

Good gender balance for a successful business

Gender balance can be an important signal for investors, but they may be looking for it in the wrong place. **Fin24** reports that a study by Calvert Impact Capital found that diversity in senior staff had a greater impact than the number of female directors or the gender of its founder. 'We saw a particularly strong relationship to women in leadership,' said Leigh Moran, Calvert's director of strategy. 'We think there's a common misconception that incorporating gender is solely limited to investing in women-led businesses.' In a study of its \$23bn global lending portfolio, Calvert determined that **companies with the most women in senior leadership positions – the people who report directly to the CEO – delivered double the average annual return on equity over the past 11 years compared with the companies with the fewest.** Calvert saw better performance when women comprised anywhere between 33 and 75% of the leadership, she said. Firms with the fewest women in senior management – 20% or less – returned on average 4.4.% per year. Those with the most – more than 57% women – returned 8.6%.