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BOARD GENDER DIVERSITY IN FAMILY FIRMS: THE EFFECT OF FAMILY TIES

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Women are not a homogeneous group in family boardrooms, and differences among them, depending on the existence or otherwise of family ties, need to be considered. Results show that when SEW has already been obtained through substantial family control, dominant shareholders tend to reduce family ties and increase the presence of non-family female directors. Moreover, we find support for the dark side of the SEW and suggest that as the number of family female directors grows, conflicts with other non-family sub-groups become more prevalent, damaging family firm performance. Opening the board to non-family female directors does, however, seem to be an effective way of increasing family firm performance. This paper suggests that dominant shareholders of family firms need to evaluate the effects of family ties when appointing female directors.