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'Non-traditional investors'?

The work and career experiences of Australian women working in investment management

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Executive Summary

This report forms part of a larger study of women working in three highly male-dominated sectors and occupations: investment management, automotive trades, and pilots. In Australia, women comprise 17 per cent of employees in investment management occupations, 1.5 per cent of automotive tradespeople, and 6 per cent of commercial pilots.¹

In this report we profile the work and career experiences of women in investment management occupations using data collected in 2018. We analysed data drawn from three sources: 10 face-to-face and telephone interviews with industry stakeholders; an online survey of 124 female employees in investment management occupations; and telephone interviews with 17 survey respondents and 3 self-employed women working in the sector. Most survey respondents were aged 35-54 years, held middle-ranking or senior positions, and had worked in investment management for more than 11 years. Just under two-thirds had children and the majority worked full-time hours. The largest proportions worked in superannuation funds and major funds management organisations, as analysts, senior analysts or portfolio/investment managers.

A rewarding career pathway

Analysis of data relating to **women's pathways into the sector** indicated that while most research participants had studied quantitative subjects at university in business and related degrees, many 'fell into' investment management by chance later in their career, having initially worked in allied occupations (accountancy, economics, or stockbroking). When asked why they chose to work in investment management, **interviewees described their jobs in highly positive terms**. They highlighted: the sense of purpose the job provided and their ability to "make a difference" by generating the best returns on people's retirement incomes; the intellectually stimulating nature of the work; and the opportunity to work with high calibre, intelligent people. Survey respondents echoed these views, describing their jobs as satisfying, purposeful, and intellectually and financially rewarding.

Women's working experiences

Women reported **mixed workplace experiences**, some positive and some negative. Some survey results indicated a **positive current experience**: a majority of respondents agreed that they were treated with respect in their workplace (88 per cent), would recommend their employer to their female friends (84 per cent), had supportive managers (80 per cent), and had sufficient flexibility (79 per cent). Yet the data also pointed to **less-positive experiences**, with only 50 per cent of respondents agreeing that men and women were treated equally in their workplace. Regardless of their relatively senior status, an unacceptable proportion of women reported experiencing sexual harassment (13 per cent), gender-related offensive remarks and behaviours (22 per cent), and gender-based exclusion from important workplace events (24 per cent) in their current workplace. For many, the **'opportunity structures' for advancement were absent**: only 59 per cent had access to career-advancing job assignments or development opportunities, and 48 per cent had access to mentoring or sponsorship.

Key problems for women and strategies for change

Difficulties managing work and care were an area of critical concern to women in the study. In survey open questions, 52 of 116 responding participants identified problems for women in investment management that related to **employers not accommodating female parents, and women's difficulties balancing career and family**. This included responses relating to long working hours expectations, a lack of access to flexibility and maternity leave, and women's careers stalling after taking maternity leave or working flexibly. Women observed that societal expectations of women as primary family carer, coupled with women's partners not providing

¹ Adams, R. Barber, B. and Odean, T. (2016) *Family, Values, and Women in Finance* <https://ssrn.com/abstract=2827952> ; ABS 2016 Census data (6 digit ANZSCO).

career support by sharing care and domestic workloads, was a significant problem for many women in investment management.

Respondents highlighted the lack of “cultural acceptance” of flexible work in the sector, observing that because the sector is male-dominated, and because male parents in the sector rarely work part-time, flexible arrangements are not commonly made available to women.

Interview data indicated that where flexible working arrangements were able to be employed, three factors enabled women’s access:

- Where the employing organisation actively promoted flexible work, and team leaders actively encouraged and facilitated access to flexible working arrangements.
- Where women were employed in senior roles, with autonomy to choose when they did their work.
- When women shifted from direct investment roles to (less well-paid) non-direct investment (support or operations) roles.

A total of 70 survey participants suggested actions to improve women’s participation and experience in investment management jobs that centred on **workplaces better accommodating working parents**. Respondents supported the introduction of ‘flexible by default’ working arrangements and equal parental leave for male and female parents, with no detriment to their career. Many advocated a need for career advancement based on merit, rather than unbroken career paths and long hours in the office. There was a view that men in the sector should be encouraged to work flexibly, take extended parental leave, and take on more responsibility for care and household tasks in the home, as this would improve their understanding and treatment of female colleagues or direct reports with care responsibilities. Some felt that this would require changing societal norms through policy levers, while others believed that employing organisations should take leadership in this direction.

Research participants identified, as a primary problem, the **lack of a critical mass of women**, and culturally diverse women, at all levels of investment management organisations. They suggested ways of **profiling the positive attributes of investment management jobs to young women at schools and universities**, in order to influence their field of study and career choices, along with strategies to increase the visibility and numbers of women at senior level.

However, participants in the study also highlighted the **negative attitudes of men in investment management towards women** as a critical barrier to females entering and progressing within the sector. These attitudes were grounded in stereotypes of women as inferior to men, lacking intelligence and quantitative skills, best suited to administrative roles, and of women’s primary role being that of family carer rather than as professional and productive colleagues. Women felt that they were required to “blend, culturally” to the male “ideal worker” model (competitive, loud, confident, and a risk-taker) and to do so, they were required to self-regulate to suppress their personalities, emotions, and femininity at work so as not to appear weak or deviate from the male norm. Others noted that, compared to men, **women in investment management lacked confidence** in advancing their career and communicating their investment decisions or views. Study participants suggested that women might benefit from initiatives such as coaching, mentoring and support to build “mental toughness”, communicate their ideas with confidence, act on their opinions, and take risks in the manner of their male counterparts.

The **culture of sexism and gender discrimination** ingrained in the industry was identified by many women as the worst aspect of working in investment management. They described daily mistreatment of women by men, both unintentional and deliberate. Study participants experienced sexual harassment, exclusion from male-only networking, and being verbally attacked, belittled or patronised, including by male direct reports and clients. Organisational structures and processes (for example reward systems) were seen as reinforcing “testosterone-driven” male cultures.

Almost one in three (30 per cent of) survey participants were Culturally and Linguistically Diverse, and culturally diverse interviewees described experiencing **intersectional bias** in the form of both cultural and gender stereotyping and discrimination. Some struggled with the disrespectful

treatment they received from Australian male colleagues, as these behaviours were at odds with their cultural norms.

Women in the study reported to us that a critical problem was the **unconscious and conscious bias** that screened women out of recruitment processes. They described how gender bias stymied women's advancement in organisations: it prevented women from being sponsored, being given career-advancing assignments, and getting promotions. They referred to the industry as a "boys' club" or an "old school network" in which men hired and gave pay increases to their male friends. Survey respondents suggested strategies that they thought might improve gender equality in recruitment processes, including: 50/50 targets for gender parity in candidate shortlists; ensuring women members on all interview panels; and funds pushing recruiters to "fish" for diverse talent and source candidates from underrepresented groups when filling vacancies. Bias-free quantitative measurement (attribution) systems for identifying candidates for promotion based on their investment performance also led to women being promoted in greater numbers.

Survey respondents identified **unequal pay** as a problem for women. Almost all research interviewees described how they had received, or were currently receiving, less pay than male equivalents. There was a lack of transparency around remuneration in their organisations, with most having deduced that they were paid less than male equivalents through informal sources of information. Some had been paid less than male equivalents from the earliest stages of their careers. In some cases interviewees put the pay differences down to interrupted careers because of care responsibilities. A number attributed within-team pay inequality to bonuses being set on a discretionary basis by male team leaders. Others perceived that they had been "held back" by managers, which impeded pay progression at the same rate as their male cohort. Compared to their male cohort, women described being 'passed over' for consecutive promotions earlier in their careers, not being allocated the career-advancing assignments needed for promotion, or being appointed to jobs at levels more junior than they were qualified for. Unequal pay *vis a vis* male equivalents was compounded throughout their career by prospective employers asking women to divulge their current salary when applying for new roles. Respondents advocated a need for pay equity via measures including legislation and compulsory public reporting of refined pay data, or through companies adopting both "zero per cent pay gap" targets for equivalent roles, and objective performance-based pay-setting systems. They argued that the onus for action should be on employers rather than individual women.

Study participants expressed cynicism that **men across the industry were paying "lip service" to gender equality**. There was a sense that senior leaders were not genuinely committed to gender diversity, that little had changed over time, and that men consistently recruited in their own image. Some women related how men at the top of their organisations voiced genuine support for gender equality, but this did not translate into change at the team level.

Women felt that culture change within organisations required both "**tone from the top**" and "**on the ground actions**". They suggested strategies for: improving male leaders' understanding of equal opportunity, bias, and diversity and its benefits; senior leaders visibly role-modelling and promoting cultures of respect, equality and flexibility; and establishing cultural norms of "calling out" discriminatory behaviour. Pressure for diversity in asset consulting and fund management organisations from clients (large superannuation funds) was also viewed as a key means of improving women's representation and advancement in the sector.

The importance of management support

All (100 per cent of) survey participants felt that management support was important to their success at work. Interviewees and open survey responses further indicated the significance of management support to women's career advancement. However, many women in the study related an **absence of support, sponsorship and mentoring from direct managers** throughout their careers. A supportive manager was one who "pulled them through": who saw their worth, encouraged their ambitions, provided career-building opportunities and guidance, gave them high levels of responsibility, and helped them attain promotions. Women observed that male managers more commonly provided support of this nature to male team members. They emphasised the value of **managers who enhanced their visibility and facilitated access to 'stretch assignments'** that enabled them to advance their careers; again more readily provided

to male colleagues. Survey respondents advocated that managers: make conscious efforts to assemble more representative project teams; give women opportunities to work on big projects and present them to the executive; and provide women with other opportunities to engage with senior boards and board committees.

For interviewees with children, **encouragement and facilitation of flexible working** was a critical element of management support. Interviewees with children described how supportive managers “operated on trust” that they were meeting their objectives, and focused on their output rather than time spent in the office.

Some women attributed their considerable career success to having had **a pipeline of supportive managers** throughout their working lives. Others had encountered a consistent absence of support throughout their career and described being disillusioned and looking to move on to new roles or careers. Another group had experienced past management neglect but had now ‘sorted’ themselves into jobs that provided them with the support and flexibility they desired.

The use of ‘sorting’ strategies

The survey results showed that high proportions of women agree they are treated with respect, would recommend their employer, and have supportive managers. However, many provided lengthy responses describing highly negative working experiences, and frustration and anger at entrenched inequality in the sector.

Interviews were used to unpack and explain this contradiction. An explanation for these divergent findings that resonated with interviewees was that while survey respondents experienced, and were aware of, gender inequality in the investment management industry, they had ‘sorted’ themselves into jobs and teams with supportive managers and largely positive working environments. Interviewees provided insights into the ways in which, at different points in their careers, they had actively researched and sorted into ‘good’ jobs that met their needs.

Moving beyond “lip service”

The research findings indicate that the best thing that organisations can do to progress gender diversity in investment management is to **ensure that direct managers equalise opportunities for women at the team level**. Culture change needs to occur both at the top of organisations and via the everyday actions of direct managers, who enact the diversity aspirations being espoused at the top. Organisations might provide the catalyst for change by linking managers’ pay, bonuses, or promotion prospects to achievement of KPIs for supportive and equitable management practices.

Linked to management support and measurement is the need for organisations to “**de-bias**” **all people management processes** to ensure gender-equal outcomes in recruitment, pay, allocation of assignments, profile raising/development opportunities, promotions, and access to senior positions.

Reflecting the life stage of most study participants, problems experienced by working mothers were centre stage in the findings. Women reported that working flexibly compromised career opportunities, and most were unable to work part-time or take sufficient parental leave. Australian women disproportionately shoulder the domestic and care workload, and this was no different for the women in the study. Organisations might therefore **redesign jobs to allow for reduced workloads and career advancement**. They might also consider developing strategies to minimise the impact of interruptions (maternity leave) on women’s career trajectories and encourage men to work flexibly and take extended parental leave, so that this becomes a cultural norm.

The aim of this research is to stimulate thinking and action to improve the participation and workplace experience of women in investment management. The report authors look forward to engaging with industry leaders who share these aims.

Background and methodology

The research questions guiding this study are:

- What is the lived experience of women working in male-dominated occupations and sectors?
- How do women's experiences coalesce, or vary, across occupations and sectors?
- What can be done to improve women's representation and working experience in male-dominated occupations and sectors?

A multi-methodology data collection strategy was used, comprising: 10 key informant interviews with investment management industry stakeholders; a survey of women working in direct investment management occupations (n=124); and 20 qualitative interviews with women working in investment management occupations (17 of whom were survey respondents, plus 3 who worked in their own business/consultancy). The survey and the interviews collected data on women's current work experience. The interviews also provided insights into women's pathways into and within investment management, and allowed researchers to test explanations for survey findings.

The online survey link was distributed to women members in April and May 2018 by the following stakeholder organisations: Women in Super; CFA Societies Australia; the Financial Services Council; Women in Banking and Finance; and FINSIA. Individuals in two asset consulting organisations also distributed it to female contacts within and outside their organisations. Women in direct investment roles (analyst, head of research, portfolio or investment manager, CIO) were invited to complete the survey. The survey dataset was analysed using SPSS Version 24.

Survey findings

Table 1: Demographic profile of survey respondents

Demographic characteristic	Categories	% respondents
Age	16-24 years	1 (*3)
	25-34 years	30 (*26)
	35-44 years	41 (*38)
	45-54 years	24 (*22)
	55-64 years	4 (*9)
Aboriginal/Torres Strait Islander origin	Yes	1
	No	99
Language other than English spoken at home	Yes	30
	No	69
	Don't know/prefer not to say	1
Work-impairing health problem/disability	Yes	2
	No	98
Dependent children	Yes	65
	No	35
Age of dependent children ²	0-4 years	28
	5-16 years	43
	17 years and older	11
Who provides majority of unpaid care of child/ren ³	I do	22
	Partner/other person	13
	Share with partner/other person	65
Provide care to others (non-children)	Yes	7
	No	93
Trade union member	Yes	2
	No	98
Annual income (before tax)	Up to \$150,000	27 (+30)
	\$150,001 - \$250,000	25 (+27)
	Over \$250,000	39 (+43)
	Prefer not to say	9
Earnings contribution to household income	Main source of income	55
	Significant source	42
	Small source	2
	Don't know/not applicable	2

Base: 124 respondents. Cells may not total to 100% due to rounding.

*ABS 2016 Census data – Financial Investment Manager 6 digit occupational category; employees by age.

² Base for calculation is all survey respondents (n=124). Multiple response answer (some respondents had multiple children), so responses do not sum to 100.

³ Calculated from base of n=72/74 of those who have children.

+ Calculated from base of 111 who selected an income category: excluding non-respondents and those responding 'prefer not to say'.

Most of the survey participants were aged 35-54, held middle-ranking or senior roles, and had tenure in the investment management sector of more than 11 years. Almost two-thirds had children, and shared their care with a partner or other person (22 per cent provided the majority of care to children). Most respondents worked full-time hours as analysts or portfolio/investment managers, earned over \$150,000 per year, were the main household earner, and worked in Sydney or Melbourne.

Table 2: Job and career characteristics of survey respondents

Job characteristics	Categories	% respondents
Category of employment	Full-time employee Part-time employee Fixed term contract On leave (with job to return to)	76 21 2 1
Weekly paid work hours	1-34 hours 35-40 hours 41-49 hours 50-59 hours 60+ hours	12 35 28 19 5
Size of employing organisation (number of employees)	1-19 20-199 200-999 1,000-9,999 10,000+	13 31 22 22 13
Workplace location	Sydney Melbourne Brisbane Regional town NSW Regional town ACT	65 30 5 1 1
Years worked in investment management	Up to 5 years 6 to 10 years 11 to 20 years 21 years or more	20 18 43 19
Work with other women in same occupation ⁴	Yes No	66 34
Level of seniority compared with others in organisation/workgroup ⁵	Junior Middle ranking Very senior Most senior	14 41 40 5

Base: 124 respondents. Cells may not total to 100% due to rounding.

⁴ Question wording: Do you regularly work with or alongside (other) women in in the same job or occupation as you?

⁵ Question wording: Please indicate your level of seniority compared with others in your organisation or workgroup.

Table 3: Occupation and seniority level of survey respondents

Occupational title	Number of respondents	Level of seniority (% respondents)
Analyst	32	Junior (50%) Middle-ranking (44%)
Senior analyst	20	Middle-ranking (80%)
Head/director of research/research manager	10	Middle-ranking (40%) Very senior (60%)
Portfolio/investment manager	26	Middle-ranking (46%) Very senior (46%)
Head of ... (function) ⁶	16	Very senior (86%)
Senior adjunct/supporting roles	11	Very senior (73%)
CIO or equivalent	9	Very senior (67%) Most senior (33%) ⁷
Total participants	124	

Base: 124 respondents. Cells may not total to 100% due to rounding.

Table 4: Industry subsector of survey respondents

Industry subsector	Number of respondents
Superannuation funds management	32
Major funds management organisation	26
Asset, funds, or investment management	20
Finance sector/services, banking, insurance	9
Boutique funds management	8
Alternative investments	6
Ancillary/advisory functions	5
Asset consulting	3
Social finance	3
Wealth management	3
Family office – multi and single	2
Listed investment company	2
Other	4
Total	123

Base: 123 respondents.

Alternative investments organisations included private equity, property, energy and infrastructure.

Ancillary/advisory functions included (among others) consultants and legal services to the investment management sector, trustee and proxy voting services.

⁶ Head of functions other than Research or Legal. Includes Director (of ...) positions.

⁷ The six respondents who reported their role as 'most senior' held positions of: Chief Investment Officer; Senior trader/member of investment team; Managing director (relationship manager); General Manager; Investment Director; and Portfolio Manager/Head of Research.

Table 5: Survey responses to attitudinal statements on current workplace experience

For each of the statements below, please think about your main job and workplace. Do you agree or disagree that...	Agree	Neither agree nor disagree	Disagree	Don't know/ Not applicable
I have the flexibility I need to balance work and non-work commitments	79	10	11	
I can work part-time hours in my current job if I wish to	43	16	36	6
Working part-time or flexibly compromises career opportunities in my workplace	55	15	27	3
Women and men are treated equally here	50	24	25	2
My employer is genuinely committed to recruiting and promoting women in my occupation	61	21	16	2
I would recommend my employer to my female friends	84	7	7	2
I am treated with respect in my workplace	88	8	4	
I feel optimistic about my career in this sector	68	17	15	
The workplace culture here makes it difficult for women workers	15	20	64	2
I feel isolated at work	15	21	63	1
I have felt excluded from important workplace/ business events because of my gender	24	15	59	2
I have experienced sexual harassment at this workplace	13	2	81	4
I have experienced offensive remarks or behaviours relating to my gender at this workplace	22	7	71	1

Base: 123-124 respondents. Rows may not total to 100% due to rounding. 'Agree' is the net of Strongly Agree and Agree responses; 'Disagree' is the net of Strongly Disagree and Disagree responses.

Responses to attitudinal survey questions indicate that most women (79 per cent) have sufficient flexibility, but most (55 per cent) also recognise that working flexibly may compromise career opportunities. Over one-third (36 per cent) cannot work part-time if they wish to.

Half (50 per cent) of women agreed that women and men were treated equally in their workplace and one-quarter (25 per cent) disagreed with the statement. Around three-fifths (61 per cent) felt that their employer was genuinely committed to recruiting and promoting women in their occupation.

A majority agreed that they would recommend their employer to their female friends (84 per cent) and were treated with respect in their workplace (88 per cent). A smaller proportion (68 per cent) felt optimistic about their career in the investment management sector.

A minority (15 per cent) of women agreed that the culture at their workplace made it difficult for women workers and that they felt isolated at work.

Around one in eight (13 per cent) of the survey respondents agreed that they have experienced sexual harassment at their current workplace, and over one in five (22 per cent) have experienced offensive remarks and behaviours relating to their gender at their current workplace. Nearly one-quarter (24 per cent) agreed that they have felt excluded from important workplace/business events at their workplace because of their gender.

Relatively high proportions of survey participants (around one-fifth to one-quarter) responded “neither agree nor disagree” to statements relating to whether men and women are treated equally, employer commitment to gender equality, isolation at work, and the workplace culture making it difficult for women. It is difficult to know how to interpret these responses, which may suggest relative disengagement, mixed experiences, or a disjunction between team-level and organisational experiences.

In summary, the largely positive workplace experience of survey respondents may reflect the fact that most were in relatively high-ranking positions, potentially with a high degree of leverage and autonomy; and as such, they are treated with respect and have access to the flexibility they need. It should also be noted that women in the survey sample are those who have stayed in the industry, and it may be that the workplace experiences of women who have left the sector were less positive. Certainly, most interviewees of longer tenure in the study had relatively positive experiences in the industry, suggesting that women who have had a positive experience are more likely to have longevity in the sector.

Table 6: Survey responses on importance of workplace supports

How important do you think each of the following are to you succeeding in your work?					
%	Supportive manager/s	Career-advancing job assignments/development opportunities	Mentoring or sponsorship	Female role models in senior positions	Support networks for women workers
Very important	92	74	54	53	25
Fairly important	8	21	37	36	41
Total important	100	95	91	89	66
Not very important		3	9	8	27
Not at all important		1		2	6
Don't know		1		1	2

Base: 124 respondents. Columns may not total to 100% due to rounding.

Table 7: Survey responses on access to workplace supports

Thinking again about these factors in your current job/workplace, do you have...					
%	Supportive manager/s	Female role models in senior positions	Access to career-advancing job assignments or development opportunities	Access to support networks for women workers	Access to mentoring or sponsorship
Yes	80	61	59	55	48
No	13	37	31	37	40
Don't know	7	1	10	7	11
Not applicable		1	1	1	1

Base: 124 respondents. Columns may not total to 100% due to rounding.

Table 8: Survey responses on importance of/access to home support

How important do you think each of the following are to you succeeding in your work		Thinking again about these factors in your current job/workplace, do you have	
A spouse/partner who shares responsibility with me for childcare and household domestic work		A spouse/partner who shares responsibility with me for childcare and household domestic work	
	%		%
Very important	77	Yes	71 (84) +
Fairly important	11	No	13 (16) +
Not very important	3	Don't know	1
Not at all important	1	Not applicable	15
Don't know	7		

+ Excluding those who answered 'Don't know/Not applicable', 84 per cent of respondents had a partner who shared responsibility, 16 per cent did not (base of 103 Y/N responses)

Participants were asked to rate the importance of certain factors to their success in their work. All (100 per cent of respondents) rated supportive managers as important (92 per cent very important; 8 per cent fairly important). Almost all (95 per cent) felt that access to job assignments or development opportunities that will advance their career was very important (74 per cent) or fairly important (21 per cent). Mentoring or sponsorship was also viewed as important by 91 per cent of women (54 per cent very important; 37 per cent fairly important). A similar percentage (89 per cent) deemed female role models in senior positions important (53 per cent very important; 36 per cent fairly important). Smaller proportions felt that support networks for women workers were very important (25 per cent) or fairly important (41 per cent).

Perhaps allied with their relatively positive workplace experience, four-fifths (80 per cent) of respondents had supportive managers; three-fifths (61 per cent) were in workplaces with women in senior positions; and over half (55 per cent) had access to support networks for women workers.

However, for many the appropriate 'opportunity structures' were absent. While almost three-fifths (59 per cent) had access to career-advancing job assignments or development opportunities, close to one-third (31 per cent) did not, with 10 per cent unsure. Likewise, less than half (48 per cent) had access to mentoring or sponsorship, two-fifths (40 per cent) did not, and another 11 per cent did not know whether they had access to them.

Over three-quarters (77 per cent) of women felt that having a spouse or partner who shares responsibility for childcare and household domestic work was very important to them succeeding at work and another 11 per cent thought that this factor was fairly important to their success at work. The majority of survey respondents indicated that they had a partner who shared responsibility for household and domestic work (72 per cent of respondents), while 13 per cent did not and 15 per cent answered 'Not applicable' (possibly because they did not have partners).

In terms of their future intentions, almost three-fifths of women surveyed (59 per cent) expected that they would be working for the same employer in two years' time, while another one-fifth (22 per cent) expected to be working for another employer in the same industry.

In three open response questions (two of which are profiled in Tables 9 and 10 below), survey respondents were asked to provide their views on: the main problem for women in their occupation; the most important thing that should be done to improve women's work and career

experiences in their occupation; and any initiatives they had experienced or had knowledge of that had improved women workers' participation and workplace experience.

Table 9: Ranked incidence of responses to question “What do you think is the main problem for women in your occupation?”

Number of responses	Response
52	Balancing caring with work, industry not accommodating needs of working mothers
16	Lack of women at all/senior levels of organisations
16	Male views/stereotypes of women
14	Conscious and unconscious bias – lack of female recruitment/promotion
13	Women not entering the pipeline
12	“Boys club”: male-only networking (leading to careers advancement)
9	Women’s partners not providing career support by sharing domestic duties
9	Women lacking confidence
7	A “male culture”
7	Women lack networks, support and sponsorship
6	High cost of childcare
6	“Lip service”: lack of genuine commitment to gender equality
5	Mistreatment and discriminatory practices
4	Salary pay gap

Base: 116 respondents who provided answers. Multiple responses given.

A total of **52 participants** identified problems relating to the investment management industry not accommodating female parents and women’s difficulties balancing career and family given their primary care/household responsibility. This included responses relating to long hours expectations, a lack of access to flexibility and maternity leave, and women’s careers stalling after taking maternity leave or working flexibly. Most of these respondents (40/52) had children.

Table 10: Ranked incidence of responses to question “What do you think is the most important thing that should be done to improve women's work and career experiences in your occupation?”

Number of responses	Response
35	Greater access to flexible work arrangements (for both women and men)
14	Get women into the pipeline
13	Increase numbers and visibility of successful/senior female role models
11	Pay transparency and equality
10	More equal division of care/domestic tasks
10	Cultural change/go beyond lip service to gender equality
9	Men at all levels using flexible work arrangements
8	Provide career-enhancing development opportunities
7	Training and awareness-raising among male leaders
7	Affordable and available childcare
6	Mentoring
5	Equal parental leave for men – and men taking it
5	Address bias
4	Setting gender targets for management/senior positions and hiring to meeting them

Base: 111 respondents who provided answers. Multiple responses given.

A total of **70 survey participants** (over half of all survey respondents) responded to two open survey questions with solutions or initiatives relating to how workplaces might better accommodate working parents, including improved access to and use of flexibility and parental leave for both male and female parents, and improved career prospects for women following parental leave. Most of these respondents (53/70) had children.

Findings from interview and survey data: women's workplace experiences

The detailed and often lengthy responses to the survey's open questions provided by survey participants were subjected to analysis, along with qualitative data from the 20 interviews conducted with women in the sector. This data provided context to and explanation of the quantitative survey findings.

Women's pathways into investment management

Most interviewees had no exposure to investment management as a career option at high school or university, but had a background in 'numbers': they had excelled at and enjoyed mathematics at school and university level and had attained university qualifications in economics, finance, or accountancy. Around half of interviewees were made aware of investment-related careers (for example trading or stock-broking) by immediate or extended family members or others who worked in the sector, and in many cases these individuals had encouraged them to choose university degrees that would enable them to work in finance.

A sizeable minority of interviewees and survey respondents explained their entry into investment management occupations as being a result of "pure serendipity", recounting how they "fell into it" by accident. While a group of younger interviewees had gone into analyst roles directly from graduation, most interviewees did not learn that investment management was a career option until after they had worked in other sectors such as investment banking or accountancy. These women followed an incremental, step-change career pathway, working in a sequence of different jobs and eventually 'discovering' investment management. For some, it took many years to get a foot in the door of the investment management sector and prove their worth, and they felt that this had delayed their career advancement.

A number were made aware of investment management jobs through informal conversations with contacts who had suggested them as a career option ("If it wasn't for my male manager who first suggested I go into investment research, I would never have even known that these kind of roles existed"). These women decided to pursue investment management jobs because they seemed more interesting than the roles they held at the time, subsequently moving to new investment management jobs that provided opportunities to build their skill portfolios.

I went (exited one job for another) when I could see the opportunity to learn from someone, and also to go to the next level. Typically, I found that it's very hard to progress in one organisation, and I found you'd hit the ceiling sooner, and to get through that ceiling I would go to the next organisation.

Why work in investment management?

When asked to describe the most important reason they worked in investment management and the best thing about their job, almost all interviewees alluded to the strong sense of satisfaction they got from their work. The key reasons they chose to work and stay in investment management roles included: the sense of purpose the job provided and their ability to "make a difference" by generating the best returns on people's retirement incomes; the intellectually stimulating nature of the work; and the opportunity to work with high calibre, intelligent people. Survey respondents echoed these views, describing their jobs as intellectually and financially rewarding, satisfying and purposeful.

Interviewees valued the opportunity to learn from highly intelligent, interesting people and the access they had to “top people, at the peak of their career and industry” and “amazing management teams”. They enjoyed the variety of tasks, complexity, dynamism and “energy” of the industry. Many described it as exciting and “never boring”.

Several women enjoyed the influence and power that came with their job: they were making “big decisions” with “impact”, involving “big numbers”. Women who worked in Environmental, Social and Governance (ESG) roles felt that their jobs enabled them a position of influence to “make investments for good and eliminate bad investments in the market” via, for example, proxy voting power granted to superannuation funds. A number of junior-level women stated that they valued the “respect” they received from others because they worked in investment management.

Some women enjoyed building relationships with business owners and management teams; others enjoyed “the numbers side” of the job; and some enjoyed their jobs because they provided a balance of both elements. Almost half of women interviewed described the high level of pay or earnings capacity as one of the most important reasons they continued working in investment management.

I feel very privileged. Lots of people (have jobs) with long days, stacking shelves ... There's rarely a day where I don't go past and think, “Oh, how lucky.” So it's fantastic. It's a great career, it's got complexity to it, it's mentally challenging, you're helping people, and generally people are good. The people you deal with are great.

Balancing care and career

The greatest number of responses to the survey's open question on problems for women in the sector related to the difficulties women faced in balancing their jobs and career aspirations with care/domestic responsibilities and their desire to spend time with their children. A number noted that the main problem was that women working in the sector remained the primary caregivers in their families, and so were compelled to shift to part-time work. Many survey respondents described the stalled career progression of women who took maternity leave, worked flexibly, or chose not to work excessive hours because they provided the majority of care; all of which had curtailed their ability to gain promotions or advance to senior levels.

I love what I do but I'll be honest, I'd be much more senior by now if I didn't have children. It's been a big sacrifice for me. I didn't realize how much it would change my employer's perception of my capability. It's the sad truth. I know intellectually I am capable of a lot more but no one really wants that from me.

Study participants advocated the need for equal parental leave and ‘normalised’ flexible work for both men and women with no detriment: that is, women and men at all levels being encouraged and able to take parental leave or work flexibly “without the stigma attached”; and career advancement based on merit, rather than uninterrupted career pathways or long working hours in the office.

Flexible work

Women identified as a key problem the lack of “cultural acceptance” of flexible work in the sector, founded in beliefs that women could not work part-time hours and remain productive. The observation was made by many respondents that because the sector is male-dominated,

and because men in the sector with young children do not work part-time, flexible arrangements are not often made available to women.

I have worked at two different firms doing (investment) research. In both firms the senior management were almost always men who had wives who didn't work. Therefore senior management didn't value females working in the workforce and didn't want to encourage part time/flexible work. It was also made very clear that unless you were at your desk/trading floor, you couldn't do your job properly. The idea of working from home was not encouraged. With such little flexibility, no wonder that almost all my female colleagues chose different career paths when they returned to work after having children.

There was a view that women's work experiences would be improved if their male colleagues, and men at senior management level, embraced workplace flexibility and used the practices themselves. A number of survey respondents felt that flexible work should be made available to "anyone who needs it, not just women" and, consistent with 'flexible by default' policies, should be "mandated" and "actively offered to all personnel (male and female) - not waiting for staff to ask". Many participants advocated a shift in focus from face time in the office to output-based performance measures and building organisational understanding that "people can manage their workload in different ways and still achieve the same outcomes."

Interviews indicated that where flexible working arrangements were able to be employed, three factors enabled women's access:

- Where the employing organisation actively promoted flexible work, and team leaders actively encouraged and facilitated access to flexible working arrangements.
- Where women were employed in senior roles, with autonomy to choose when they did their work.
- When women shifted from direct investment roles to (less well-paid) non-direct investment (support or operations) roles.

Survey and interview data showed how access to flexible work arrangements was determined by individual team leaders and team cultures. Interviewees provided examples of how their team leaders or direct managers had the agency to facilitate or block flexible working, even within a broader context of supportive organisational policy for flexible work. Interviewees working in asset/investment consulting organisations appeared more able to access flexible working arrangements than those in other investment management organisations.

Several interviewees described leading, or working in, organisations that had cultures and structures that were supportive of working parents. These organisations had "families come first" cultures with strong, visible support for flexible working and for parents' taking leave to care for children, and equal parental leave entitlements for men and women. Performance measurement systems based on 'outputs' or trust (rather than time spent in the office) appeared to be the linchpin of successful flexible working environments.

Survey respondents identified as a key problem the long work hours that are regarded by many as standard for senior portfolio management and investment roles, as well as expectations that these jobs were strictly office-based.

Access to part time and flexible employment is limited. Whilst investment management firms are discussing flexible employment, this is not very well implemented - culturally there is still 'face time' and it (flexible work) is seen as difficult to manage with the type of work in the industry.

Interviewees working in direct investment management roles as senior analysts and portfolio managers described how their jobs required that they maintain a vigilant watch over the market, leading to long working hours and an inability to take time off. Very senior interviewees (mainly investment and portfolio managers) were unable to work reduced hours but they were able to vary their start and finish times, work from home when needed, and attend appointments or children's school events, making up the lost work time late at night or on weekends. This flexibility was possible because they had reached a level of seniority where they had full autonomy over their workload, across their workday.

People in positions of autonomy (typically more senior positions) can control their day more, can delegate, and therefore have the ability to work more flexibly - by this I mean remotely, less so part time. ... I've got more control over my day than (junior staff) ... you need to get your autonomy, and you need to get to a reasonable level of seniority, because being junior in investment management and having kids is really hard.

Many survey and interview participants described having shifted from senior direct investment roles to non-senior or support/operational functions after having children, to avoid working excessive hours. Some were uncertain that this had been the right decision, as they earned significantly less than they had previously and faced difficulties advancing to C-suite roles. Others described this as a "choice" they had made, some because their partner also had a demanding role or because they were single parents.

The way work is structured, it is not possible to lead a large team and/or run a transaction working part time, so if you make a lifestyle choice to do so, you cannot take that role. I know that if I chose to go back to full time work, I could lead the broader team, but that would be a cost to the children. Hence the interesting work, leading a small team, remaining part time (4 days per week) has been my work life balance solution.

A number of interviewees who had reduced to a three or four-day working week described how their workloads remained fixed at a full-time workload. Consistent with the survey findings, most were paid for what was classified as part-time work, but typically worked well beyond full-time weekly hours. As a result, some had shifted back to full-time work, reasoning that they may as well be paid for the hours they worked.

Parental leave

Survey respondents identified, as a primary problem, insufficient access to paid maternity or parental leave, which contributed to financial instability during childrearing years. Participants observed that larger investment management firms typically provide paid maternity leave, while many boutique funds management organisations do not: and noted that this problem for women was heightened with the increasing fragmentation of the industry into smaller players. Survey respondents advocated a need for "proper" (longer-duration, fully-paid) parental leave, such as that provided in Scandinavian countries.

Female interviewees in the study had a mix of positive and negative maternity leave experiences. Some were interviewed for and gained promotions while pregnant or on maternity leave, others were made 'redundant' while on leave (in one case, being permanently replaced by the male maternity leave appointment). Women in senior positions took shorter than desired parental leave due to the demands of their jobs, with some given the message that maternity leave was "tolerated", "less than ideal" and "a resourcing problem". Several women felt that it is impossible for women working in direct investment roles - particularly portfolio managers - to

take long maternity leave periods, suggesting that it is better for women to have children while working as analysts. This is because analysts can be covered for by other team members while on maternity leave while there is not a similar level of substitutability for portfolio managers, whose longer-term track record may be at risk if they do not maintain constant engagement with the market.

Study participants emphasised the need for investment management organisations to minimise the negative impact of interruptions on women's careers by supporting women's progression during and on return from maternity leave and into child-rearing years. This included managers providing daily support to returning mothers, extending recruitment opportunities to returning mothers, and giving female analysts the option to retain their coverage sector after extended maternity leave by other team members covering for them while on maternity leave. One interviewee described how parental leave represented an opportunity for employers:

I had a manager come in who said, "I've got some news. Jane's pregnant" and then he went, "Oh, what are we going to do about that?". And I absolutely called that. I said, "This is fantastic. You will be able to find someone. It gives you the opportunity to test another talent. We're a growing team - she should be able to come back part time or whatever." When someone is taking mat leave, it creates opportunities for a business, and you have to have that attitude.

There was also a view that men in the sector should have access to, and should take, extended parental leave, as this would improve their understanding and treatment of female colleagues and direct reports with care responsibilities.

Care and domestic arrangements

A sizeable minority of survey respondents felt that the key problem for women in investment management was essentially a societal or cultural problem: that women working in the industry continued to shoulder the majority of care and domestic work in the home, and that women's partners were not providing support by equally sharing care and domestic duties. Despite survey data showing that 84 per cent of women with partners shared childcare/domestic work with their partner or another person, there was a perception that many women in the industry did not have supportive partners or spouses. One survey respondent in a senior role offered this advice on what might be done to improve women's experiences at work:

Marry well. In that choosing who you marry, being a supportive husband who will equally share the domestic duties, and setting the ground rules early, is the most important thing that has supported me to achieve what I have done.

Several interviewees at senior levels also attributed their ability to work full-time, and their career success, to having "hands-on" and supportive partners whose careers had taken a backseat and who enabled these women to prioritise their careers over care and household demands. For five senior interviewees with children, the majority of care was provided by nannies or other home help, as most had partners with similarly demanding jobs or did not have partners who provided care.

Survey respondents expressed a desire to see their male colleagues taking on greater caring responsibilities at home, with the expectation that this would flow through to gender equality in the workplace. There was also a view that society needed to make it "better and easier for men to take on care tasks": for example, through encouraging men to take their carer's leave entitlements to look after children or elderly family members, or government-provided incentives

to ensure that child care in the early years is split between both parents, as this would reduce the burden on working women.

The high cost of childcare was an issue of concern to some survey respondents. A number advocated a need for more accessible childcare (particularly on-site or employer-supported child care) and more affordable childcare, in the form of government financial support (subsidised or tax deductible child care, or tax breaks via lowered income thresholds). Those with several younger children in childcare described how it was often not financially viable for women in less senior roles to return to work, due to the high cost of childcare over long daily and weekly working hours.

An absence of women throughout the pipeline

Women survey respondents identified, as a primary problem, the lack of a critical mass of women, and culturally diverse women, at all levels of investment management organisations. They highlighted the low numbers of women choosing investment management as a career, attributing this to women: not studying mathematics at university; lacking knowledge about careers in finance; and being deterred by the “poor image” of investment management jobs as stressful, long hours, and “blokey”.

From the inside this is a wonderful, satisfying, purposeful and flexible career. From the outside the world of investment feels cold and ruthless. Investment has an image problem.

Respondents suggested that women making career choices should be made aware of how investment management jobs provided a purpose-driven and rewarding career option.

I don't think women should be fooled into thinking that the hours are not long (because they are) but should be encouraged to think about how a challenging and well-paying job in financial services will provide the right intellectual stimulus and a solid financial future. They should be encouraged to not "self limit" themselves for a home life that may not eventuate, or look to find partners/working arrangements that are supportive of their personal and professional goals! Women should be encouraged to be "brave" to overcome some of the challenges that they may face in this industry because it can be rewarding (intellectually and financially).

Measures for increasing women in investment management recommended by women included greater encouragement of STEM subjects among female students and promoting investment management to females at schools and universities. Promotion of graduate positions or internships specifically for female university students was suggested; particularly among smaller employers in the sector, who did not commonly offer internships for university students. Some mentioned the work done in this regard by Australian organisations such as F3 (<https://www.fthree.com.au/>)

It was felt that the lack of female role models at senior levels resulted in an absence of support for the recruitment and promotion of women at entry or junior levels in the industry. Impact investing (also called ESG, social investment, or responsible investment) was described as one subsector where there were greater numbers of women: but for the most part, women spoke of their difficulty “finding” other women in the industry. A sizeable group of women advocated that investment management organisations increase numbers and visibility of successful and senior female role models. This would allow other women to “see what can be achieved, and better it”, and promote recognition among men that women are equal to them in talent and ambition.

(What's the key problem for women in your occupation?): There are so few of us - we often stand out and some perceive that we are not intelligent nor do we add any actual value to businesses.

(What might improve women's experience?): Generate awareness to what females have achieved in various businesses - that will help break the stereotype that we are only capable of carrying out roles administrative in nature.

Some supported use of gender targets of 30, 40, or 50 per cent of women at all levels of the organization, particularly management/senior positions, board positions and partners.

Male views towards and stereotypes of women in investment management

The negative views and attitudes of men in investment management towards women were a critical problem identified by women in the study, who believed that these views were grounded in traditional stereotypes and social and cultural biases. Participants described how men saw women who worked in investment management as inferior to men, lacking intelligence and analytical skills, only capable of performing administrative roles, and as having been promoted only to meet gender targets. Several respondents observed that women were “not taken seriously at work”: their ambitions were not respected by men, and they had to fight against being channeled towards support (non-direct investment) roles. A number noted that as women are seen as inferior to men, they have to work harder than men to be taken seriously, and must demonstrate a much higher level of qualifications and experience to be given the same opportunities and roles as men. One respondent identified the key problem for women working in the industry as:

General culture of patriarchy in firms, existing dismissive and disrespectful attitudes from senior males when they assume women lack knowledge or experience, expectations that business comes before team and family, and lack of adaption to female communication styles. Some sexism exists but I've found it manifests more in being patronised, condescended to, excluded, and treated paternally. The older the senior men, and the more behaviour is mimicked by the younger men, the worse it gets. Men under 40 don't seem to exhibit these behaviours unless older, more senior men are there to condone it.

A number spoke of the “preference” for men in the sector, particularly among older male managers, based on assumptions that men were better leaders and more competent than women, and women were primarily carers. One respondent observed that “industry views of what a successful portfolio manager looks like are still calibrated to male role models.” A minority of women in the study made the point that because it was a “male” industry, women were required to act like “robots”: to suppress their personalities, emotions, and femininity at work, so as not to appear weak or deviate from the male “ideal employee” norm.

Research participants also highlighted gender differences in communication styles and double standards in relation to this. It was seen as acceptable or even desirable for men to be aggressive, and yell, while women who were direct in their communication styles or voiced strong views were seen by men as “difficult” or emotional.

Women are not seen as equal, they're actually seen as slightly painful. If we are too outspoken we are aggressive and if we say nothing we fit the typical stereotype, 'soft and weak'. You're damned if you do and damned if you don't.

Need to be masculine to have voice heard. People tune out when it's your female voice.

Male cultures and daily experiences of gender discrimination and bias

The culture of sexism and gender discrimination inherent in the industry was highlighted by many women as the worst aspect of working in investment management. Daily mistreatment of women by men – both unintentional and otherwise – was highlighted as a key problem. Participants described how they and other women: were more readily made redundant than male colleagues; faced sexual harassment; were the target of aggressive behaviour; were treated disrespectfully; and were subject to discriminatory practices, including unequal pay and being overlooked for promotions. Interviewees from culturally diverse backgrounds also described challenges they had faced in dealing with disrespectful male behaviours and cultural stereotyping. Women described exclusion from male-only networking and being verbally attacked, belittled or patronised – including by male direct reports and clients.

I got to the point where I couldn't deal with the complete disrespect - just the culture, the attitude, the not being one of the boys, I don't want to be one of the boys. But you're not actually part of it, not taken seriously, being spoken over, being answered for, being cut off, being abused so that you would back down, so all of that sort of stuff.

The point was made that organisational structures and processes (for example reward systems), reinforced “testosterone-driven” male cultures.

Women also reported an unwillingness to deal with ill-treatment by male staff. Several women had complained to senior management about men speaking to them aggressively, to be met with the response that this is how men communicate, and should be accepted. A number of women in the study who had reported sexual harassment had their claims ignored or “swept under the carpet”, or found that reporting sexual harassment had negative consequences for their careers. In other cases, the perpetrator had been asked to leave the organisation and the organisation had dealt with claims satisfactorily. Others who had experienced sexual harassment or gender-based ill-treatment were reluctant to report incidents because they did not want it perceived as “victimisation”, or feared “sounding petty”.

In the past, I have encountered issues with sexual harassment but not at this workplace. I felt that although there were 'rules' or 'policies' in place, they were not implemented in practice and the HR function as well as the business were not aligned to take any action. I was also fearful of repercussions on my career, so I kept quiet and did not make a bigger issue of it.

Conscious and unconscious bias

Women in the study believed that a critical problem was the unconscious and conscious bias that favoured men in recruitment processes and prevented women from getting promotions. They described the ways that women were excluded from the “mateocracy”: through biased decision-making about promotions, and allocation of career-advancing assignments and development opportunities; not being given support to progress careers; and being excluded from informal communication and sponsorship between men (“putting in a good word for each other”).

Watching it at the junior level, I would love to have been picked for certain assignments, but the boys naturally gravitate to each other, “Oh, you’re fun, I’ll take you onto this assignment”. And there’s no invisible hand above, saying to the managers, “You know what? You’ve chosen him for the last four assignments. You have to choose her”.

Many survey respondents referred to the industry as a boys’ club or an old school network in which men hired and gave pay increases to their male friends, and where women were excluded from informal, male-organised networking events which provided the men in attendance with career opportunities. These networking events facilitated lateral sponsorship of men by other men located across organisations and the industry.

Male peers do not understand how much harder it is for a female to get ahead when they organise events centred around poker, fishing and do not invite me - however the majority of the rest of the team goes and helps to create a stronger network for them to continue to progress in their careers. I feel very alone sometimes.

Most interviewees described how they and their female colleagues were excluded from male-only social events, particularly sporting events (many described golf tournaments, rugby and AFL matches), or after-work drinks, poker nights, boat trips, dinners, lunches and coffee meetings. Women felt their absence from such events left them on an unequal footing, as they missed out on critical market information and relationship-building opportunities, each of which are essential to career success in investment management.

I’d always thought it was me, not the culture. I always thought that I wasn’t good enough or I couldn’t form the relationships with the blokes. ... It never struck me that it was a gender thing. It’s the only environment that you’ve worked in. So I just thought that’s what work was like, and I clearly wasn’t good enough.

Survey respondents suggested strategies that might be used to improve gender equality in recruitment processes, including: targets for gender parity (50/50) in candidate shortlists; ensuring women are on all interview panels; and funds pushing recruiters to “fish” for diverse talent and source candidates from underrepresented groups when filling vacancies. However, interviewees noted that despite their desire to recruit women, low numbers of women in the pipeline led to an absence of women in recruitment pools.

One interviewee outlined how they prevented bias in promotion decision-making processes in her organisation:

Part of the answer is to measure people quantitatively, and we do that. And that's why the women get ahead, because we just look at the numbers on the page and go "Oh look at that, all the women are at the top of the list, let's promote them". ... It takes a reasonable investment to actually put in place the systems to do proper attribution, and we've done it because we're so big. But all of your (smaller firms) might not have that and they have to just go on "Oh, is she good or is she not good? I don't know, I think Joe's better".

Unequal pay

Pay gaps between men and women in equivalent roles and a lack of remuneration transparency were identified as a key problem by some survey respondents. Of the interviewees asked about pay equity, all but one described how they had received, or were currently receiving, less pay than male equivalents. All worked in organisations where there was no transparency of pay data, and bonuses were set on a discretionary basis, often by male team leaders or senior managers. Many described having discovered via 'informal means' that male equivalents were paid more than them.

Some described having been paid less than male equivalents from the earliest stage of their careers and how this had a compounding effect throughout their career. They attributed this to several factors. First, several women gave examples of how they received less pay than male counterparts due to being "held back": being passed over for consecutive promotions earlier in their careers; not being allocated the career-advancing assignments needed for promotion; or being appointed to jobs at levels more junior than they were qualified for (which were often junior to men doing the same work).

(In) my old job, that was also one of my bugbears. Is that I was held down the rank, in this imaginary rank that they created when I joined. I'm pretty sure I got paid less on a bonus as well.

Second, at recruitment, employers asked them to divulge their salaries in their previous role, as a guide to setting their salary in the new role. Because their salaries were without fail lower than male equivalents, women described being paid consistently less than men at each step in their career and were now paid significantly less than male counterparts at their current senior level. A third factor that women in the study felt had led to unequal pay was the career interruptions experienced by women with children. Several women who had taken maternity leave and then worked in non-direct investment roles while their children were young described leading teams of men who were paid significantly more than them (their direct reports).

Most rejected as spurious the reasons given to them by employers for their earnings being less than male equivalents or predecessors in their roles. A number had not sought to have their pay adjusted for fear of negative repercussions, while others described having to "fight" to be paid equally, or quitting their jobs or seeking external pay-matching data in order to be paid fairly.

Respondents advocated a need for equal pay for women via legislation, or through companies adopting "zero per cent pay gap" targets for equivalent roles, along with objective, quantitative attribution systems for setting pay and deciding promotions based on individuals' investment performance. Better transparency through compulsory public reporting of pay data was also suggested by a number of women as a means of bringing about pay equality.

Mandate that large employers publish the minimum, median, mean and maximum salaries paid in each job band, so that there is the transparency required to challenge the status quo.

Moving beyond “lip service”, to cultural change

There was a common perception among women that men in their organisations were not genuinely committed to gender equality: that senior men in the industry were paying “lip service” to diversity as they did not have a genuine belief in it; that organisations were recruiting women as window-dressing in response to client pressure for diversity; and that, for the most part, men continued to recruit in their own image.

There is still inherent bias toward men. My company talks about being committed to recruiting women, but it is really driven by the desire to have more women in client accounts (for those clients that care) than by a deeper understanding of the issue.

The consensus among long-tenured women was that, over their time in the industry, there had been no change in the way women are treated.

With now more than 30 years' experience of working across various financial services organisations, most discouraging has been a true lack of progress in terms of outcomes - lots of noise, lots of initiatives, lots of angst and handwringing, lots of arguments about the business case for more diverse workplaces, but very small gains. 'Stale, male and pale' remains an apt description for industry's senior leaders; a few role models does not make for success. In my view, the 'diversity debate' has been captured by those that pay lip service to the merits, but when push comes to shove, continue to recruit 'lookalikes'.

Many women expressed views that although outwardly organisations appeared supportive of diversity, no real effort had been made to tackle the difficult culture change that was necessary. A number noted that while senior management in many organisations voiced genuine support for gender equality programs, this had not filtered down, with little awareness of leaders' aims among others in the organisation.

A significant number of respondents advocated measures for bringing about genuine cultural change. These encompassed both educating male leaders, and engaging in “on-the-ground activities that support gender equality” such as non-biased and gender-balanced recruitment, including women in networking events, and establishing cultural norms of “calling out” discriminatory behaviour. “Tone from the top” was critical: it was felt necessary to improve male leaders' understanding of diversity, equal opportunity and bias, and for senior leaders to visibly role-model and promote cultures of respect, equality and flexibility. Respondents noted that as the industry is male-dominated, male “allies” (senior leaders) have the greatest ability to drive change. It was felt that the following would improve women's experience in investment management:

... very vocal support of women from men in leadership positions, calling it out, not being afraid to say, “We want more women in this area” or “We’ve got these successful women” and calling out the successful women and their achievements. I’ve worked with a lot of men that have been very comfortable doing that. Maybe it isn’t the most common experience, but it’s my experience.

Recognition of the different perspectives and skills that generally women have compared to men and that diverse teams make better decisions. This has made many organisations, including mine, want to increase diversity of the investment teams.

Others felt that women’s representation in the sector would improve as a result of pressure on asset consulting and fund management organisations from their clients (large superannuation funds). A woman working in a boutique funds management organisation described how this pressure may flow to the broader industry:

It’s the clients pulling our part of the industry along. ... My argument is always that if I leave the (team) there is not one woman. In five years’ time that has to be a business risk because I would think in five years’ time the Super funds will have to have changed. Therefore boutiques will have to change to compete. Therefore broking teams will have to change. If we refuse to make that investment now, that’s a business risk.

Confidence building and mentoring

Research participants described how they, and other women in investment management, had less confidence than male counterparts. Women lacked confidence in advancing their career: they were less likely than men to ask for or put themselves forward for promotions, and lacked confidence that they had sufficient skills or experience to advance. There was a perception that the bar was set higher for women: that women had to be over-qualified for jobs to be appointed, while underqualified men were frequently recruited on their “potential”. Some noted that women had to work harder than men to prove themselves (“They have to work twice as hard for recognition and earn less for the effort relative to counterparts.”).

A number also highlighted women’s lack of confidence in communicating their investment decisions or views, in a context where men were seen to devalue women’s opinions.

Working in the investment management industry involves having and acting upon opinions about the possible future state of the world ... I think women are not conditioned to take their place with confidence in the investment space. When they do, their opinions are second guessed more often, are less likely to be picked up or credited after they have played out, or are not given a chance to be implemented. As a generalization, men may be more willing to back themselves beforehand and take credit afterward, on what is always a case of being partially right about a very complicated situation, relative to women and other non-traditional investors.

Respondents suggested that women would benefit from coaching, mentoring and support to build “mental toughness”, communicate their ideas with confidence, and act on their opinions and take risks in the manner of their male counterparts. Women who had mentors – both informal and

formal, internal and external – saw their primary value in supporting their career and professional development. Mentors provided direction, acted as a sounding board to bounce ideas off of, helped women build networks, and provided advice on how to deal with mistreatment by male colleagues.

Management support

Women highlighted an absence of sponsorship and mentoring from their direct managers. Consistent with survey findings, they felt strongly that management support was critical for women to advance their careers. Respondents described the importance of having more senior individuals in their organisation who were “supporters”; typically their direct manager or supervisor. Many described having left jobs expressly because their managers did not provide support. A number of women related how, when they had multiple job offers on the table, they chose jobs based on the strength of the person who would be managing them.

A supportive manager was a sponsor who “pulled them through”: who saw their worth, encouraged their ambitions, provided them with career-advancing learning opportunities, skills and advice, gave them high levels of responsibility, and helped them attain promotions. Women described a need for conscious support from colleagues or direct managers who helped them build their visibility and networks within the organisation and who opened up pathways to executive level. Survey respondents advocated that managers: make conscious efforts to assemble more representative project teams; give women opportunities to work on big projects and present them to the executive; and provide women with other opportunities to engage with senior boards and board committees. They emphasised the importance of managers who gave them the ‘stretch assignments’ they needed to advance their careers, which were more commonly allocated to male team members by male managers.

It's not about intelligence, because everyone that's hired is intelligent, and everyone is capable and motivated. But when you've got people picking and choosing who's on the assignment ... If someone is mentoring you and stretching you, you get stretched in roles, you're going to learn more, and you're going to be more capable.

For interviewees with children, management encouragement and facilitation of flexible working was highlighted as a critical element of support. A number of interviewees with children described how supportive managers “operated on trust” that they were meeting their objectives, and focused on their output rather than time spent in the office.

Some women attributed their considerable career success to having had a pipeline of supportive managers throughout their working lives. Theirs had been a consistently positive career, where all or most of their managers had provided them with career-advancing opportunities and enabled outputs-based flexible working. These women had gone on to recruit significant numbers of women, and provide access to flexible work arrangements, in their organisations.

When I first found out I was pregnant, she (senior female leader) was extremely supportive and she gave me a copy of her nanny notebook and said, “This is what you've got to do, and here are the phone numbers for the nanny agencies. Let me know how it goes.” So I've had many, many positive experiences. And I feel distressed when I hear other young women now say that they feel that men are stealing their ideas, or that they get interrupted in meetings, and that they're not well-supported, because I guess that hasn't been my experience.

Other women in the study had encountered unequal treatment and an absence of support consistently throughout their career. Some of these women described being disillusioned and worn down by discrimination and were looking to move on to new roles or industries. A third group had long careers of mistreatment and management neglect but had finally 'sorted' themselves into a good job.

(Main problem for women?) Ambitions not respected, taken seriously or addressed ... it is harder though - the journey takes longer - I haven't had great sponsorship or bosses either in the past so that doesn't help. Hoping my current & new boss is good, because am sick of bad unsupportive bosses.

'Sorting' strategies

The survey data indicated that the current workplace experience of survey respondents was largely positive: the majority had supportive managers and sufficient flexibility, they agreed that they were treated with respect and would recommend their employer to their female friends, and most intended to stay with their current employer or in the industry. However, these responses were at odds with the significant number of open responses that described women's negative working experiences and their frustration and anger at what they saw as pervasive and intractable gender inequality in the industry.

One explanation for these contradictory findings may be that survey respondents' negative experiences at work are offset by the high levels of remuneration they received, or the sense of purpose and fulfilment that they get from their job. Another explanation is that survey respondents experienced, and were aware of, gender inequality in the wider investment management industry, but had 'sorted' themselves into jobs that they were relatively happy in, with supportive managers and relatively positive team working environments.

You are only as good as your experience, so if you miss out on critical learnings from a junior age – through either lack of opportunity and or sponsorship – you fall behind, miss promotions, women start falling behind from day 1, well before they partner or have kids. ... It's been a long, hard slog to get where I am but ... I learnt a lot and did a lot of crap stuff before I got here. I know I ended up in a really good space, I love my job, but I've had a really rough time getting there.

When tested with interviewees, all agreed with this explanation for the divergent survey results. They provided insights into how they and other women sorted into different jobs throughout their careers, and described how management support and balancing care responsibilities were central to the 'sorting process' that took place. Interviewees detailed how they thoroughly researched their next job, to ensure that the role provided a positive working environment and/or accommodated care responsibilities. Younger women in the study who were anticipating having children in the next few years had sorted out of non-family friendly (long hours, inflexible) jobs, and into family-friendly teams and organisations that provided flexible work arrangements. Women who had highly negative experiences in investment management jobs – for example, who had been made 'redundant' while on maternity leave or had experienced discriminatory behaviour and exited their job – spoke of how they very carefully researched their next jobs to ensure no repeat of this experience. Many interviewees recounted sorting out of (exiting) a number of jobs throughout their careers as a result of supportive managers leaving and being replaced with unsupportive managers. Others regretted not having done enough research on their current manager, for example by speaking to team members, before accepting what turned out to be negative jobs that they were seeking to leave.

Having access to informal, tacit knowledge about job opportunities in the sector was often critical to women's ability to sort of out bad jobs and into good ones. Women who worked in asset or investment consulting described how working in this sector gave them detailed insights into investment teams across the industry, allowing them to target their next employer. Women in the sector also imparted knowledge to other women about how they might sort themselves into a better job, and which teams and employers would provide a positive working experience, and a number of women in the study acted as mentors for women in their and other organisations. It seems that networks, and the access to tacit knowledge they provide, are important factors in women's career progression, just as they are for men.

Conclusions

The findings of this study of women working in investment management occupations are somewhat complex in nature. Most survey participants reported a relatively positive experience of work in their current job: they were treated with respect, had supportive managers, and most planned to continue working in the sector. Interviewees described their jobs and careers as rewarding, exciting and purposeful.

Yet other responses indicated that many did not feel that men and women were treated equally at their workplace; that they were excluded from important workplace events because of their gender; or had experienced offensive behaviours, or pay discrimination. Of the 116 women who responded to an open survey question on problems faced by women in the sector, many provided contributions outlining numerous problems and negative workplace experiences, suggesting a deep level of frustration and anger at perceived gender inequality in the sector.

Most women in the study were ambitious and passionate about working in investment management. However, they described being held back by male views and stereotypes of women as unambitious, lacking critical analytical skills, or being wholly focused on care/domestic responsibilities. They highlighted the inequality of opportunity that they faced on a daily basis.

In the domestic sphere, they sought equal opportunity to advance their careers to the same extent as male partners through more equal distribution of care responsibilities, with 88 per cent of respondents indicating that having a partner who shares responsibility for childcare and domestic work was important to their success in work. At the workplace level, they desired equal pay and equal access to career-building 'stretch' assignments and advancement opportunities.

Responses indicated that many research participants had experienced ill treatment and gender discrimination throughout their careers, in their wider organisations, and in the broader investment management sector. Interviews confirmed that, over the course of their careers, most women in the study had 'sorted' themselves into current jobs that met their needs and provided a relatively positive daily workplace experience: most had sufficient flexibility and supportive managers. This might be conceptualized as an individualised accommodation strategy adopted by women working in a highly male-dominated industry.

A key finding is that for women in the study, equality of opportunity was premised on the presence or absence of supportive direct managers. All - 100 per cent of - survey participants noted that management support was important to their success at work. Having supportive managers was found to offset or counteract the institutional or industry-wide gender discrimination faced by women in the study and was critical to women's career advancement. It enabled women to move up the ranks and subsequently hire more women themselves.

The survey highlighted significant dissatisfaction that organisations were only paying lip service to gender equality, with proclamations from the top, but no change in the industry. The best thing that organisations can do to rectify this is to ensure that direct managers equalise opportunities for women at the team level. The research indicated that culture change needs to occur via the everyday actions of direct managers. Ensuring that managers at all levels provide support to women will enable organisations to enact the gender equality and diversity values often espoused at the top.

Rather than expecting women to sort into a finite pool of good jobs in good teams, employers might focus on ensuring that all jobs are good jobs for women, by providing jobs which accommodate care responsibilities, with managers who provide opportunities for women to 'stretch'. To do this, organisations might focus on recruiting, appointing or promoting managers who, in the words of one respondent, "respect this generational change and have no bias towards home roles". Women in the study were of the view that more women needed to be in senior leadership and management roles in order to support and advance women through the pipeline. However, it is equally important that male managers and senior leaders do the same, particularly as women remain in low numbers in senior positions.

Currently, incentives for managers to provide support to women in the industry are lacking. One possibility (based on the UK HM Treasury Women in Finance Charter) is linking managers' pay, bonuses, or promotion prospects to achievement of KPIs for diversity and supportive management practice. With 95 per cent of respondents indicating that career-advancing job assignments and development opportunities were important to their career success, organisations might consider measuring and monitoring managers' distribution of stretch assignments among male and female team members. One might question, however, whether organisations will be motivated to change managers' behaviours when profit or other financial performance measures are the predominant drivers of activity.

Linked to management support and measurement is the need for organisations to "de-bias" all people management processes to ensure gender-equal outcomes in recruitment, pay, allocation of assignments, profile raising/development opportunities, promotions, and access to senior positions.

Reflecting the life course profile of the women in the study, the difficulties for working mothers were centre stage in the findings. Over half of the women surveyed agreed that working part-time or flexibly compromised career opportunities in their workplace and less than half were able to work part-time if they wished to. Given that women are disproportionately shouldering the domestic and care workload, organisations might redesign jobs to allow for reduced workloads while still providing gender-equitable career advancement. Men should also be encouraged to work flexibly and take extended parental leave so that this becomes a cultural norm. Organisations might also develop strategies to minimise the impact of interruptions (maternity leave) on women's career trajectories.

We look forward to engaging with industry stakeholders about our research findings.

Author biographies

Dr Sarah Oxenbridge

Dr Sarah Oxenbridge is a Research Fellow in the Women, Work and Leadership Research Group at the University of Sydney Business School. Sarah has researched work and workplaces since 1993. Since completing her PhD in 1998 she has worked as a senior researcher in the UK, New Zealand and Australia in universities, the UK civil service, and as an independent research consultant. Between 2012 and 2017, Sarah was co-director of a research consultancy with specialist research expertise in psychosocial risk factors (job stress, bullying), improving effectiveness in employment institutions, and workplace gender equality. Most recently, Sarah has worked with Australian and NZ public and defence sector organisations to improve the recruitment and retention of female workers by reducing gender bias in people management processes, improving flexible work arrangements, and providing support structures for women throughout their careers. She is currently engaged in a three-year University of Sydney study examining the work and career experiences of women working in highly male-dominated occupations (investment management, automotive trades, and pilots).

Professor Rae Cooper

Professor Rae Cooper (PhD) is Associate Dean (Undergraduate) and Acting Associate Dean (Programs), the University of Sydney Business School. Rae is Co-Director of the Women, Work and Leadership Research Group and Associate Editor of the Journal of Industrial Relations. Rae is a leading researcher in gender and work, women's careers and flexible employment. She has received grants from the Australian Research Council, from state and federal governments and has worked in collaboration with leading organisations including the Australian Human Rights Commission, the Australian Institute of Company Directors and the Australian Council of Trade Unions. Rae uses her research expertise to contribute to public debates about work and careers and is a key Australian commentator on workplace matters in television, radio and print media. She is regularly approached to speak to business and policy audiences on her research. In addition to her academic roles, Rae has been a non-Executive Director on several boards of public sector businesses and NGOs and has played a leadership role in organisations in the women's policy area.

Professor Marian Baird

Professor Marian Baird is Professor of Gender and Employment Relations, Head of the Discipline of Work and Organisational Studies, Co-Director of the Women, Work and Leadership Research Group and a Fellow of the Academy of Social Sciences of Australia. She is Co-Editor-in-Chief of the Journal of Industrial Relations. Marian's research focuses on gender, equality and leadership, challenges and policy responses in Australia and the Asia Pacific. Marian is very active in the policy arena, and she is frequently invited to speak to business groups, unions, women's groups and other universities, business and the press about employment relations generally and women and work specifically. She has received numerous Australian government and ARC grants to study gender equitable organisational change and work and family and is widely published. Marian has contributed to a number of government advisory boards and reference groups relating to parental leave, discrimination and gender equity in the workplace.

The Women, Work & Leadership Research Group (WW&LRG) at the University of Sydney Business School provides a focal point for collaboration between leading scholars, business practitioners and policy makers with an interest in women and work, in building more equitable workplaces and more sustainable careers for women. The WW&LRG engages closely with debates about the megatrends impacting the workforce, including the feminisation of the workforce, population ageing, flexibility and technological change and emerging issues which lead to changing expectations of employers, employees and of the organisation of work. The Co-Directors of the WW&LRG Professor Rae Cooper and Professor Marian Baird have considerable expertise in undertaking engaged research and in public speaking and translating research results in the media.

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