3. Gender-diverse staff and leadership for ESOs

Does your organization look gender-balanced at first glance? Does that balance still hold when you look at leadership and decision-making roles? Are women and men represented equally across functions? When you hire, do you select "who applies" or do you recruit intentionally to widen your talent pool and reduce bias? When people grow in your organization, is progression transparent and merit-based or shaped by visibility, negotiation, and informal sponsorship? Do your HR policies and everyday norms make it equally possible for all genders to thrive and stay? When you sit with your Board or advisory body, do you see diversity in the room or mostly the same networks and perspectives?

What do we mean by gender-diverse staff and leadership?

Gender-diverse staff and leadership refer to the deliberate and conscious effort made by organizations to ensure equal representation and inclusion of people of all genders across their workforce, leadership, and governance structures.

It goes beyond achieving an overall numerical balance among staff and focuses on ensuring that different genders are represented across roles, functions, levels of seniority, and decision-making bodies.

This concept encompasses several closely interconnected dimensions. First, it includes *gender-balanced hiring*, meaning that organizations actively seek to ensure that recruitment processes do not unintentionally favour one gender over others, and that talent of all genders is actively sought after across teams and functions, rather than being channelled into stereotyped roles. Gender-diverse staff, therefore, requires moving beyond passive hiring practices and addressing unconscious biases that may influence who applies, who is shortlisted, and who is ultimately hired. Second, it refers to gender-balanced promotion and retention, i.e. the deliberate effort to ensure equal career development, advancement, and leadership opportunities for people of all genders. This involves examining whether evaluation, promotion, and compensation processes are transparent, systematic, and merit-based, or whether they are influenced by informal practices, confidence gaps, negotiation dynamics, or other unconscious biases that may disproportionately disadvantage certain genders. Achieving gender diversity in leadership, therefore, requires attention not only to new hires, but also to progression and long-term retention patterns. Third, it includes gender-sensitive HR policies and practices (e.g. remuneration, benefits, leave policies, flexible work arrangements, occupational safety measures), and broader workplace culture. Gender-sensitive HR policies aim to create a work environment where individuals of all genders feel valued, respected, and supported, and where differences in life situations, such as caregiving responsibilities, do not translate into unequal opportunities or outcomes. Without such policies, gender imbalances in hiring and promotion are likely to persist, as some staff may face structural barriers to performing, progressing, or remaining in the organization. Finally, this concept extends to governance structures, such as Boards of Directors or advisory bodies. Board diversity refers to the intentional inclusion of people of different genders, backgrounds, and perspectives in governance and oversight roles, ensuring that strategic decisions benefit from a broad range of viewpoints and experiences. Diverse governance bodies contribute not only to better decision-making and accountability but also to shaping organizational culture, external reputation, and long-term performance.

Taken together, gender-diverse staff and leadership are not the result of a single policy or initiative, but of a coherent and intentional alignment of recruitment, promotion, HR practices, and governance. For Entrepreneurship Support Organizations (ESOs), which both employ staff and influence wider entrepreneurial ecosystems, this alignment is particularly critical: internal gender diversity is both an organizational asset and a reflection of the values and practices promoted externally.

Why do gender imbalances in staff and leadership persist?

Gender imbalances in staff and leadership rarely result from explicit discrimination or deliberate exclusion. Instead, they emerge through a combination of passive organizational practices, unconscious bias, and structural constraints that shape who enters an organization, who advances, who remains, and who participates in decision-making.

A first major driver of imbalance lies in recruitment practices. Hiring is often treated as a reactive process (i.e. organizations hire those who apply), rather than as a strategic effort to ensure balanced representation.

This passivity allows more unconscious bias to influence decisions throughout the recruitment process. For instance, research shows that women are 30% less likely than men to be invited to a job interview, even when candidates have identical qualifications [1]. In contrast, in a foundational study on orchestral hiring, introducing blind auditions (where the gender of candidates was hidden) increased women's likelihood of progressing in the selection process by 50% [2]. These findings demonstrate that gender imbalances at the entry level are not driven by differences in competence but by biased selection mechanisms. Recruitment practices based on referrals and existing networks further reinforce these dynamics. Professional and leadership networks tend to be gender-segregated, and when organizations rely heavily on them, they reproduce existing imbalances rather than correcting them. This contributes to gender-stereotyped teams, where women and men are concentrated in different functions despite comparable skills and experience.

Gender imbalances are compounded through promotion and retention processes. Although promotions are often perceived as merit-based, outcomes remain highly unequal. Globally, approximately 75% of management positions are held by men, and men are 30% more likely than women to obtain managerial roles [3]. At the very top of organizations, women's representation remains extremely limited: in 2022, only 5% of CEOs worldwide were women [4]. These figures point to structural barriers in advancement rather than a lack of qualified women. Differences in socialization and evaluation practices further contribute to these outcomes. Research shows that women tend to apply for promotions only when they meet 100% of the stated requirements, whereas men typically apply when they meet around 60% [5]. In organizations where progression depends on self-promotion, confidence, and negotiation, rather than transparent and standardized criteria, these dynamics systematically disadvantage women over time.

Another structural driver of imbalance lies in gender-insensitive HR policies and workplace practices. Many organizations, particularly smaller or fast-growing ones, lack formalized policies on compensation, leave, flexibility, and workload management. This results in discretionary, case-by-case decisions that are difficult to challenge and often reinforce bias. Because women continue to carry a disproportionate share of unpaid care and domestic work, insufficient support for caregiving responsibilities disproportionately affects their ability to remain, perform, and progress within organizations. Workplace culture further shapes these dynamics. Gender-based micro-aggressions, unequal participation in meetings, informal exclusion from decision-making spaces, and norms around constant availability can undermine confidence, legitimacy, and long-term engagement. While often subtle, these patterns accumulate and influence who stays, who advances, and who is perceived as leadership material.

Finally, gender imbalances persist within governance and board structures. Globally, only 23% of board members are women [6]. Board appointments are frequently made through informal networks and recommendations, which are themselves shaped by male-dominated leadership circles.

[1] https://phys.org/news/2019-03-women-percent-hiring-men.html
[2] https://www.aeaweb.org/articles?id=10.1257/aer.90.4.715
[3] https://www.spglobal.com/esg/insights/featured/special-editorial/women-in-leadership-what-s-the-holdup
[4] https://www.theceomagazine.com/business/management-leadership/countries-with-the-most-women-ceos/
[5] https://www.forbes.com/sites/jackzenger/2018/04/08/the-confidence-gap-in-men-and-women-why-it-matters-and-how-to-overcome-it/
[6] https://phys.org/news/2019-03-women-percent-hiring-men.html

In addition, women undertake at least 2.5x more unpaid care and domestic work than men, limiting their availability for unpaid or time-intensive governance roles [7]. These structural factors significantly constrain women's participation in boards and advisory bodies, even when qualifications and experience are comparable.

Taken together, these mechanisms interact and reinforce one another. Biased hiring limits entry, unequal promotion practices restrict advancement, gender-insensitive policies increase attrition, and homogenous governance structures perpetuate the same norms and decisions over time. Gender imbalances in staff and leadership are therefore not accidental, but the predictable outcome of systems that have not been intentionally designed to counter gender biases.

Why is gender-diverse staff and leadership important?

Gender-diverse staff and leadership are not only a matter of fairness or representation; it has tangible implications for organizational performance, decision-making quality, staff satisfaction, retention, and long-term sustainability. Evidence across hiring, leadership, HR practices, and governance consistently shows that organizations that fail to address gender imbalances incur both visible and hidden costs, while those that foster gender diversity are better equipped to perform, adapt, and grow.

A first key reason gender diversity matters is its impact on organizational performance and innovation. Research shows that gender-diverse teams broaden the range of perspectives, experiences, and problem-solving approaches within an organization. A large-scale survey of 1.7k companies across eight countries found a statistically significant relationship between diversity in management and innovation outcomes: organizations with the highest levels of diversity generated 19% higher innovation-driven revenues and 9% higher EBIT margins than less diverse peers [8]. Similarly, companies with more gender-diverse leadership teams are 25% more likely to achieve above-average profitability [9], 21% more likely to outperform on EBIT margins, and 27% more likely to create long-term value [10]. Gender diversity in leadership is particularly important because strategic and operational decisions are shaped at this level. Homogeneous leadership teams are more prone to groupthink and blind spots, while diverse leadership improves risk assessment, stakeholder understanding, and the quality of strategic debate. For ESOs, whose effectiveness depends on understanding diverse entrepreneurial realities, this diversity directly affects program relevance and ecosystem impact.

Gender-diverse staff and leadership are also critical for talent attraction, engagement, and retention. Workplaces perceived as fair, inclusive, and supportive foster stronger employee commitment and satisfaction. Conversely, environments where progression is biased or where policies fail to account for different life situations disproportionately push out women and gender-diverse staff, resulting in higher turnover and loss of institutional knowledge.

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[7] https://blogs.worldbank.org/en/jobs/how-achieve-gender-parity-boardrooms
[8] https://hbr.org/2018/01/how-and-where-diversity-drives-financial-performance
[9] https://www.mckinsey.com/~/media/mckinsey/featured%20insights/diversity%20and%20inclusion/diversity%20wins%20how%20inclusion%20matters/diversity-wins-how-inclusion-matters-vf.pdf
[10] https://www.insurance.ca.gov/diversity/41-ISDGBD/GBDExternal/upload/McKinseyDeliverDiv201801-2.pdf

Evidence illustrates the impact of supportive policies: when Google increased paid maternity leave from 12 to 18 weeks, the turnover rate of women after maternity leave dropped by 50% [11]. More broadly, over 80% of companies offering paid family leave report a positive impact on employee morale, and more than 70% report increased productivity [12]. Supportive HR policies also make economic sense. Research found that for every USD1 invested in childcare benefits, employers can see a return of up to USD4.25 through reduced absenteeism, lower turnover, and improved productivity [13]. These findings highlight that gender-sensitive HR policies are not a cost burden, but a strategic investment that supports sustained performance.

Gender diversity in terms of governance further strengthens organizational outcomes. Evidence shows that companies with higher gender diversity on their boards are more likely to achieve stronger future financial performance [14]. Organizations in the top quartile for gender-diverse boards are 25% more likely to deliver above-average profitability than those in the bottom quartile [15]. In addition, boards with well-integrated women directors are associated with 10% higher stock returns and an 8% lower likelihood of shareholder dissent, reflecting more inclusive, consensus-driven decision-making [16]. Beyond measurable performance indicators, gender-diverse boards and leadership teams also contribute to organizational reputation, legitimacy, and culture. They signal progressiveness, accountability, and alignment with societal expectations, factors that increasingly matter to funders, partners, employees, and beneficiaries. For ESOs, more inclusive and diverse governance helps ensure that programs, business development and funding strategies lead to more inclusive impact.

Taken together, gender-diverse staff and leadership strengthen organizations across multiple dimensions: it improves decision quality and innovation, reduces turnover and associated costs, enhances staff well-being and engagement, and reinforces legitimacy and long-term sustainability. For ESOs, these benefits are amplified by their role as ecosystem actors: internal gender diversity not only improves organizational effectiveness but also resonates with the norms and opportunities of the entrepreneurial ecosystems they serve.

How can ESOs foster gender-diverse staff and leadership?

Fostering gender-diverse staff and leadership requires a deliberate approach, which becomes more and more coherent, and integrated over time. For ESOs, which often operate with small teams, limited HR capacity, and strong reliance on networks, intentionality is key across the following levels.

1. **Design gender-inclusive and intentional recruitment processes:** One of the most effective entry points is to move from reactive to gender-inclusive hiring. ESOs can do this by:
   - Diversifying recruitment channels beyond existing networks and referrals, which are often gender-homogeneous, and proactively reaching out to talent pools where underrepresented genders are more present. In practice, this means complementing internal referrals with open calls, advertising roles through multiple platforms,

[11] https://www.aeaweb.org/articles?id=10.1257/aer.90.4.715
[12] https://www.eu-libra.eu/sites/default/files/article-files/libra_recruitment_guidelines_second_edition_0.pdf
[13] https://buscompress.com/uploads/3/4/9/8/34980536/riber_sk14-026__402-410_.pdf
[14] https://www.thecorporategovernanceinstitute.com/insights/news-analysis/board-diversity-leads-to-better-profits/
[15] https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters
[16] https://hbr.org/2022/09/is-your-board-inclusive-or-just-diverse

and engaging with professional associations, alumni networks, or community organizations that have privileged access to women and gender-diverse talent. ESOs should periodically review which channels generate applications and hires, and adjust their outreach strategy if certain genders consistently drop out of the pipeline

- Reviewing job descriptions to remove gendered language, unnecessary requirements, or criteria that may exclude certain profiles in a gendered way, and focusing instead on essential skills and competencies. This involves critically assessing whether listed requirements are truly indispensable for the role, distinguishing between "must-have" and "nice-to-have" criteria, and avoiding formulations that emphasize constant availability, competition, or seniority when these are not essential. Job descriptions should also reflect the organization’s values and working culture, including flexibility and learning opportunities, to appeal to a broader range of candidates
- Applying anonymised screening at early stages of recruitment, removing names and other gender-identifying information to reduce unconscious bias. This can include anonymizing CVs by removing names, photos, age, and addresses before initial screening, and assigning this task to a person not directly involved in the selection process. The objective is to ensure that shortlisting decisions are based on qualifications and experience
- Using structured interviews and evaluation criteria to ensure that all candidates are assessed against the same standards. This requires defining interview questions in advance, linking them explicitly to the competencies required for the role, and using a common scoring framework for all candidates. Structured processes reduce the risk of subjective judgments and ensure that interviewers do not ask gendered or personal questions (e.g., about family situation) to some candidates but not others
- Ensuring diversity among those involved in hiring decisions and providing bias-awareness training to everyone involved in recruitment. Involving people with different genders, roles, and perspectives in recruitment decisions helps counterbalance individual biases. Where this is not possible due to team size, ESOs should at least ensure that decision-makers are trained to recognize unconscious bias and understand how it can affect recruitment outcomes. Regular refreshers and shared reflection on past hiring decisions can further strengthen learning and accountability.

2. **Make progression, promotion, and compensation transparent and fair*:*** Gender-diverse leadership cannot be achieved if progression and retention are shaped primarily by informality, visibility, or individual negotiation. ESOs can strengthen this aspect by:

- Formalizing performance evaluation processes, making expectations, objectives, and assessment criteria explicit and consistent across roles. This involves setting clear, measurable goals for each position, documenting performance discussions, and ensuring that evaluations are conducted regularly rather than ad hoc. Managers should be trained to recognize gendered evaluation patterns, such as overvaluing confidence or penalizing assertiveness differently depending on gender
- Clarifying promotion criteria and decision-making processes, so that advancement to leadership or higher-responsibility roles is based on transparent and merit-based pathways rather than informal sponsorship or proximity to decision-makers. This includes clearly defining the competencies, experience, and responsibilities required for leadership roles, and ensuring that promotion decisions are reviewed collectively rather than by a single manager

- Standardizing compensation structures, such as salary bands, ranges, or grids linked to role scope and responsibility. By reducing reliance on individual negotiation, which tends to favor those more comfortable advocating for themselves, ESOs can limit the emergence of gender pay gaps and ensure that pay progression reflects role evolution and performance rather than bargaining power
- Providing mentoring, sponsorship, and development opportunities, particularly for staff who may have less access to informal networks or role models. This can include structured mentoring relationships, peer-learning groups, or regular career-development conversations where staff can discuss aspirations, skill gaps, and progression opportunities in a safe and supportive environment
- Supporting retention through flexibility and career continuity, especially during life events such as pregnancies and caregiving duties. ESOs should ensure that temporary adjustments to workload, hours, or responsibilities do not permanently stall career progression, and that staff returning from leave are supported in re-entering their functions.

3. **Embed gender sensitivity into HR policies and everyday practices:** Recruitment and promotion efforts will not be sustainable unless supported by HR policies and workplace practices that reflect different life situations and reduce discretionary decision-making. ESOs can strengthen gender-sensitive HR practices by:

- Conducting a structured assessment of existing HR policies and (in)formal practices, identifying where inconsistencies or gaps may disproportionately affect certain genders. This assessment should focus on remuneration practices, benefits, leave policies, flexible work arrangements, workload management, safety measures, and access to training, using staff feedback to identify recurring issues rather than isolated cases
- Formalizing key HR policies and procedures, even in simple and accessible formats, to ensure clarity and consistency. Policies should clearly outline eligibility, processes, and decision criteria, reducing reliance on personal negotiation or managerial discretion and making it easier for staff to understand and exercise their rights
- Designing flexible work arrangements that are usable in practice, not only in principle. This includes clearly defining expectations around availability, remote work, and workload planning, and ensuring that flexibility is not perceived as a lack of commitment or penalized in performance evaluations
- Reviewing benefits and perks through a gender lens, analyzing who actually uses them and who does not. ESOs should ensure that benefits do not inadvertently cater only to certain life situations or preferences and should consider offering more flexible or modular options where possible
- Actively shaping workplace culture by setting norms around respectful communication, meeting facilitation, feedback, and decision-making. Addressing micro-aggressions, unequal participation, or informal exclusion requires explicit expectations, leadership modelling, and mechanisms for staff to raise concerns safely.

4. **Build gender-diverse and inclusive governance structures:** Gender-diverse staff and leadership are reinforced by governance bodies that reflect diverse perspectives and experiences. ESOs can strengthen gender diversity in governance by:

- Conducting a diversity audit of existing Boards or advisory bodies, assessing gender representation alongside skills, experience, and perspectives. Using a matrix can help visualize gaps and guide recruitment toward underrepresented profiles rather than relying on reputation or familiarity

- Formalizing commitment to diversity in governance, including setting clear objectives and documenting selection principles. This helps move board composition away from opportunistic appointments toward a more strategic and accountable process
- Recruiting governance members based on identified gaps, expanding outreach beyond existing leadership networks, and cultivating relationships with potential candidates over time. This reduces the risk of tokenism and ensures that diversity brings meaningful expertise and perspective
- Establishing inclusive boardroom practices, such as transparent agenda setting, clear decision-making processes, and structured discussions that encourage participation from all members. Avoiding informal “back-channel” decision-making helps ensure that diverse voices influence outcomes
- Providing onboarding and ongoing support to board or advisory members, including training on unconscious bias and inclusive governance. This enables all members to contribute effectively and helps integrate diversity into the board’s way of working rather than treating it as symbolic.

Gender-diverse staff and leadership are not the product of chance, nor of a single policy or commitment, but the result of coherent and intentional organizational design. For ESOs, this is particularly important: internal practices not only shape team performance and culture, but also signal what kinds of leadership and opportunity are valued within the wider entrepreneurial ecosystem.