

The relationship between board diversity and firm performance: the Italian evidence

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Abstract

This paper examines the relationship between board diversity, financial performance and risk. Board diversity is intended as the presence of female and foreign directors on corporate boards. We analyze a sample of Italian listed companies during the period 2006-2008. The results show no statistically significant relationship between the number of female directors on boards and firm performance. The same results emerge with regard to the link between gender diversity and firm risk. When we consider the presence of foreign directors, a negative relationship emerges between this variable and firm risk.

Keywords: Board of Directors; Gender Diversity; Nationality Diversity; Risk; Firm Performance

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