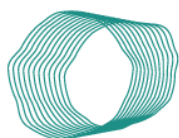
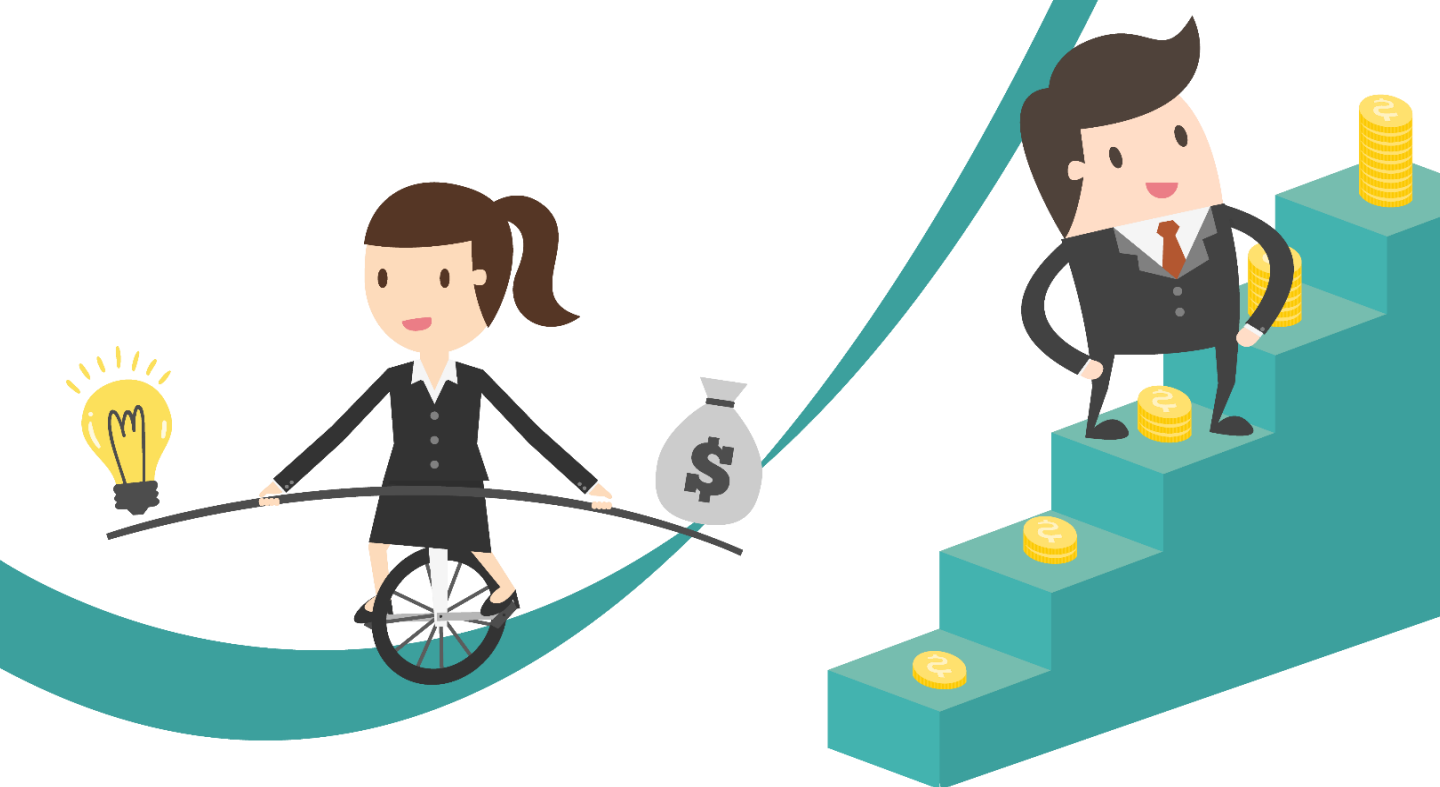


Women in Finance:

Not allowed, not able, or not willing?

Sigtona Halrynjo, Hannah Løke Kjos
og Sahra Ali Abdullahi Torjussen



CORE
SENER FOR
LIKESTILLINGS-
FORSKNING

The interview study of women's and men's career paths in finance has been conducted by CORE – the Centre for Research on Gender Equality at the Institute for Social Research. The project is carried out on behalf of the Finance Sector Union of Norway, with support from the Financial Market Fund. Read the entire report here:

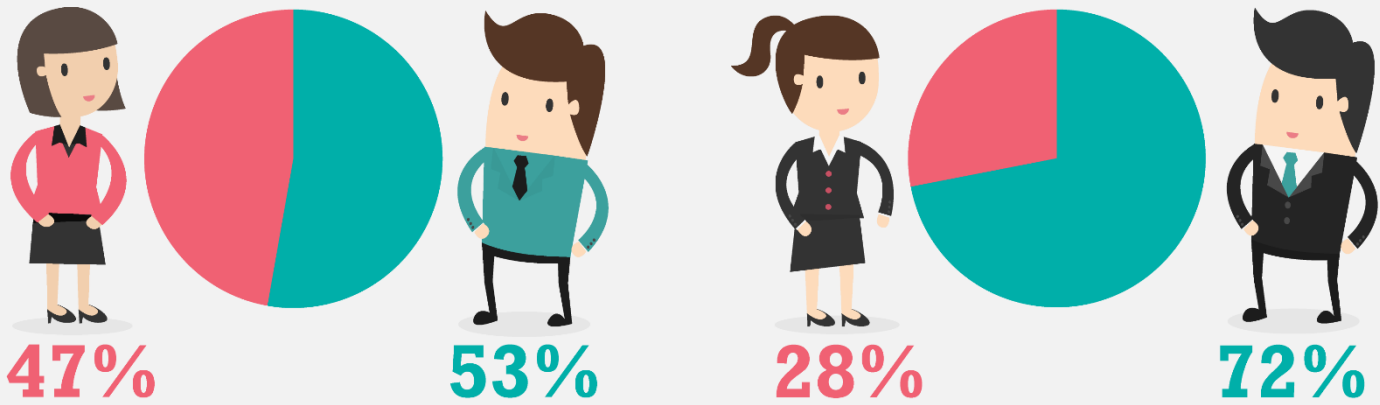
<http://hdl.handle.net/11250/2597048>

WOMEN AND MEN IN FINANCE WHAT DO THE NUMBERS SHOW?

A gender-balanced industry – but few women in top positions

All employees

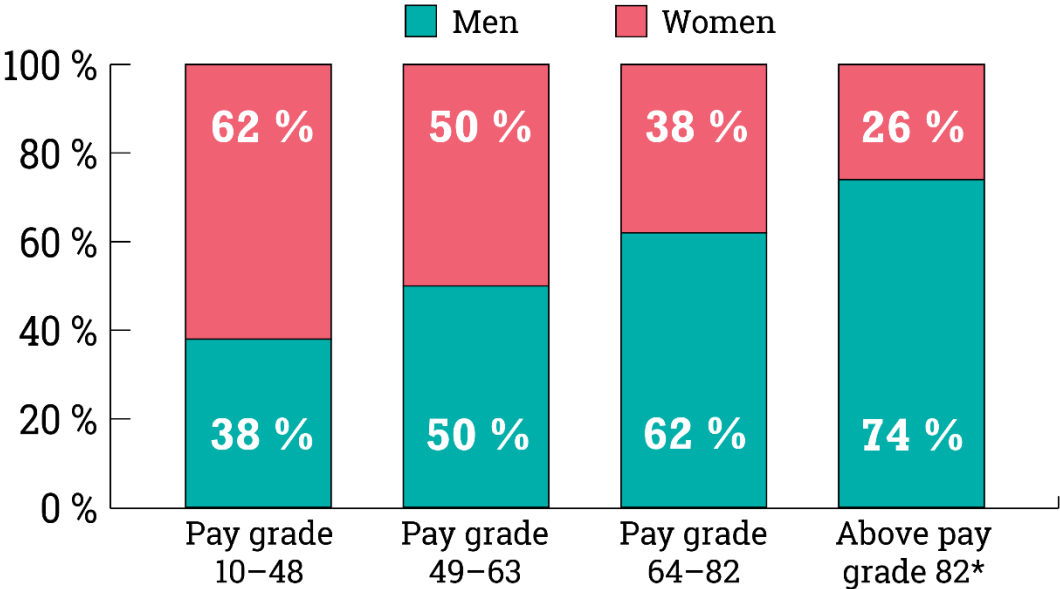
Director / top manager level



Although the finance industry is **gender-balanced**, **men continue to dominate top positions**.

Men earn more

Gender distribution by pay scale:



*Individual salary negotiations

Source: Statistics Norway 2017, based on figures from employers in business banking and insurance that are members of Finance Norway

ACCOUNTS FROM FINANCE: AN INTERVIEW STUDY

A qualitative interview study with 30 women and men from various business areas within business banking and insurance was conducted.

Dilemma: Parental leave vs. competition for clients



The illustration shows a man on the left and a woman on the right, both standing next to a red baby stroller. The man is wearing a black suit and tie, and the woman is wearing a black dress. The background is white with a yellow sun and a blue and white striped beach umbrella on the left.

I personally took the leave in the summer, because it was vacation time and less to do at work. Clients are a little less demanding in the summer, as they are also on holiday.

– Pål, Asset Management

When you take leave as a mother you have to give your clients to colleagues so someone takes care of them. That is fine enough, but the problem is that when you return, you do not get those clients back. You have to start totally from scratch.

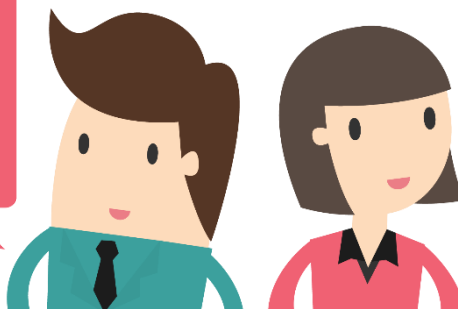
– Maren, Markets

- Fathers take leave in the summer when their clients are on vacation and thus keep both their relationships with the clients and their bonuses.
- When mothers take their (nearly a year) long leave, they must hand over their clients. Thus, they miss out on earnings and bonuses, and risk having to start from scratch after their leave.

Dilemma: Availability and flexibility – on the client's or the family's premises?

... the way I have succeeded in my career is that I have been able to be very flexible, time wise [saying to my wife]: "I'm not coming home this afternoon. I'm going out to dinner with a client," or: "I'm going to Stockholm".

– Martin, Director, Markets



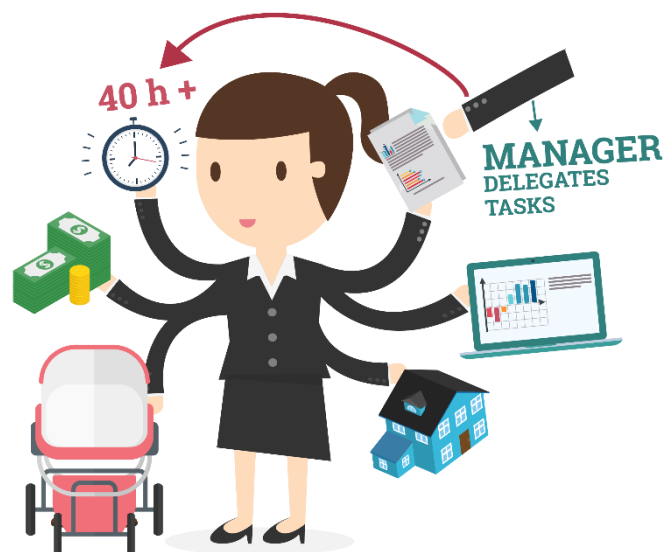
... Of course, we have expectations to deliver, it is not that. But somehow ... we do not have to deliver at ten o'clock in the evening. We can do it in the morning.

– Guro, Personal Banking

How to succeed in a finance career?

- Go **"all in"** by investing a lot of time and availability
- Work in **front-end** finance with large clients
- **Maintain visibility** – "brand yourself"
- Be good at **networking** and **business policy**
- **Be loyal** to the management

MEN AND WOMEN WORK IN DIFFERENT POSITIONS AND BUSINESS AREAS



Characteristics	Male-dominated business areas	Gender-balanced and female-dominated business areas
Where	Front-end: Markets, Investment Banking, Corporates & Institutions, Asset Management	Personal Banking, Back Office (staff and support functions)
Working hours	Works 50+ hours Always available for clients, transactions, and deliveries	Works 40+ hours Can “log off”, works overtime in special cases that can be “flexed out”
Ways of working	Builds personal (client) portfolios, individual competition for clients and responsibilities, risk of being replaced, clients decide time use	Working in teams in which clients, tasks and responsibilities are distributed by the leader
Goals and measurement	Individual performance goals	Collective goals based on the company’s strategy
Salary	Salary not scaled and potential for large individual bonuses	Salary scaled and fewer bonus opportunities (possibly a collective bonus)
Work vs. family	Difficult to combine with family without a “support system” at home; must be flexible on the client’s premises	Can be combined with family life
Culture	Competitive, aggressive, high status, “dark suit” environment	More collective and common “celebration culture” for achieved goals

What explains the wage differences?

The finance industry stands out for its particularly individualized pay structure.

Wage negotiations: "Women must negotiate as men"

- Wage history "catches up with you." Women are punished if they do not start out at a high enough wage.
- It is not enough to demand a pay rise; you need a manager who negotiates for you.
- Unclear criteria for receiving bonuses.

Men work in the best-paid business areas and positions

- Men more often work in front-end areas of finance, such as Markets, Investment Banking, Asset Management with large corporate customers that offer larger salaries and bonus opportunities.
- Women work more often in Personal Banking and Back Office and risk being "punished" in terms of pay and career as they lack large client and profit responsibilities.

Lack of salary development and wage negotiations when on leave

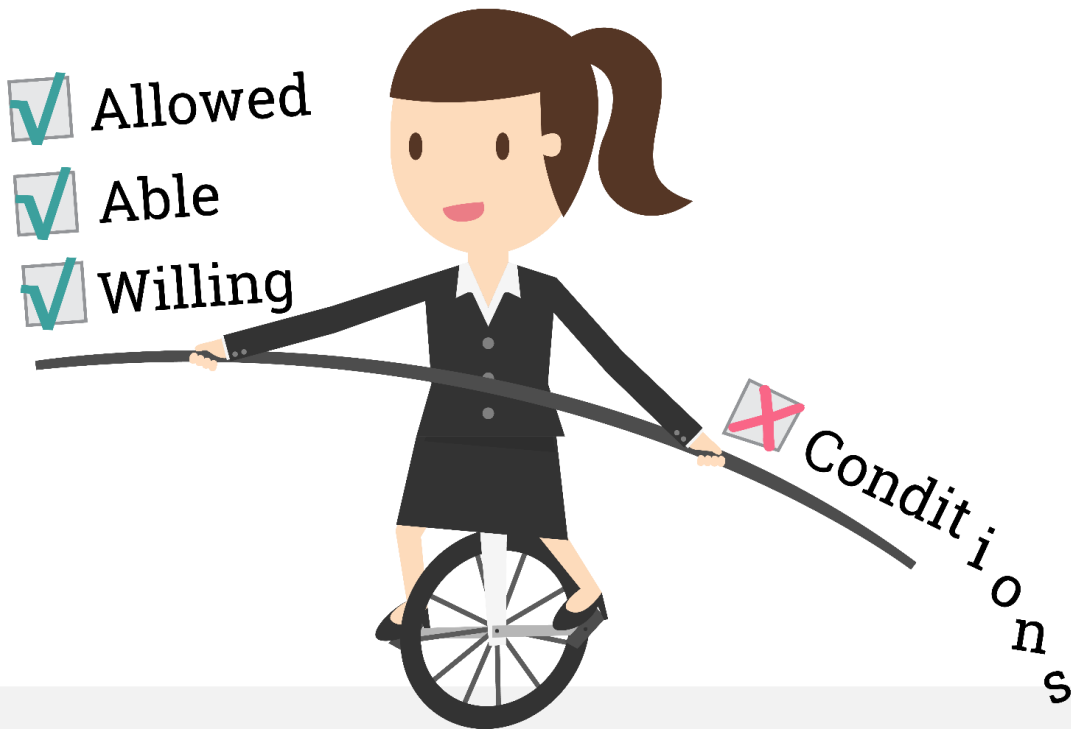
- Women have much longer parental leave than men.
- With several children, a wage gap is created and reinforced, and it often sticks throughout a woman's career.
- Leave implies reduced earnings and thus a reduced bonus.



Reasons why women are missing in front-end and top positions:

	Mistrust of women?	<i>Does the industry mistrust women and gender equality?</i> No. Gender equality is prioritized, and work is being done to recruit more women to the industry.
	Double standards?	<i>Are men and women evaluated differently for equal achievements?</i> Yes and no. This used to happen more often in the past, but there are still stories of the "old boys' club" and masculine behaviour being expected.
	Equal demands – different conditions?	<i>Do men and women meet equal demands, but have different conditions for success?</i> Yes. The competition in Markets, Investment Banking, Corporates and top management jobs requires full dedication and a support system at home.

WOMEN ARE IN DEMAND AND WANT TO SUCCEED IN FINANCE – BUT THEIR CONDITIONS FOR COMPETING ARE DIFFERENT



Women are in demand in the finance industry, and they **get opportunities**. Many **both can and want to succeed**.

Nevertheless, some characteristics of the industry explain why women do not reach the top:

- **Men are continually favored**, and **conditions** for wage development, bonuses and careers are partially **unclear**.
- Women and men work in **different positions and business areas** in finance.
- **Responsibilities for clients and results** are crucial for getting to the top in terms of both salary and career.
- Parts of the industry are organized according to an especially **competitive logic, with individual competition** for clients and areas of responsibility in which you have no “back-up.”
- Women and men do not compete on equal terms: men who have a support system at home allowing them to **be available on the client's premises** – even during parental leave – **win the competition for the best clients, the best deals and the best salaries**.
- The industry risks getting not the best but those who are willing and able to sacrifice family life.