendkrachten (633) 2019 2021 TTW dec 2019**  
Randstad Groep Nederland BV, Adecco Nederland BV, ManpowerGroup AB, Tempo-Team NV
- **Levensmiddelen Grootwinkelbedrijven 2019 2020**  
Hoogvliet BV, Jumbo Groep Holding BV, Lidl Nederland GmbH, Coop Holding A/S, Dirk Van Den Broek Supermarkten BV, Jan Linders BV, Vomar Holding BV
- **LEO 2017 2019 TTW aug 2018**  
ARCADIS NV, Royal HaskoningDHV, Witteveen+Bos Raadgevende ingenieurs BV, Tauw Group BV, Antea BV
- **reisbranche 2018 2019 ttw juli 2019**  
TUI AG, Corendon Holdings BV, Sunweb Group GmbH, Landal GreenParks BV, AIR FRANCE-KLM SA, Prijsvrij.nl BV
- **Bouw en Infra 2018 2019 TTW dec 2018**  
BAM GROEP (KONINKLIJKE) NV, Royal VolkerWessels NV, KONINKLIJKE HEIJMANS NV, Strukton Groep NV, Van Oord NV, Boskalis BV
- **Open Teelten 2017 2020 TTW juli 2019**  
Coöperatie Koninklijke Cosun UA, Royal A-ware Food Group BV, The Greenery International BV, Agrifirm Group BV, Avebe UA
- **Retail Non Food (vh Fashion Sport Lifestyle nr 727) 2018 2020 t**  
Action Nederland BV, Kruidvat Holding BV, Hema BV, Blokker BV, BOL.com AG
- **BVE 2018 2020**  
ROC van Amsterdam BV, ROC Midden Nederland, ROC Leiden, ROC Horizon College, ROC Friese Poort
- **Glastuinbouw 2018 2019 ttw sept 2019**  
Enza Biotech AB, Rijk Zwaan Nederland BV
- **ICK 2020**  
VodafoneZiggo Group Holding BV, Conclusion BV, Ordina NV, ATOS Holding AG, CGI Nederland BV
- **Uitgeverijbedrijf 2019 2020**  
De Persgroep NV, Mediahuis NV, Sanoma Media Netherlands BV, VNU Media BV, DPG Media NV, Hearst Magazines Netherlands BV
- **netwerkbedrijven 2018 2021**  
Alliander NV, Stedin Holding NV, Enexis Holding NV, Liander NV, Vitens NV
- **motorvoertuigen 2018 2020 TTW okt 2019**  
Pon Holdings BV, PB HOLDING NV, Louwman Group BV, DAF Trucks NV, VDL Groep BV, Spyker NV



- **woondiensten 2019 TTW dec 2019**  
Vesteda Groep BV, Amvest NV, BPF Bouwinvest NV, Syntrus Achmea Real Estate & Finance BV, Altera Vastgoed NV
- **Welzijn 2017 2019 TTW april 2019**  
Welzorg Group NV, Buurtzorg Nederland BV, Stichting Philadelphia Zorg, Parnassia Holding BV, Aafje
- **Boekhandel en kantoorvakhandel 2019 2020**  
Bruna BV, Coöperatie Primera BA, Staples Solutions BV, Boekhandels Groep Nederland BV
- **FLORA 2018 2021**  
Royal FloraHolland BV, Dutch Flower Group BV, FleuraMetz BV, Anthura BV, Florensis BV
- **meubelindustrie 2018 2019 TTW maart 2018**  
Leen Bakker Nederland BV, Rivière Maison BV, Goossens Wonen & Slapen, Trendhopper Nossegem NV, Koninklijke Sanders BV
- **VVT 2019 2021**  
Stichting Espria, Actiz, De Zorgcirkel
- **CONTRACTCATERING 2019 2020**  
Albron NV, Compass Group AB, Sodexo Nederland BV, Hutten Groep BV, Eurest AS, Vermaat Groep BV
- **part beveiliging 2018 2023**  
G4S Secure Solutions AB, ISS Facility Services NV, Seris Security SA, Stanley Security Solutions AB
- **Horeca 2020**  
Fletcher Group Holdings Ltd, NH HOTEL GROUP SA, Bilderberg Group, Koninklijke Horeca Nederland
- **Metalektro 2018 2020**  
ASML Holdings NV, Damen Shipyards Group NV, Fokker Technologies Holding BV
- **Kinderopvang 2018 2019**  
Partou BV, Smallsteps BV, Kinderopvang Humanitas
- **Schoonmaak 2019 2021 ttw juli 2019**  
Asito Dienstengroep BV, Hago Nederland BV, Vebego Holding BV, EW Facility Services BV
- **Taxivervoer 2019 2020 TTW juli 2019**  
Uber BV
- **doe het zelf 2017 2020**  
HORNBACK HOLDING AG & CO KGAA, Gamma Holding NV, Praxis Group, Formido Bouwmarkten BV, Intergamma Cooperatief UA
- **Openbaar vervoer 2018 2020**  
HTM Personenvervoer NV, Arriva Nederland NV, Connexion Holding NV
- **APG 2018 2020**
- **grafimedia 2018 2020**  
ROTO SMEETS GROUP NV, Vistaprint BV

- **Nederlandse Universiteiten 2019 2020**  
Erasmus Universiteit Rotterdam Holding BV, Universiteit van Amsterdam, Universiteit Utrecht Holding BV, Technische Universiteit Delft, Rijksuniversiteit Groningen, Universiteit Leiden
- **Timmerindustrie 2019 2020 TTW sept 2019**  
Dekker Hout Groep BV, Royal Jongeneel BV, Koninklijke Houthandel G Wijma & Zonen BV, Koninklijke Houthandel Boogaardt BV
- **RECREATIE 2019 2020 ttw aug 2019**  
Center Parcs NV, Roompot Service BV, Madurodam BV, De Efteling BV
- **DSM 2018 2020**
- **Levensmiddelenbedrijf 2019 2020 ttw april 2020**  
Koninklijke FrieslandCampina NV, Unilever Nederland Holdings BV, VION Food Nederland (Holding) BV, SLIGRO FOOD GROUP NV, Refresco Holding BV, Verstegen Spices & Sauces BV
- **bakkersbedrijf 2019 2020 TTW JUNI 2019**  
Bakkersland Holding NV, Bakkerij Aad Klootwijk, Banketbakkerij Merba BV, Bakkerij Durnez NV
- **HBO 2018 2020**  
Inholland University of Applied Sciences, Windesheim University of Applied Sciences, Hogeschool Rotterdam, HU University of Applied Sciences Utrecht, Hogeschool van Amsterdam
- **Tankstations 2017 2019 TTW feb 2018**  
Shell Nederland BV, BP Nederland Holdings BV, Esso Nederland BV, Total Nederland NV
- **vleessector 2017 2019 TTW apr 2018**  
Zwanenberg Food Group Holding BV, Vivera BV
- **Verzekeringsbedrijf binnendienst 2018 2019 TTW mei 2019**  
ASR VERZEKERINGSGROEP NV, Coöperatie VGZ UA, CZ Groep, Coöperatie Univé UA, Allianz Nederland Groep NV
- **Technische Groothandel 2016 2018 TTW aug 2017**  
Technische Unie BV, Rensa BV, Solar Nederland BV, Rexel Nederland BV
- **ziekenhuizen 2017 2019**  
Erasmus University Medical Center, Amsterdam UMC, Radboudumc, Isala (ziekenhuis)
- **Uitvaartbranche (3768) 2018 2019 TTW jan 2019**  
Dela Coöperatie UA, Monuta Holding NV, Yarden Holding BV, PC Uitvaart BV

### Appendix E. Logit Model Analysis

For comparative reasons, a logistic regression model was used with the estimation of

$$(2) \log \left( \frac{P(Y_i=1)}{1-P(Y_i=1)} \right) = \beta_0_i + \beta_1_i * GENDER + \beta_2_i * AGE + \beta_3_i * FS + \varepsilon_i$$

where Y is the dependent dummy variable, encompassing outcomes such as the presence of diversity policy, behavior control measures, complaints procedures, or the existence of a confidant within firms. The regression model includes  $\beta_0$  as the intercept,  $\beta_1$ ,  $\beta_2$ , and  $\beta_3$  as coefficients associated with the independent variables, and the error term  $\varepsilon$ . GENDER is the dummy variable of the female gender of the executive, AGE is the numeric variable of the age of the executive and FS stands for the variable firm size.

The preference for the logistic regression model over the probit regression model is based on the recognition that the probit method assumes a normal distribution of the error terms, a condition that does not align with the characteristics of the data analyzed in this study.

### *Logit Results Diversity Policy*

Appendix Table 1. Logit results Diversity Policy

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	1.159* (0.597)		1.349** (0.643)	1.218* (0.651)
Age		-0.000922 (0.0278)	0.0211 (0.0291)	0.0215 (0.0291)
Firm Size				0.0000* (0.0000)
Constant	-2.363*** (0.371)	-1.915 (1.861)	-3.782* (2.044)	-3.582* (2.076)
Observations	119	115	115	112

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

The findings indicate that there is a noteworthy positive correlation between female CEOs and diversity policy implementation. Specifically, for companies led by female CEOs, the odds are, on average, 3.38 times higher to adopt diversity policies compared to those led by male CEOs, ceteris paribus. This relationship achieves statistical significance at the 1% level. No significant findings are observed for the variable *Age* at the 10% significance level. This indicates that the age of CEOs does not influence the implementation of diversity policies within collective labor agreements. Conversely, in Column 4, it is shown that the correlation between firm size and the presence of diversity policy is significant at the 1% level and approximately equal to zero, ceteris paribus.

*Logit Results Behavior Control*

Appendix Table 2. Logit Results Behavior Control

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	0.432 (0.457)		0.470 (0.487)	0.389 (0.485)
Age		-0.0175 (0.0201)	-0.0110 (0.0212)	-0.0169 (0.0216)
Firm Size				0.0000 (0.000)
Constant	-0.742*** (0.223)	0.485 (1.338)	-0.0486 (1.449)	0.417 (1.460)
Observations	119	115	115	112

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

The point estimate for female CEOs indicates a slight positive association with behavior control. Specifically, having a female CEO increases the odds of a firm having implemented behavior control procedures by an average of 47.6 percent. Regarding CEO age, each additional year in age correlates with a modest decrease of 1.68 percentage in the odds of behavior control implementation. For firm size, the analysis suggests a marginal, albeit negligible, reduction in the odds of behavior control protocols being in place.

However, none of these variables exhibit a statistically significant correlation with behavior control at the 10% significance level. This means that there is insufficient evidence to reject the null hypotheses of no association between CEO gender, CEO age, firm size, and the presence of behavior control within organizations.

*Logit Results Complaint*

Appendix Table 3. Logit Results Complaint

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	-1.361 (1.068)			
Age		-0.0162 (0.0252)	-0.0397 (0.0302)	-0.0343 (0.0309)
Firm Size				0.0000 (0.0000)

Constant	-1.817*** (0.300)	-1.077 (1.671)	0.772 (2.009)	0.562 (2.096)
Observations	118	114	90	87

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

In Column 1, the analysis reveals a non-significant negative association between female executives and the presence of complaints at the 10% significance level. This suggests that firms led by female executives have, on average, approximately 74.4 percent less odds to have a complaint procedure in place within their collective labor agreements (CLA), solely considering gender and holding all other factors constant.

When examining age, no significant correlation is found between executive age and the presence of complaint procedures at the 10% significance level. This indicates that the available evidence does not provide sufficient grounds to reject the null hypothesis positing no association between CEO age and the presence of complaint procedures within organizations.

Additionally, the table highlights the non-significant relationship between firm size and the presence of complaint procedures at the 10% significance level. This implies that firm size does not significantly influence the presence of complaint procedures.

*Logit Results Confidant*

Appendix Table 4. Logit Results Confidant

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4
Female	-0.473 (0.600)		-0.494 (0.623)	-0.636 (0.629)
Age		-0.00532 (0.0210)	-0.0115 (0.0221)	-0.0123 (0.0221)
Firm Size				0.0000 (0.0000)
Constant	-1.232*** (0.249)	-0.981 (1.407)	-0.475 (1.511)	-0.228 (1.522)
Observations	119	115	115	112

Robust standard errors in parentheses

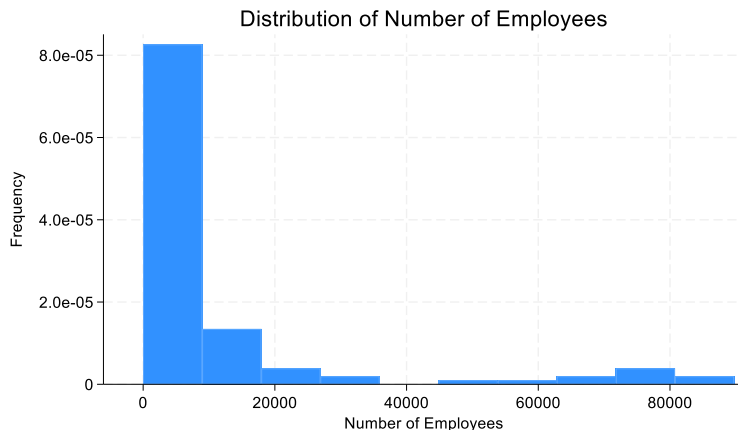
\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

In Column 4, which represents the comprehensive model, all variables under consideration demonstrate a negative relationship with the presence of a confidant. Specifically, regarding gender, the analysis reveals that firms led by female executives have, on average, 47 percent less odds to have a confidant compared to those led by male

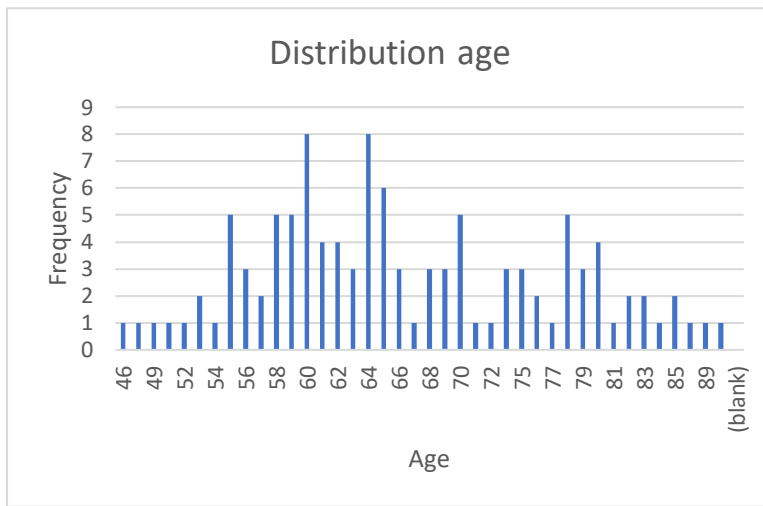
executives, *ceteris paribus*. Furthermore, each additional year in the age of the executive correlates with a neglectable small percent decrease in the odds of having a confidant within the organization. Additionally, firm size exhibits a negligible reduction in the likelihood of a confidant being present in the workplace.

The table also indicates that none of these variables exhibit a statistically significant correlation with the presence of a confidant at the 10% significance level. Thus, the available evidence does not provide sufficient grounds to reject the null hypothesis positing no association between CEO gender, CEO age, firm size, and the presence of a confidant within organizations.

*Appendix F. Tables and Figures*



Appendix Figure 1. Distribution of Number of Employees

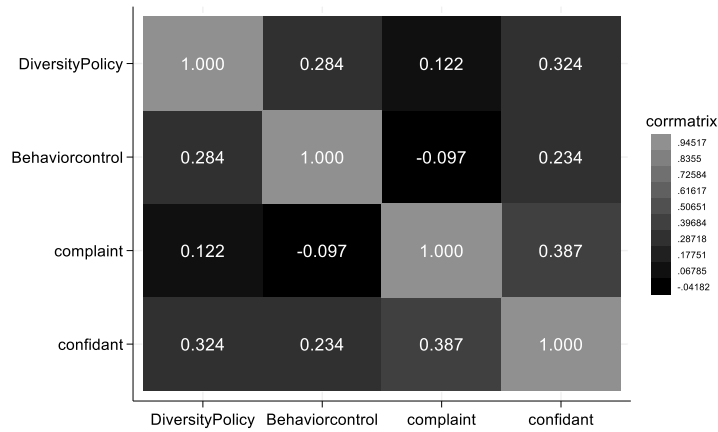


Appendix Figure 2. Distribution of variable age

Appendix Table 5. Correlation Matrix

Variables	(1)	(2)	(3)	(4)
(1)Has Diversity Policy	1.000			
(2)Has Behavior Control	0.284	1.000		
		*		
(3)Has Complaint Procedure	0.122	-0.097	1.000	
(4)Has Confidant	0.324	0.234	0.387*	1.000
		*		

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



Appendix Figure 3. Correlation heatmap

Appendix Table 6. Robustness regression results

VARIABLES	(1) Diversity Policy	(2) Behavior control	(3) Complaint Procedure
Female	-0.104 (0.153)	-0.305 (0.211)	-0.198 (0.188)
Age	0.00410 (0.0134)	-0.00706 (0.0117)	0.00779 (0.0149)
Firm Size	0.0000 (0.0000)	0.0000 (0.0000)	0.0000 (0.000)
Constant	-0.0840 (0.858)	0.676 (0.769)	-0.0980 (0.935)
Observations	16	16	16
R-squared	0.054	0.076	0.182

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1