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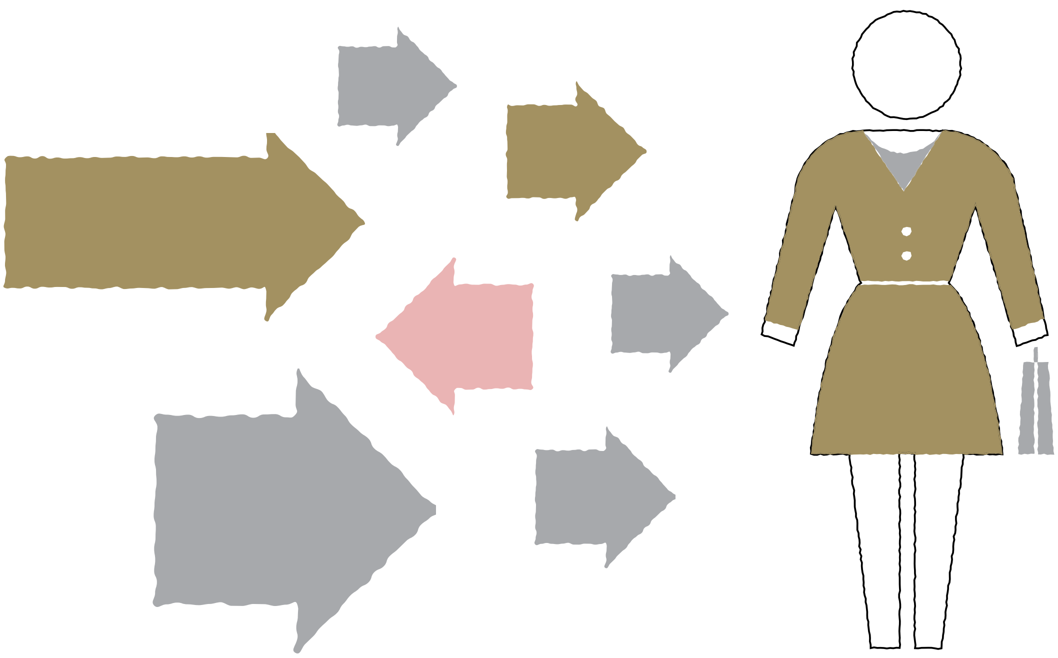
FINANCIAL SERVICES INSTITUTE *of Australasia*

MYTHBUSTERS – SEVEN MYTHS ABOUT WOMEN *and work*



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Finsia
Finsia is the only professional association representing the entire spectrum of the Australasian financial services industry – including the wealth management, banking & finance, and capital markets sectors.

We connect more than 16,000 members – not only with each other, but with the latest thinking and information from cross the industry and around the globe. Finsia's core purpose is to help our members succeed in their careers, and to support the growth and development of the financial services industry. This is achieved by providing members with relevant and high quality professional development and networking programs, a comprehensive suite of career support services and a range of industry-leading information resources and publications. Our research and policy initiatives ensure Finsia plays a critical role in promoting industry growth both regionally and around the world.

About the author
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Her most recent book *The F Word - How we learnt to swear by feminism* (New South) with Jane Caro, was published in 2008. The book she co-authored with Helen Trinca, *Better than Sex: How a Whole Generation Got Hooked on Work* (Random House) was shortlisted for the 2005 Blake Dawson Waldron Business Book of the Year award.

Catherine's journalism has won several awards, and she is a regular speaker at seminars and conferences around the country. Catherine holds a BA Communications (UTS) and MA Hons (UNSW).

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FOREWORD

Despite often entering the workforce at similar levels to men, many women are paid less than their male colleagues, are less likely to be promoted and are severely under-represented at executive level, particularly within Australia's financial services industry.

Recent indicators have illustrated the extent of this alarming problem, with research showing there is a significant gulf between perception and reality. Whether this comes down to ignorance or just plain old complacency is unclear, however, currently, women who pursue a career in finance services encounter residual prejudices throughout their career cycle, no more so than when trying to advance into leadership roles.

Consider the facts: despite women making up nearly 50 per cent of the ASX200 workforce, female executives earn an average of 28 per cent less than their male peers. Worse still, women hold just 8.4 per cent of Board Director positions and a mere 2.5 per cent are Chairs.

Given Australian businesses have exhausted a long list of excuses as justification for the significant under-representation of women in leadership, Finsia is calling for an examination of the social and cultural issues which are draining our talent pool.

The only way to explain the lack of women occupying leadership roles so many years after the implementation of equal opportunity and anti-discrimination legislation, is a common bias at executive management level in favour of men. This is fuelled by a range of informal beliefs and attitudes towards women in the workplace. In this paper, comissioned by Finsia, Catherine Fox, Deputy Editor – AFR BOSS examines the most common myths with regard to the lack of women holding leadership roles in financial services. These include:

- there are not enough women
- careers are disrupted through child bearing/caring responsibilities
- women lack ambition
- legislated quotas or targets are unnecessary
- women can't negotiate
- workplaces are meritocracies; and
- the gender pay gap is exaggerated.

A recent poll of our members found that a large proportion of females (85 per cent) feel there is a gender divide within financial services, yet just 28 per cent of men agree. Sadly, it seems many women are resigned to the fact that this is unlikely to change. Most feel it's almost impossible to progress to executive level in such a male-dominated environment and they have observed the fate of enough female peers to realise that promotion opportunities will need to be traded for flexibility, when taking time out of the workforce due to caring responsibilities.

However, it seems men can't see what the fuss is about. Largely, male finance professionals feel much has been done already to overcome the gender divide inherent within the industry and believe that women now have more or less the same opportunities as men.

As a member of the ASX Corporate Governance Council, Finsia was involved in recently raising the bar, with listed companies now required to disclose the number of women appointed at executive and board level on an 'if not, why not' basis. While shining light in dark places helps to expose imbalances, the values and cultural barriers which go to the heart of the gender divide in Australia are likely to remain.

In the race to become the next regional financial services hub, having access to a deep pool of motivated talent will trump other sources of comparative advantage such as tax, regulation and time zones.

No country can afford to leave a large percentage of highly skilled candidates sitting on the sidelines. Yet this is exactly what Australia is doing by failing to implement measures to attract, retain and promote equal numbers of women to senior executive roles.

What's required is a radical change in norms and behaviours within our workplaces, to close the gap between policy, practice and attitudes. Strong empirical evidence from Sweden and other Scandinavian countries indicates the strength that a combination of proactive government policy and industry leadership can have in successfully bringing about real change on this front. Strategies for addressing the gender divide within the workplace from a cultural perspective could include:

- Creating a level playing field across all industries and job levels by broadening policy debate to include not only adequate parental leave, but also greater public expenditure on childcare to maximise access, flexibility and choice
- Extending diversity reporting requirements beyond board and executive level to include full disclosure of gender composition at middle management and operational levels. This should also include the disclosure of average salaries by gender, diversity reporting on recruitment processes, as well as exit and return-to-work statistics
- Implementing company level incentives to positively encourage a greater uptake of paternity leave by men and to breakdown the residual prejudices regarding men in caring roles
- Conduct focused research to actively investigate cultural beliefs and behaviours within individual work-units/departments and establish internal targets to overcome the gender biases of certain roles. For example: the continued dominance of men in capital markets and trading roles as compared to say, human resources and marketing roles
- Broaden and strengthen internal support structures for employees transitioning back into the workplace beyond the traditional HR approach. For example: monitor the percentage of staff who access maternity/paternity leave, as well as the percentage of staff promoted before, during or after taking maternity/paternity leave.

Failing to increase the level of female participation within financial services will have a significant impact on the future of our industry and the broader economy.

DR MARTIN FAHY F Fin
Chief Executive Officer, Finsia

MYTHBUSTERS – SEVEN MYTHS ABOUT WOMEN *and work*

CATHERINE FOX

Introduction

A renewed level of interest in addressing gender inequity in the business sector has emerged in the last two years in Australia. Triggered by a startling set of statistics released in 2008 (Equal Opportunity for Women in the Workplace Agency Census of Women in Leadership) which showed women's representation in the top ranks of listed companies had gone backward after a decade of economic boom, the impetus for change has been slowly gathering momentum.

In July 2010 the ASX introduced revised Corporate Governance Principles which now require Australian listed entities to adopt a diversity policy and publish statistics on the level of women employed throughout the organisation in annual reports. Subsequently, a number of industry bodies including the Australian Institute of Company Directors and Business Council of Australia, have either launched mentoring programs or research into this issue. An increased number of forums on the topic have also been scheduled in 2010 with record attendance at some regular events such as the recent Serious Women's Business conference and the Australian Institute of Management's Great Debate on women and leadership back in August.

In the financial services sector Finsia's policy research in the area of talent and employment over the last two years has confirmed that despite the increase in labour force participation rates of women in Australia over the last 30 years, leadership participation rates in the industry in particular have been disturbingly in decline.

The recent Finsia study *Bridging the Gender Divide* revealed a significant level of disagreement between men and women working in the sector about the nature of gender disparities and indeed, the validity of such issues.

The initiatives resulting from these studies are certainly an acknowledgement of the need to address gender equity in business. But some significant barriers remain that will not be addressed by new policies or mentoring schemes. They consist of the informal beliefs and attitudes towards women in the workplace which are also linked to Australian social and cultural expectations. However, to address these complex and often unconscious barriers it is necessary to acknowledge, define and analyse the most potent beliefs and challenge their legitimacy.

The following sections explore a series of pervasive misconceptions and assumptions which play a significant role in justifying and perpetuating the scarcity of women in senior business roles. When these are combined (and there is clearly some overlap in the scope of these sections) they present a formidable narrative which has been highly effective in preventing the systemic and attitudinal change essential for progress.

MYTH *1*
NOT ENOUGH *women*

There is no doubt that more women are participating in the Australian workforce than ever before. Women make up 45 per cent of paid workers, and the ratio has continued to rise over the last few decades. Women now outnumber men in the US workforce (51 per cent). Between February 1978 and June 2009, the Australian labour force participation rate of women increased from 43.5 per cent to 58.7 per cent[1] so women in jobs now clearly outnumber those who are not employed.

Nevertheless, it is significant that women's presence in paid work remains largely restricted to lower skilled jobs, or in white collar sectors, to clerical/mid-management roles. The reasons for this will be examined in the following sections, but it is worth noting that the lack of women in senior ranks is often used to justify their continuing exclusion from such jobs. Instead of examining the barriers to women's advancement, this argument perpetuates the assumption that while women may continue to enter the 'pipeline' they are unable or unwilling to reach levels of experience or tenure necessary for senior roles. In fact there is little evidence to support this contention. Women are not just participating in paid work they are also making up a significant number of well educated and experienced women professionals. In 2009, women made up 64.2 per cent of all higher education graduates. Currently, women account for 55.7 per cent of all higher education students, and 47.6 per cent of all vocational education and training enrolments. In some sectors the ratio is even higher – of those graduating with law degrees, 62 per cent in 2009 were women. These figures are the result of gradual increases in female graduates over the last few decades.

The 2008 *Census of Women in Leadership* found that women were well represented to middle management ranks in listed companies, but even in sectors where women make up the majority of the workforce there were far fewer women in very senior ranks. Australia's finance and insurance industry employed approximately 375,000 employees Australia wide according to the EOWA 2006 Industry Vertical study of the sector. The 145 finance and insurance companies reporting annually to EOWA employ over 219,000 employees of which 59 per cent were female.

In management, they have attained a relatively high presence at 31 per cent, which places the industry fifth amongst other large private-sector industries after the traditional female sectors of education, retail, hospitality, health and community services, but ahead of manufacturing, property and business services.

The majority of women in the financial services sector, however, are employed in middle to lower-level occupations, making finance and insurance the third-largest employer of advanced clerical workers and the fifth-largest employer of associate professionals in the total female labour force. There were only two female CEOs and the number of women managers at 31 per cent is lower than the average for all sectors of 32 per cent. Given these high levels of female participation, and the growing number of graduates in related degrees, the proportion of women in finance and insurance management could be considered relatively low when compared with the total proportion of women in the workforce as a whole.

There are many factors contributing to this poor representation but recent studies have confirmed that career progress for women is in fact hampered from the beginning of their working lives and not at later stages when motherhood may intervene. Research suggests women have much less chance than men of being identified as potential managers/executives and are therefore not offered the same development opportunities as their male colleagues from graduate entry level. This failure to be included in training, mentoring or secondments acts as a major impediment to entering the pool of candidates for promotion.

1 Australian Bureau of Statistics. *Labour Force, Australia*, Jan 2009. www.abs.gov.au

> *The study found female leaders are under-represented in accelerated development programs early in their careers, which hinders their climb up the ladder.*

'The deck is stacked against women from the earliest days of their careers' according to the 2009 study from consulting firm DDI.[2] The study found female leaders are under-represented in accelerated development programs early in their careers, which hinders their climb up the ladder. 'Because many of the accelerated programs (like high potential programs and one-on-one mentorship) are secret or happen behind closed doors, organizations aren't held accountable for gender balance. Having women represented in significant numbers at every leadership level doesn't mean that will carry to the executive level - in fact, there is a backlash against women at the top when they are dominant in leadership roles at every other level.'

Women lag behind men in both job level and salary starting from their first position post-business school and do not catch up, according to another study by US firm Catalyst: *Pipeline's Broken Promise*. The report, released in February 2010, examined high potential graduates from top business schools around the world and found that 'the assertion that women advance in compensation and level at the same pace as men is overstated and, in many cases, completely wrong'. Using data gathered from a study of thousands of women and men MBA alumni in the United States, Canada, Europe, and Asia, it provides analysis of the pace of progress for high potential employees.

'Even after taking into account experience, industry, and region, the report found women start at lower levels than men, make on average US$4,600 less in their initial jobs, and continue to be outpaced by men in rank and salary growth. Only when women begin their post-MBA career at mid-management or above do they achieve parity in position with men. However, this accounts for only 10 per cent of the women and 19 per cent of the men surveyed.'

Both studies confirm the existence of barriers to women's progress, right from the beginning of their careers. This sheds light on why women are so poorly represented in senior roles given the growing number of well educated females in the workforce. When blockages prevent most qualified women from pursuing the paths into management the solution does not lie in the supply of female employees but addressing and dismantling these barriers. The systemic failure to identify and include women in the development and training necessary for advancement is often a result of managers making a range of assumptions about women's career potential, their ambition and their future plans. Ironically, the scarcity of women in senior ranks leads to further discriminatory attitudes. When a woman does decide to leave a senior job, for example, it often attracts disproportionate attention and leads to an unfortunate belief that her actions are emblematic of her gender. This is the 'we tried a woman once and it didn't work' syndrome.

Improved recognition and nurturing of professional women from the beginning of their careers, and encouragement to articulate their goals (see section 3) would alleviate some of the barriers. Catalyst asked CEOs and executives from major companies for suggestions on their study's findings which included: don't assume that the playing field has been levelled; redesign systems to correct early inequities; collect and review salary growth metrics; build in checks and balances against unconscious bias; make assignments based on qualifications, not presumptions.

2 Howard, Ann & Wellins, Richard S. *Holding Women Back: Troubling Discoveries and Best Practices for Helping Female Leaders Succeed*, Development Dimensions International, 2008.

MYTH 2
DISRUPTED CAREERS AND THE *maternity wall*

Child bearing/caring responsibilities and the impact on paid work and careers represents one of the most tangible differences between men and women's workplace participation. Women's career patterns, along with part-time or flexible working hours are frequently quoted as the core stumbling block for women in reaching senior roles. It is worth noting however, that this has become widely acknowledged as the primary rationale when examining barriers to women. While there is no denying that formal workplace structures continue to favour employees with the ability to sustain long hours and unbroken careers, there are many organisations that have provided paid parenting leave, and a range of policies to ensure retention of women employees. While some have had limited success, the current gender split at the top of Australian businesses would indicate a gap between policy and practice and the need to address a broader range of factors – and beliefs – than bridging career breaks.

The problems faced by mothers are both structural and attitudinal. Sociologists call the effect of mothering on careers the 'maternal wall' or 'motherhood penalties'. Certainly, disruption to established working hour norms continues to be regarded by many employers as a basic impediment to career progress despite rhetoric around more inclusive workplaces. Data in Australia confirms there is a motherhood wage penalty of about five per cent for one child and nine per cent for two or more children and that the penalty emerges over time due to reduced wage growth rather than immediate reduction post-children.[3] Many mothers returning to work also report their career prospects suffer and they are no longer offered the same opportunities as other male or childless female colleagues.

A renowned study on motherhood penalties shows a high level of bias against mothers in the job market. The study *Getting a job – is there a motherhood penalty?*[4] conducted by Shelley Correll of Stanford University and her colleagues, found that evaluators consistently ranked mothers as less competent and less committed workers than childless women, but ranked fathers as more competent and committed than non-fathers. In a follow-up study, they found that a childless female candidate was twice as likely to be called in for an interview than a mother. Fathers experienced no call-back penalty. Other studies show that mothers are often perceived as not working hard enough; however, when mothers demonstrate intensive effort, they are often seen as unlikable and selfish. Mothers are also judged by a harsher standard when it comes to calling in sick or taking time off, Correll found.

Women are also participating in the workforce at a higher rate while continuing to shoulder traditional home duties which puts them under increased pressure, according to Professor Barbara Pocock from University of South Australia and co-author of the *Work, Life and Workplace Flexibility: The Australian Work and Life Index* (AWALI). The AWALI 2010 survey found women in professional occupations had poorer work-life interference than their male colleagues, even when their hours are similar.

Shorter hours clearly suit many women's needs and preferences more than full-time work – given current workplace arrangements, the study found. The factors that create time strains and pressures for working women are well documented: lack of quality, accessible, affordable childcare, inflexibility at work, unsupportive cultures, and disincentives in the wages, benefits and taxation systems, and inequality in time spent on childcare and domestic work at home.

The financial services sector has a particular problem with women attempting to blend paid and unpaid work. Research from Harvard academics Claudia Goldin and Lawrence Katz found the influx of highly educated US workers into finance in the last two decades has been at a cost that fell mainly on women.

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3 Livermore, Tanya, *The effect of motherhood on wages and wage growth*, University of Wollongong, 2009.
4 Benard, Stephen & Correll, Shelley, *Getting a Job: Is there a motherhood penalty?* Cornell University, 2005.

‘Among elite white-collar fields, finance appears to be uniquely difficult for anyone trying to combine work and family’ they concluded.

The impact of career breaks on women in professional roles in financial services has also been part of the study by Goldin and Katz who surveyed 6500 Harvard and Radcliffe graduates from various classes between those of 1969 and 1992, and ‘found that women who had gone on to earn an MBA after graduating from Harvard were far less likely to be employed and have children at the time of their fifteenth reunion than female respondents holding MD degrees.’[5]

Investment banking, in particular, is more difficult for women having children than other demanding sectors such as medicine or law according to the research.[6]

While these are American studies it is reasonable to assume similar factors are at play for women in such jobs in Australia.

Re-attachment to the workplace after maternity breaks and resuming career paths also present particular difficulties for many women. Given the assumptions outlined above it is not surprising that women returning to their jobs often find their role has subtly changed or their opportunities have reduced. Once again, policies can be helpful but do not shift the attitudes and assumptions that lead to such outcomes. A failure to communicate with women during their leave and reallocation of workloads/clients while they are absent can easily derail careers.

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Sociologists call the effect of mothering on careers the ‘maternal wall’ or ‘motherhood penalties’. Certainly, disruption to established working hour norms continues to be regarded by many employers as a basic impediment to career progress despite rhetoric around more inclusive workplaces.

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5 Gudrais, Elizabeth, ‘Family or Fortune’, *Harvard Magazine*, Jan/Feb 2010.

6 Goldin, Claudia & Katz, Lawrence F. 2008. ‘Transitions: Career and Family Life Cycles of the Educational Elite.’ *American Economic Review*, 98(2): 363–69.

MYTH 3
WOMEN LACK *ambition*

One of the common assumptions made of women returning to work after child bearing is that any remnants of ambition have disappeared. But it's not only mothers who battle this perception. Partly because of the context in which most women work and strong stereotypes, there continues to be a pervasive belief in many organisations that women are generally less ambitious – and possibly less resilient or tenacious - than their male colleagues. When asked about CEO roles, the chair of Westpac, Ted Evans told the Australian Financial Review: 'The jobs are incredibly demanding and to find women to do these jobs is not easy'.[7] His comments reflect the widespread assumption that women as a cohort are not willing to take on such roles – even if they were asked.

It is simplistic however to assume there is one clear fallacy behind these attitudes. The reality is far more complex. In her book *Necessary Dreams – ambition in women's changing lives*, US author Anna Fels found that many women did indeed feel uncomfortable about using the word ambition of themselves. Many of the problems they encountered in their careers were about interrupted tenure or barriers which were mostly due to organisations being structured around the 'male life cycle', she found. Different types of career paths were rarely tolerated or rewarded in these strictly linear structures which were also age sensitive and reflect highly competitive 'up or out' workplaces.

In her April 2004 Harvard Business Review article *Do women lack ambition?,* Fels outlines how young women's ambition dissipates once they enter the workforce. They succumb to powerful cultural imperatives that equate ambition and quests for recognition with lack of femininity, and many begin to associate the word with selfishness or egotism, she writes. Because women receive little praise for their achievements or the qualities they have used in their work (and because it is seen as incongruent with femininity) they deny their ambition and give up on their aspirations.

Similarly, a major 2008 study of civil servants by the Centre for Gender and Women's Studies at Trinity College in Dublin found women were more ambitious than men when they started their careers, but the combination of broken career paths due to child bearing and perceptions about ambition in women were key inhibitors. Ambitious women were seen as unfeminine and their problems started early on in their careers, due to a lack of viable career paths or role models that would suit their lives, the research found. Findings reveal that like men, women desire promotion and advancement.

> “*There continues to be a pervasive belief in many organisations that women are generally less ambitious – and possibly less resilient or tenacious than their male colleagues.*”

7 Fox, Catherine. 'Only the superhuman need apply', *Australian Financial Review*, 30 March 2010.

The 2008 *Generation F* (women between 16 and 65 years) report[8] found women and men have the same aspirations for their careers. 'Australian women – Generation F – are highly skilled, just as ambitious as men and want the opportunity to develop their skills. But persisting gender bias and old-school policies regarding flexible working conditions and work-life balance continue to hamper Generation F's positive participation in the workforce,' said Anna McPhee, EOWA Director at the time. 'Thirty one per cent of the women we spoke to say they would participate more in the workforce if their partners did more of the domestic work. Because women's time is sliced up more than men, it can mean they have less time to further their education, take on career progression training and networking which is of concern for women, but also for the Australian economy.'

Key areas were identified where business is falling short of what women want in the workplace: 75 per cent of Generation F wanted opportunities for promotion and progression, but only 49 per cent said their organisation provides them this opportunity. Supportive bosses and management were important for 90 per cent of women seeking a job, but only 64 per cent said that this was true of their workplace. Learning and development was important for 83 per cent of the cohort but less than two-thirds said their workplace provided this; 83 per cent of women were looking for an organisation that genuinely supported work-life balance, but only 58 per cent found it; only 55 per cent of women said their workplace has a good organisational record of promoting and supporting women; and just 51 per cent of women said their organisation has a large number of women in senior positions.

Australia's adherence to good mother versus good worker ideals has been outlined by Federal Sex Discrimination Commissioner Elizabeth Broderick (Gender Equality Blueprint 2010). Australian workplaces have a strong bias towards these models, Broderick believes, which make it particularly difficult for women to articulate, aspire to or successfully plan for senior level careers. In addition, as outlined in section one, there are substantial and well documented performance management barriers due to bias which also prevent women progressing.

The assumption that women are generically lacking ambition seems far from the truth, but many women clearly find the articulation of their career goals a much less straight-forward task than men. Legitimising their continued career planning, supporting and including women in management development from graduate intake levels and harnessing early career ambition appear to be important levers to break this cycle.

> *“Many women clearly find the articulation of their career goals a much less straight-forward task than men.”*

8 Equal Opportunity for Women in the Workplace Agency (EOWA). *Generation F.* 2008. www.eowa.gov.au

MYTH 4
QUOTAS/TARGETS FOR WOMEN ON BOARDS & EXECUTIVE TEAMS *unneccessary*

The current discussion on legislated quotas for women on boards or the introduction of soft targets at senior management level are frequently countered by strong formal as well as covert resistance in Australian business. The formal arguments against legislated quotas include a likelihood of tokenism and appointment of poorly skilled directors due to the small pool of female candidates. Interestingly, these concerns have not prevented the appointment of many more women to listed company boards this year following the spectre of quotas being raised and the ASX introducing diversity revisions to the Corporate Governance Guidelines. Women made up 28 per cent of appointments to ASX200 boards in the first ten months of 2010 (a total of 10 per cent of such positions are now filled by women) compared to 5 per cent women appointed in 2009. This would appear to debunk the idea there is a chronic lack of potential female candidates for these roles.

Quotas for boards are currently operating in Norway and France following little progress with other attempts to boost the number of women at board level. A range of countries are also considering such measures, including Spain, and Germany. While analysis from Norway shows some problems with implementing the legislation, there has been a marked improvement in the ratio of women on boards and few serious repercussions.

Meanwhile, in Australia there are some formidable barriers for women trying to join boards according to Monash University academics Kelly Tropea, Helen de Cieri and Cathy Sheehan. In a recent article[9] they examined the case for legislated quotas and identified personal and structural barriers for Australian women. The personal barriers highlighted include lack of ambition, preference for family responsibilities, lack of CEO experience, lack of tenure, perceived skills deficit and a reluctance to nominate for roles. The structural barriers range from the macho Australian culture and lack of acceptance of women as leaders, male dominated and long hours culture, informal promotion policies, lack of transparency, and tokenism of women on boards. They conclude that quotas could lead to a backlash against appointing women but advocate more transparency around board appointments and new obligations to interview at least two women for all board vacancies.

Evidence also continues to build which correlates women board members with improved corporate performance. The Reibey Institute, an Australian not-for-profit research centre, released a research note in September 2010 noting that over the past 3 and 5 year periods, ASX500 companies with women directors on their boards delivered significantly higher Return on Equity (ROE) than those companies without women directors.

Concerns about quotas have not however prevented some organisations adopting voluntary targets internally. The Commonwealth Bank recently committed to targets for women in senior management and announced a target of 35 per cent for women in these roles by 2014. The debate on quotas is likely to continue but has at least ignited a healthy discourse on the issue and served as a reminder that affirmative action principles commit extra resources and assistance to groups which are denied equal opportunities. Many companies are considering using targets to boost numbers of women and some have introduced mandatory measures for including women candidates for job vacancies and on interviewing panels. This seems likely to continue given the ASX principles and its ‘if not why not’ provisions in diversity reporting.

9 de Cieri, Helen, Sheehan, Cathy & Tropea, Kelly. *‘Quotas on Boards?’. Beyond the spin*, The 100% Project, issue 1 2010.

MYTH 5
THE DEFICIT MODEL – WOMEN CAN'T *negotiate*

A remarkably consistent belief in business circles revolves around the so-called deficit model – that women lack the skills to succeed in business. This is of particular relevance to financial services senior roles which are male-dominated and include testosterone-driven dealing room cultures. Much of the research on this topic confirms that an insidious combination of double standards and penalties leave women with very little room to manoeuvre when addressing their allegedly poor skills.

In her Australian research *What Women Want: Gender at the Negotiating Table* Melbourne Business School Professor Mara Olekalns found that women negotiating to improve their economic outcomes are hindered by the pervasive and subtle effects of gender stereotypes. The deficit model continues to be used to effectively align qualities typically regarded as female with less successful career skills, while male qualities are deemed essential for career progression. This is acute in some parts of the financial services sector. As Dr Simon Longstaff from the St James Ethics Centre wrote some years ago: 'The atmosphere of most dealing rooms is saturated with testosterone, aggressive behaviour and a need to hide any weakness dominates the psychology of the players.'[10]

The article, titled *A kinder, gentler finance*[11] concluded that the lack of women in financial services (particularly since the financial crisis) could partly be attributed to the perception they were less aggressive, wanted to spend time with family and failed to push themselves forward in competitive arenas. 'Finance is a profession still dominated by men and that sets the tone. Men often relate to each other and respond to stress differently than women do. This can lead to confusion and the perception that female colleagues are unstable or 'emotional'. Men also respond to set-backs and difficult co-workers, they just do it differently (and not more professionally).

'So it appears that part of what keeps women down on Wall Street is sensitivity, the desire to spend time with their children, and being less likely to tout their accomplishments. But isn't that nurturing quality, sensitivity, lack of ego, and risk awareness the very things that might have tempered all the bad behaviour? It sounds as if a woman who wants to rise to the top must suppress the very things that are supposed to change the existing culture.'

A recent Australian Financial Review article on women in investment banking[12] found many of the top institutions were struggling to attract more than 30 per cent female graduates, much less retain women at senior levels. The CEOs and executives interviewed believe the image of the sector was perceived negatively by many women. The image of blokey trading floors is perpetuated and supported by reward systems and promotion frameworks. These factors are not confined to trading rooms, although they provide a particularly intense example of what occurs. Greater understanding of the deficit model and the assessment and rewarding of women's skills, the deconstructing of stereotypes and norms of work would contribute to a wider range of appointments which would in turn, help to temper these cultures.

> *"Women negotiating to improve their economic outcomes are hindered by the pervasive and subtle effects of gender stereotypes."*

10 Longstaff, Simon, 'Executive women: unequal opportunities in Australia', St James Ethics Centre, www.ethics.org.au, 11 November 2003.
11 A.S, 'A kinder, gentler finance', *The Economist*: www.economist.com/blogs, 8 April 2010.
12 Fox, Catherine & Hatch, Brad, 'Macho banks struggle to draw women', *Deal Book,* 12 August 2010.

MYTH 6
WORKPLACES ARE *meritocracies*

Many Australian businesses continue to perpetuate the myth that workplaces are meritocracies where 'the cream rises to the top'. This is often enshrined in corporate vision statements and marketing material, and is closely linked to the concept that most workplaces reflect an 'even playing field'. Yet the principles of a meritocracy rest on valuing the talent of the entire cohort regardless of factors such as gender, race or religious belief. This is clearly not reflected in the upper ranks of Australian companies in 2010, including the financial services sector where one group – overwhelmingly male, white and middle-aged – continues to hold sway. Organisations and the systems they employ have subtly advantaged the power group for decades, according to Goldman Sachs advisor and gender expert Laura Liswood.

According to the Catalyst report cited in section one, men were twice as likely as women to hold CEO or senior executive positions and less likely to be at lower levels, where women were over-represented. Parenthood and level of aspiration did not explain the results. The findings held when considering women and men without children as well as those who aspired to senior leadership positions. Men, in general, were also found to be more satisfied with their careers overall than women. Thus, the report concluded, despite well-intentioned programs, companies around the globe have neglected to develop talented women and failed to build meritocracies.

To understand just how far from a meritocracy many financial services workplaces are, requires re-examining the way women's performance and skills are judged. In the US, research on women in the financial services sector by the National Council for Research on Women[13] identified barriers to women's participation in senior ranks. The report found women in the US constitute only 16 per cent of executive and board positions in the financial services and less than 10 per cent in fund management. The research identified differences in the investment styles of men and women, on average. They found 'that women tend to be more consistent investors, holding investments longer and processing a greater level of informational detail, including contradictory data, in making decisions. On the other hand, men tend to manage actively, trading often and basing decisions on overall schema. This research at a minimum debunks the myth that women are not as good money managers as men.'

But the study found that 'girls and women tend to step off the path to a career in fund management at almost every step of the way.' The number of women enrolled in MBA programs has stagnated at around 30 per cent in the US, and even those women tend not to opt for careers at hedge funds and mutual funds and in other high stakes investment fields.

The negative impact of stereotyping on women in the workplace has been documented since the 1970s, and stereotypes in financial services continue to limit women's roles largely to support services. These stereotypes, combined with the highly competitive culture and the long hours and travel often demanded by these jobs make the field uninviting, often causing talented women to look for other opportunities the study concluded. With so few women even taking up professional jobs in the sector it is difficult to see how the term meritocracy could accurately be used to describe financial services workplaces.

It is apparent from the Catalyst and DDI studies cited previously, that women are not only self-selecting out of financial careers, but those who do opt in are systemically overlooked in talent management programs from early in their career.[14]

The Women in Fund Management study suggested challenging bias and stereotypes and reforming hostile work environments in order to alter the poor female representation in the sector. Some of this requires policy revision but many of these barriers will be removed only through addressing cultural attitudes to make the sector more attractive to women.

13 National Council for Research on Women, *Women in Fund Management: a road map for achieving critical mass – and why it matters*, www.ncrw.org, August 2009.
14 Dinolfo, Sarah & Sabattini, Laura, *Unwritten Rules: Why Doing a Good Job Might Not Be Enough*, Catalyst: www.catalyst.org, February 2010.

MYTH 7
THE GENDER PAY GAP IS *exaggerated*

There is well-documented evidence which reveals a gender pay gap in Australia of 18 per cent, which is slightly more than last year. It widens in senior ranks so female executive managers at ASX200 companies earn 28 per cent less than their male colleagues. The gender pay gap in financial services is about 28 per cent (partly reflecting the gender split in job levels).

Some of the main contributors to the gap include the undervaluation of women's work, and women's access to training and inflexible work practices which limits their employment prospects. A study released in September 2010 by the Diversity Council and EOWA found just over three quarters (76 per cent) of Australians agree that steps should be taken to close the pay gap between men and women. The Federal Government's 'Making it Fair' report[15] found the same level of community support for addressing the pay gap. It seems Australians understand the need to correct unfairness in theory but there is still strong denial about the existence of a pay gap in practice.

Denial about a gender pay gap is bolstered by the notion that jobs where women dominate – feminised areas such as HR, marketing etc – are of less value and are rewarded accordingly. Finsia's *Significance of the gender divide in financial services* study found the majority of male respondents agreed that the pay gap in financial services is grossly exaggerated and the gender difference in earnings is a fair reflection of the hours worked and skills sets, while 80 per cent of women respondents disagreed.

Attributing the pay gap to the shorter hours worked by women is common but pay gap data is calculated on average hourly earnings to allow for such anomalies.

A 2010 report *The gender wage gap in Australia: What it costs us, why it's still here and will it ever go?*[16] found that the main contributing factor to the wage gap was simply 'being a woman', which accounted for 60 per cent of the difference. Other factors include industrial segregation (25 per cent), labour force history (7 per cent), under-representation of women with qualifications (5 per cent) and under-representation of women in large firms (3 per cent). This report also revealed that a gender wage gap of 17 per cent costs the Australian economy $93 billion each year – equating to 8.5 per cent of GDP.

Despite the fact that the gender pay gap continues to be a significant problem for working women, and their long-term financial security, a survey this year of organisations reporting to EOWA revealed that less than 40 per cent of them conduct an annual gender pay equity analysis, and of the organisations that do conduct some kind of analysis, just over half said that their analysis has resulted in an action plan to address the gender pay gap in their organisation. This means that less than 20 per cent of organisations that report to EOWA have a plan of action on pay equity.

> *"Denial is bolstered by the notion that jobs where women dominate – feminised areas such as HR, marketing etc – are of less value and are rewarded accordingly."*

15 House Standing Committee on Employment and Workplace Relations, *Making it fair*, Australian Government: www.aph.gov.au, 23 November 2009.
16 Cassells, Rebecca, Miranti, Riyana, Mumford, Karen & Watson, Ian. *Recent gender wage gap studies in Britain and Australia*, National Centre for Social and Economic Modelling (NATSEM), Canberra, August 2010.

CONCLUSION

An evidence-based debunking of the seven myths about women in the workforce leaves us with a very different narrative than currently circulates. It reveals a very real gap between policy, practice and attitudes in most organisations with particular relevance to the financial sector.

Instead of a supply deficit, Australia has an expanding cohort of well educated and experienced women in the workforce. Many of these women are clustered in less senior ranks however, due to a range of barriers in their roles that prevent them progressing in the same numbers as their male peers. Assumptions about women's commitment to their jobs and concern they will 'opt out' means even early in their career they are less likely to be chosen for talent management programs, for training and development, for conference attendance or for professional association membership. At the same time women's skills, experience and career cycles are often deemed to be unsuitable for linear progression because they fail to match traditional templates for success based on male breadwinner norms.

Despite women setting out on their careers with the same or even greater levels of ambition than men, they learn to associate the word itself with unattractive and unfeminine qualities. They tend to avoid using such descriptions which feeds a corrosive belief that women are not in fact keen to get ahead or even to formulate career plans. Demoralised and concerned about being typecast as tokens or too aggressive many women feel it is high risk in their workplace to put their hands up for promotion thereby feeding the myth – and the pay gap.

Comprehensive gender pay gap studies show Australians seem to understand the concept in theory but find they are often in denial about a gap in their own workplace, clinging to the idea that they work on an 'even playing field'. This feeds into the continuing mythology that workplaces are meritocracies where everyone is assessed fairly and only the best get ahead – sending a clear message that women must inherently lack 'merit'.

At the same time many women, particularly in the financial services sector, find there are very real difficulties associated with caring responsibilities and the demands of the workplace even when flexible work policies are in operation. In Australia we continue to equate a successful worker with one who is visible at all hours and has a 24x7 mentality. And as they watch others losing status and meaningful work as part-timers, women quite understandably associate motherhood with career suicide. Many absorb the message that no matter how hard they work they will not get the rewards, and the trade-offs seem simply too high.

Again, assumptions and unconscious biases by senior executives about how committed women with children are to their job, and their potential failure to last the distance, come into play regardless of individual performance or results. Meanwhile the lack of women as role models, particularly in aggressively masculine environments, reinforces the idea that senior roles in such workplaces are not for them. Well-meaning remedial advice to women to be more assertive (or more like men) ignores the substantial evidence that women stepping outside acceptable behavioural norms are usually severely penalised. Informal resistance to the idea of women as breadwinners – and that good mothers do not need to be at home full-time – continues to hamper efforts to educate and confront these beliefs.

> *Those in leadership roles in organisations must be role models for their colleagues in changing the narrative around women in the workforce.*

Confusion continues to reign around the principles of affirmative action (which aims to provide extra assistance to those who fall behind) and the concept that equal opportunity does not arise from treating everyone equally. This is a challenge that can only be addressed in workplaces by overt training and support for formal women's programs and networks.

Many of these myths are propped up by a power group that has flourished in the current organisational model and finds it difficult to understand that the same framework may not operate fairly for others. 'If we made it and women usually fail then there must be something wrong with women' is the thinking that fuels the deficit model of women's skills regardless of evidence to the contrary. Because women tend to be assessed on their gender before any other factor in a system designed for and by men, their chances of thriving drop dramatically.

Gender consultant Avivah Wittenberg-Cox puts it this way, 'There is a massive corporate mis-adaptation to today's talent realities and the subsequent inability to retain and develop women as well as men. I call this 'gender asbestos'. It's hidden in the walls, cultures and mindsets of many organisations. But ridding the structure of the toxins will require more than pointing accusingly at the mess. It requires a detailed plan for how to move forward and a compelling, attractive portrait of the result...Stop asking 'what's wrong with women that they're not making it to the top?' Start asking 'What's wrong with companies if they can't retain and promote the majority of educated Australians and can't adequately satisfy the majority of Australian consumers?' Only the right questions can yield effective answers.'

Unconscious bias supported by strong reliance on gender stereotypes and norms play a major role in perpetuating the problem and remain largely unchallenged in the financial services sector. While some of the key contributors are common problems across many parts of the economy, the sector appears to have a particularly strong adherence to traditional masculine ideals and behaviour as prerequisites for success. Supporting women's career planning and advancement, particularly for senior/leadership roles in the industry, requires much more thought and effort in addressing the differences in women's skills, work patterns, aspirations and careers, from the time they are recruited. Those in leadership roles in organisations must be role models for their colleagues in changing the narrative around women in the workforce and confronting unhelpful behaviour and attitudes as well as supporting better policies and practices.

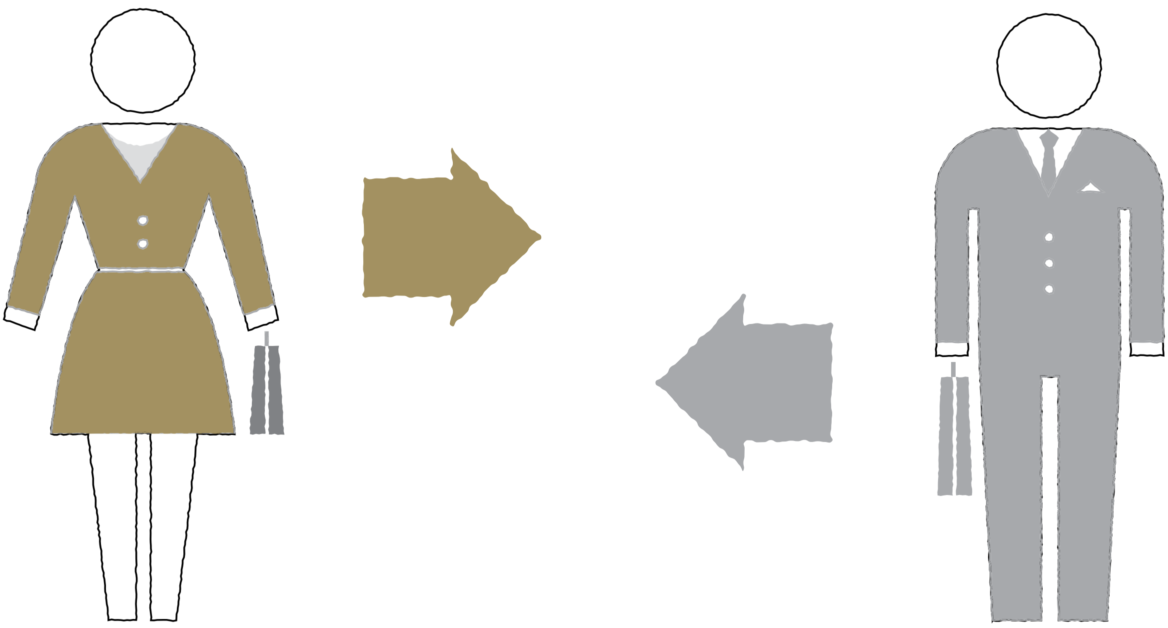
As Finsia's *Women in Leadership Advisory Council* has discussed, this issue often begins with the men which women encounter throughout their life cycle.

Further Reading:

- Cottrell, Dale, Hrdlicka, Jayne & Sanders, Melanie, *Bain & Company Level the playing field: A call for action on gender parity in Australia,* Bain & Company, October 2010.
- Equal Opportunity for Women in the Workplace Agency (EOWA), *Australian Census of Women in Leadership*, October 2010
- Goldman Sachs JB Were, *Australia's Hidden Resource: the Economic Case for Increasing Female Participation,* November 2009.
- Piterman, Dr Hannah, *The Leadership Challenge: Women in Management,* Hannah Piterman Consulting Group, March 2008.

RESEARCH SURVEY – June 2010

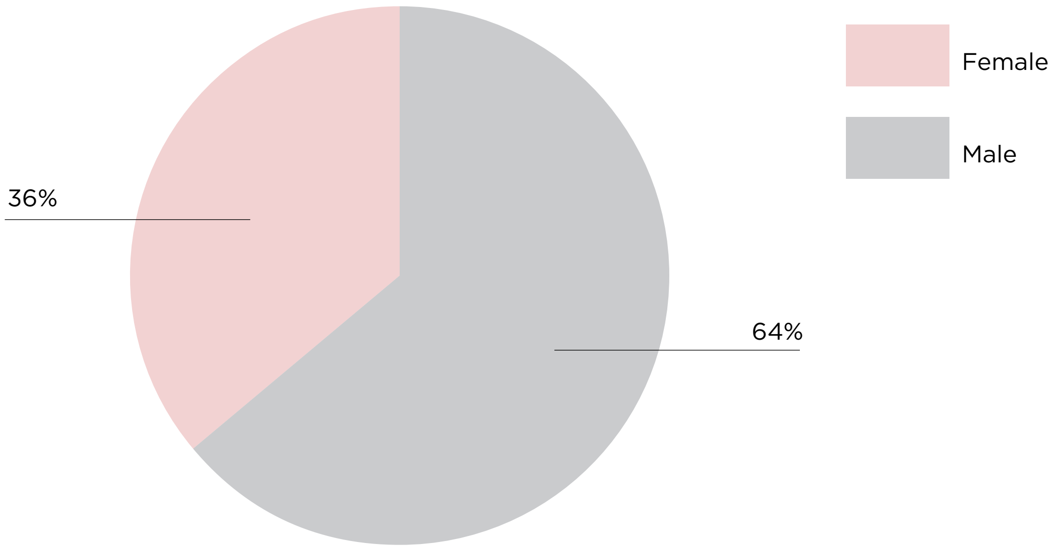
SIGNIFICANCE OF THE *gender divide* IN FINANCIAL SERVICES



ABOUT THE *respondents*

Q1: Please specify your gender.

A: The majority of the survey participants were male (64% male, 36% female).



Q2: Please specify below which subsector of financial services is most related to your current role.

A: The industry subsector with the highest percentage representation of both male and female respondents was banking – retail/commercial (26% and 23% respectively), followed by financial advice (16% males and 18% females) and service providers (ie: law/IT/accounting/HR) with females occupying a greater portion (16%, compared to men 10%).

Finsia Members	Male	Female
Accounting	10%	12%
Banking - retail/commercial	26%	23%
Capital/money markets - wholesale	3%	2%
Corporate finance/Investment banking	10%	8%
Financial advice	16%	18%
Funds management/superannuation - retail	5%	5%
Funds management/superannuation - wholesale	8%	9%
Regulators/government	4%	3%
Service providers (eg. law/IT/accounting/HR	10%	16%
Stockbroking/analysts	6%	3%
Other	2%	1%

Research method
Between February 3 and February 12, 2010, Finsia conducted a survey of 817 Finsia members. The survey asked a series of demographic and opinion based questions with regard to workplace culture, participation rates and job roles concerning the representation of women within Australasia's financial services industry.

Q3: Where is your primary place of work located?

A: Of the Finsia members surveyed, respondents were predominantly located in NSW (male respondents 36% and female respondents 44%) and Victoria (male respondents 22% and female respondents 21%).

Finsia Members	Male	Female
NSW	36%	44%
VIC	22%	21%
QLD	14%	11%
SA	6%	6%
WA	8%	10%
ACT	1%	1%
NT	0%	0%
TAS	1%	1%
Auckland	4%	2%
Wellington	3%	2%
Christchurch	1%	0%
Dunedin	0%	1%
Other	4%	1%

Q4: Please select your age category.

A: Regarding age, 30% of male respondents and 37% of female respondents came from the 40-49 age category, while 21% of male respondents and 31% of female respondents were aged 30-39 years.

Interestingly, there were notably fewer female respondents over age 50, with just 17% of females in the 50-59 age group, compared to 24% of men. This trend was further apparent in the 60-69 age category, with only 4% of female respondents occupying that category, compared to 13% of men.

Finsia Members	Male	Female
18-29	9%	11%
30-39	21%	31%
40-49	30%	37%
50-59	24%	17%
60-69	13%	4%
70+	3%	0%

Q5: How long have you been in your present role?

A: The majority of survey respondents (49% of males and 34% of females) have held their present role for 'more than five years.'

Finsia Members	Male	Female
More than 5 years	49%	34%
Between 3 and 5 years	18%	20%
Between 1 and 3 years	24%	29%
Less than one year	9%	17%

Q6: In total, what is the present size of the workforce of the organisation in which you are directly employed?

A: Around half of both male and female respondents worked in organisations of less han 500 employees (50% and 45% respectively). Around a quarter were from firms of at least 10,000 employees (24% and 27% respectively) and 14% of male respondents and 17% of female respondents were from firms made up of 1000 4999 people.[2]

Finsia Members	Male	Female
10,000-plus	24%	27%
5000-9999	4%	4%
1000-4999	14%	17%
500-1000	8%	7%
Less than 500	50%	45%

Q7: Please indicate the level of your position.

A: With regard to the level of seniority of the respondents, the largest proportion of female respondents (35%) held middle management positions, compared to 28% of men. The next most popular position level for female respondents was senior executive/specialist positions (31%), compared to 28% of men.

However, the proportion of females who occupy senior roles was considerably less than the proportion of men, with only 18% of females holding executive management level positions, compared to 22% of men, and a mere 6% of females occupying board direct or roles, compared to 14% of men.

Finsia Members	Male	Female
Board director	14%	6%
Executive management	22%	18%
Middle management	28%	35%
Senior executive/specialist	28%	31%
Junior staff and administration	6%	7%
Graduate position	2%	3%

CULTURE

Q8: In your view, to what extent does your workplace culture impact the promotion of women in financial services?

A: In regards to the extent that workplace culture impacts the promotion of women in financial services, 60% of male respondents indicated that their workplace culture offered extensive encouragement to female employees regarding career opportunities, compared to just 19% of female respondents.

The majority of female respondents indicated their workplace culture offers just some encouragement (49%) compared to 27% of men. However, 21% of female respondents suggested their workplace does little to encourage female employees regarding career promotion opportunities, while only 5% of male respondents indicated this was the case in their workplace.

Finsia Members	Male	Female
Our workplace culture offers extensive encouragement to female employees regarding career promotion opportunities	60%	19%
Our workplace culture offers some encouragement to female employees regarding career promotion opportunities	27%	49%
Our workplace does little to encourage female employees regarding career promotion opportunities	5%	21%
Our workplace offers no encouragement to female employees regarding career promotion opportunities	2%	7%
Unsure	6%	4%

Q9: Please indicate if you are comfortable raising issues or concerns relating to gender equality in your organisation among the following groups.

A: With regard to how comfortable respondents are with raising issues or concerns relating to gender equality, 68% of men claim they are comfortable raising issues among both men and women in their organisation, compared to 42% of females.

Furthermore, 49% of males were comfortable doing this among peers and staff, compared to 39% of females; while only 11% of males and 4% of females were comfortable to raise gender equality related issues or concerns among men only.

Finsia Members	Male	Female
Among women only	7%	31%
Among men only	11%	4%
Among men and women	68%	42%
Among peers and staff	49%	39%
Among leaders	37%	25%
None of the above	11%	18%

PARTICIPATION *rates*

Q10: Please indicate for each of the following what you believe would be most beneficial in increasing the participation rates of women in financial services (scale 1-5 with 1 being the least beneficial and 5 being most beneficial).

A: When considering what would be most beneficial in increasing the participation rates of women in financial services, an overwhelming 62% of female respondents indicated 'cultural change' would be most beneficial, compared to just 22% of male respondents.

The 'implementation of flexible work options' was highly favoured as being most beneficial by both genders, with 54% of female respondents and 43% of male respondents rating this as most beneficial.

Of the respondents, 46% of females also felt 'more senior female role models' would be beneficial; however, only 16% of male respondents selected this.

Finsia Members		Male	Female
Implementation of flexible work options	1	7%	4%
	2	5%	6%
	3	16%	14%
	4	29%	22%
	5	43%	54%
Implementation of child-care strategies	1	6%	6%
	2	10%	10%
	3	20%	25%
	4	34%	25%
	5	30%	34%
More senior female role models	1	13%	3%
	2	12%	5%
	3	30%	16%
	4	29%	30%
	5	16%	46%
Mentoring	1	8%	4%
	2	14%	8%
	3	33%	17%
	4	28%	33%
	5	17%	38%
More promotion opportunities	1	13%	4%
	2	18%	4%
	3	35%	17%
	4	26%	38%
	5	8%	37%

Finsia Members		Male	Female
Professional development and training	1	9%	3%
	2	14%	8%
	3	37%	26%
	4	24%	31%
	5	16%	32%

Cultural change	1	13%	4%
	2	17%	2%
	3	30%	13%
	4	18%	19%
	5	22%	62%

ROLES/JOB *opportunities*

Q11: Does your firm have an explicit gender diversity program and/or targets?

A: When asked whether their employer has an explicit gender diversity program and/or targets, the majority of female respondents (52%) said no, while 23% said yes. On the other hand, 48% of male respondents said no, while 27% said yes. However, a quarter of both male and female respondents indicated they were unsure about this.

Finsia Members	Male	Female
Yes	27%	23%
No	48%	52%
Unsure	25%	25%

OPEN-ENDED QUESTION
If you answered yes, how effective do you think it is?

Male responses varied and included the following:

> 'Poor'

> 'Reasonably effective'

> 'Effective for people who participate '

> 'More work to do – could be more effective'

> 'Not sure, there are no results published'

> 'Very effective, given that the CEO is a well-regarded and talented women'

> 'Fails almost totally in Rambo male areas such as futures trading'

> 'Too effective. On occasion women are being promoted over better qualified men because of its existence'

> 'Seems to be more lip-service than anything tangible'

> 'Relatively – several women have been selected over equally qualified men, so the program is working'

> 'Highly effective at the very senior level'

> 'Too effective, I believe we now have reverse discrimination'

Female responses varied and included the following:

> 'Moderate'

> 'Hard to tell as it's only a recent initiative'

> 'Selectively effective'

> 'Not very effective because the underlying culture of the organisation does not feel strongly about the issue'

> 'Fair – more talk than action'

> 'Not at all – in principle yes, not in practice'

> 'Not effective at all. It has done nothing to change the culture of the firm'

> 'Highly dependent on the attitudes on the regional managers. On a corporate level, we do have a distinct policy; on the ground level – all it's translated to is to ensure a female is present in interviews (who doesn't necessarily have any decision authority)'

> 'Unsure how effective it is as we have not seen the result of benchmarking against original expectations'

> 'Not effective. It comes down to individual managers and their views'

Q12: The views below regarding job roles, level of pay and opportunities for the promotion of women in financial services have been expressed in the public domain in recent months. To what extent do you agree with the following statements?

A: When asked to what extent they agreed with statements regarding job roles, level of pay and opportunities for the promotion of women in financial services as expressed in the public domain in recent months, 61% of female respondents agreed (17% strongly agreed and 44% agreed) with the statement: 'It is almost impossible for women to progress to executive level in such a male-dominated culture as the financial services industry', while 85% of male respondents disagreed (48% disagreed and 37% strongly disagreed).

85% of male respondents agreed (41% strongly agreed and 44% agreed) with the statement: 'Legislated targets to address the lack of women at executive level would be demeaning to women and may encourage the view that women have advanced their careers simply because of their gender, rather than their ability,' compared to 58% of female respondents (39% agreed and 19% strongly agreed).

Furthermore, the majority of male respondents agreed (16% strongly agreed and 45% agreed) with the statement: 'The pay gap in financial services is grossly exaggerated. The gender difference in earnings is a fair reflection of the hours worked and skill sets.' However, 80% of female respondents disagreed with this statement (47% disagreed and 33% strongly disagreed).

A considerable proportion of male respondents (71%) agree that: 'Companies have taken significant steps to address the structural disadvantages which historically existed in financial services so women now have the same opportunities as men' (15% strongly agree and 56% agree). Contrasting with this, 72% of female respondents disagree (51% disagree and 21% strongly disagree).

The survey revealed startling different views between male and female respondents with regard to the statement: 'Even women who choose not to have children are underutilised in the senior ranks.' 84% of women agreed with this (37% strongly agreed and 47% agreed) compared to just 28% of male respondents agreeing (5% strongly agreed and 23% agreed).

Finsia Members		Male	Female
It is almost impossible for women to progress to executive level in such a male-dominated culture as the financial services industry.	Strongly Agree	5%	17%
	Agree	10%	44%
	Disagree	48%	33%
	Strongly Disagree	37%	6%

The mere expectation that female employees would at some stage leave to have children means less attention is given to their advancement.	Strongly Agree	3%	19%
	Agree	29%	52%
	Disagree	48%	27%
	Strongly Disagree	20%	2%

Some women by-pass promotions because they are reluctant to put in long hours of work after starting a family.	Strongly Agree	14%	21%
	Agree	63%	56%
	Disagree	19%	22%
	Strongly Disagree	4%	1%

In an effort to overcome the under-representation of women in senior positions and on boards, mentoring and networking have been a focus in recent years. However, this simply hasn't worked.	Strongly Agree	8%	21%
	Agree	37%	56%
	Disagree	48%	22%
	Strongly Disagree	7%	1%

Even women who choose not to have children are underutilised in the senior ranks.	Strongly Agree	5%	37%
	Agree	23%	47%
	Disagree	54%	15%
	Strongly Disagree	18%	1%

When it comes to women and promotion in the workplace, women have a tendency to be critical of each other and can often be their 'own worst enemies.'	Strongly Agree	11%	19%
	Agree	32%	46%
	Disagree	48%	31%
	Strongly Disagree	9%	4%

Companies should develop measurable targets to address the lack of women at executive level and report against these targets.	Strongly Agree	8%	31%
	Agree	24%	42%
	Disagree	40%	22%
	Strongly Disagree	28%	5%

Women are not being promoted even from the beginning of their careers.	Strongly Agree	3%	14%
	Agree	6%	31%
	Disagree	52%	48%
	Strongly Disagree	39%	7%

The pay gap in financial services is grossly exaggerated. The gender difference in earnings is a fair reflection of the hours worked and skill sets.	Strongly Agree	16%	5%
	Agree	45%	15%
	Disagree	30%	47%
	Strongly Disagree	9%	33%

Finsia Members		Male	Female
Legislated targets to address the lack of women at executive level would be demeaning to women and may encourage the view that women have advanced their careers simply because of their gender, rather than their ability.	Strongly Agree	41%	19%
	Agree	44%	39%
	Disagree	11%	30%
	Strongly Disagree	4%	12%

The proportion of females working in the finance industry has fallen noticeably due to redundancies as a result of the GFC.	Strongly Agree	2%	7%
	Agree	11%	26%
	Disagree	68%	62%
	Strongly Disagree	19%	5%

Companies have taken significant steps to address the structural disadvantages that historically existed in financial services so women now have the same opportunities as men.	Strongly Agree	15%	1%
	Agree	56%	27%
	Disagree	25%	51%
	Strongly Disagree	4%	21%

Q13: Thinking about your personal experience spanning your career in financial services and what you have observed of your female peers, which of the following factors can you identify with?

A: When asked what factors they identified with when thinking about what they have observed of their female peers during their careers in financial services, most female respondents (82%) identified with the following statement: 'Most women who take time out of the workforce due to caring responsibilities are forced to trade promotion for flexibility', compared to 52% of male respondents.

A significant proportion of both female and male respondents (54% and 42% respectively) also identified with the statement: 'Culturally, women are expected to take time out of the workforce for family and to be the main carer, but many women have to work due to inadequate maternity leave and child care assistance'.

Interestingly, 44% of male respondents identified with the factor: 'Women are well represented at senior levels in my organisation', while only 22% of female respondents identified with this.

Similarly, there was a notable disparity between the proportion of men (25%) who identified with the factor: 'The promotion and advancement of women into senior roles is a priority in my organisation, both in principle and practice', and the proportion of women who identified with this (8%).

Finsia Members	Male	Female
Culturally, women are expected to take time out of the workforce for family and to be the main carer, but many women have to work due to inadequate maternity leave and child care assistance.	42%	54%

Most women who take time out of the workforce due to caring responsibilities are forced to trade promotion for flexibility.	52%	82%

Finsia Members	Male	Female
Culturally, women are expected to take time out of the workforce for family and to be the main carer, but many women have to work due to inadequate maternity leave and child care assistance.	42%	54%
Most women who take time out of the workforce due to caring responsibilities are forced to trade promotion for flexibility.	52%	82%
Women are well represented at senior levels in my organisation.	44%	22%
The promotion and advancement of women into senior roles is a priority in my organisation, both in principle and practice.	25%	8%
There is a high degree of transparency in my organisation around the remuneration system and the parity of pay between genders.	43%	11%
None of the above.	5%	9%

PERSONAL *experiences*

Q14: In your experience regarding promotional opportunities, are men more likely to put themselves forward than women?

A: When asked to consider whether men are more likely to put themselves forward for promotional opportunities than women, based on their experience, the overwhelming majority of female respondents (85%) agreed with this compared to 44% cent of male respondents.

Finsia Members	Male	Female
Yes	44%	85%
No	38%	8%
Unsure	18%	7%

Q15: Have you considered yourself qualified for a prospective executive, role but have missed out on the opportunity due to a lack of confidence to put yourself forward?

A: When asked whether they have considered themselves qualified for a prospective executive role, but have missed out on the opportunity due to a lack of confidence to put themselves forward, the majority of male respondents answered no (70%) compared to 46% of female respondents.

Finsia Members	Male	Female
Yes	20%	41%
No	70%	46%
Unsure	10%	13%

Q16: Throughout your career, have you observed or directly experienced different treatment of females as compared to male colleagues in terms of the following:

A: In regards to whether respondents have observed or directly experienced different treatment of females as compared to male colleagues throughout their career, a significant proportion of female respondents (48%) said they had often experienced this with regard to 'inclusion in social or other work related activities,' compared to 40% of male respondents who said they had never experienced this.

Finsia Members		Male	Female
Promotional opportunities	Never	40%	10%
	Occasionally	26%	20%
	Sometimes	23%	33%
	Often	7%	36%
	N/A	4%	1%

Promotional opportunities	Never	40%	10%
	Occasionally	26%	20%
	Sometimes	23%	33%
	Often	7%	36%
	N/A	4%	1%

Treatment in meetings	Never	42%	10%
	Occasionally	28%	17%
	Sometimes	20%	32%
	Often	7%	41%
	N/A	2%	0%

Training and development opportunities	Never	62%	25%
	Occasionally	18%	21%
	Sometimes	11%	34%
	Often	5%	19%
	N/A	3%	1%

Finsia Members		Male	Female
Pay or benefits	Never	56%	7%
	Occasionally	19%	16%
	Sometimes	13%	29%
	Often	5%	44%
	N/A	6%	4%

Inclusion in social or other work related activities	Never	40%	9%
	Occasionally	33%	14%
	Sometimes	18%	28%
	Often	7%	48%
	N/A	2%	1%

Q17: Do you feel there is a gender divide in financial services?

A: Notably, a large proportion of female respondents surveyed (85%) feel there is a gender divide in financial services, while over half of all male respondents surveyed (58%) answered 'no' to this question.

Finsia Members	Male	Female
Yes	26%	85%
No	58%	7%
Unsure	16%	8%

OPEN-ENDED QUESTIONS

Gender equality – key issues which should be addressed

Q17: Respondents were then asked 'Please indicate below the top three issues which you believe should be addressed to promote gender equality in financial services'

A: The Finsia members surveyed spoke about cultural change being key to the promotion of gender equality in financial services, saying:

'Until you make it more culturally acceptable for men to take time out to care for families, then it will remain difficult for women (both emotionally and practically) to spend time progressing their careers. Whilst I believe many men would welcome the opportunity to work a three or four day week, I doubt many feel comfortable asking or whether many companies are supportive of this.'

'Encouraging organisations to adopt strict policies and practices that will promote a culture of total equality within the workplace.'

'Until men also understand the difficulties of working part time, it will remain difficult for them to empathise and assist other colleagues (men or women) who do so with scheduling meetings and managing deadlines or project flows.'

'Cultural change needs to be led from the top and strictly enforced.'

'Culture is that time at desk = productive work. Time at desk does not = productive work. More needs to be done to ensure that older male managers can really manage and see the benefits of flexible environment.'

‘In my role as an executive of a regional provider to the financial services industry… what I do recognise is that there are far fewer females in senior roles in Australian financial institutions. While I recognise the challenges presented by raising a family and the roles, I contest that the workplace issues being referred to are only part of the dilemma faced by women and that, in fact, pressure from spouse and or other family could play equal or weightier roles in influencing women’s work / family decisions.’

Some respondents also commented about the importance of targets/quotas, with comments such as:

‘Mandatory executive positions for women from board level / CEO / executive.’

‘Quotas or targets should be set for women in senior management and board roles as part of KPIs – we’ve talked enough!’

‘Board quotas – sad but the reality is that Boards are not self-regulating this issue.’

‘Dealing with this as a matter of corporate governance – requiring reporting on progress.’

‘There should be real industry targets that must be met.’

‘We should implement legislated targets such as those in Norway and France. Once there is critical mass of women in executive positions and on boards, gender equality will cease to be an issue and we can all get on with running companies to increase shareholder value and make work a place people want to be in.’

‘We set targets for all other forms of business goal setting. If it is agreed that diversity and reflective levels of representation by half the population at senior levels is smart business practice with positive economic results (plenty of evidence to support this) then let’s set targets.’

Other Finsia members surveyed commented that flexible work conditions would be key to addressing gender equality in financial services, saying;

‘True flexible working conditions, allowing and encouraging job sharing for senior roles.’

‘Flexibility for both male and female carer roles – not just for children, but also for ageing parents.’

‘Encourage a range of work options i.e: full-time, part-time, part work and study or assignment specific employment (block work).’

‘Looking beyond time in a chair equating to productivity – i.e: you don’t have to be in the office from 9-5pm five days a week to be an effective executive.’

‘Stop treating child care and flexible working arrangements as women’s issues, they’re issues relevant to all male and female parents. Treating those issues as only relevant to women perpetuates stereotypes about women (like the expectation that they are ‘secondary’ income earners in most families), it also makes it harder for men to demand flexibility, and harder for men to choose to be secondary income earners or stay at home parents.’

‘Share the view that providing ‘flexibility’ is not just a cost to businesses for the benefit of selected (often female) employees; rather it’s something that can be mutually beneficial in many ways for businesses and employees.’

‘Stop scheduling meetings at 8:00 or in evenings – it is these apparently innocuous practices that mean that women (and men) who also have carer roles are subtly excluded and marginalised.’

‘Many roles don’t require a desk in the office for 100 % of the day. Many people have access to their work environments from home, either through remote access or blackberries or mobile phones.’

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