



Article Title

Gender and economic performance: Evidence from the Spanish hotel industry

Citation

Marco, R. (2012). Gender and economic performance: Evidence from the Spanish hotel industry. *International Journal of Hospitality Management*, 31(3), 981-989.
<https://doi.org/10.1016/j.ijhm.2011.12.002>

Abstract

Recent research suggests that the stereotype of underperformance attributed to female management may not be the result so much of poorer management skills as to using unsuitable comparative performance measures, as well as not taking into account structural characteristics that may be detrimental to the financial performance of companies managed by women. Gender differences with regards to conditions and business goals can result in female underperformance when performance measures relate to firm size, such as total sales, assets, or profits. When appropriate measures of relative performance are used, women and men are likely to prove equally effective business managers. The research provides evidence that stereotypes of women as poor performers must be abolished, and the glass ceiling preventing entry of women into management positions shattered.

Methods

A regression model with panel data from newly registered hotel firms was developed for testing the effects of gender on economic performance. A linear regression model was estimated. The objective was consistent estimation of regression parameters given the existence of a latent explanatory variable, constant in time that may or may not be correlated with observable explanatory variables.

Results

In summary, the manager's gender has little relevance to the success of a hotel firm. Regardless of the size and financial disadvantages of women-managed hotel firms, from a bivariate perspective it can be concluded that there is no evidence of underperformance of women for growth and profitability measures.

Conclusion

In short, in a highly developed sector such as the hotel industry in Spain, where women executives are overrepresented in comparison to other economic sectors, the evidence from this study of the effect of gender on growth and profitability performance does not support the

old theses of female underperformance. In fact to the contrary, taking into account the size and financial disadvantages of women-managed businesses, there is a gender gap favoring women in the case of growth and profitability measures such as return on assets. Researchers hope that the evidence provided by this study will contribute to shattering the glass ceiling keeping women from management positions due to a belief that they will produce poorer results.