

Female Leadership from an Ethical Perspective

Angelique A.L.M. Lombarts

Essay written for Master Ethics

DCU School of Theology, Philosophy & Music

Assignment Submission

Spring 2020

Academic Year 2020/2021

Grade 68

Content

INTRODUCTION	1
DUTCH SOCIETY & HOSPITALITY INDUSTRY	1
ETHICS, FEMALE LEADERSHIP, AND HOSPITALITY.....	3
GOOD GOVERNANCE.....	5
THE ETHICAL STANCE.....	5
THE VARIOUS STAKEHOLDER GROUPS	7
SHAREHOLDERS.....	8
EMPLOYEES.....	9
CONSUMERS.....	10
SUPPLIERS AND COMPETITORS	10
CIVIL SOCIETY	11
GOVERNMENT & REGULATION	12
MEDIA	12
CONCLUSION	12
BIBLIOGRAPHY.....	14

Introduction

‘There are more Dutch CEOs called Peter than Female Executives’¹

This statement appeared in a Dutch national newspaper on International Women’s Day on 7 March 2020. The article states that less than 5% of the CEOs of Dutch listed companies are women. In the Netherlands the subject of gender inequality is a source of concern. Recently the television series ‘Why women do not work?’ discusses why women hardly work. It is claimed that it is an archetypal Dutch phenomenon also framed as the ‘part-time paradise’.² Marc Van Ostaijen strongly condemns this prevailing opinion and states that the dominant norm is still the masculine norm, i.e. a full-time working and being the breadwinner.³ The gender problem seems to be persistent and is hot! Not just in the Netherlands but globally.

This essay delves into board diversity issues. More precisely, it explores gender inequality on the leadership levels in in the Dutch hotel industry. Therefore, first a short description of the Dutch society in which the hotel industry is embedded will be given. Then a characterisation of the Dutch hotel industry and the field in which it operates, follows. Next, on a more general level, female leadership and governance will be discussed. Freeman's stakeholder theory and succeeding elaborations serve as an ethical starting point. Subsequently, various relevant principles are used and interpreted to study the alleged inequality. The essay concludes with the answer on its main question ‘Is it ethical to have a gender inequality on executive boards within the Dutch hotel industry?’

Dutch Society & Hospitality Industry

The Netherlands is commonly known as a tolerant and liberal country with a democratic governmental system. Dutch society is also known for its egalitarianism. In his seminal work *Culture and Organizations*, Hofstede initially distinguished four dimensions on which the various countries could be categorised namely power distance, collectivism versus individualism, femininity versus masculinity, uncertainty avoidance, and later added long-term

¹ Dominique Voss, ‘Er Zijn Meer Nederlandse Ceo’s Die Peter Heten Dan Directeuren Die Vrouw Zijn’, *AD*, 7 March 2020. <<https://www.ad.nl/ad-werkt/er-zijn-meer-nederlandse-ceo-s-die-peter-heten-dan-directeuren-die-vrouw-zijn~a20649df/>> [Accessed 30 December 2020] trans. by the author.

² Liebeth Staats, ‘Waarom Werken Vrouwen Niet?’, ed. by KRO NCRV (2020). The series has been broadcasted on 12,19, 26 November, and 3 December 2020 at NPO3.

³ Marc Van Ostaijen, ‘Voltijd Werkende Mannen Houden De Ongelijke Positie Van Vrouwen Op De Arbeidsmarkt in Stand’, *De Volkskrant*, 13 November 2020. <<https://www.volkskrant.nl/columns-opinie/voltijd-werkende-mannen-houden-de-ongelijke-positie-van-vrouwen-op-de-arbeidsmarkt-in-stand~b4e3e929/>> [Accessed 25 November 2020].

versus short-term orientation, and indulgence.^{4,5,6} Dutch society is to be typified as low in power distance, individualistic, feminine-oriented, scoring medium to low on uncertainty avoidance, and the Dutch have a pragmatic nature and positive and optimistic attitude.⁷ Generally spoken. The Netherlands is doing well in many areas, as evidenced by various rankings such as income,⁸ happiness,⁹ or health care.¹⁰ However, in comparison with other Western European countries, it scores particularly poorly in terms of gender equality on the labour market.^{11,12} For example, when it comes to women in top positions: the share of women in the board of directors is 12.4%, and in the supervisory board 18.4% in 2018.¹³ This is particularly surprising because the representation of women in higher vocational or university education contrasts sharply with their representation in the labour market, and especially in leadership positions.¹⁴

When scrutinising the figures of the Hospitality Industry, also categorised as the sector ‘Accommodation and Food Service Activities’, it seems to have a proportional share of males and females in the workforce.^{15,16} Yet, at the top levels i.e. executive and non-executive boards,

⁴ Geert Hofstede, *Cultures and Organizations: Intercultural Cooperation and Its Importance for Survival Software of the Mind*, (London: HarperCollins Publishers, 1994).

⁵ Geert Hofstede, *Culture's Consequences. Comparing Values, Behaviors, Institutions, and Organizations across Nations*, 2nd edn (Thousand Oaks: Sage Publications, 2001).

⁶ Geert Hofstede, Gert Jan Hofstede, and Michael Minkov, *Cultures and Organizations. Software of the Mind Revised and Expanded*, 3rd edn (New York: McGraw-Hill 2010).

⁷ Hofstede, ‘Hofstede Insights’, (Helsinki: Hofstede Insights, 2020). <<https://www.hofstede-insights.com/country/the-netherlands/>> [Accessed November, 4, 2020]. The website allows to do a check on the various cultural dimensions which was done for the Netherlands.

⁸ IMF, ‘Gdp Per Capita, Current Prices. Purchasing Power Parity; International Dollars Per Capita’, <<https://www.imf.org/external/datamapper/PPP@WEO/OEMDC/ADVEC/WEOWORLD/FRA/CHE>> [Accessed 28 October 2020]. The Netherlands ranks thirteenth of all countries on the IMF list with the GDP per capita.

⁹ John F. Helliwell and others, ‘World Happiness Report 2020’, (New York: Sustainable Development Solutions Network, 2020). p. 19. The Netherlands ranks sixth on the World Happiness Index.

¹⁰ Arne Björnberg, ‘Euro Health Consumer Index 2018’, ed. by Health Consumer Powerhouse (Marseillan, 2019). p. 24. Already for years The Netherlands is among the top three on the Euro Health Consumer Index.

¹¹ Wieteke Graven and Mekala Krishnan, ‘Capturing the Potential: Advancing Gender Equality in the Dutch Labor Market’, ed. by McKinsey Global Institute (MGI) (Amsterdam: McKinsey Global Institute (MGI), 2018).

¹² Equileap, ‘Gender Equality in the Netherlands. Assessing 100 Leading Companies on Workplace Equality’, (Amsterdam: Equileap, 2020).

¹³ Babette Pouwels, Joke Leenders, and Marieke Van Den Brink, ‘Bedrijvenmonitor Topvrouwen 2019 Streefcijfers Te Vrijblijvend: Tijd Voor Een Quotum’, (Nijmegen: Bureau Pouwels in collaboration with Commissie Monitoring Streefcijfer Wet bestuur en toezicht 2019).

¹⁴ Graven and Krishnan. p. 11. To elucidate some of the figures: 56% of recent graduates in higher/university education are women; 46% of the labour market is female and only 6% of executive positions are held by women.

¹⁵ Graven and Krishnan.

¹⁶ Bert Marchal and Jeroen De Kort, ‘Arbeidsmarktrapportage. Arbeidsmarkt En Opleidingsbehoefte Horeca’, (Delft: ABF Research commissioned by Koninklijke Horeca Nederland and Stichting Vakbekwaamheid Horeca, 2018). This labour market report shows, among other things, a number of characteristics of the sector such as a high percentage of part-time employees, a low percentage of HBO-educated people (less than 10%), and a relatively low average age (around 31.8 years). The sector also suffers from a large labour shortage. This report dates from before the Covid-19 pandemic.

the ratio ‘women – men’ is unfavourable for women as recent figures underpin: female directors in the hospitality and trade sector amounts to 10,7 %, ¹⁷ women on the supervisory board to 13.4 %. ¹⁸ In order to obtain more detailed information about Dutch Hotels, it appears that most hotel chains have websites on which their hotels and services are listed. In some cases, the origin history is also mentioned. ¹⁹ However, in most cases there is no company information about, for example, owners, executive and/or non-executive directors. ²⁰

Ethics, Female Leadership, and Hospitality

The hospitality industry is one of the fastest growing industries worldwide. Due to its global nature, its diverse workforce, the worldwide locations and destinations, to name just a few aspects, ethics has been recognised as one of the most important issues in the industry. However, a comprehensive research revealed that a mere 62 articles were published in the major hospitality journals between 2006 and 2015. ²¹ Eunha Myung identifies seven main areas in relation to ethical issues. ²² The impact of gender as a demographic variable was used in only eight articles, of which three articles in the area of ethical values, perceptions and

¹⁷ Statista, ‘Share of Women on Boards of Directors in the Netherlands in 2018, by Sector’, (2020), <<https://www-statista-com.eu1.proxy.openathens.net/statistics/870601/share-of-women-on-boards-of-directors-in-the-netherlands-by-sector/>> [Accessed 13 November 2020].

¹⁸ Statista, ‘Share of Women on Supervisory Boards of Directors in the Netherlands in 2018, by Sector’, (2020). <<https://www-statista-com.eu1.proxy.openathens.net/statistics/870613/share-of-women-on-supervisory-boards-in-the-netherlands-by-sector/>> [Accessed 13 November 2020]. The figures for the trade and hospitality sector to which the hotel industry belongs are lower than the overall averages for both executive and non-executive board members.

¹⁹ The hotel chains Eden hotels, WestCord Hotels and Inntel hotels for instance do provide information on their history. See for instance Eden Hotels, ‘Eden Hotels’, <<https://www.edenhotels.nl/en/>>; WestCord Hotels B.V, ‘Westcord Hotels’ <<https://westcordhotels.nl>>; Inntel Hotels, ‘Inntel Hotels’, <<https://www.inntelhotels.nl/en/>> [Accessed 13 November 2020].

²⁰ Through personal knowledge and research, it is known that there are approximately four or five women on the executive boards of Dutch hotel chains namely Eden Hotels (14), WestCord hotels (16), Inntel Hotels (6) and StayOkay Hostels (20). Of other hotels such as Amrath (12), Fletcher (102), Van der Valk (68), Golden Tulip (24), Bastion (34), Hampshire (9), and Postillion (8) hotels it is known that the management consists of men or it is unknown how the management is composed. The numbers in parentheses display the number of hotels belonging to the chain.

²¹ Eunha Myung, ‘Progress in Hospitality Ethics Research: A Review and Implications for Future Research’, *International Journal of Hospitality & Tourism Administration*, 19 (2018), 26-51.

²² Myung 2018. (pp. 32-33). The other areas are CSR and environmental ethics (14); ethical behaviour and decision making (10); ethical values and perceptions (8); ethical leadership (5); hospitality ethics education (8); code of ethics (5); and a rest-group with various topics (12).

attitudes,^{23,24,25} and five delving into gender differences and decision making.^{26,27,28,29, 30} Specific research into top management and/or leadership positions, the role of diversity in the board of directors or specifically mixed boards of directors (executive and non-executive) whether or not in relation to ethical issues is lacking.

Less than two decades ago, Treviño, Brown, and Pincus Hartman³¹ claimed that until that point there had been hardly any mention of the ethical aspects of leadership. Recently, Nguyen, Ntim, and Malagila³² conducted a very thorough literature study on this subject, with a special focus on ‘women on corporate boards’ issues or ‘WOCBs’³³ as they abbreviate it. Their research covered 270 top-ranked journals, from 1981 to 2019, and included two of the journals which were studied by Myung as well.³⁴ Whereas Nguyen did not focus specifically on ethical issues, this was precisely Myung’s focus and therewith both studies complement each other. In addition, although different in scope, the authors assert the fact that there is a need for more cross-cultural studies, as well as more qualitative and mixed-methods research. Moreover, both studies contain hardly any research on the Netherlands or on Dutch subjects.³⁵

²³ Cherylynn Becker and Ying Gao, ‘Delineating the Gray Areas in Hospitality Workplace Ethics: Perceptions of International Interns’, *Journal of Human Resources in Hospitality & Tourism*, 9 (2010), 142-162.

²⁴ Charles L. Calvert and others, ‘Identifying Unethical Academic Behaviors of Students Studying Food Service, Hospitality, Tourism and Culinary Arts’, *Journal of Culinary Science & Technology*, 6 (2008), 30-39.

²⁵ Anna S. Mattila and Choongbeom Choi, ‘An Analysis of Consumers’ Reactions to Travel Websites’ Discrimination by Computer Platform’, *Cornell Hospitality Quarterly*, 55 (2014), 210-215.

²⁶ Ling Meng Chan, Othman Jamilah, and Joned Rusinah, ‘Gender Differences of Human Resources Practitioners in Their Ethical Decision Making’, *International Journal of Academic Research*, 4 (2012), 37-43.

²⁷ Hatice Güçlü Nergiz, Meryem Akoğlan Kozak, and Sabah Balta, ‘Ethical Approaches and Their Application in Hotel Managers’ decision Making’, *Tourismos*, 6 (2011), 84-104.

²⁸ Soyon Paek and Prakash K. Chathoth, ‘Multiple Levels of Ethics Management: A Case of Airline and Hotel Firms’, *Tourism Planning & Development*, 10 (2013), 388-415.

²⁹ LaChelle R. Wilborn, Robert A. Brymer, and Ray Schmidgall, ‘Ethical Decisions and Gender Differences of European Hospitality Students’, *Tourism and Hospitality Research*, 7 (2007), 230-241.

³⁰ H. Ruhi Yaman and Eda Gurel, ‘Ethical Ideologies of Tourism Marketers’, *Annals of Tourism Research*, 33 (2006), 470-489.

³¹ Linda Klebe Treviño, Michael Brown, and Laura Pincus Hartman, ‘A Qualitative Investigation of Perceived Executive Ethical Leadership: Perceptions from inside and Outside the Executive Suite’, *Human Relations*, 56 (2003), 5-37.

³² Thi Hong Hanh Nguyen, Collins G. Ntim, and John K. Malagila, ‘Women on Corporate Boards and Corporate Financial and Non-Financial Performance: A Systematic Literature Review and Future Research Agenda’, *International Review of Financial Analysis*, (2020), 1-24.

³³ The use of the complete word or described connotation is rather long, therefore the suggested abbreviation will be used in the rest of this essay.

³⁴ The titles of the journals that overlap are: The Journal of Business Ethics, and International Journal of Hospitality Management. Although this overlap exists, the studies mentioned in those two reviews are different. From this, the cautious conclusion may be drawn that no articles have been found in which female leadership or women on boards have been studied in relation to both performance and gender issues. Furthermore, in the hospitality and tourism disciplines, Nguyen investigated also Tourism Management. Nguyen, Ntim, and Malagila. pp. 44-49. Hence, it may be concluded that these two systematic literary reviews have most probably covered the majority of the relevant magazines in the hospitality sector.

³⁵ Myung; Nguyen.

Good Governance

A final topic for the examination of ethical theories concerns governance models and governability. Unlike the Anglo-American model which focuses on shareholders, the so-called Rhenish-model is more popular on the continent with an emphasis on stakeholders.³⁶ After all the financial (and political) scandals that have occurred in recent years, a code of good governance has been introduced in the Netherlands, the ‘Code Tabaksblatt’.³⁷ Greater transparency and accountability and the improvement of the quality and integrity of the executive board and the supervisory board of corporate organisations were the main objectives for which this code was created. To date, accountability is based on the ‘comply or explain’-principle. Apparently, however, this is not sufficient to conclude from the findings of the committee responsible for monitoring compliance with the code.³⁸ According to chairwoman Pauline Van Der Meer Mohr most boards neatly finalise a list in which all the important subjects that need ‘good governance’ are listed, but more than that is hardly the case.³⁹ And this is against the intention from 2016 in which boards have indicated that they want / are going to take into account a larger palette of stakeholders.

The Ethical Stance

Freeman defines stakeholders as ‘any group or individual who can affect or is affected by the achievement of the organisation’s objectives’.⁴⁰ Since Freeman, who is widely regarded as the founder of stakeholder theory, many authors have studied the concepts of ‘stakeholders’,

³⁶ Andrew Crane and others, *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization*, 5th edn (Oxford: Oxford University Press, 2019). pp. 239-240. The Anglo-American model is characterised by a one-tier board model in which the executive and non-executive directors together form a single board. The central tenet is shareholder value, remuneration is based performance which is expressed amongst other by its stock market-value. The Rhenish-model is putting far more emphasis on the organisation’s stakeholders. The board model is a two-tiers model with two levels i.e., an executive level to which the CEO, COO and other ‘chiefs may belong. These directors are in charge of the daily management of the organisation. The non-executive directors form the supervisory board. The non-executive board’s main responsibility are decisions about long-term strategic direction of the organisation. The board is selected and appointed by the shareholder(s) as the ultimate decision-making unit who has delegated its responsibility to the board. The non-executive board supervises amongst others the compliance with the applicable governance codes, and other organisation policies and the remuneration of executive board.

³⁷ Corporate Governance Committee, ‘The Dutch Corporate Governance Code. Principles of Good Corporate Governance and Best Practice Provisions’, (The Hague: Corporate Governance Committee, 2003). The Code is popularly known as ‘Code Tabaksblatt’, named after Morris Tabaksblatt who chaired the committee that drew up the code.

³⁸ Job Woudt, ‘Code Voor Goed Ondernemingsbestuur Gaat Mogelijk Op De Schop’, *Het Financieele Dagblad*, 14 December 2020, p.7.

³⁹ Woudt.

⁴⁰ R. Edward Freeman, *Strategic Management: A Stakeholder Approach*, (Boston: Pitman, 1984). p. 46.

‘stakeholder model’, ‘stakeholder management’ and ‘stakeholder theory’.⁴¹ Thomas Donaldson and Lee Preston classified the various stakeholder theories in three main categories namely descriptive, instrumental, and normative theories.⁴² The descriptive variant, also labelled ‘empirical’, describes the specific corporate features such as whether and how stakeholders’ interests are taken into consideration, how organisations are managed, and so on. Instrumental theories are concerned with studying the usefulness and necessity of stakeholder management, in other words, they look at what it delivers, what benefit it can have for the organisation. The normative ones attempt to provide guidelines about why organisations ought to take constituencies’ interest into account.^{43,44,45}

Andrew Friedman and Samantha Miles provide a good overview of the existing theories. They point out various analytic theories combining all stakeholder theories that are not strictly normative.⁴⁶ One model, for instance, studies the possibility and degree of willingness to work together between stakeholders.⁴⁷ Another looks at stakeholder salience and recognises the often diverging interests in collaborations and argues that the aspects of ‘power’, ‘legitimacy’, and ‘urgency’ determine the extent to which the various stakeholders can exercise their influence.⁴⁸ Although these theories cannot be ignored when looking at whether and how on the one side and how beneficial on the other the diversity of board composition might be, the essence in this essay is why boards should or should not be diversified.

Friedman and Miles⁴⁹ present a taxonomy of normative theories based on a former framework of John Hendry. Instead of Hendry's idea of three kinds of theories that exclude each other, Friedman and Miles think along a continuum. At one extreme one finds the theories that are immediately applicable, at the other extreme the theories that can be described as idealistic and require extensive societal changes. Illustrative of an applicable theory is that of

⁴¹ Thomas Donaldson and Lee E. Preston, ‘The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications’, *Academy of Management Review*, 20 (1995), 65-91 (p. 66).

⁴² Andrew L. Friedman and Samantha Miles, *Stakeholders. Theory and Practice*, (Oxford: Oxford University Press, 2006). pp. 28-30.

⁴³ Donaldson and Preston.

⁴⁴ Crane and others. p. 65.

⁴⁵ Friedman and Miles. pp. 28-30.

⁴⁶ Friedman and Miles. pp. 83-117.

⁴⁷ Grant T. Savage and others, ‘Strategies for Assessing and Managing Organizational Stakeholders’, *Academy of Management Executive*, 5 (1991), 61-75.

⁴⁸ Ronald K. Mitchell, Bradley R. Agle, and Donna J. Wood, ‘Towards a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts’, *Academy of Management Review*, 22 (1997), 853-886.

⁴⁹ Friedman and Miles. pp. 39-42. They refer to the work of John Hendry. John Hendry, ‘Economic Contracts Versus Social Relationships as a Foundation for Normative Stakeholder Theory’, *Business Ethics: A European Review*, 10 (2001), 223-232.

Nachoem Wijnberg,⁵⁰ who adheres to Aristotle's virtue ethics. With regard to stakeholders, he argues that it should not be the individual but the corporate aspiration to pursue excellence. Hence, he suggests that 'the use of mission statements or codes of behaviour to enforce or at least encourage courageous and responsible behaviour'⁵¹ can help. Interesting are also the theories that look at stakeholders as investors. One example of this is Margaret Blair's view that employees' skills and knowledge are an important asset for organisations.⁵² Another approach is that of the proponents of feminist theories. These theories build on both classic Aristotelian and contemporary 'MacIntyrian' virtue ethics, in which the pursuit of obtaining the virtues of a good person is central. As one of the best-known feminist ethic theorists, Carol Gilligan⁵³ claims that men and women have different opinions about what is good and wrong or what should or not should be done in certain circumstances. Moreover, there is no right or wrong, just difference in masculine or feminine perceptions of moral judgement. Hence these views could complement each other which would also foster a broader range of stakeholders. This vision is substantiated by Wicks, Gilbert, and Freeman⁵⁴, who argue that a feminist approach to stakeholder management could be valuable for all stakeholders involved. It focuses on collaboration, decentralisation of power and authority, and consensus building among stakeholders rather than the more masculine stakeholder approaches that are more legalistic, contractual and competitive. In addition, the feminist perspective recognises interrelationships in a network.⁵⁵

The Various Stakeholder Groups

In addition to the principles of the various stakeholder theories, there is the discussion about who should be categorised as a stakeholder. This strongly depends on the starting point, whether it concerns a specific organisation, sector, or area. When discussing a broad topic such as board diversity, the range of stakeholders goes beyond the stakeholders directly involved. A

⁵⁰ Nachoem M. Wijnberg, 'Normative Stakeholder Theory and Aristotle: The Link between Ethics and Politics', *Journal of Business Ethics*, 25 (2000), 329-342.

⁵¹ Wijnberg. (p. 340).

⁵² Friedman and Miles. On pp. 72-73, they refer to Margaret M. Blair, *Ownership and Control: Rethinking Corporate Governance for the Twenty-First Century*, (Michigan: Brookings Institute, 1996).

⁵³ Carol Gilligan, *In a Different Voice: Psychological Theory and Women's Development*, (Cambridge, MA: Harvard University Press, 1993).

⁵⁴ Andrew C. Wicks, Daniel R. Gilbert Jr., and R. Edward Freeman, 'A Feminist Reinterpretation of the Stakeholder Concept', *Business Ethics Quarterly*, 4 (1994), 475-497 (p. 493).

⁵⁵ Brian K. Burton and Craig P. Dunn, 'Feminist Ethics as Moral Grounding for Stakeholder Theory', *Business Ethics Quarterly*, 6 (1996), 133-147.

good start is Rowley's⁵⁶ network approach, which considers a network to be intrinsically intertwined. Crane and others⁵⁷ identified six main stakeholder groups: shareholders, employees, consumers, suppliers and competitors, civil society, and government and regulation. One 'group' will be explicitly added, namely the media. Lombarts⁵⁸ maintains that the influence of the media, both traditional and social media, is growing with a sometimes difficult to grasp scope and therefore cannot be ignored. In short, seven stakeholder groups will be discussed.

Shareholders

According to the provocative article of Milton Friedman,⁵⁹ the main interest of companies' shareholders is to maximise the company's profit, making the company worth a lot more, and resulting in a better stock price and dividend. Most probably this is still the most dominant view of shareholders, however, they have more 'stakes' than just the profit of the company. The ownership of stock-market listed companies changed drastically over the last decades. Today's companies have a myriad of owners, diverging from big institutional investors to smaller (private) ones. These shareholders normally have little control over the company as the management of the organisation is delegated to the board, sometimes influenced by various committees such as the works council (internal) and trade unions (external). Shareholders can exercise the little power they have in the general meeting of shareholders, and then only if they have sufficient 'stakes' i.e. 'shares'. In other words, the locus of control is in the hand of the board(s). Moreover, the interests of shareholders may differ from those of the company's management.

Based on the fact that the main interest of shareholders is profit, the question arises as to whether more women at the top should be an ethical issue. There is no clear vision on this. There are calls for greater board diversity,⁶⁰ particularly in Western European countries. Several studies have also been carried out into WOCBs with varying outcomes. Nguyen⁶¹

⁵⁶ Timothy J. Rowley, 'Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences', *Academy of Management Review*, 22 (1997), 887-910.

⁵⁷ Crane and others.

⁵⁸ Angelique Lombarts, *De Hunkerende Stad. Bewoners, Bedrijven, Bezoekers En Hun Onderlinge Interactie En Spanningsvelden*, (Diemen: Hogeschool INHOLLAND, 2008).

⁵⁹ Milton Friedman, 'The Social Responsibility of Business Is to Increase Its Profits', *The New York Times Magazine*, 13 September 1970, p. 33.

⁶⁰ Board diversity being defined as 'A broad range of skills, backgrounds, age, gender, ethnicity, and sexual orientation represented on the board of directors'. Crane and others. p. 244.

⁶¹ Nguyen, Ntim, and Malagila. (pp. 26-33). It went too far to read and name all the studies from their extensive literature study. Some, however, have been studied further and examined for this essay.

make a breakdown of the influence of top women on a number of aspects such as corporate social responsibility, corporate reputation, corporate financial performance, remuneration, dividend policy, risk-taking, etc. Positive outcomes of the impact of women on boards were found on corporate social responsibility aspects such as less fraud⁶² and tax evasion, greater environmental concern,⁶³ greater attention to risk information, avoidance and corporate governance. At the same time, there are also studies which claim exactly the opposite and which do not demonstrate an impact of female top women on the above aspects. Brammer, Millington, and Pavelin⁶⁴ found a positive correlation between the reputation of service companies and female board members, however there was no evidence that there was relation between the corporate reputation, ethical issues and women on the board. With regard to the remuneration aspects, Nguyen research yielded divergent results, ranging from a positive to no influence on executive pay, whether or not there is an influence on the differences in pay between male and female executives and between men and women in general.

Employees

The compensation element is also of importance when looking at employees and ethical questions. In addition to 'capital' and 'commodities', employees are important, if not the most important, assets of a company, especially when it comes to organisations in the service sector. Service quality, employee performance and customer loyalty are intrinsically linked.^{65,66} This is especially true in the case of the hotel industry that wants to create memorable and hospitable guest experiences that are achieved in co-creation with the employees.⁶⁷ The aforementioned Blair⁶⁸ recognised the importance of employees already more than twenty years ago. Crane and others⁶⁹ mention the rights of employees, such as the right to freedom from discrimination, privacy, participation and association, healthy and safe working conditions, freedom of

⁶² Aida Sijamic Wahid, 'The Effects and the Mechanisms of Board Gender Diversity: Evidence from Financial Manipulation', *Journal of Business Ethics*, 159 (2019), 705-725.

⁶³ Faizul Haque, 'The Effects of Board Characteristics and Sustainable Compensation Policy on Carbon Performance of Uk Firms', *The British Accounting Review*, 49 (2017), 347-364.

⁶⁴ Stephen Brammer, Andrew Millington, and Stephen Pavelin, 'Corporate Reputation and Women on the Board', *British Journal of Management*, 20 (2009), 17-24.

⁶⁵ Marisa Salanova, Sonia Agut, and Jose M. Peiro, 'Linking Organizational Resources and Work Engagement to Employee Performance and Customer Loyalty: The Mediation of Service Climate', *Journal of Applied Psychology*, 90 (2005), 1217-1227.

⁶⁶ Jamie A. Gruman and Alan M. Saks, 'Performance Management and Employee Engagement', *Human Resource Management Review*, 21 (2011), 123-136.

⁶⁷ Angelique Lombarts, 'The Hospitality Model Revisited. Developing a Hospitality Model for Today and Tomorrow', *Hospitality & Society*, 8 (2018), 297-311.

⁶⁸ Blair.

⁶⁹ Crane and others, p. 293.

conscience and expression, work and fair wages. These rights apply to all employees, but some of them are specific to women. For example, when it comes to fair pay, it often turns out that there is still a difference between what men and women are paid to do the same work. Also work-life balance aspects such as excessive working hours or very flexible working hours mean that women make different choices for their career path, such as working part-time, or not working, not pursuing a top career, etc. Unfortunately, equal opportunities are also often lacking, although this is often not recognised because peers choose peers. And it is often men who look for like-minded people, i.e. men as colleagues. Last but not least, although sexual harassment and assault is not strictly limited to female victims, the fact that #MeToo has now become a global movement that seeks to provide help, support and recognition to female victims shows how grave, persistent, and widespread the problem is. Obviously, this does not help to get women to the top either.

Consumers

Consumers are important from at least one point of view. Firstly, consumers vote ‘with their feet’, as it were. If they disagree with what is happening in a company or with its products/services, they can simply refrain from buying and supporting the company. When this is done collectively and becomes an institutionalised act, it is known as a boycott or buycott.⁷⁰ Next to that, consumers become more conscious about social, ethical, environmental aspects of the products/services they buy and can choose the products and services aligned with their moral beliefs and values. The Dutch chocolate company Tony’s Chocolonely,⁷¹ for instance, strives to produce only slave-free chocolate. However, it does not yet seem that companies have been boy- or buycotted because women are given too few opportunities, not even by women as far as known.

Suppliers and Competitors

The same seems to apply to suppliers. Companies can opt for ethical sourcing, i.e. impose certain requirements on their suppliers in terms of social, ethical and environmental aspects. This is already the case, for example, with regard to organically grown products or the

⁷⁰ Crane and others define boycott as: ‘A coordinated attempt to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace due to perceived deficiencies in social, ethical, and/or environmental performance’, p. 447. When it concerns to persuade people to refrain from buying something it is called a buycott.

⁷¹ Tony’sChocolonely, ‘Together We’ll Make Chocolate 100% Slave-Free’, <<https://tonyschocolonely.com/nl/en>> [Accessed 30 December 2020].

aforementioned slave-free cacao. Using gender equality as an ethical sourcing instrument could be a possibility, but for the time being – again as far as is known - not common practice.

From the point of view of the stakeholder ‘competitor’, three angles can be considered. First of all, if a company is fair in terms of equal career opportunities and salary advancement, it will be easier to retain employees and thus also (talented) women. Secondly, if this has a positive effect on business operations, it will be in the interest of shareholders. A third perspective is the legal provisions that apply to all companies. In short, when women at the top provide a competitive advantage or are a legal requirement the competition will follow suit.

Civil Society

Civil society organisations⁷² can influence opinions and approaches to specific issues and actively try to change them. They can make use of a whole range of instruments.⁷³ As far as gender equality is concerned, most Western European countries have organisations dealing with all kinds of gender issues. In the Netherlands, for example, the organisation ‘Topvrouwen’⁷⁴ started in 2014. Its main goal is to get more women into board positions. The increase in the number of women on boards is still slow. With the adoption of the SER-advice⁷⁵ on diversity in 2019, a quota has now been set for women on boards. At the same time, the success of ‘Topvrouwen’ has translated into a position in the SER, an important independent advisory body of the government.

⁷² Civil Society organisation can be described as non- state, not-for-profit, voluntary entities formed by people in the social sphere that are separate from the State and market. CSOs represent a wide range of interests and ties. They can include community-based as well as non-governmental organisations (NGOs). Shift and Mazars LLP, ‘Glossary’, in *The UN Guiding Principles Reporting Framework* <<https://www.ungpreporting.org/resources/glossary/>> [Accessed 30 December 2020].

⁷³ Crane and others mention a whole range of direct and indirect actions, violent to non-violent amongst others boycotts, buycotts, occupations, protests and so on. Crane and others pp. 443-452.

⁷⁴ In 2014 Topvrouwen.nl was initiated by the Ministry of Education, Culture and Science and the employers' organisation VNO-NCW, which continued in 2016 as the Top Women's Foundation. At the end of 2019, the House of Representatives voted in favour of a motion on the SER advisory report ‘Diversiteit in de top, tijd voor versnelling’ [‘Diversity at the top, time to accelerate’ trans. by author] on a binding women's quota for supervisory boards of listed companies. From April 2020, Topvrouwen.nl will become part of the supporting SER infrastructure for diversity and inclusion in the labour market. Topvrouwen, ‘Topvrouwen Board Empowerment’ <<https://www.topvrouwen.nl/over-topvrouwen>> [Accessed 30 December 2020].

⁷⁵ SER, ‘Diversiteit in De Top. Tijd Voor Versnelling’, ed. by SER (Den Haag: Sociaal-Economische Raad (SER), 2019).

Government & Regulation

One of the provisions of the Dutch Corporate Governance Code⁷⁶ as revised in 2016⁷⁷ concerns the composition of the board with regard to diversity. Particularly in the area of diversity of boards, many companies seem to be able to do much more than what is actually happening. That a code on its own is not sufficient is shown by the advice of the SER to establish a legal quota for women, a law that should come into force in 2021. This makes it clear that the Dutch state believes it is high time for a more balanced balance between men and women at the highest echelons.

Media

This essay started with the quote: ‘There are more Dutch CEOs called Peter than female executives’.⁷⁸ This statement in a national Dutch newspaper was one of the many statements about inequality between men and women. Articles of a similar nature appear regularly in the press: whether it is about the number of female professors, women at the top of the business world, or about the pay gap that still exists.⁷⁹ The media are very influential in terms of image building and influencing public opinion. This can be done in many ways, both positively and negatively, or even by completely ignoring, belittling or denying the existence of phenomena. Despite frequent reporting, the attention paid to the persistent disparity does not seem to lead to rapid improvements.

Conclusion

The question of whether gender inequality on boards of directors within the Dutch hotel industry is ethically acceptable is different from whether it can be explained.

Sketches of Dutch society and the Dutch hotel industry have only shown that there is gender inequality, in general as well as at the top of the hotel industry. This seems to contradict the Dutch culture as characterised by Hofstede. Nor does the level of education of women seem to be at the root of this.

Apart from these observations, which do not yet provide an explanation, there seems to be no ethical justification why there should not be more women at the top. There seems to be

⁷⁶ Corporate Governance Committee.

⁷⁷ Monitoring Committee Corporate Governance Code, ‘The Dutch Corporate Governance Code’, (The Hague: The Monitoring Committee Corporate Governance Code, 2016).

⁷⁸ Voss.

⁷⁹ Yrla van de Ven, ‘Met Een Beetje Pech’, *Het Financieele Dagblad*, 2 January 2021, p. 17. At the time of writing this essay, there is an article on women doctors in training and the rather negative consequences for their careers when they have a baby during their training.

a balance between men and women working in the hotel industry. However, this balance is lacking at the top. From the various stakeholder theories, an equal distribution would be very justifiable. The feminist approaches recommend a more diversified composition of boards of directors. First, from a collaborative point of view, the dominant male competitive, law-based stance should be complemented by female, caring, relationship-based stance. Secondly, from a financial or economic point of view, it seems that 'more stakes' are taken into account when women participate in boards of directors. More specifically, not only the shareholders' stake as profit, but also risk control, fair pay and the avoidance of fraud, etc., would be part of the stakes that would be beneficial not only to shareholders, but apparently also to a wider group of stakeholders. Thirdly, also from a social point of view a greater representation of women on boards seems to contribute positively. For example, because more attention is paid to equal pay, career opportunities, and the well-being of employees etc, this in turn has a direct impact on the functioning of the organisation. In the hotel industry, pre-eminently a service industry where memorable guest experiences are essential, this will have positive effects on employee turnover, greater involvement of employees and higher job satisfaction. While the initial question of whether it is ethical to have gender inequality on boards in Dutch hotel industry has not yet been answered exhaustingly, it seems evident that it is not ethical.

Although quite some topics and views have been studied, there are, however, still quite a few unknown facts to give a full answer. First of all more in-depth knowledge about the Dutch hotel industry is required. This concerns amongst others background knowledge of the industry itself as well as of governance aspects such as the composition of both executive and non-executive boards. Also, more general insights into Dutch society and its poor position in terms of gender equality on the labour market would be interesting in order to obtain a more nuanced picture of the challenges with which Dutch companies are confronted when trying to get gender-balanced boards. And following in the footsteps of both Nguyen and Myung, a greater diversity of studies, more intercultural, as well as more qualitative and mixed methods would be desirable. These are just some of the issues that need further elucidation in order to provide a full and comprehensive answer to the ethical question raised in this essay.

Bibliography

Becker, Cherylynn and Gao, Ying, 'Delineating the Gray Areas in Hospitality Workplace Ethics: Perceptions of International Interns', *Journal of Human Resources in Hospitality & Tourism*, 9 (2010), 142-62.

Björnberg, Arne, 'Euro Health Consumer Index 2018', ed. by Health Consumer Powerhouse (Marseillan: 2019).

Blair, Margaret M., *Ownership and Control: Rethinking Corporate Governance for the Twenty-First Century*, (Michigan: Brookings Institute, 1996).

Brammer, Stephen, Millington, Andrew and Pavelin, Stephen, 'Corporate Reputation and Women on the Board', *British Journal of Management*, 20 (2009), 17-29.

Burton, Brian K. and Dunn, Craig P., 'Feminist Ethics as Moral Grounding for Stakeholder Theory', *Business Ethics Quarterly*, 6 (1996), 133-47.

Calvert, Charles L., Martin, Lynda, Beck, Jeff, and Lin, Shin Yi, 'Identifying Unethical Academic Behaviors of Students Studying Food Service, Hospitality, Tourism and Culinary Arts', *Journal of Culinary Science & Technology*, 6 (2008), 30-39.

Chan, Ling Meng, Jamilah, Othman, and Rusinah, Joned, 'Gender Differences of Human Resources Practitioners in Their Ethical Decision Making', *International Journal of Academic Research*, 4 (2012), 37-43.

Corporate Governance Committee, 'The Dutch Corporate Governance Code. Principles of Good Corporate Governance and Best Practice Provisions', (The Hague: Corporate Governance Committee, 2003).

Crane, Andrew, Matten, Dirk, Glozer, Sarah, and Spence, Laura, *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization*. Fifth edn (Oxford: Oxford University Press, 2019).

Donaldson, Thomas and Preston, Lee E., 'The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications', *Academy of Management Review*, 20 (1995), 65-91.

Eden Hotels, 'Eden Hotels', <<https://www.edenhotels.nl/en/>> [Accessed 13 November 2020].

Equileap, 'Gender Equality in the Netherlands. Assessing 100 Leading Companies on Workplace Equality', (Amsterdam: Equileap, 2020).

Freeman, R. Edward, *Strategic Management: A Stakeholder Approach* (Boston: Pitman, 1984).

Friedman, Andrew L. and Miles, Samantha, *Stakeholders. Theory and Practice* (Oxford: Oxford University Press, 2006).

Friedman, Milton, 'The Social Responsibility of Business Is to Increase Its Profits', *The New York Times Magazine*, September 13, 1970.

Gilligan, Carol, *In a Different Voice: Psychological Theory and Women's Development* (Cambridge MA: Harvard University Press, 1993).

Graven, Wieteke and Krishnan, Mekala, 'Capturing the Potential: Advancing Gender Equality in the Dutch Labor Market', ed. by McKinsey Global Institute (MGI) (Amsterdam: McKinsey Global Institute (MGI), 2018).

Gruman, Jamie A., and Saks, Alan M., 'Performance Management and Employee Engagement', *Human Resource Management review*, 21 (2011), 123-36.

Haque, Faizul, 'The Effects of Board Characteristics and Sustainable Compensation Policy on Carbon Performance of UK Firms', *The British Accounting Review*, 49 (2017), 347-64.

Helliwell, John F., Layard, Richard, Sachs, Jeffrey D., and De Neve, Jan-Emmanuel, 'World Happiness Report 2020', (New York: Sustainable Development Solutions Network, 2020).

Hendry, John, 'Economic Contracts Versus Social Relationships as a Foundation for Normative Stakeholder Theory', *Business Ethics: A European Review*, 10 (2001), 223-32.

Hofstede, 'Hofstede Insights', Hofstede Insights, (2020) <<https://www.hofstede-insights.com/country/the-netherlands/>> [Accessed November, 4 2020].

Hofstede, Geert, *Cultures and Organizations: Intercultural Cooperation and Its Importance for Survival. Software of the Mind* (London: HarperCollins Publishers, 1994).

Hofstede, Geert, *Culture's Consequences. Comparing Values, Behaviors, Institutions, and Organizations across Nations*. 2nd edn (Thousand Oaks CA: Sage Publications, 2001).

Hofstede, Geert, Hofstede, Gert Jan, and Minkov, Michael, *Cultures and Organizations. Software of the Mind. Revised and Expanded* 3rd edn (New York: McGraw-Hill 2010).

IMF, 'Gdp Per Capita, Current Prices. Purchasing Power Parity; International Dollars Per Capita'2020).<<https://www.imf.org/external/datamapper/PPPPC@WEO/OEMDC/ADVEC/WEOWORLD/FRA/CHE>> [Accessed 28 October 2020].

Inntel Hotels, 'Inntel Hotels '2020) <<https://www.inntelhotels.nl/en/>> [Accessed 13 November 2020].

Lombarts, Angelique, 'De Hunkerende Stad. Bewoners, Bedrijven, Bezoekers En Hun Onderlinge Interactie En Spanningsvelden', ed. by Hogeschool INHOLLAND (Diemen: Hogeschool INHOLLAND, 2008).

Lombarts, Angelique, 'The Hospitality Model Revisited. Developing a Hospitality Model for Today and Tomorrow', *Hospitality & Society*, 8 (2018), 297-311.

Marchal, Bert, and De Kort, Jeroen 'Arbeidsmarktrapportage. Arbeidsmarkt En Opleidingsbehoefte Horeca', (Delft: ABF Research commissioned by Koninklijke Horeca Nederland and Stichting Vakbekwaamheid Horeca, 2018).

Mattila, Anna S. and Choi, Choongbeom, 'An Analysis of Consumers' Reactions to Travel Websites' Discrimination by Computer Platform', *Cornell Hospitality Quarterly*, 55 (2014), 210-15.

Mitchell, Ronald K., Agle, Bradley R., and Wood, Donna, J., 'Towards a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts', *Academy of Management Review*, 22 (1997), 853-86.

Monitoring Committee Corporate Governance Code, 'The Dutch Corporate Governance Code', (The Hague: Monitoring Committee Corporate Governance Code, 2016).

Myung, Eunha, 'Progress in Hospitality Ethics Research: A Review and Implications for Future Research', *International Journal of Hospitality & Tourism Administration*, 19 (2018), 26-51.

Nergiz, Hatice Güçlü, Kozak, Meryem Akoğlan, and Balta, Sabah, 'Ethical Approaches and Their Application in Hotel Managers' decision Making', *Tourismos*, 6 (2011), 84-104.

Nguyen, Thi Hong Hanh, Ntim, Collins G., and Malagila, John K., 'Women on Corporate Boards and Corporate Financial and Non-Financial Performance: A Systematic Literature Review and Future Research Agenda', *International Review of Financial Analysis* (2020), 1-24.

Paek, Soyoon and Chathoth, Prakash K., 'Multiple Levels of Ethics Management: A Case of Airline and Hotel Firms', *Tourism Planning & Development*, 10 (2013), 388-415.

Pouwels, Babette, Leenders, Joke, and Van Den Brink, Marieke 'Bedrijvenmonitor Topvrouwen 2019. Streefcijfers Te Vrijblijvend: Tijd Voor Een Quotum', (Nijmegen: Bureau Pouwels in collaboration with Commissie Monitoring Streefcijfer Wet bestuur en toezicht, 2019).

Rowley, Timothy J., 'Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences', *Academy of Management Review*, 22 (1997), 887-910.

Salanova, Marisa, Agut, Sonia, and Peiro, Jose M., 'Linking Organizational Resources and Work Engagement to Employee Performance and Customer Loyalty: The Mediation of Service Climate', *Journal of Applied Psychology*, 90 (2005), 1217-27.

Savage, Grant, T. Nix, Timothy W., Whitehead, Carlton J., and Blair, John, D. 'Strategies for Assessing and Managing Organizational Stakeholders', *Academy of Management Executive*, 5 (1991), 61-75.

SER, 'Diversiteit in De Top. Tijd Voor Versnelling', ed. by SER (Den Haag: Sociaal-Economische Raad (SER), 2019).

Shift and Mazars LLP, 'Glossary', in *The UN Guiding Principles Reporting Framework* (New York: Shift and Mazars LLP, 2015). <<https://www.ungpreporting.org/resources/glossary/>> [Accessed 30 December 2020].

Staats, Liesbeth, 'Waarom Werken Vrouwen Niet?', ed. by KRO NCRV (2020).

Statista, 'Share of Women on Boards of Directors in the Netherlands in 2018, by Sector', (2020).<<https://www-statista-com.eu1.proxy.openathens.net/statistics/870601/share-of-women-on-boards-of-directors-in-the-netherlands-by-sector/>> [Accessed 13 November 2020].

———, 'Share of Women on Supervisory Boards of Directors in the Netherlands in 2018, by Sector', (2020). <<https://www-statista-com.eu1.proxy.openathens.net/statistics/870613/share-of-women-on-supervisory-boards-in-the-netherlands-by-sector/>> [Accessed 13 November 2020].

Tony's Chocolonely, 'Together We'll Make Chocolate 100% Slave-Free', Tony's Chocolonely, (2020) <<https://tonyschocolonely.com/nl/en>> [Accessed 30 December 2020].

Topvrouwen, 'Topvrouwen Board Empowerment', Topvrouwen, (2020) <<https://www.topvrouwen.nl/over-topvrouwen>> [Accessed 30 December 2020].

Treviño, Linda Klebe, Brown, Michael, and Pincus Hartman, Laura, 'A Qualitative Investigation of Perceived Executive Ethical Leadership: Perceptions from inside and Outside the Executive Suite', *Human Relations*, 56 (2003), 5-37.

Van De Ven, Yrla, 'Met Een Beetje Pech', *Het Financieele Dagblad*, 2 january 2021, 2021, p. 17.

Van Ostaijen, Marc, 'Voltijd Werkende Mannen Houden De Ongelijke Positie Van Vrouwen Op De Arbeidsmarkt in Stand.', *De Volkskrant*, 13 november 2020. <<https://www.volkskrant.nl/columns-opinie/voltijd-werkende-mannen-houden-de-ongelijke-positie-van-vrouwen-op-de-arbeidsmarkt-in-stand~b4e3e929/>> [Accessed 25 November 2020].

Voss, Dominique, 'Er Zijn Meer Nederlandse Ceo's Die Peter Heten Dan Directeuren Die Vrouw Zijn', *AD*, 7 maart 2020. <<https://www.ad.nl/ad-werkt/er-zijn-meer-nederlandse-ceo-s-die-peter-heten-dan-directeuren-die-vrouw-zijn~a20649df/>> [Accessed 30 December 2020].

Wahid, Aida Sijamic 'The Effects and the Mechanisms of Board Gender Diversity: Evidence from Financial Manipulation', *Journal of Business Ethics*, 159 (2019), 705-25.

WestCord Hotels B.V, 'Westcord Hotels '2020) <<https://westcordhotels.nl/disclaimer/>> [Accessed 13 November 2020].

Wicks, Andrew C., Gilbert Daniel R. Jr., and Freeman, R. Edward, 'A Feminist Reinterpretation of the Stakeholder Concept', *Business Ethics Quarterly* 4 (1994), 475-97.

Wijnberg, Nachoem M., 'Normative Stakeholder Theory and Aristotle: The Link between Ethics and Politics', *Journal of Business Ethics*, 25 (2000), 329-42.

Wilborn, LaChelle R., Brymer, Robert A., and Schmidgall, Ray, 'Ethical Decisions and Gender Differences of European Hospitality Students', *Tourism and Hospitality Research*, 7 (2007), 230-41.

Woudt, Job, 'Code Voor Goed Ondernemingsbestuur Gaat Mogelijk Op De Schop', *Het Financieele Dagblad*, 14 december 2020, p.7.

Yaman, H. Ruhi and Gurel, Eda, 'Ethical Ideologies of Tourism Marketers', *Annals of Tourism Research*, 33 (2006), 470-89.

