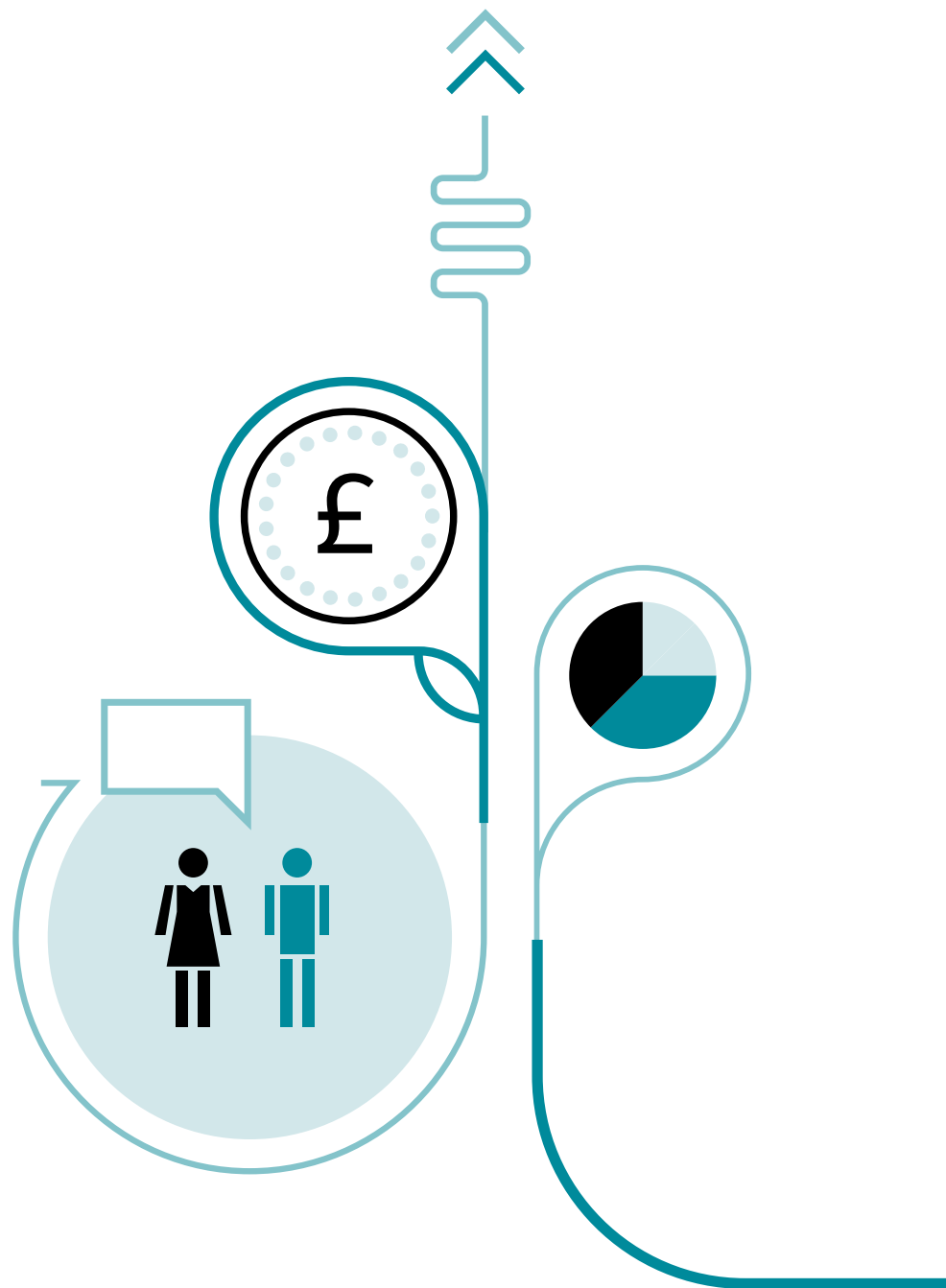


Women in banking



Sponsored by

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Foreword

In a highly competitive global economy, where talent is at a premium, employee diversity offers a proven route to increased innovation and organisational performance. While politicians and, increasingly, employers recognise that gender should be no barrier to career progression, women continue to be under-represented at senior levels across UK PLC. The problem is particularly acute in the UK banking sector.

The Institute of Leadership & Management is committed to organisational excellence and encouraging leadership talent, regardless of gender. In 2011, ILM carried out research into male and female managers' career plans and ambitions (*Ambition and Gender at Work*) across all industries. This revealed some striking differences in male and female expectations, and emphasised how much change is still needed in many organisations if they are to maximise the potential of women in their workforce.

This research, sponsored by RBS, builds on these findings, to investigate why so few women are promoted to senior management positions in banking, identify the challenges they face getting to the top, and propose some solutions. We conducted qualitative and quantitative surveys investigating gender diversity at senior levels of the banking industry. Over 800 individuals, 405 women and 408 men working in banking, completed our online survey into their progression in the industry. We also carried out in-depth interviews with 16 senior women working in UK banks about their own career experiences. A number of quotes from the in-depth interviews are included throughout this report.

Promoting more women into senior positions is not just about equity and fairness, but also about economics. There is a real opportunity for banks to drive long-term organisational performance by increasing both the attraction and retention of women and providing more opportunities to progress into senior roles.

Executive summary

While women wield substantial purchasing power and make up half (50%) of the UK workforce, just 32% of managers and 28% of senior executives in the UK are female. Statistics show that banking is an even more male dominated business. The number of female managers in the financial sector is similar to the national average (34%), but just 11% of corporate managers and senior executives in banking are women¹.

The research highlights the scale of the challenge facing UK banks looking to achieve gender diversity at senior levels. Fewer than one in 10 women (9%) in our survey sample occupied senior and executive roles, compared to 21% of men. This report investigates why there are so few senior women in the top levels of banking organisations and proposes solutions to address these issues.

Barriers to progression

The surveys provide clear evidence of a range of barriers that are impeding women's career progress in banking. Half of the women we surveyed (48%) said that barriers to progression for women existed in their organisation, and 36% of men agreed. These barriers, collectively labelled as the glass ceiling, become more visible as women progress in their careers. A third (31%) of women in junior roles said they thought a glass ceiling existed for women where they worked, rising to 61% of women in middle management roles. The reverse was true for men; 31% of men at junior level said a glass ceiling existed in their organisation, dropping to 23% of men at middle management level.

Opting out

A range of factors are causing women to either opt out of banking altogether or halt their career progression. One third of women, and a quarter of men, believed that there were fewer women in senior positions because of family or personal commitments.

Management culture

Almost three quarters of women (72%) said the attitudes of senior male managers were a barrier to women progressing into senior roles. Women also saw the current culture in their organisation (61%) as a major issue halting progression to senior management levels.

The women we interviewed believe that men tend to recruit and promote in their own image and through male-dominated networks, rather than on merit alone. 70% of women we surveyed said the existing greater proportion of men in senior roles halted the career progress of women.

There was little belief in banking as a meritocracy – only 22% of all respondents, both male and female, agreed that 'people here are promoted based on merit alone' while almost half (48%) agreed that 'in my organisation, promotion is determined by who you know'.

Lack of flexible working

Both men and women feel banking is lacking in opportunities to work flexibly and remotely. Three quarters (76%) of women and 66% of men said that 'opportunities for working flexible hours or working from home would be a benefit for me'. 68% of women felt that positive action to increase availability of flexible working would be the biggest boon to progression for women.

¹ Equality and Human Rights Commission, Employment and earnings in the finance sector: A gender analysis, 2009

48%

of women surveyed said they face barriers in their organisation

22%

of all respondents agreed people in their organisation are promoted on merit alone

The current presenteeism culture, which rewards attendance over output, presents a major barrier to implementing effective flexible working, say respondents. Many women we interviewed felt unable to take advantage of flexible working because of negative attitudes towards people working remotely. Interviewees indicated that employees not seen 'at their desk' were often sidelined or perceived by colleagues as less effective or simply 'skiving'.

Interviewees wanted to see more job share roles, flexible hours, and the opportunity to work remotely becoming widely available and culturally accepted in banking organisations. While many companies offer these options as part of a flexible working policy, effective communication, implementation and cultural acceptance of these ways of working was still lacking, according to respondents, due to prevailing attitudes and culture.

Few female role models

Women expressed a need for more female role models at senior level, and 41% of women cited a lack of female role models as a barrier to women's progression. Some of the women interviewed added that they needed a role model they could identify with, rather than a senior woman who has 'given up everything' to get to the top.

Solutions

Addressing the under-representation of women in senior positions calls for a sizeable shift in organisational culture and attitudes. Sustainable change needs to come from the top in order to take advantage of the highly talented women currently prevented or discouraged from reaching senior levels.

It is equally important that more is done to educate managers at all levels in understanding these issues. To make sustainable changes, all managers need to be more aware of the particular challenges and needs for developing women. They need to be able to put into practice the coaching and support, transparent performance management, and understanding of flexible working practices required.

Clear performance management processes

To sustain any changes in culture, transparent performance management processes are required to encourage promotion on merit. Banking is not currently viewed as a meritocracy where the best rise to the top. Clear criteria for ranking employees on output rather than hours, and performance excellence rather than connections, will benefit the business by rewarding and developing top talent. This is the most significant shift organisations can make towards a talent driven banking economy.

20% 55%

of men in senior positions
acknowledge a glass
ceiling in banking

of senior women agree

Measurement of diversity

A relatively low proportion of men in senior positions acknowledge the existence of a glass ceiling in banking (20%) compared to 55% of senior women. We believe that raising awareness of the issue is the first step. Better measurement and sharing of diversity metrics will allow banks to raise awareness of the lack of progression for women with all managers across their organisation.

Mentors, sponsorship and networks

Establishing programmes for the sponsorship, coaching and mentoring of women can help address the lack of confidence over career progression expressed by many women in the research. Given the difference in perceptions between women and men about obstacles to career progression, we suggest that if senior male executives sponsor and mentor aspiring female leaders, both parties stand to benefit. Similarly we recommend that organisations build, and women engage in, networks that are female-friendly but open to both men and women.

Female role models

Banks have an opportunity to signal that women can progress up to the highest levels by raising the voice and visibility of successful female leaders across their organisation. They can actively seek out successful women in senior positions, especially those who have maintained a good work/life balance, and help build their profile and reputation both inside and outside of their organisation.

Tackling poor management practice

A change in management culture is needed, particularly around attendance and flexible working, to address many of the concerns expressed in the survey. A shift towards reward based on results, not attendance in the office, would allow greater uptake of flexible and remote working.

Flexible working needs to be both available and culturally accepted at all levels. This attitude should also extend into how women are encouraged to return from longer periods of time away from work – for example, from maternity leave. Organisations can achieve this by ensuring their reintroduction into work is well supported, additional training is provided to address any skills gaps due to periods away from work, and they are able to resume their careers without being disadvantaged by their time away.

To support these aims, managers at all levels need to be trained on how to best organise workloads and support flexible working arrangements. They should not only be fluent in the practices and policies available in their organisation, but should ensure their behaviours reflect the desired culture.

Background

The commercial case for gender balanced senior management teams is well established. A study from McKinsey & Company² reported that organisations with the most women in their senior teams show superior growth in equity, operational results and share price. Companies where at least a third of their senior team is made up of women, outperform those with no women at that level, when performance is measured on nine criteria of organisational excellence.

Although just over half of the workforce in financial services are women (55% compared to a UK average of 49%), this is not reflected at senior level. Just one in ten (11%) senior managers in the banking industry is a woman, against a national average of 28%.³

The total number of employees in the banking sector and related services (excluding insurance and pensions) is 528,000. Of the total number of employees 44% are men and 55% are women⁴. Although the ONS data shows there are more women working in this sector, of the 91,000 classed as Managers, just 30% of these are women⁵.

Two fifths (39%) of men working in the banking sector hold a degree compared to a fifth (20%) of women. While in 2009/10 women made up 57% of degree graduates from UK higher education institutions overall, only 46% of the postgraduates and graduates who entered banking were female⁶.

On the whole, women work at the more junior levels in banking. Almost half (46%) of the women in our survey were in junior roles, compared to only a fifth (21%) of the men. Women at this level are predominately in administrative, secretarial, customer service and sales roles, and not in technical banking roles commonly associated with progression into senior management. At the top of the organisation, however, the gender balance is reversed. Only 9% of women in our survey sample had reached senior or executive level, compared to almost a quarter (23%) of their male counterparts.

This suggests that while some progress is being made in attracting women into banking, banks are struggling to attract a significant proportion of women onto their graduate trainee programmes, or into roles where career progression is expected.

This culture of disparity between genders in banking is certainly the perception among many potential female recruits. In one survey of 450 female students at Oxford University⁷, for example, 85% said that they thought they would face more discrimination in financial services than any other sector.

The evidence also suggests that as the financial services industry contracts, women lose their jobs before men. Between 2007 and 2010, 12.5% of women working in the UK financial sector lost their jobs, compared to 8.8% of men⁸.

Some progress is being made in addressing the gender challenge. At a broader level, following the Davies review, *Women on Boards*, the signs are that more women are being appointed to FTSE 100 corporate boards. But while the Davies review may make a difference at board level, it does not really address the root causes of the under-representation of women at senior executive, senior management and middle management levels. We see that banks, like so many organisations, do not have a female talent pipeline feeding into senior roles. In order to achieve this, much greater progress needs to be made in addressing the underlying reasons for women's stalling careers.

2 Women Matter: Gender Diversity, a corporate performance driver (2007)

3 ONS Labour Force Survey, Employees by Industry: Q3 2011

4 2 ONS Labour Force Survey, Employees by Occupation: Q2 2011

5 Equality and Human Rights Commission, Employment and earning in the finance sector: A gender analysis (2009)

6 Destinations of Leavers from Higher Education Collection 09/10, Higher Education Statistics Agency (2011)

7 eFinancial Careers, 2010 http://news.efinancialcareers.co.uk/news_ITEM/newsItemId-24397

8 Financial Times (2011)

Report findings

It is clear that women aren't currently progressing as far or as high as their male counterparts in the banking industry. In the sample we surveyed, drawn from employees across the UK banking sector, almost half of female respondents (48%) were in junior roles compared with only a fifth (21%) of men, while fewer than one in 10 women (9%) occupied senior and executive roles compared to just under a quarter of men (21%).

Career opportunities and challenges

Employees we surveyed said that banking can offer a dynamic and lucrative career path. There are good opportunities for career progression, as roughly half (54%) of the men and women who were surveyed acknowledged. Of the women who had reached senior positions in the industry, many were positive about opportunities in banking, citing recognition of hard work, pay and benefits as major plus points.

Many of the women we interviewed felt that women do not push for senior positions in banking because of family commitments and work/life balance issues. One third of women, and a quarter of men, believed that there were fewer women in senior positions because of other family or personal commitments.

These critical career decisions appear to be influenced by a range of factors, including attitudes and management culture, long working hours and the lack of flexible working arrangements.

Barriers to progression

Almost half of the women we surveyed (48%) said that barriers to progression for women existed in their organisation.

The disparity was less clear, however, to the senior men in our survey. At a junior level, 38% of women and men acknowledge barriers to female career progression. However, at first line and middle management roles that figure was 56% and 65% respectively for women, but just 33% for men. The higher up the management hierarchy, the more visible these barriers are for women and the less visible they become for men.

The five biggest barriers to female career progression were identified as the attitudes of senior male managers (72% of women compared to 53% of men said that this was a barrier), the existing greater proportion of men in senior roles (70% v 54%), the current organisational culture (61% v 52%), a lack of flexible working opportunities (56% v 41%) and a lack of female role models (41% v 33%).

Bouncing off the glass ceiling

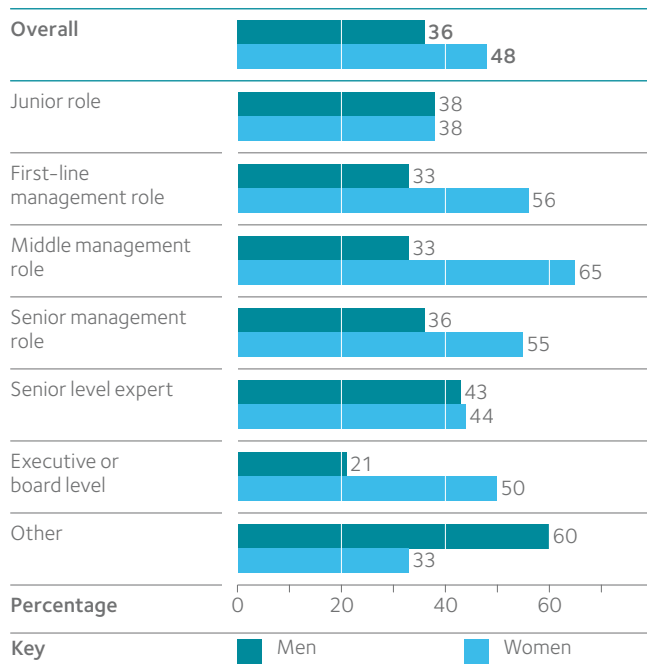
These barriers, when seen together, form a so-called 'glass ceiling' holding back the progress of women into the senior ranks. Respondents were less likely to indicate they perceived barriers when expressed in this overall way, with women more likely to say a glass ceiling exists in their organisation (41%) than men (26%). Perceptions also differed between individual areas of banking. The glass ceiling was most evident for women in the Investment (54%) and Wealth (52%) sectors, and least evident for those working in Corporate banking (31%).

For those executives who have made the journey to senior management, 40% of women agree obtaining a promotion is more difficult in banking than other industries, compared to 25% of men.

“There are certainly a number of women I know who chose a work/life balance over seniority, and some leave banking and finance altogether.”

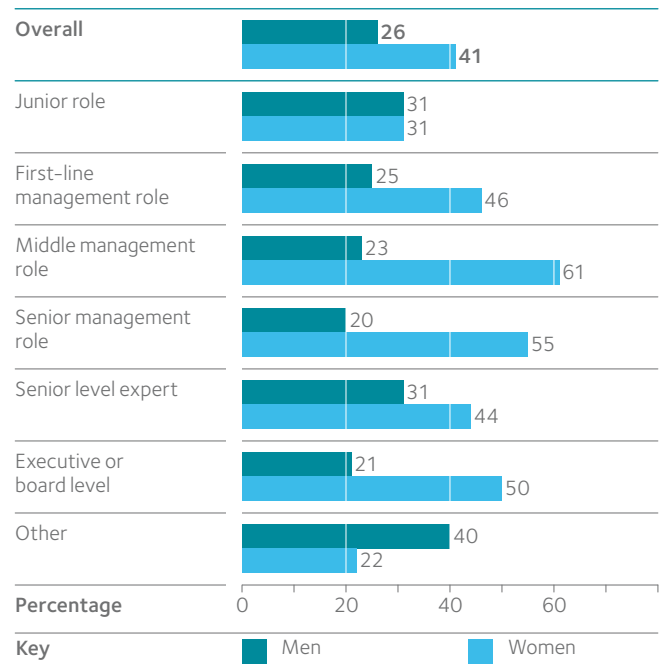
“Job design [needs to change] – we need to have the ability for people to work part time, or at the very least in a different structure – different hours, remote hours, without an obligation to be constantly available.”

Figure 1: Do you believe any barriers exist to women progressing into senior positions within banking?



Women, especially those in senior levels, believe barriers preventing women progressing into senior management exist. Men at all levels are far less likely to see the barriers facing women.

Figure 2: Do you believe the notion of a 'glass ceiling' exists within your organisation?



The 'glass ceiling' in their own organisation is very clear for women, but far fewer men are able to see it.

Table 1a: Expectation of progression within 10 years Men

Current level	Expected level in 10 years					
	Junior role	First-line management role	Middle management role	Senior management role	Executive or board level	Base
Junior role	16%	33%	24%	17%	3%	63
First-line management role	—	18%	36%	37%	1%	78
Middle management role	—	—	14%	70%	11%	70
Senior management role	—	—	—	29%	52%	21
Executive or board level	—	—	—	—	100%	4

Most men clearly expect to progress their careers in the next 10 years

Table 1b: Expectation of progression within 10 years Women

Current level	Expected level in 10 years					
	Junior role	First-line management role	Middle management role	Senior management role	Executive or board level	Base
Junior role	36%	30%	22%	9%	0%	122
First-line management role	—	19%	47%	27%	3%	62
Middle management role	—	—	36%	42%	12%	33
Senior management role	—	—	—	64%	29%	14
Executive or board level	—	—	—	—	0%	0

Women have much lower expectations than men of career progression in the next 10 years

While 36% of women in a middle management role expect to still be in their current job in 10 years time, just 14% of men have the same expectation. The men in our survey expect to make steady career progression. Half the male senior managers (52%) were confident that they would reach Board or executive level within 10 years, but just 29% of female managers felt the same way. Women in the survey are less confident in their own abilities, and have lower career expectations than men.

This reflects the results of ILM's 2011 *Ambition and Gender at Work* research report, which showed that men are more confident across all age groups, with 70% of men having high or quite high levels of self-confidence compared to 50% of women. Half of women managers admitted to feelings of self-doubt, while only 31% of men said they felt the same.

However, there were some significant differences between the results of this survey and the *Ambition and Gender* survey. Women working in banking were far more likely to ask for pay rises and promotions than their male counterparts – 78% of women in middle management and 75% in senior management, compared to 65% and 53% of men. This indicates a far higher level of self confidence than the previous research.

Combining these different issues, it is clear that the glass ceiling isn't a simple phenomenon but a complex mix of personal, societal and organisational factors.

“I wonder sometimes, quite honestly, when a role comes up and you get a woman going for it... whether they would just err more to the male application. It’s that kind of unconscious bias.”

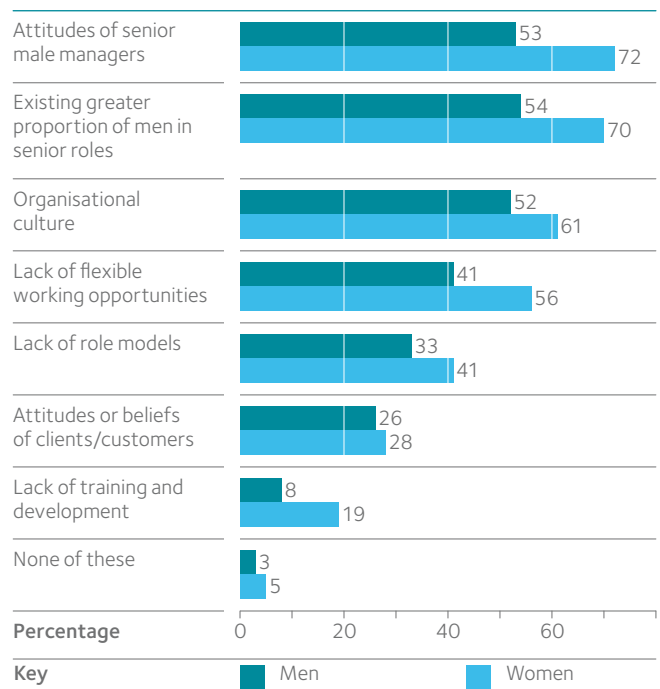
Management culture

Almost three quarters of women (72%) said that the attitudes of senior male managers posed a barrier to women progressing into senior roles. The next two most cited obstacles to progression were also related to the male management culture, with 70% of women saying the existing greater proportion of men in senior roles halted progression, followed by the current organisational culture in their organisation (61%). These barriers were visible to men, but at much lower levels, with the prevalence of men in senior roles seen by men as the most visible barrier (54%) followed by the attitudes of senior male managers (53%) and organisational culture (52%).

The predominantly male management culture entrenched in banking organisations is seen as the most significant barrier to advancement by the majority of women surveyed.

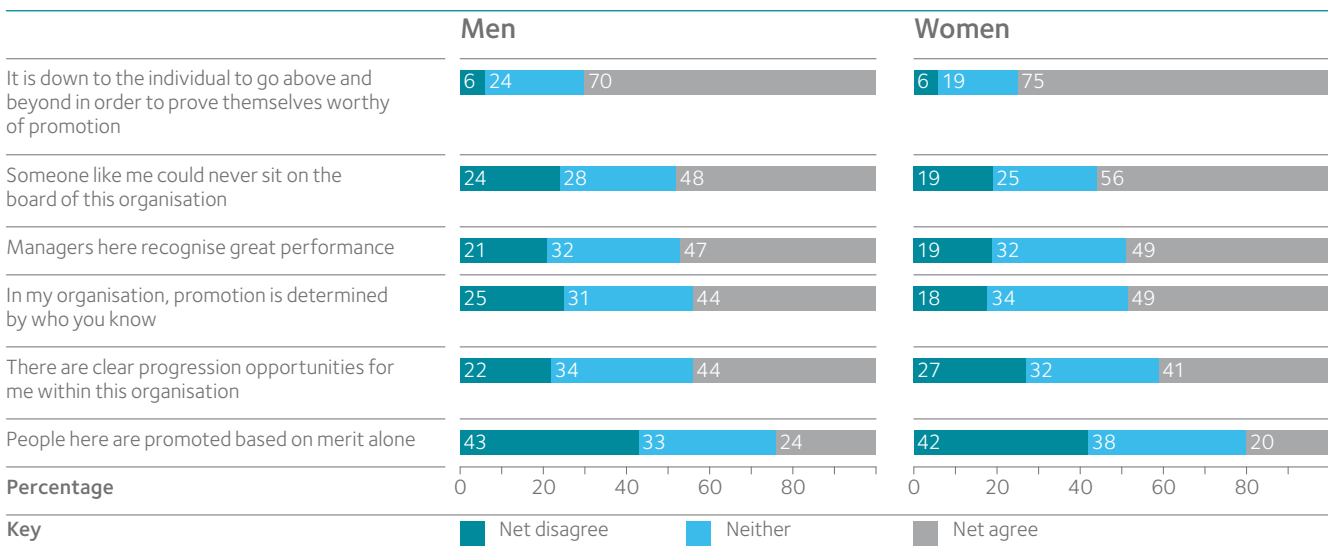
Male managers appear to recruit in their own image, argue some female respondents. As one female manager noted: “I don’t think that anyone has deliberately gone out of their way to be non-inclusive. I think it is just habit.”

Figure 3: Barriers to progression for women



“A big fundamental step change in culture is required to push things through. The [flexible working] policy is there, but it’s about how you use it. I don’t think there’s anything stopping it other than people and attitudes.”

Figure 4: Respondents on opportunities for career progression



Men and women largely agree about the way that promotion happens in their organisation.

There is little sense from both male and female respondents that career progression in banking is based purely on merit. Only 22% of all respondents agreed that ‘people here are promoted based on merit alone’ while almost half (48%) agreed that ‘in my organisation, promotion is determined by who you know’. Female managers we interviewed believe that this leads to men promoting men, with one senior woman suggesting that for applicants with equally qualified backgrounds, a male manager would ‘just go for the man because that’s where they feel [more of a] rapport than with a woman.’

A masculine management culture subtly influences all aspects of an organisation, say interviewees. For example, female respondents felt there was a difference in the way that the personal characteristics and traits of women and men are perceived, often to the detriment of female managers.

“It is a different standard...,” said one woman. “Strength from a woman and strength from a man are perceived in two different ways. The tag you get is aggressive and emotional, and you never get a man at the top being described as aggressive.”

“I think I took a regressive step each time I was off on maternity leave. I think it becomes very easy if colleagues want to take advantage of an absence and I think the industry likes that because it does not want the business to suffer.”

The pressure of poor management practice

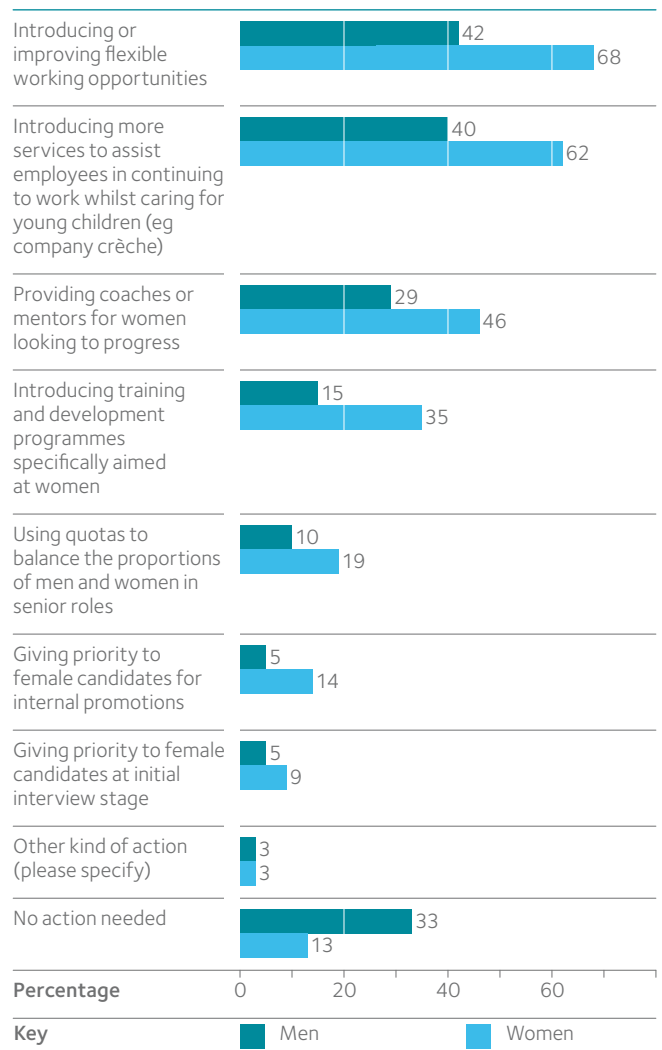
Both men and women working in banking placed a high value on working additional hours and being seen to do so – over half (58%) of men thought that working beyond their contracted hours showed commitment to their job, and 52% of women thought this was the case.

As one respondent said: “There’s still very much a legacy that working means coming into a certain place, being at your desk and being seen, rather than how your work might be seen from a distance.”

Many women we interviewed felt unable to take advantage of flexible working because of negative attitudes towards people working flexibly. This perceived lack of valid flexible working opportunities was identified as a major barrier to progression by 56% of women and 41% of men.

Both men and women would like to see more flexible working options offered. Three quarters (76%) of women and 66% of men said that ‘opportunities for working flexible hours or working from home would be a benefit for me’. Two thirds (68%) of women felt that some form of positive action was necessary to enable career progression, with the most requested action ‘to introduce or improve flexible working opportunities’ (68%). Interviewees identified job share roles, flexible hours, and the opportunity to work remotely as the types of flexible working they most wanted to see more of.

Figure 5: What action is needed in the banking sector to allow women to move into senior positions?



“Everybody has a [flexible working] policy; I think the execution and the ability of people to access it can be constrained.”

“A lot of women in these very senior positions are amazing and inspirational, but they seem like superwoman and like something I couldn’t be... they are almost too aspirational.”

Opting out

Interviewees indicated that women often opt out of careers in banking due to a perceived lack of work/life balance and incompatibility with family life. Having predictable working hours was important to 66% of women (compared to 49% of men), reflecting the statement by interviewees that many women desire a greater work/life balance than a career in banking can provide.

Women in our survey feel they cannot have a family and also work at a senior level in a banking environment. One interviewee said that “there were opportunities to progress that I didn’t take because I made a conscious decision that whilst [my child] was at a certain age I wouldn’t work like that.”

Interviewees highlighted an opportunity to improve the management of maternity leave policies and returning to work after having a family. In fact, ‘introducing more services to assist employees in continuing to work whilst caring for young children’ was second on the list of most requested actions (62%) to improve the career prospects of women.

A number of women interviewed said that even short periods of maternity leave had effectively stalled their careers and that roles were not always available when they returned. Some said their leave period was not managed properly and no support given during or on their return to work, and that maternity leave ‘often results in women being cast aside’. Other interviewees said that they felt cut off during maternity leave: “Right now, when a woman goes on maternity leave you lose access to the system and emails... there is no way for you to keep in touch and in the loop” said one interviewee.

Lack of female role models

The research reveals women feel there is a distinct lack of female role models in senior positions in banking, with 41% of women saying the scarcity of female senior executives creates a barrier to women’s progression. Just under half (43%) of the women surveyed felt that ‘a stronger female presence at board level would be a benefit to my organisation’.

Although women want female role models, some interviewees were very specific about the kind of female role model that they would like. In particular, many women said that they needed to be able to identify with the role model, to feel some shared experience or connection.

Female respondents identified a need to look up and see women in senior positions who had not ‘given up everything’ to get there. They wanted role models who were working flexibly and successfully, and managing to balance working life and family commitments. As one woman commented: “If I look at someone who does not have a family life, I would not necessarily think that someone was a role model.”

Although the need for female role models was clear, only one fifth (19%) of women felt there was a need to introduce quotas for the number of women in senior management. The senior women we interviewed were more split on the subject, with one woman saying it would “undermine women working in the industry”. However, another respondent suggested that there needs to be “more than loose talk about targets”.

Recommendations

Addressing the under-representation of women in senior positions is a complex and long-term challenge to which there are no quick fixes or easy solutions. The research reveals a causal chain of events impeding women progressing to the highest positions in banking. The biggest challenge to women's career advancement in banking is not about organisational processes, but about awareness, attitudes and behaviour of senior managers, and the culture of the organisation.

The combination of barriers highlighted by the survey – a masculine management culture, lack of opportunity for flexible working, poor management practice and a lack of realistic female role models – mean many women are opting out of banking altogether. This fallout needs to be addressed in order to attract and retain the talented women the sector needs to stay ahead.

Attract more female graduates

A major part of the solution is recruiting more women into banking roles with a clear route of progression. Graduate training schemes, for example, are an excellent way of targeting and recruiting a new generation of talented, ambitious and confident women into the industry.

In order to attract more female graduates, however, the industry needs to work hard to make banking a more desirable career for women. Banks can begin by raising awareness of these issues, particularly among senior male managers, and through better measurement of relevant metrics. Then a cultural and behavioural change programme is required, reinforced by the appropriate performance management systems. At the same time, organisations can focus on other initiatives such as ensuring more women participate in networking, mentoring and sponsorship opportunities, as well as implementing accessible flexible working policies.

These initiatives and policies should be highly visible to both potential recruits and current employees, female and male.

Transparent performance management

For banks to operate successfully in a talent-driven economy, they need to develop more effective systems of performance management. Both women and men in banking are concerned that the sector is not a meritocracy, so creating and implementing clear and output-focused performance management processes sends a message that banking encourages promotion on merit.

The processes banks use to assess capability, talent and potential, and the way they determine selection and progression, would benefit from being more objective, open and outcome focused. The banking industry should aim for more transparent performance management, with employees having confidence that they are being graded against openly stated criteria and targets, and a clear focus on outputs and results to ensure a fair assessment of performance.

Measure diversity to raise awareness

The research shows that many male senior managers do not share the views of their female counterparts about the existence of the glass ceiling. Furthermore, many women believe that senior male managers promote in favour of men when making key career-related decisions.

While there was no strong appetite for quotas of any kind from either women (19%) or men (10%) in our survey, there is a clear need to set targets around diversity and the promotion of talent through the organisation.

“At the executive level sponsorship of the executive female candidates is important [for women to progress]. You know people are getting sponsorship, there is a lot of it out there, but it tends to be less for women. More senior execs need to come out and do this for women so that people look at them more.”

Banks wishing to increase the flow of female talent into senior positions can set firm targets for key areas, such as the recruitment, training and promotion of women. This information may include, for example, detailed tracking and reporting on the number of women employed at different levels, how much they are paid in comparison to men, how long they remain with the organisation, and the support and development they receive in comparison to men. It should also include tracking of retention rates of women returning from career breaks and maternity leave, a key point of attrition for current female managers making the choice between career progression and family life. The information obtained can then be incorporated into the organisation’s balanced scorecard and KPIs.

While the current focus on female representation at Board level is a step forward, there needs to be a similar focus at every level of management to address the issue at the heart of the problem – the lack of an effective pipeline for female talent.

Sponsorship, coaching and mentoring

Our research shows that women in banking are less confident about career progression than their male colleagues. Sponsorship and mentoring programmes can play an important role in raising women managers’ aspirations and confidence in their own abilities.

It may seem sensible for women to be mentored or coached by other women, but this is not necessarily the best solution. One of the obstacles to creating a culture in banking that is more inclusive of women is the lack of current understanding between men and women within the industry.

A consistent policy of encouraging sponsoring and mentoring relationships between senior men and aspiring female leaders would be more effective at building an understanding of the challenges women face.

Employers can identify and appoint successful leaders of both sexes to serve as mentors to female managers and provide advice and encouragement, helping those managers to build networks and inspiring them to seize career opportunities.

Similarly, the promotion of women-only networks is a common response to a lack of female career progression in organisations. However, in women-only networks the women attending are unlikely to be influencing the attitudes, behaviours or opinions of the people in a position to advance careers in the company – who are more likely to be men. The ideal is therefore to create and promote networks that are open to all.

Coaching programmes are another highly effective way to prime and prepare women to aspire and progress to senior positions. In ILM’s *Creating a Coaching Culture report* (2011), 95% of organisations believed coaching as a development tool benefited the organisation, with 96% believing it benefited the individual. It can develop specific benefits like improved communication and inter-personal skills, leadership and management, conflict resolution, personal confidence, attitudes and motivation, management performance as well as preparation for a new role or promotion. All of these attributes contribute to career progression and would help women aspiring to senior positions to reach their goals.

68% 42%

of women thought
banks needed flexible
working opportunities

of men agreed

Make senior women more visible

The banking industry, at its more senior positions at least, is still dominated by men. This means the number of potential female role models at senior level is comparatively small. Perceptions are central to tackling the glass ceiling. If women already feel that it is more difficult to make it to the top than it is for men, then a lack of female role models is only likely to reinforce that belief.

Banking employers have an opportunity to raise the voice and visibility of successful female leaders across their organisations. They can actively seek out successful women in senior positions and help build the profile and reputation of those women internally and externally through a targeted communications and PR strategy.

Women indicated that they wanted more female role models with families and children, who had not completely sacrificed their personal life to get ahead.

There is a danger, in implementing this type of role model initiative, that it is seen as a cosmetic exercise. That is why it must be accompanied by concerted cultural and attitudinal change initiatives that underpin any serious attempts to get more women into senior roles.

Support and encourage flexible working

Both men and women in the survey reflected a desire for access to flexible and remote working, indicating there is a larger cultural problem in banking around working practices.

Our survey identified a cultural resistance to flexible and remote working in banking. However, in a technically enabled industry where working hours, stress and work life balance are already a major challenge, embracing remote and flexible working can improve both work/life balance and output for both men and women.

The need to balance work and family commitments is often identified as a barrier to career progression for women. The research findings suggest this is equally true for women working in banking. As well as the effective implementation of flexible working practices to address these issues, banking also needs to address the management challenge posed by maternity leave and employees returning to work after career breaks. Managers should be encouraged to deal with maternity leave more competently, including 'keep in touch' days, access to emails if requested, and a positively handled return to work process.

However, improved flexible working opportunities should benefit both men and women. Promoting flexible working for all employees will increase work/life balance across the board, reduce the stigma attached to working flexibly and enable banks to take advantage of a currently underutilised pool of talent.

Banks have a real opportunity to improve gender balance in their senior ranks by taking action in the areas highlighted by the research. The challenge for the industry will be to make significant shifts in attitudes and culture to ensure sustainable progress.

Methodology

The research built on ILM's *Ambition and Gender* research, published in February 2011, which explored male and female managers' contrasting expectations for their careers. The current research comprised three distinct elements – desk research, an online survey and telephone interviews – with the fieldwork for the latter two taking place from mid-November to mid-December 2011. This was undertaken for ILM by Freshminds Research, with additional desk research by ILM.

The online survey was conducted with a sample of 813 banking employees, 405 of whom were women and 408 men. Female respondents tended to be in junior roles and male respondents in more senior roles, broadly reflecting the pattern of employment in the sector. Similarly, the split between the principal sub-sectors within banking (retail, corporate, wealth and investment) was broadly reflective of the split between these sub-sectors. Where differences between male and female responses or between different sub-sectors are highlighted, the sample size is sufficient to ensure this variation is identified as significant.

The telephone survey was conducted with 16 senior women managers across the banking sector. It was designed to be qualitative, using open questions and prompts to encourage in-depth discussion about work values, career progression, personal experiences of senior management, attitudes towards future career progression and hypotheses around why fewer females progress into senior roles. The respondents were all either Directors or heads of divisions in the UK banking sector, and were selected purposefully because of their position in the banking sector.

The quantitative survey provided a detailed insight into male and female experiences and expectations, whilst the qualitative survey offered a richer, more nuanced picture from women who had been successful in the banking sector. The desk research provided evidence of the wider employment context, and identified issues that have emerged from previous research in the sector.

Note about labour force data in the banking sector

Respondents to the surveys were carefully filtered to ensure they worked in the banking sector. Data from the quarterly Labour Force Survey, which has been used to establish the wider context of employment in the sector, groups employees in the banking sector with employees from a number of other financial intermediaries (building societies, unit and investment trusts and non-bank providers of credit services) as well as employees of holding companies with no operational responsibilities. These comprise a relatively small proportion of employees in the wider sector, and are unlikely to have distorted the data significantly.

About ILM

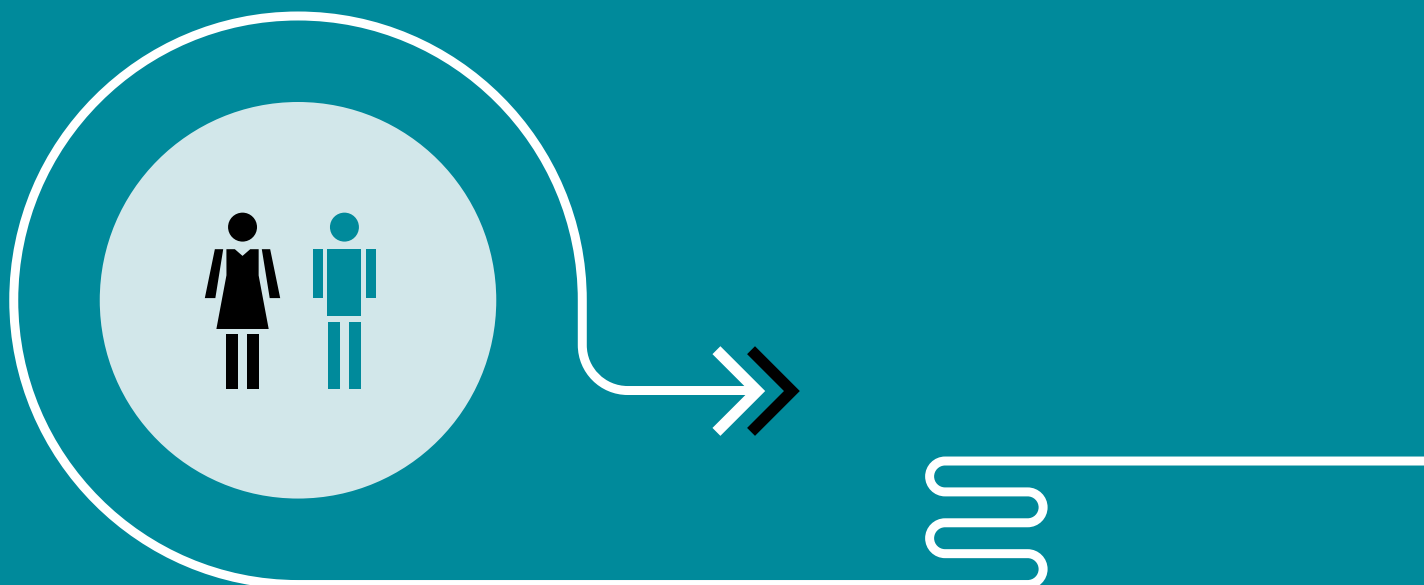
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