



BREAK THROUGH

BY MARLENE PUFFER

Few women hold senior roles in the financial industry—but employers have the power to change that

Diverse teams lead to better decisions and higher stock returns. Still, the number of women in leadership roles in the capital markets industry has not budged in more than a decade, according to studies by two non-profit organizations that promote the advancement of women in business (Women in Capital Markets and Catalyst). These studies reveal that women account for only 11% of senior management roles and 17% of revenue-generating roles at Canadian investment dealers. And many investment banking divisions have no senior women at all. Take a walk around any dealer trading floor, and you'll see only a smattering of women trading and a handful in sales or management. Women still hold only 14.6% of executive officer positions and 4% of CEO roles in Fortune 500 companies, according to Catalyst.

These discouraging statistics continue despite the fact that women have, for many years, made up about half of undergraduate commerce programs in Canada and about one-third of MBA graduates. They also make up 19% of CFA charter holders globally, according to the CFA Institute. So what can employers—both inside and outside of the financial industry—do better?

Hiring - Cast the net widely for a diverse pool of candidates. Insist that leaders and managers are sensitive to gender and diversity issues. Set the expectation that broad and consistent criteria are to be used in *all* hiring and promotion decisions. Recruiting teams should also be diverse to avoid situations where interviewers may favour candidates with whom they have something in common, such as gender, alma mater or favourite sports. Track whether male interviewers tend to dismiss female candidates more often than male candidates—or vice versa—and ask why. Choose the best and brightest, but don't accept lame excuses from your leadership teams about why women didn't make the cut (e.g., "she's too soft" or "she's not aggressive enough").

Promotion - Make leaders accountable for getting the best out of the women on their team. Identify high-potential female employees, and make an extra effort to initiate talks and follow up with them on their ambitions. Women may be quieter about their aspirations, assuming that

their strong performance will simply be noticed and rewarded. And it's well documented that women are often promoted based on *proven achievement* while men tend to be promoted based on *potential*. Don't assume that women who have children are less ambitious or value their income less than their male counterparts. And don't tolerate situations where men are paid more than women for the same work: women tend to undersell themselves in salary negotiations, while men typically don't hesitate to ask.

Mentoring - Role models, mentors and sponsors play a key role in career advancement. Give female employees equal opportunity to interact with their superiors in informal settings, both inside and outside of their departments. Provide formal internal mentoring programs with diverse participants serving as mentors and protégés. Also, encourage women to participate in mentoring programs offered by external organizations—if your mentor is within your company, it can limit frank

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DON'T FORGET ABOUT *Networking*

Encourage women to participate in cross-functional special projects or to volunteer in professional associations (on company time, if necessary). This way, they can build and demonstrate their leadership skills while broadening their network beyond their colleagues and clients.

discussion. Women need both male and female mentors (who talk *to* them)—and, better yet, sponsors (who talk *about* them to others, providing support).

For women in a number of industries, the world doesn't look much different from the days when slide rules and cigar smoking were common in the office. But employers have the power to set the tone from the top and initiate change. 

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