Director Characteristics, Gender Balance and Insolvency Risk:  
An Empirical Study

ABSTRACT

This study examines the characteristics of the directors and owners of private companies in relation to insolvency risk, with a specific focus on the incidence and impact of female directors. We analyse data on over 900,000 limited companies in 2007-8 including over 17,000 that ceased trading due to insolvency. In the context of a failure prediction model, which controls for a wide range of company and industry characteristics, we isolate the effects of having female directors on the likelihood of insolvency. The results provide compelling evidence of a relationship between the gender composition of directorships and insolvency risk.
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Comments are most welcome

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