

FINSIA

FINANCIAL
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Research Survey

SIGNIFICANCE OF THE GENDER DIVIDE *in financial services*

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Finsia

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Availability

This research survey is available on Finsia's website (www.finsia.com).

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EXECUTIVE *Summary*



This latest biannual report measures differences in men's and women's perceptions of gender equity in their workplace. Through an online survey Finsia measured attitudes to policy responses to bridge the gender gap in financial services.

Over 800 Finsia members responded to the survey when it was first launched in 2010. On the question of whether companies should develop and report against measurable targets to address the lack of women at executive level, the survey found:

- > 73% of women agreed this was a necessary policy response, while
- > 68% of men disagreed.

Since that time, Finsia, through its membership on the ASX Corporate Governance Council, has worked to encourage listed companies to report their gender composition at senior executive and board level, and the content of their diversity policies on an 'if not, why not' basis.

Listed companies have reported against the diversity principle in annual reports published since April 2012. In the 2012 survey, Finsia has found:

- > 53% of women, and
- > 39.3% of men

agree that the new ASX reporting requirement will improve the percentage of women's appointments at executive level. While fewer women have responded positively to the enactment of the ASX principle, only 24.3% of men disagree with it – a significant change from the 2010 survey.

While the survey results indicate that policy responses are closing the gap in perception, the industry must continue to deepen its consideration of gender equity. Encouragingly, the volume and quality of interest in these issues by men and women throughout the industry demonstrates commitment to bridge the gap and evolve the industry's dialogue about gender equity.

A handwritten signature in black ink, appearing to read 'Russell Thomas', written in a cursive style.

RUSSELL THOMAS F Fin BA LLM
CEO and Managing Director
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INTRODUCTION

BACKGROUND

Finsia launched a biannual survey in 2010 to measure perceptions of the gender divide in financial services, and policies to improve the representation of women in the industry. Over 800 men and women contributed their views about the state of the industry through the 2010 survey.¹

Since then, significant regulatory and policy developments have changed the way that gender diversity is measured, reported and promoted:

- > At the corporate governance level, publicly listed companies in Australia are now required to report about their diversity programs and gender composition at senior executive and board level on an 'if not, why not' basis.
- > New laws administered by the Equal Opportunity for Women in the Workplace Agency (EOWA) (to be renamed the Workplace Gender Equality Agency) will strengthen and broaden the reach of the gender equality reporting regime to all companies of over 100 employees. The reform package was announced in March 2011 and is expected to take effect in 2014.
- > Many employers have adopted a combination of the strategies surveyed in this research: unconscious bias training, mentoring, flexible work arrangements, diversity programs and targets. This survey shows that there are differences in perception about the extent to which these strategies are helpful.

Rules and guidance to encourage public reporting by companies of transparent and comparative information about pay equity and gender composition at senior executive and board level has long been Finsia's call to regulators. Finsia promotes this approach because facts are a powerful tool to bridge differences in understanding and perception.

RESEARCH STUDY

Finsia's research examines the following issues:

- > pay equity and transparency;
- > gender composition at senior executive and board level;
- > workplace flexibility; and
- > cultural perceptions about the role of working parents.

1. Finsia's 2010 survey findings are reported in the appendix of Fox, C (2010), *Mythbusters — Seven myths about women and work* available at www.finsia.com.

KEY FINDINGS

While there are strong differences of perception, the survey reveals a genuine opportunity and need to share understanding.

However, it is revealing that men and women continue to respond differently to the question of whether their organisation is transparent about parity of pay.

- > 72.5% of women do not think their organisation is transparent about parity of pay; while
- > 50.5% of men think that their organisation's remuneration structures are transparent.

This disparity shouldn't exist. Differences in men's and women's pay are real and measurable. EOWA reported Australian Bureau of Statistics (ABS) figures in February 2012 that reveal:

- > Australia's gender pay gap is 17.4%.
- > Financial and insurance services have one of the widest pay gaps at 31.3%.²

This is despite significant policy responses in recent years, from the regulators and institutions.

A more nuanced approach to strategies to improve women's representation at senior executive level is evident in this year's survey responses. Many noted, for example, that flexibility has been cast as a women's issue. Respondents signalled that companies could work to promote flexibility as a workplace policy to benefit both men and women, and to assist those with parenting and caring responsibilities regardless of gender.

Interestingly, a number of respondents commented on sponsorship as a strategy to improve women's representation over mentoring. Sponsorship moves beyond the feedback and guidance that characterises mentoring and includes advocacy by leaders actively to assist and promote an individual's career progression.

The distinct features of sponsorship as a strategy to improve women's representation were noted by many respondents. Arguably, a question about the effectiveness of sponsorship as a strategy should be included in future surveys. Respondents stated:

'Remove "mentoring" and replace this with "sponsorship" — have men and women sponsor women not simply mentor as sponsoring entails action.'

'Ensure women are *sponsored* rather than *mentored*. It seems men have seniors willing to back them for promotion.'

Gender equity is an issue that is as much about individual companies as it is about Australian society, and deeply engrained cultural perceptions about the roles of men and women. Cultural change was viewed by many respondents to be the primary factor that will improve women's representation in senior executive roles. The language adopted by many respondents emphasised the need for men to engage equally in the issue of gender diversity as it affects employment and the wider culture. In the words of the industry:

'The program is very effective but the issues that keep women out of senior roles and reduce participation in the workplace are not impacted by a program but more a societal culture that needs to change, not a corporate culture.'

'Policies are there, however, policies do not change culture and attitudes.'

2. EOWA 2012, 'Gender pay gap: The facts, why it is important and what actions can be taken', available at www.eowa.gov.au.

YOUR Organisation

Q:

Are women well represented at senior levels in your organisation?¹

A:

Male respondents in substantial numbers believe that women are well represented (64.2%), while 61.9% of women disagree with this statement.

It is instructive to compare these results about perceptions of the representation of women in senior roles with statistics about the composition of financial and insurance services companies that report to EOWA, and ASX 200 companies:

- > 34.1% of managers in financial and insurance services companies are women;
- > 7.4% of CEOs in financial and insurance services companies are women.

At 19 July 2012:

- > 14.5% of members on ASX 200 boards are women;
- > 26% of new appointments on ASX 200 boards are women.²

RESPONDENTS	MALE	FEMALE
Yes	64.2%	35.6%
No	33.2%	61.9%
Unsure	2.6%	2.5%

Q:

Is the promotion and advancement of women into senior roles a priority in your organisation, both in principle and practice?³

A:

In the 2010 survey, 25% of men and only 8% of women identified with this statement. This year men and women in significant numbers agree with the statement (♂ 64.6%, ♀ 41.1%); however, women are just as likely to disagree with the statement, reflecting a high level of caution about the seriousness of the gender equity agenda in their organisation (♂ 21.8%, ♀ 41.8%).

RESPONDENTS	MALE	FEMALE
Yes	64.6%	41.1%
No	21.8%	41.8%
Unsure	13.5%	17.1%

Q:

Is your organisation transparent about its remuneration system and parity of pay between genders?⁴

A:

Women in resounding numbers (72.5%) do not think that their organisation is transparent about its remuneration system and parity of pay between genders. In comparison with 2010, however, more men and women agree that their organisation is transparent about pay parity (2010: ♂ 43%, ♀ 11% – 2012: ♂ 50.2%, ♀ 16.6%).

RESPONDENTS	MALE	FEMALE
Yes	50.2%	16.6%
No	34.9%	72.5%
Unsure	14.8%	10.9%

Q:

Please indicate if you are comfortable raising issues or concerns relating to gender equity in your organisation among the following groups.⁵

A:

Overall, men are more comfortable raising issues or concerns about gender equity with the groups listed. Encouragingly, increasing numbers of women and men are comfortable raising these issues among peers and staff (2010: ♂ 49%, ♀ 39% – 2012: ♂ 55%, ♀ 46%).

The results suggest that organisations have further to go in creating workplace environments that encourage men and women to raise gender equity concerns with leaders. Nevertheless, more respondents indicated that they are comfortable having these discussions with leaders (2010: ♂ 37%, ♀ 25% – 2012 ♂ 41.5%, ♀ 29.2%).

RESPONDENTS	MALE	FEMALE
Among women only	12.2%	29.5%
Among men only	16.2%	3.7%
Among men and women	61.1%	41.8%
Among peers and staff	55.0%	46.0%
Among leaders	41.5%	29.2%
None of the above	17.5%	18.6%

PARTICIPATION Rates

Q:

Please indicate which strategies you believe would be most beneficial to increase the participation rates of women in financial services (scale 1-5 with 1 being the least beneficial and 5 being the most beneficial).

A:

Proportionally, women rated all strategies as more beneficial than their male counterparts. This finding was consistent with the 2010 survey. Results for each statement are analysed and compared following the summary table below.

	STRATEGY	RATING		STRATEGY	RATING
♂ MALE	Implementation of flexible work options	45.5%	♀ FEMALE	Cultural change	58.3%
	Implementation of childcare strategies	28.5%		Implementation of flexible work options	47.1%
	Cultural change	18.5%		More promotion opportunities	39.5%
	Professional development and training	13.1%		Professional development and training	32.7%
	Mentoring	10.3%		Implementation of childcare strategies	31.3%
	More promotion opportunities	7.6%		Mentoring	30.6%

It is significant that men and women both signal the importance of flexible work options to increase participation rates of women in financial services. This result may find its corollary in the overwhelming agreement of men and women that women culturally are expected to take time out of the workforce to be primary carers.

Interestingly, men rank the implementation of childcare strategies number two of most beneficial strategies. For women, this relatively is less important than promotion opportunities and professional development and training.

Women attribute the greatest importance to cultural change, a strategy that is rated highly by men also. Later in the survey, we see that respondents define cultural change widely.

RESPONDENTS	RATING	MALE	FEMALE
Implementation of flexible work options	1 (least beneficial)	3.3%	1.6%
	2	3.3%	4.5%
	3 (beneficial)	27.7%	26.2%
	4	20.2%	20.7%
	5 (most beneficial)	45.5%	47.1%

Both men and women rate this strategy as most beneficial, and did so in 2010. A decline in female respondents rating this strategy beneficial is evident in these results (2010: ♀ 54% – 2012: ♀ 47.1%).

RESPONDENTS	RATING	MALE	FEMALE
Implementation of childcare strategies	1 (least beneficial)	5.2%	4.5%
	2	8.0%	8.7%
	3 (beneficial)	36.8%	33.7%
	4	21.2%	21.8%
	5 (most beneficial)	28.8%	31.3%

The highest proportion of male and female respondents believe that this strategy is beneficial. In the 2010 survey, male respondents predominately rated this strategy 4 (34%), and female respondents rated it most beneficial, 5 (34%).

RESPONDENTS	RATING	MALE	FEMALE
Mentoring	1 (least beneficial)	11.7%	2.9%
	2	15.5%	9.8%
	3 (beneficial)	36.6%	30.3%
	4	25.8%	26.4%
	5 (most beneficial)	10.3%	30.6%

The different perceptions of the relative benefit of mentoring that was evident in the 2010 results has been repeated this year.

In 2010, 33% of male respondents identified the strategy as beneficial and 38% of female respondents as most beneficial. Underscoring this difference is that proportionally fewer men in 2012 identify this strategy as most beneficial (2010: ♂ 17% – 2012: ♂ 10.3%).

RESPONDENTS	RATING	MALE	FEMALE
More promotion opportunities	1 (least beneficial)	15.7%	1.6%
	2	18.1%	5.0%
	3 (beneficial)	42.4%	25.0%
	4	16.2%	28.9%
	5 (most beneficial)	7.6%	39.5%

The results to this question are similar to those in 2010. Women predominately rated this strategy as most beneficial, and this year a little more so (2010: 37% – 2012: 39.5%). Interestingly, men were more likely to rate the strategy beneficial than they were in 2010 (2010: 35% – 2012: 42.4%).

RESPONDENTS	RATING	MALE	FEMALE
Professional development and training	1 (least beneficial)	8.9%	2.7%
	2	11.7%	7.2%
	3 (beneficial)	38.0%	27.1%
	4	28.2%	30.3%
	5 (most beneficial)	13.1%	32.7%

As with mentoring, there is a similar difference regarding the degree to which this strategy is perceived to be beneficial with women rating it more highly beneficial than their male colleagues. A similar result was evident in 2010 with 38% of men agreeing the strategy is beneficial and 32% of women agreeing that it is most beneficial.

RESPONDENTS	RATING	MALE	FEMALE
Cultural change	1 (least beneficial)	17.5%	0.8%
	2	14.2%	3.1%
	3 (beneficial)	28.9%	16.3%
	4	20.9%	21.5%
	5 (most beneficial)	18.5%	58.3%

Sixty-two percent of female respondents in the 2010 survey rated this strategy as most beneficial, and the 2012 result is comparable. In both surveys cultural change was the most highly rated strategy by women and its importance is reflected in the responses to the open-ended questions later in the survey.

Q:
A:

Does your firm have a publicly-stated gender diversity program and/or targets?

The highest proportions of male and female respondents indicated that they worked for a firm that has a publicly-stated gender diversity program and/or targets (♂ 47.4%, ♀ 50.1%). This result is a significant change from 2010, where approximately one quarter of survey respondents worked for a firm with an explicit gender diversity program and/or targets (♂ 27%, ♀ 23%).

RESPONDENTS	MALE	FEMALE
Yes	47.4%	50.1%
No	35.7%	31.3%
Unsure	16.9%	18.6%

Q:
A:

If you answered yes, how effective do you think is the program and/or targets are?

People who responded to this question articulated a range of views about the effectiveness of diversity programs and/or targets. Many respondents expressed concern about the unintended consequences of programs and/or targets, with some querying whether their organisation evidenced a genuine desire for change, despite the existence of a program and/or targets.

Respondents noted the danger of gender diversity being reduced to a compliance burden.

‘I believe that the program could be more effective with focus and support – currently it is viewed as a compliance requirement rather than a strategic imperative.’

‘Firms probably feel pressured to “tick the box” and declare their commitment to gender diversity programs without any serious intention to make the change.’

Both male and female respondents questioned the effectiveness of targets, yet male respondents were more vocal about this issue:

‘[The targets] are quite discriminatory and creating “jobs for the girls”. Many of the positions are tokens and in roles where they have negative marginal productivity such as strategy.’

‘They are effective but I remain highly unconvinced that actively and negatively discriminating against males by actively and positively discriminating in favour of women is the right solution ... we need to aggressively seek out better ways.’

Some respondents alerted Finsia to bias in the preceding question, noting that their firm does not have a program or targets because representation of men and women is equitable, or their organisation is too small for a program or targets to be easily effective. For example:

‘[W]omen are well represented at senior management level ... It is taken as a given. Yet the way your question has been structured your data may indicate that your organisation is “harming women” in some way due to an absence of a “gender diversity program”.’

‘We are a small organisation (circa 32 staff) and have done very little hiring or promotion on the last year so it is difficult to have workable diversity objectives.’

Programs and/or targets were observed to be unstable at times of company turbulence:

‘I think there is a lot of subconscious prejudice. Currently having a round of cost cutting and think that part-time women are over-represented in the people leaving the organisation.’

Cultural attitudes were also observed to have a destabilising effect, a point emphasised in comments respondents made about the importance of cultural change later in the survey:

‘Unfortunately, even with all the right practices and policies in place, if people have certain attitudes about the roles of men and women in business, we can’t hope to change the gender imbalance.’

ROLES /JOB Opportunities

Q:

The views below regarding job roles, pay and opportunities for the promotion of women in financial services have been expressed in the public domain. To what extent do you agree with the following statements?⁶

A:

This year's survey again revealed, sometimes pronounced, differences between genders in the extent to which respondents agreed or disagreed with the listed statements about factors affecting the advancement of women in financial services.

RESPONDENTS		MALE	FEMALE
It is almost impossible for women to progress to executive level in such a male-dominated culture as financial services.	Strongly agree	3.5%	10.8%
	Agree	9.5%	30.1%
	Neutral	6.5%	21.0%
	Disagree	31.3%	34.1%
	Strongly disagree	49.3%	4.0%

While the highest proportion of male and female respondents strongly disagreed (♂ 49.3%) or disagreed (♀ 34.1%) with this statement, a significantly higher proportion of female respondents agreed or strongly agreed with the statement (40.9%) than males (13%).

In the 2010 survey the highest proportion of female respondents (44%) agreed that it is almost impossible for women to progress to executive level in such a male-dominated culture as financial services.

RESPONDENTS		MALE	FEMALE
The expectation that female employees will at some stage leave to have children means less attention is given to their advancement.	Strongly agree	3.0%	15.9%
	Agree	18.4%	40.9%
	Neutral	18.4%	21.2%
	Disagree	37.3%	19.6%
	Strongly disagree	22.9%	2.4%

Male and female respondents held differing views on the significance of having children on women's career advancement: 37.3% of males disagreed with the statement, compared with 40.9% of females who agreed with the statement.

Comparably, respondents to the 2010 survey also differed on this issue: 48% of males disagreed with the statement, while 52% of females agreed with it.

RESPONDENTS		MALE	FEMALE
Some women avoid promotion because of concerns about balancing workplace demands and caring responsibilities.	Strongly agree	9.5%	27.7%
	Agree	50.8%	50.3%
	Neutral	20.1%	11.8%
	Disagree	11.6%	7.5%
	Strongly disagree	8.0%	2.7%

The perceptions of this statement were similar between genders, although female respondents were proportionally in stronger agreement (27.7%) than males, who viewed the statement more neutrally (20.1%).

These results may find their reflection in the percentage of male and female respondents who rated workplace flexibility as most beneficial to increase women's participation rates in financial services.

RESPONDENTS		MALE	FEMALE
The focus on mentoring and networking to increase the numbers of women in senior executive roles and on boards has not worked. It entrenches the view that women need to be 'fixed'.	Strongly agree	11.0%	10.5%
	Agree	18.0%	32.8%
	Neutral	25.0%	26.9%
	Disagree	33.5%	25.5%
	Strongly disagree	12.5%	4.3%

Female respondents largely agreed with this statement (♀ 32.8%), whereas male respondents disagreed (♂ 33.5%). It is interesting to compare this result with the perceptions of the degree to which mentoring, and professional development and training, benefit women's participation rates presented earlier. In striking contrast to the results above, female respondents rated both strategies to be more highly beneficial than their male colleagues.

RESPONDENTS		MALE	FEMALE
Women who do not have children or other caring responsibilities are also underutilised in the senior ranks.	Strongly agree	2.0%	21.3%
	Agree	20.4%	37.5%
	Neutral	23.9%	22.9%
	Disagree	31.3%	16.2%
	Strongly disagree	22.4%	2.2%

Women agreed or strongly agreed in significantly higher numbers than men that women are underutilised in senior positions irrespective of whether they have caring responsibilities (♂ 22.4%, ♀ 58.8%).

RESPONDENTS		MALE	FEMALE
The new requirement under the ASX Corporate Governance Principles that companies develop measurable objectives to improve organisational diversity that are reported against will improve the percentage of female appointments at executive level.	Strongly agree	8.0%	6.2%
	Agree	31.3%	46.8%
	Neutral	36.3%	36.5%
	Disagree	12.9%	9.2%
	Strongly disagree	11.4%	1.4%

This result shows that men and women strongly support the implementation of the ASX principle, which many listed companies will report against for the first time in 2012.

Robust numbers of men and women agree or strongly agree with this statement (♂ 39.3%, ♀ 53%) however it could be said that women place a higher level of faith in reporting as a regulatory response to improve organisational diversity than men.

Before the release of the ASX principle in 2010, survey participants were asked: 'Companies should develop measurable objectives to address the lack of women at executive level and report against these targets. To that statement, responses of men and women differed markedly. The highest proportion of women (42%) agreed with the statement, while the highest proportion of men disagreed with the statement (40%).

RESPONDENTS		MALE	FEMALE
Women are under-represented in corporate promotions from the beginning of their careers.	Strongly agree	2.0%	25.3%
	Agree	18.4%	39.1%
	Neutral	15.9%	17.5%
	Disagree	39.3%	15.9%
	Strongly disagree	24.4%	2.2%

The results to this question are nearly directly oppositional, with 63.7% of male respondents disagreeing or strongly disagreeing with the statement, versus 64.4% of females who agree or strongly agree with the statement.

In the 2010 survey the highest proportion of male and female respondents disagreed with the statement (♂ 52%, ♀ 48%).

RESPONDENTS		MALE	FEMALE
The pay gap in financial services is grossly exaggerated.	Strongly agree	21.6%	3.8%
	Agree	33.2%	8.1%
	Neutral	27.6%	34.0%
	Disagree	13.6%	34.0%
	Strongly disagree	4.0%	20.2%

Over half of male respondents (54.8%) agree or strongly agree that the pay gap in financial services is grossly exaggerated, compared with 54.2% of women, who disagree or strongly disagree with the statement. In 2010, 61% of men agreed or strongly agreed with the statement, while 80% of women disagreed or strongly disagreed with it.

RESPONDENTS		MALE	FEMALE
Legislated targets to address the lack of women at executive level may encourage the view that women have advanced their careers simply because of their gender, rather than their ability.	Strongly agree	35.8%	16.2%
	Agree	43.8%	45.1%
	Neutral	9.0%	19.2%
	Disagree	9.0%	14.9%
	Strongly disagree	2.5%	4.6%

Paralleling the 2010 results, strong resistance to legislated targets to improve women's representation at senior executive level has been shown by male and female respondents. In the 2010 survey 44% of men and 39% of women agreed with the statement.

RESPONDENTS		MALE	FEMALE
Companies have taken significant steps to address structural disadvantages in the financial services industry so women now have the same opportunities as men.	Strongly agree	17.0%	0.8%
	Agree	47.5%	13.2%
	Neutral	21.5%	32.4%
	Disagree	9.5%	38.9%
	Strongly disagree	4.5%	14.6%

Men predominately agreed with this statement in this year's survey (47.5%), and did so in 2010 (56%). Women as a cohort largely disagreed (38.9%), but less so than they did in 2010 (51%).

PERSONAL *Experiences*

Q:

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

A:

RESPONDENTS	GENDER	YES	NO	UNSURE
Culturally, women are expected to take time out of the workforce for family and to be the main carer.	Female	83.2%	11.9%	4.9%
	Male	65.7%	30.3%	4.0%
Most women who take time out of the workforce due to caring responsibilities are forced to trade promotion for flexibility.	Female	85.1%	5.9%	8.9%
	Male	45.5%	44.4%	10.1%
Men are more likely to put themselves forward for promotion than women.	Female	87.6%	7.0%	5.4%
	Male	47.0%	45.5%	7.6%
Qualified women may miss out on the opportunity to work in an executive role due to a lack of confidence to put themselves forward.	Female	79.9%	12.7%	7.3%
	Male	32.3%	52.5%	15.2%

Women identify with all of the statements in stronger numbers than men. Interestingly, both men and women strongly identified with the statement that 'culturally, women are expected to take time out of the workforce for family and to be the main carer' (yes: ♂ 65.7%, ♀ 83.2%).

On the question of whether women who take time out of the workforce trade promotion for flexibility, 85.1% of women agree, compared with 45.5% of men.

In this year's survey, a higher percentage of women and men believe that men are more likely to put themselves forward for promotion than women (2010: ♂ 44%, ♀ 85% — 2012: ♂ 47.0% ♀ 87.6%).

Men and women diverged in their views of the statement that 'qualified women may miss out on the opportunity to work in an executive role due to a lack of confidence to put themselves forward'. Of female respondents, 79.9% agreed with the statement, while 52.5% of males did not. This result appears to be consistent with responses to the open-ended questions in this survey: male respondents were more inclined to agree that their workplace is a meritocracy, and promotion is given (in the absence of a quota) to the 'best person for the job'.

Q:

Throughout your career, have you observed or experienced differing treatment of female and male colleagues in the following areas:

A:

Differences between men and women were pronounced in response to this group of questions. The largest proportion of female respondents often noticed differing treatment as regards promotional opportunities, treatment in meetings, pay or benefits, and inclusion in social or other work-related activities. By contrast, the highest proportion of male respondents never noticed differing treatment in each of the categories surveyed.

Comparison with the 2010 survey results show that more women notice a difference, and more men believe that differing treatment never occurs. Increasing awareness and communication about gender diversity issues in organisations might explain this result. For each statement below, a comparison with the 2010 results is highlighted to indicate the response of the highest proportion of male and female respondents.

RESPONDENTS	MALE	FEMALE
Promotional opportunities	Never	6.8%
	Occasionally	23.5%
	Sometimes	28.9%
	Often	39.2%
	N/A	1.6%

(2010: ♂ 40% never; ♀ 36% often)

RESPONDENTS		MALE	FEMALE
Treatment in meetings	Never	48.5%	8.1%
	Occasionally	25.8%	18.4%
	Sometimes	18.7%	29.2%
	Often	6.1%	43.8%
	N/A	1.0%	0.5%

(2010: ♂ 42% never; ♀ 41% often)

RESPONDENTS		MALE	FEMALE
Training and development opportunities	Never	69.5%	24.1%
	Occasionally	11.2%	19.2%
	Sometimes	13.7%	30.8%
	Often	4.6%	24.6%
	N/A	1.0%	1.4%

(2010: ♂ 62% never; ♀ 34% sometimes)

RESPONDENTS		MALE	FEMALE
Pay or benefits	Never	57.6%	6.8%
	Occasionally	16.2%	11.9%
	Sometimes	16.2%	26.3%
	Often	5.1%	50.1%
	N/A	5.1%	4.9%

(2010: ♂ 56% never; ♀ 44% often)

RESPONDENTS		MALE	FEMALE
Inclusion in social or other work related activities	Never	50.5%	8.1%
	Occasionally	26.3%	13.5%
	Sometimes	16.7%	24.3%
	Often	5.6%	53.0%
	N/A	1.0%	1.1%

(2010: ♂ 40% never; ♀ 48% often)

Q:

Please indicate below the top three issues which you believe should be addressed to promote gender equality in financial services:

A:

The language used by this year's survey respondents has changed, with more mentioning sponsorship, unconscious bias and provision of paternity leave as issues to be addressed.

Flexible work practices were rated as a top three issue by many respondents, and this was consistent with the findings of the 2010 survey. This year a greater number of respondents identified this as an issue affecting both men and women:

'Flexible work options, but for men too to stop it being a "women's issue".'

'Flexible working that is equally available and the norm for men and women.'

'In order for women to be equal in the workforce it needs to become acceptable for men to take paternal leave, work flexible hours, etc.'

Respondents also noted that flexibility can create negative perceptions, and these also need to be addressed:

‘Currently flexible work is the domain of female workers and it comes with a negative perception of the person’s dedication to their career.’

Arguably a corollary of negative perceptions of flexibility, respondents noted that long working hours culture is an impediment to the career progression of those with caring responsibilities:

‘Generally speaking, the industry is too focussed on being seen to work long hours, as if that somehow means you are doing a better job than someone who works more reasonable hours.’

‘The culture of long working hours will not change unless it changes at the top and this requires executives to go home and see their wives and children for dinner.’

Revealing, and addressing, unconscious bias was raised by male and female respondents:

‘Action against overt or unconscious discrimination has to start with the board of directors.’

‘We need to enforce initiatives to combat unconscious biases.’

Cultural change was mentioned by many respondents, and was defined widely:

‘Cultural change — all aspects, from client entertainment to timing of meetings to workplace structures are all founded on male-dominant principles.’

‘Cultural change — the people in your organisation should mirror the constituencies in which you operate.’

‘Culture and attitude — real change, not just lip service. It isn’t just a responsibility of the financial services industry, but of the wider community.’

‘Cultural change. Cultural change. Cultural change.’

Q:

What else could be done by your organisation’s management to improve gender equity in your workplace?

A:

Responses to this question revealed the importance of genuine commitment to diversity from the top and developing policy responses that have benefits for both women and men. Leave arrangements for new parents and workplace flexibility were highlighted:

‘Scrap unequal maternity versus paternity leave and replace with equal parental leave for males and females.’

‘More men taking flexible workplace arrangements. Caring responsibilities are not a women’s issue but a human issue.’

In some organisations, real commitment to change needs to be demonstrated at the very top of the organisational hierarchy:

‘Gender equity needs to become a real priority rather than a self-serving priority or a topic given lip service.’

‘Tone at the top needs to change ... there is often a lot of talk but very little action to support the talk.’

Diversity also needs to be a goal through all organisational units:

‘The only women in my workplace are in support or specialist roles ... the primary thing the organisation could do is ... promote itself as welcoming of a diverse workforce then hire an actual woman!’

‘We need to promote men in a number of areas much the same as we need to promote women in many areas if we are to ever achieve true diversity — otherwise it’s just numbers.’

Q:
A:

What else can be done by Finsia to promote gender equity in the financial services industry?

A small sample of responses to this question is presented below, which is new to the 2012 survey. Finsia is committed to investigate a range of strategies as part of its campaign to promote gender equity in the financial services industry.

Notable among the responses was the number that emphasised the role of men and women to encourage gender equity in the industry.

For more information about Finsia’s campaign, consult the executive summary of this report or finsia.com.

‘Keep having the debate — if the men aren’t talking about diversity, it will never happen.’

‘Surveys are good but use the results to actively seek change or lobby for change in the financial services industry.’

‘Continue to support the issue, but ensure balance ... it isn’t in anyone’s interest if the perception develops that women in management roles aren’t there for the right reasons.’

‘Continue to promote women in the workforce that are role models for all, not just role models for women.’

‘Encouraging more men to push this forward. I think on a greater community level, seeing men who voluntarily advocate for this great cause could really empower the cause and its message.’

APPENDIX

METHODOLOGY

Between 26 March and 19 April 2012, Finsia surveyed 962 individuals working in the financial services industry. All survey interviews were conducted online. A total of 658 survey respondents reside in Australia.

The survey findings from 272 New Zealand-based respondents are reported in *Significance of the gender divide in financial services – New Zealand results*, available at finsia.com.

The survey instrument was based substantially on one launched in February 2010 and completed by 817 Finsia members. Questions for the 2012 survey were altered to take account of legislative and policy changes since the original survey was conducted. Notations in the end notes indicate alterations to the original survey.

ABOUT THE *Respondents*

Q:

Please specify your gender.

A:

The majority of the 658 Australian survey participants were female.



Comparison

> 2010 survey participants were 64% male, 36% female.

Q:
A:

Please specify below the subsector of financial services that is most related to your current role.

There is a higher concentration of respondents in the retail banking sector in this year's survey, being the largest sector represented by proportion of respondents. In the 2010 survey it was again the largest sector, but had proportionally lower representation (♂ 26%, ♀ 23%).

Women were more highly represented in service provider roles (here classified as law, IT, accounting and HR) than men in this year's survey (♂ 6.7%, ♀ 10.3%). While the representation of brokers and analysts in the survey is low, it may be noted that twice as many male respondents worked in this industry sector and this is consistent with the 2010 results (2010: ♂ 6%, ♀ 3% — 2012: ♂ 5.4%, ♀ 2.6%).

RESPONDENTS	MALE	FEMALE
Accounting	4.2%	6.2%
Banking — retail/commercial	29.7%	24.3%
Capital/money markets — wholesale	3.3%	4.3%
Corporate finance/Investment banking	9.2%	10.7%
Financial advice	11.3%	11.0%
Funds management/superannuation — retail	4.6%	6.7%
Funds management/superannuation — wholesale	8.8%	7.2%
Regulators/government	3.3%	2.9%
Service providers (eg. law/IT/accounting/HR)	6.7%	10.3%
Stockbroking/analysts	5.4%	2.6%
Other	13.4%	13.8%

Q:
A:

Where is your primary place of work located?

RESPONDENTS	MALE	FEMALE
NSW	36.4%	57.0%
VIC	23.8%	23.6%
QLD	10.9%	6.0%
SA	9.6%	6.4%
WA	16.3%	6.4%
ACT	0.8%	0.2%
NT	0.8%	0.0%
TAS	1.3%	0.2%

Q:

Please select your age category.

A:

These results are substantially similar to those from the 2010 survey; however, in this year's survey there were fewer female respondents in the 60–69 age category and male respondents in the 70+ age category.

In the 2010 survey, the highest proportion of female respondents was in the 40–49 age category. This year, females 30–39 were the largest group of survey respondents. The level of commentary from this group is encouraging given the well-documented issues women aged 30–39 face balancing career and caring responsibilities.

RESPONDENTS	MALE	FEMALE
18–29	7.9%	13.4%
30–39	27.2%	36.5%
40–49	29.3%	34.4%
50–59	23.4%	13.8%
60–69	10.5%	1.9%
70+	1.7%	0.0%

Q:

How long have you been in your present role?

A:

The response to this question is close to replicating that of the 2010 survey, with employees serving in their present role more than five years being proportionally the largest group of respondents whether male or female.

RESPONDENTS	MALE	FEMALE
More than 5 years	48.1%	33.7%
Between 3 and 5 years	18.8%	22.9%
Between 1 and 3 years	20.1%	27.9%
Less than one year	13.0%	15.5%

Q:

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

A:

More respondents to the 2012 survey work for organisations of more than 10,000 employees than those surveyed in 2010. In 2010, 24% of males and 27% of females worked for organisations employing more than 10,000 personnel. The highest proportion of females work for organisations of 10,000 plus personnel (41.8%), and males work for organisations of less than 500 (42.3%).

In the 2010 survey, the highest concentration of respondents, male and female, worked for organisations employing 500 people or fewer (♂ 50%, ♀ 45%).

RESPONDENTS	MALE	FEMALE
10,000 plus	37.7%	41.8%
5000–9999	3.3%	7.4%
1000–4999	11.3%	12.9%
500–1000	5.4%	7.2%
Less than 500	42.3%	30.8%

Q:

Please indicate the level of your position.

A:

The majority of respondents held middle management or senior executive positions (♂ 62.4%, ♀ 75%). This result is expected given that most respondents were in the 30-39 and 40-49 age categories (refer to question 4, above), and is higher than 2010 figures (♂ 56%, ♀ 60%).

Female respondents were more highly represented in junior staff and administration roles (♂ 6.7%, ♀ 9.8%), and under-represented relative to male respondents in executive management (♂ 19.7%, ♀ 10.0%) and board appointments (♂ 10.5%, ♀ 3.6%).

ENDNOTES

1. In the 2010 survey respondents were asked to reflect on this statement in the context of their personal experiences during their career in financial services.

Finsia acknowledges that the strength of divergence in the 2012 result may be found in the nature of the question: in this survey, respondents were not asked whether they personally identified with the statement; rather, they were asked to comment on the composition of the organisation as they see it.
2. EOWA 2011, 'Industry verticals: Financial and insurance services', available at www.eowa.gov.au.

AICD 2012, 'Statistics: ASX 200 board appointments', available at www.companydirectors.com.au.
3. In the 2010 survey respondents were asked to reflect on this statement in the context of their personal experiences during their career in financial services.

Finsia acknowledges that the strength of divergence in the 2012 result may be found in the nature of the question: in this survey, respondents were not asked whether they personally identified with the statement; rather, they were asked to comment on the composition of the organisation as they see it.
4. In the 2010 survey respondents were asked to reflect on this statement in the context of their personal experiences during their career in financial services.

Finsia acknowledges that the strength of divergence in the 2012 result may be found in the nature of the question: in this survey, respondents were not asked whether they personally identified with the statement; rather, they were asked to comment on the composition of the organisation as they see it.
5. Respondents were permitted to select multiple responses to this question.
6. In the 2010 survey respondents were not given the option of responding neutrally to the statements in this question. Divergence in the 2012 survey results should be read in conjunction with this development in the survey instrument's design.
7. This question has been modified from the 2010 survey, and incorporates in a single question personal experiences relating to men's and women's roles in wider society, and whether there is a gender difference in the way in which men and women approach opportunities for promotion.

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