

Analysis of the Relationship Between Senior Female Leadership and Enterprise Performance in China

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Abstract: With the continuous development of Chinese society, under the policy of rejuvenating the country through science and education, more and more women have stepped into the workplace and participated in all aspects of senior leadership. Understanding how female leadership attributes affect business success can encourage more female employees to take up leadership roles. This essay intends to investigate the connection between firm performance in China and senior female leadership. Emphasis on Chinese background, this paper is trying to find out the difference between China and abroad and to find out the reason for those differences. According to related articles published at home and abroad. This paper uses keyword search when selecting papers. In addition, two keywords “female leadership” and “corporate performance” were searched. The findings indicate that, after 19 years, the effect of female leadership on business performance is primarily positive. This specific impact on corporate performance is related to the flexible management characteristic of female leadership.

Keywords: female leadership, enterprise performance, characteristics

1. Introduction

The development of China is flourishing. China has implemented the strategy for invigorating China through science and education since 1995. The knowledge of Chinese citizens has increased in to a high level. Especially there are many females who improve their personal values and increase their capacity in order to pursue higher quality of life. More and more Chinese females stepped into workplace, as a senior executive in an enterprise, and became an increasingly important influence on the enterprise. According to the difference between the domestic and overseas essays, it is easy to find big differences, especially when researchers look at women’s leadership and corporate performance. Therefore, this paper emphasizes the research results of relevant papers on this topic in the context of China. By reading relevant papers at home and abroad, the author tries to find the reasons for the different development progress of this topic at home and abroad. On the basis of this, further research will be done into the connection between female leadership and corporate performance in the Chinese context. When analyzing the connection between female leadership and corporate performance, researchers believe there to be three linkages. The three relationships are respectively positive correlation, negative correlation and no significant relationship. In order to better understand the impact of Chinese female leaders on corporate performance. To understand the specific impact of female leadership traits on corporate performance. The character characteristics of

female leadership, the percentage of female leaders in businesses, and an examination of how female leadership affects business success are all summarized in this essay. In order to better help women understand their individual advantages in corporate top management.

2. Overview and Current Situation of the Research Field

The time range for retrieving women's leadership and corporate performance-related literature in this article is from January 2019 to January 2023. The search method is keyword search. The search literature in this article is based on the literature of CNKI with "female leadership" as the keyword during this period. Through statistical surveys, a total of 63 document data were obtained. Among these 63 document data, there are only four document data with "female executives" as the keyword. The purpose of these four articles is to study how female executives can better promote the development of enterprises. At the same time, there is no literature data with "enterprise performance" as another keyword. Wang Weihua believes in the article "Review of Women's Leadership Research" that the definition of female leadership can be distinguished from a broad and narrow sense, that is, in a narrow sense, it can be analysed as the leadership of female leaders [1]. Therefore, data retrieval with the keywords of "female executives" or "female directors" and "enterprise performance" was also carried out. By retrieving the literature related to keywords from January 2023 to January 2019 on CNKI, 37 document data were obtained. The searched articles are mainly divided into three categories. One is the analysis of the impact of female executives on a certain aspect of enterprise performance. This kind of article often not only discusses these two research factors, but also adds other factors related to enterprise performance to the content of the article [2]. Another type of paper is studied through empirical analysis for specific enterprises. The scope of the paper's author will be restricted to a single industry, after which she will investigate the effects of other factors, such as the number of female CEOs, on the operation of general or particular businesses [3]. Another type of article discusses a certain risk that female executives will face in an enterprise, and then discuss the impact of the risk on enterprise performance. But the number of such articles is relatively small [4].

On the basis of CNKI as the search platform and the 70th anniversary of the founding of the People's Republic of China, some scholars have conducted a survey and research on female leadership based on national literature. The scholar divided the development of papers on women's leadership after the founding of the People's Republic of China into three stages, and 2019 is in the expansion period [5]. Combined with the research content of existing papers, this paper can see that many scholars are studying the impact of different aspects of female executives on enterprise performance. However, no researchers have looked into how female leadership traits affect business performance. The following is a summary of the characteristics of Chinese female leadership, senior female leadership, senior female managers and enterprise performance, and discusses the development prospects of future research.

3. Senior Female Leadership

3.1. Target People

The target people of female leadership in China are different from that of foreign countries. Due to differences in language and cultural background, women leaders in different countries mainly target different groups. In her research, Jiang Lai describes the main target group of the research on female leadership in China, that is, female cadres and entrepreneurs. She clearly pointed out that the research on female leadership in the Chinese context has obvious object attributes [6]. Based on Chinese history, female cadres as a representative of the Chinese state organs, military, people's organizations of the word, are of special contextual significance.

3.2. Definition and Connotation of Female Leadership

At present, there are two definitions of high-level female leadership. One is to believe that it is a leadership with a feminine leadership style in a broad sense, that is, a leadership style that has nothing to do with the gender of the leader. Second, another theory holds that female leadership is in a narrow sense, that is, the leadership embodied in the senior management of the enterprise where female leaders are located [1]. The latter is the female leadership that this article tends to study. Regarding the specific connotation of female leadership, the author found through the collection of data that the specific connotation of female leadership has gradually refined over time. Different scholars have different opinions and focus when expounding the connotation of female leadership. However, most scholars define female leadership as a female leader who gives full play to her own advantages and female charm to influence others, so as to refine the leadership ability of the organization to achieve its goals [9].

3.3. Senior Female Leadership Traits

In the article “Research on the Relationship between Female Leadership Characteristics and Employee Innovation Performance,” Zhang Yi defines female leadership characteristics as a salient trait shared by female leaders, believing that it is a benefit that female leaders can play in the leadership process [9]. When summarising the leadership of high-level women, different academics all believe that due to the differences between women in physiology, psychology, behaviour, conceptual attitudes, etc., women have different characteristics in the management process at the management level. After generalisation, it is roughly divided into the Kiki following three characteristics. The first is to be more patient, resilient and have higher self-control. The second is that women are more meticulous and affable because they are more sensitive to emotions in the leadership process. The third is that women are more sensitive and have higher insight into all aspects of senior management [9-12].

Some scholars have conducted empirical research on the leadership model of female entrepreneurs for different female characteristics. Scholars Hu Jianying, Jiang Qinfeng and Wang Chongming have learned from the latest foreign research results on the leadership model. They combined with the reality of China’s background, five leadership models for Chinese female entrepreneurs have been obtained. Human-based leadership, transformative leadership, transformational leadership, harmonious leadership, and transactional leadership are these five forms of leadership.

4. Senior Female Managers and Corporate Performance

4.1. Ratio of Female Executives

The characteristics of female executives enable female executives to play a special role in participating in the process of enterprise management. The percentage of female executives in a corporation can give insight into the effects of having women in high management.

According to this reasoning, it makes sense to directly reflect the link between senior female managers and enterprise success by comprehending the effect of the proportion of female executives on business performance. In this context, several academic works have suggested a link between business success and the share of female CEOs [13-15]. The article “Empirical Evidence of the Relationship between the Ratio of Female Executives and the Efficiency of Corporate Governance” argues that when the proportion of female executives surpasses a particular value, the effectiveness of corporate governance will be greatly increased [13]. When scholars Li Hangxing, Huang Yue and Xu Liting used the fixed effect regression model to analyze, they found that the proportion of female executives was significantly positively related to the performance of the enterprise [14]. Scholar Zhou

Hang also made it obvious that the proportion of female executives has a favorable impact on the innovation performance of firms while analyzing the proportion of female executives in multinational enterprises [15]. However, several academics also noted that businesses are negatively impacted by the proportion of female leaders. For instance, researchers Yuan Menghan and Li Jian discovered via their research that family businesses' ability to innovate sustainably is negatively impacted by the share of female CEOs [16]. Different documents draw different conclusions, but most of them have a positive impact. In addition, the negative-related article also shows that the article only studies the impact of the proportion of female leaders on the innovation of the family business, and does not classify female executives [16]. Therefore, it can be approximately concluded that the number of female executives affects many areas of the business in diverse ways. But most facets of business performance are improved by the rise in the number of female CEOs.

4.2. Analysis of the Impact of Female Executives on Corporate Performance

As the most direct manifestation of female leadership, senior women in enterprises have their personality characteristics, values, personal values and other characteristics that will have an impact on all aspects of the enterprise. At the same time, as a direct reflection of the achievements of enterprise operation, growth and development, corporate performance reflects the influence of female executives on corporate performance to some extent. By referring to relevant literature, it is found that different pieces of literature draw different conclusions about the impact of female executives on corporate performance.

According to research done in 2019 on the effects of female executives on corporate performance over the previous 20 years, there can be five different types of effects: positive, negative, no significant, uncertain, and nonlinear U-shaped relationships with the above range [17]. Most academics choose businesses in a single industry or in developing regions like Shanghai and Shenzhen when researching the effects of female executives on corporate performance, and they examine some aspects of female leaders, like their age and level of skill, in order to discuss a particular aspect of corporate performance. After a comprehensive understanding, it can be found that relevant papers after 2019 all believe that the feminine flexible management characteristics of female leaders promote the development of enterprise performance to a certain extent [17-22].

The majority of academics that have studied the effect of female leaders on company performance since 2019 agree that the cause is beneficial: According to researcher Wu Minghua, female executives' personal abilities have a beneficial influence on company success to a greater extent than male executives [18]. Jin Yuwen, a scholar, found that female executives in the insurance industry can improve the profitability and solvency of insurance companies [19]. Scholar Yang Chenyu found that female leaders can restrain excessive investment behavior, reduce risks and improve corporate performance [20]. Some scholars have examined the impact of green business practices on the financialization of enterprises, and analyzed the regulatory role of female directors in China. The scholar found that its effect is positive and can reduce risks [23]. So the impact of women on corporate performance was often emphasized risk reduction. The first characteristic of women as outlined above is that they are more patient, resilient and more controlling. This trait enables women to play a more moderate role in the leadership process. Scholars also call the impact of their characteristics robustness [23]. This robustness is also one of the advantages of women's flexible management. Some scholars believe that there are three advantages of female leadership when summarizing the flexible management of women. First, female leaders are more inclined to democratic decision-making. Second, female leaders focus more on details. Third, female leaders pay more attention to groups and relationships than goals and strategies [24].

After the 21st century, with the advance of time, the relevant papers conclude that a rough trend from negative correlation to positive impact can be seen. In addition, some non-relevant papers also

emphasize the positive shaping of female personal ability on corporate performance. The stronger the individual ability of senior women is, the more obvious their leadership characteristics are and the more positive role they play in enterprise management. This trend also reflects that women, under the background of development in China, are gradually improving their self-ability and more positively influencing all aspects of enterprise performance. Through the research, it can be found that in the current high-level context of social enterprises, female leadership has a positive impact on enterprise performance due to the improvement of female ability and the increase of the proportion of senior women.

5. Conclusion

This paper briefly discusses the particularity of female leaders in China, mainly summarizes the characteristics of senior female leaders, and explores the influence of female leadership ratio on corporate performance to a certain extent. The impact of female leadership characteristics on organizational success is highlighted. It is found that most of the papers discussing the influence of women on corporate performance in Chinese enterprises hold that female leaders have a positive effect on corporate performance. Some papers classify the positive effect as the ability to reduce risks, which is consistent with the research on the moderating effect of feminine flexible management characteristics on enterprise management.

At present, although the research on female leadership in China has made obvious progress, the existing research is relatively scattered, and the integrity of the theory needs to be further improved. The influence of female executives on corporate success is a topic that many academics place a high value on, yet in certain areas, such as the impact of important female qualities on corporate performance, this issue has received less attention. Only the influences of women's ability level, overseas study experience and other characteristics on enterprise performance are searched. Considering that it may be difficult to specifically explore the impact of female leadership traits on corporate performance. When exploring the impact of female leadership on corporate performance, it is found that some scholars have studied the specific impact of female leadership on some aspects of corporate performance. However, this paper can only infer the influence of the characteristics of female leaders on corporate performance through the quality that the influence should have. The research in this field can be further developed in the following directions. For example, no scholars have systematically summarized the specific influence process of female leadership traits on corporate performance. At the same time, no scholars have summarized the impact of female executives in various industries on corporate performance. These issues are expected to receive greater attention in the future.

This article's main drawback is the paucity of studies that examine how distinct female leadership traits affect organizational effectiveness. This article examines, using precedents as a guide, how female leadership affects business success in China. It then offers its own viewpoints. This article conducts a preliminary investigation and evaluation of papers on women's leadership characteristics and enterprise performance, which has a certain reference for the literature in this field.

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