



RESEARCH SURVEY

Significance of the gender divide in financial services

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Finsia – Financial Services Institute of Australasia

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We are the only professional association representing the entire spectrum of financial services across Australasia – including the wealth management, banking & finance and capital markets sectors. In this role, we connect almost 16,500 members – not only with each other, but with the latest thinking and information from across the industry and around the globe.

This is achieved by providing 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.

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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.

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Acknowledgements: We thank the survey participants who took part in this survey.

ABOUT THE RESPONDENTS

Q1: "Please specify your gender"

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

Question 1 results

	Finsia Members
	%
Male	64
Female	36
Total	100

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%).

Question 2 results

	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
Total	100	100

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%).

Question 3 results

	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
Total	100	100

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.

Question 4 results

	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
Total	100	100

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.'

Question 5 results

	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
Total	100	100

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 than 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.

Question 6 results

	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
Total	100	100

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 director roles, compared to 14% of men.

Question 7 results

	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
Total	100	100

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.

Question 8 results

	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
Total	100	100

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*

Question 9 results

	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.

Question 10 results

		Finsia Members	
		Male	Female
		%	%
Implementation of flexible work options	1	7	4
	2	5	6
	3	16	14
	4	29	22
	5	43	54
			100
Implementation of child-care strategies	1	6	6
	2	10	10
	3	20	25
	4	34	25
	5	30	34
			100
More senior female role models	1	13	3
	2	12	5
	3	30	16
	4	29	30
	5	16	46
			100

Question 10 results – continued

		Finsia Members	
		Male	Female
		%	%
Mentoring	1	8	4
	2	14	8
	3	33	17
	4	28	33
	5	17	38
		100	100
More promotion opportunities	1	13	4
	2	18	4
	3	35	17
	4	26	38
	5	8	37
		100	100
Professional development and training	1	9	3
	2	14	8
	3	37	26
	4	24	31
	5	16	32
		100	100
Cultural change	1	13	4
	2	17	2
	3	30	13
	4	18	19
	5	22	62
Total		100	100

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.

Question 11 results

	Finsia Members	
	Male	Female
	%	%
YES	27	23
NO	48	52
Unsure	25	25
Total	100	100

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"

Question 11 results – continued

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).

Question 12 results

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
		100	100
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
		100	100
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
		100	100
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
		100	100

Question 12 results – continued

Finsia Members

		Male	Female
%		%	%
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
		100	100
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
		100	100
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
		100	100
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
		100	100

Question 12 results – continued

Finsia Members

	Male	Female	
%	%	%	
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
		100	100
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
		100	100
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
		100	100
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
		100	100

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%).

Question 13 results

	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.

Question 14 results

	Finsia Members	
	Male	Female
	%	%
YES	44	85
NO	38	8
Unsure	18	7
Total	100	100

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.

Question 15 results

	Finsia Members	
	Male	Female
	%	%
YES	20	41
NO	70	46
Unsure	10	13
Total	100	100

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.

Question 16 results

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

Question 16 results – continued

Finsia Members

		Male	Female
	%	%	%
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.

Question 17 results

	Finsia Members	
	Male	Female
	%	%
YES	26	85
NO	58	7
Unsure	16	8
Total	100	100

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 (full-time, part-time, part work and study or assignment specific employment (block work))."

"Looking beyond time in a chair equating to productivity – ie. 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 per cent of the day. Many people have access to their work environments from home, either through remote access or blackberries or mobile phones."