

Rise to The Top: Women and Leadership in the Financial Industry

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Submitted to: University of Wisconsin-Platteville

For Partial Fulfillment of the Requirements for the  
Masters Degree in Organizational Change Leadership

Approved by



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### Abstract

Women have historically made significant strides to achieve greater gender equality within the workplace. Still today, particularly within the financial industry, a gap remains in the number of women that are leaders in comparison to men. There is an opportunity to increase gender equality in financial institutions through the leadership development of women. Women have been shown to possess competencies and traits that commonly make for outstanding leaders. The review of literature demonstrated that women are not only capable of being great leaders, but they possess the skills and abilities that positively impact employee retention, customer satisfaction and the development of other emerging female leaders within an organization. There are several advantages that financial institutions gain when making an investment to support and develop their female employees, such as lower turnover and a more diversified organization overall. Strategies that can be implemented to successfully create a culture that grows female leaders include networking, mentoring, professional development, and mindset awareness training. The financial industry leads in so many areas- it is time to lead in supporting women in leadership as well.

*Keywords:* Employee development, financial industry, leadership competencies, women

### Acknowledgements

I would like to thank the various advisors and professors that I have had the opportunity to work with throughout my time at the University of Wisconsin Platteville. I have learned more than I could have imagined that I was capable of. I have found my passion while completing this journey. A special thank you to Caryn Stanley for being my guide throughout this process of conducting research and narrowing in on a topic that has personally impacted me and is important to me. I feel like my voice is being heard through writing this paper and bringing this topic to attention. I appreciate the opportunity and freedom I have been provided to have my voice heard.

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### Rise to The Top: Women and Leadership in the Financial Industry

Females have had more challenges when it comes to being given the same opportunities to become leaders as their male counterparts have. Clerkin (2017) asserted based on results from Gallup polls conducted over the past 70 years, that both men and women in the United States preferred having a male boss by 65% over just 5% preferring a female boss (Clerkin, 2017). Clerkin further found that the latest Gallup polls continue to be more favorable to men with 33% preferring a male boss and 20% preferring female (Clerkin, 2017). Yet Reinda (2018) found when it comes to organizational turnover, employees cited their manager's behavior more than anything else as the primary reason for quitting their jobs.

McKinsey & Company (2021) concluded that female leaders are consistently doing more to promote employee well-being, which includes checking in on team members, helping manage workloads, and providing support to navigate burnout and work/life challenges. McKinsey & Company also maintained that when managers support employee well-being, they are happier, experience less burn out, and are less likely to consider leaving the organization. While the initial data indicates that women make successful leaders and deliver high overall employee satisfaction, there continues to be a lack of focus in cultivating the leadership development that is specifically geared towards women.

Financial institutions are not leveraging the abilities that their female employees possess, resulting in missed opportunities for the organization to grow and become stronger overall. It is for this reason that resources should be dedicated to the development of female employees. If organizations are not making an investment in employees, they risk employee morale and motivation reductions.

Primarily as tellers, secretaries, and administrative staff, women have been employed with financial institutions for years. Looking a little higher within the corporate structure, it's a bit of a different story for mid-management, senior management, and CEO roles as they are statistically more likely to be filled by male employees. The financial industry has notoriously been viewed as a “boys club,” being run by male executives and CEOs. It is not clear as to why this is and continues to be, however, according to Milenkovic (2022), the fusion of work-life constraints, early professional trade-offs, and firmly established attitudes towards women being in power are all primary contributing factors to the percentage of female leadership remaining lower than males.

### **Statement of Problem**

Women have continued to face challenges in having access to some of the same opportunities that their male counterparts do. This has caused a gap in the number of women there are in leadership roles. Women are accountable, adaptable, show others empathy, and are diverse. All qualities that make for excellent leaders. It is for this reason that more balance is needed in the number of males and females being promoted in the industry. Data from the Deloitte Center for Financial Services (2022) demonstrates that the proportion of women in leadership roles within financial services firms was 24% in 2021 and was projected to grow to 28% by 2030- still below parity. There have been strides made to increase the percentage of female leaders in the industry, however, there is still work that can be done to continue supporting women aspiring to be leaders in the future.

### **Significance and Implications of Study**

Gender diversity in banking reflects the reality in financial services overall, with an even split between men and women at entry level that declines with each rung up the ladder. Women



make up 53 percent of the entry-level banking workforce but less than one-third at the SVP and C-suite levels (Ellingrud, Krivkovich, Nadeau, & Zucker, 2021).

Research conducted for this paper shows that women excel in leadership roles when they are given the right support and resources to develop skills and instill confidence in their abilities. The significance of performing this research was to provide tools and resources for financial institutions to make leadership development for women a top priority.

### **Purpose of the Study**

The purpose of this study was to provide research-backed evidence that increased focus on the leadership development of women can directly impact the satisfaction of its employees and create a better overall culture within the organization. This was completed by examining the advantages women possess that make them most suited for leadership positions, challenges and barriers women face that could hinder development into a leadership role as well as strategies and solutions to make leadership development a top priority including ways to implement initiatives that will be the most impactful to female employees.

### **Methodology**

The primary method of research consisted of secondary data analysis relevant to the topic presented. Data and content that is relevant to the topic of leadership development, strategies around it and women in the financial industry was closely examined. Through this research, there was content reviewed that supports the proposed argument that there is a need for financial organizations to review how they maintain employee engagement of existing employees and attract top talent that are women and develop them into leaders.

**Research Contributions**

This research demonstrates that there are solutions proven to increase the development of women within the financial industry who are aspiring leaders in their fields. This research highlights that by employing methods of career pathing and leadership development there is an overall increase in employee motivation and engagement as well as a decrease in employee turnover.

**Anticipated Outcome**

The anticipated outcome of this paper was to prove the importance of investing in leadership development initiatives, particularly for women. The research illustrated throughout this paper details the value that investing in female emerging leaders in the financial industry brings.

### Leadership and Women

For most of recorded history, men have outnumbered women in holding leadership roles. Women that had any sort of power or leadership authority typically did not acquire it on their own but through their relationships with men. Goethals (2017) wrote that one of the most notable women that helped pave the way for women's leadership was perhaps Eleanor Roosevelt. Eleanor Roosevelt was the wife of President Franklin D. Roosevelt and first lady between 1933 and 1945. The first lady was particularly well known for pushing the envelope beyond what was considered normal to achieve her goals. In many respects, Roosevelt was able to show society that women could be leaders, and great ones at that. Women bring different perspectives and approaches to business. This results in a more inclusive workplace and often better performance for the company overall. It was even concluded by Quellmalz (2021) that in times of trouble, people need and want leaders that are willing to pivot, take initiative, motivate others, put their people first, show integrity, value diversity, and empathize with the stress and anxiety during uncertain times. The research found that people often see these qualities more accurately displayed by women leaders.

There are opportunities that businesses are missing out on by not having more women in leadership roles. Comaford (2021) concluded that women leaders tend to not only outperform their male counterparts, but employees tend to work better when women are in charge – all even though people tend to hold women leaders to a higher standard. There is a greater expectation placed on women to not make mistakes and produce the same end results that their male counterparts are able to achieve.

## **Men and Women**

Catalyst (2020) found that the financial services industry in North America had a 24% gap between the rates of first promotions of women and men, despite both genders asking for promotions at comparable rates (Catalyst , 2020). Among entry-level employees, men were more likely than women to have managers and senior leaders act as sponsors-serving as advocates, providing advancement advice, and identifying opportunities. Further, women have higher representation in leadership roles that do not typically lead to promotion to CEO, such as heads of talent, marketing, and business development (Catalyst , 2020). So, while the gender of an individual should not determine whether they will make a good leader, there is clearly an uneven dynamic in the number of women in leadership positions versus their male counterparts.

The Center of Creative Leadership concluded that 70% of women and 48% of men agreed that society expects women to behave in certain ways that hinder them from becoming senior leaders. Gender role expectations seem particularly strong around family responsibilities. When it comes to career and family, the study reflected a cultural expectation that if something happens at home, the woman must take off from work. At the same time, it is also expected that men must have a career, whereas women may stay at home or opt for a less-demanding job. The bias affects both men and women (as cited in Zhao, 2020).

## **Finance and Women**

Banking is primarily focused on providing products and services to customers and play a dominant role in society. The competition within the industry has reached an all-time high with online banks becoming more popular, along with the classic brick and mortar institution. The functions of a bank and the role that financial institutions play within the community makes leadership within the field more complex and difficult to manage. There have been changes and

adaptations throughout the years within the banking industry; making it necessary to continually make improvements and propose solutions to manage changes that occur. (Adda, Natsir, & Rossanty, 2019) This means looking for ways to continuously improve processes and procedures while having the ability to pivot quickly when change occurs.

Deloitte Center for Financial Services (2022) concluded that the proportion of women in leadership roles within financial services in the United States was 24% and its projected growth by 2030 was 28% as stated in a previous section. Looking at this from a global perspective, the United States comes in above the average of 20%, with 26% of women holding leadership roles within major financial services firms (Catalyst , 2020).

Horswill (2019) stated women made up nearly half of entry-level positions in financial services, but only about one in five C-suite positions. In the report by Horswill (2021) on the state of gender parity in finance in 2020, it was found that women held just six per cent of CEO positions at major financial firms globally in 2019, a 2%-point drop since 2016. Women also comprised only about one in four corporate board seats in finance according to the results. Overall, the financial industry has continued to lack equal representation of women in upper-level and senior management positions. This could largely be due to the lack of initiatives related to leadership development, specifically for women that help generate an increase in career advancement opportunities.

### Why Women

Leaders have an impact on the overall survival of an organization. Leaders can influence the organizations employees, teams and level of innovation and creativity it has overall. The leader's role to encourage, motivate and maximize the potential of the employees they lead means that the type of leaders that are selected and invested in are greatly important to the overall success that the organization ultimately has. When a leader is exceptional, it creates a trickle effect so to speak as it can generate increases in employee motivation and engagement which ultimately results in the employees creating a more positive, memorable experience for the customers they serve; this keeps them coming back and builds loyalty; which is such a key component when it comes to defining success within financial organizations.

With the role of a leader being so conducive and impactful to employee and customer satisfaction. It is obvious that the development of leaders should be one of the top investments and priorities made by financial organizations to provide the support needs to create great leaders, unfortunately this is not a top priority for many financials in general let alone women. There was not a lot of research found regarding specifically why there is not more of an investment into the growth and development of employees when there are clearly wonderful things that come from having great leaders at the helms of financial institutions.

Zengler and Folkman (2020) revealed the results of a survey conducted with thousands of what direct reports wanted and needed from a leader now were those who can pivot and learn new skills; invest in employee development; display honesty and integrity; are sensitive and understanding of the stress, anxiety, and frustration people can be feeling. The analysis that was conducted showed that these are traits that are more often displayed by women.

Employees are wanting more of what female leaders can give them such as supporting them in their overall development. Therefore, financial organizations need to have an increased focus on leadership development for women because it could result in the increased growth and development of a team that they end up overseeing. The measurement of success that a leader has should be primarily based on the individual skills and abilities they possess to establish whether they are the ideal candidate. What is lacking is the investment that the financial industry has in the leadership development of their female employees.

The advantages in making the investment to increase female leadership within the financial industry will be examined by highlighting characteristics that women tend to possess that are highly sought leadership qualities. Not to say that men do not have equally valuable qualities that are sought after, however, the focus of the research is to show that there is a need to invest resources for women to advance in their careers and develop into leaders within the financial industry. Along with the advantage's women possess that can make them exceptional choices for leadership roles, challenges women face in progressing their careers will also be discussed.

### **Advantages for Women in Leadership**

Sherwin's (2014) study collected feedback from 16,000 leaders within financial organizations where leadership competencies in men and women showed that the ability to get things done, be a great role model and deliver results as being some of the leadership competencies that women possess, and they outranked men in these categories. Sherwin asserted that women ranked higher than men in a total of ten out of the sixteen categories measured. Ranking highest for women was taking initiative, possessing integrity and honesty, and having the drive to achieve results. Those were not the only competencies that women outranked men

in, according to the results. They also ranked higher in employee development, building relationships and collaboration with others. These competencies, along with how women work under crisis will be discussed throughout this section.

### **Taking Initiative**

Initiative is best described as the ability to assess a situation, generate possible solutions to a problem and act before others do to resolve a difficult or improve a situation. This is a wonderful trait for leaders to possess due to the nature of leaders being required to make snap decisions that impact employees, customers, and the organization. Therefore, the ability to make decisions quickly can aid in smooth conflict resolution and fast solutions.

Alender (2015) wrote that although taking initiative is often seen as a more aggressive, masculine trait, the female leaders in a Zenger Folkman survey were rated the highest in this category above all others, while men were rated much lower. Alender discusses an interview that was conducted with a group of women not involved in the survey and asked them why they thought their female colleagues were rated so highly on things like initiative and self-development, the responses were, “We need to work harder than men to prove ourselves” and “We feel the constant pressure to never make a mistake and to continually prove our value to the organization.”

So, while the stereotype may be that men are the more aggressive, proactive group, the reality appears to be that women — whether naturally or as a conscious reaction against this stereotype — are the ones who are more likely to take initiative more often (Alender, 2015).

### **Integrity and Honesty**

Any successful leader needs to possess integrity and honesty. Without it, trust is not able to be built, which is a foundational building block of having a good employee-employer



relationship. When an individual adheres to a set of values that incorporates honesty and freedom from deception, they are seen as such and their capability of pursuing a specific task is seen positively. According to Cohen (2011), a major factor that determined a positive attitude towards a leader was their sense of honesty and freedom from deception, a major component of integrity. Haslam and Ryan (2008) found that when women were perceived as having higher levels of integrity, attitude towards them became more positive and people appreciated their capabilities more.

### **Drive to Achieve Results**

Women have a consistent drive to achieve the best possible outcome. They achieve goals through effectively communicating the expectations to their teams, offering support, and maintaining the employee's overall motivation to strive for more and reach their goals. This will make them very measured, goal-oriented leaders that will garner results effectively within financial organizations who focus primarily on metrics and is a goal-oriented industry.

### **Development of Others**

The development of employees covers a vast area from career counseling to on-the-job coaching to outside classes to dedicated feedback, helping employees set goals and better themselves professionally. Highly developed employees have a greater sense of purpose and satisfaction; conversely, underdeveloped employees often fuels early exits. Alender (2015) concluded that developing of one's employees will lead to greater loyalty and effectiveness overall, since companies will have workers with more skills and talent in the long term and waste less time on hiring new people due to extensive turnover. Women have scored higher in this category than men in having the ability to recognize developmental gaps within their team

and work collaboratively with them to overcome challenges they are facing and help them excel in their role.

### **Building Relationships**

Alender (2015) found that female leaders were consistently rated higher in the category of building relationships, according to the research conducted by the Harvard Business Review. This is an all-around good thing for companies, as people in leadership roles are responsible for keeping the organization working as a whole; better interoffice relationships are more likely to create a smooth, well-oiled machine. In addition, women who are skilled at building relationships within a company are also quite likely to be successful in building outside relationships — cultivating new clients or negotiating difficult contracts, for example.

### **Collaboration with Others**

Collaborating with others is a competitive business practice and can improve the way people work together and solve problems. Women are widely recognized as being more collaborative than their male counterparts. They make connections with partners easily through open, effective communication and maintain relationships with collaborative partners to generate mutual benefits that help make both parties successful. Men can have more of a competitive view when it comes to relationships they have with peers and therefore the collaboration ability displayed may be less mutually beneficial at times due to wanting to have a competitive advantage.

### **Crisis Handling Ability**

Zenger and Folkman (2020) discussed the careers of women leaders and there was a phenomenon referred to as the “glass cliff.” Relative to the phrase *glass ceiling*, which described the invisible barrier to advancement that women often faced when they were up for a promotion

to the highest levels of an organization. Zenger and Folkman (2020) described the “glass cliff” as the idea that when a company was in trouble, a female leader was often put in charge to save it. When women were finally given a chance to prove themselves in a senior position, they were handed something that was already broken, and the chances of failure were potentially higher. This indicates that women had an innate ability to handle difficult situations, even with the odds being against them.

### **Challenges for Women in Leadership**

There are multiple factors that discourage women from taking the steps to become leaders in the financial industry that will be discussed throughout this section that includes a lack of opportunity for development, lack of mentorship and sponsorship initiatives, and self-sabotaging thoughts and behaviors.

#### **Lack of Sponsorship and Mentorship Opportunities**

The impact sponsorships and mentorships can have on a woman can be great in their overall development and career growth. Omadeke (2021) described mentorship in a work setting as the relationship between someone sharing knowledge and providing guidance (the mentor) and someone learning from a person’s experience and example (the mentee). Omadeke (2021) went on to describe sponsorship as phase two of the mentorship process; meaning that the mentor and mentee had worked together for a while and during that time the mentor saw evidence of growth and self-accountability in the mentee. It would be at that point that the mentor became an actual advocate for their mentee. In this capacity, the mentor was now a sponsor, and the mentee was the protégé.

Mentorship and sponsorship are important in facilitating career advancement opportunities through personal and professional development. For entry-level women, lack of

support and sponsorship is an additional barrier to advancement. Research conducted by Chin, Krivkovich and Nadeau (2018) concluded that women who received advice from managers and senior leaders on career advancement were more likely to be promoted, and yet earlier-tenure women received less encouragement and support from managers and senior leaders in advancing their careers than their male peers.

Entry-level women might not be asking for the additional support, they do not yet recognize the importance of cultivating a strong network of supporters and advocates. Whereas senior-level women come to view mentorship and sponsorship as the factor most essential to success, entry-level women believe that performance metrics such as communication skills, being a team player and delivering exceptional results as the strongest drivers for career advancement (Chin, Krivkovich, & Nadeau, 2018).

### **Lack of Confidence**

Coffman (2019) says that women are more reluctant to share their ideas in group discussions; and even when they have talent—and are told they are high-achievers in these subjects—women are more likely than men to shrug off the praise and lowball their own abilities. This weak self-confidence may hold some women back as they count themselves out of pursuing prestigious roles in professions, they believe they won't excel in, despite having the skills to succeed.

It's also important for managers and women to be aware of how confidence gaps may impact the workplace, particularly in professions long dominated by men, and to realize that women may need extra encouragement to express their ideas or to throw their hat in the ring for a promotion, Coffman (2019) indicates.

### **Lack of Career Advancement Opportunities**

Chin, Krivkovich and Nadeau (2018) wrote “the progression of a women’s career studies show that they are steadily losing ground to their male peers at every stage. The biggest drop occurs early in their tenure, when women are 24 percent less likely to attain their first promotion than their male peers, even though they request promotions at similar rates.”

The senior-level women Chin, Krivkovich and Nadeau (2018) interviewed encouraged younger women to take risks early in their careers. These risks could involve trying different business units, roles, locations, and even industries to build a broad foundation of experiences that will serve them in future leadership roles.

Chin, Krivkovich and Nadeau (2018) stated that women in entry-level roles in financial services seldom envisioned themselves in a top executive position; only 26 percent aimed for this goal, as compared to 40 percent of their male peers and 31 percent of entry-level women across all industries. Entry-level women in financial services cite lack of interest in such roles, concerns about balancing family and work commitments, the perceived pressure associated with the top job, and too many politics as the primary reasons that the leadership career path is less appealing to them.

### **Work-Life Balance Conflict**

Women with childcare responsibilities were 32% less likely to leave their current jobs when their employers offered flexible work options for them ( Deloitte Center for Financial Services, 2022 ). Compared to their male peers, senior-level women are also much more likely to believe that prioritizing work–life balance—including participating in flexibility programs, such as maternity leave and flexible work schedules—will undermine their ability to succeed at work. This view is perhaps because they perceive the penalty to be higher as their responsibilities at

work increase with seniority. Ultimately, they are less likely than senior-level men to view the benefits of top leadership as being worth the cost (Chin, Krivkovich, & Nadeau, 2018).

Compared to their male peers, senior-level women are also much more likely to believe that prioritizing work–life balance—including participating in flexibility programs, such as maternity leave and flexible work schedules—will undermine their ability to succeed at work. This view is perhaps because they perceive the penalty to be higher as their responsibilities at work increase with seniority. Ultimately, they are less likely than senior-level men to view the benefits of top leadership as being worth the cost (Chin, Krivkovich, & Nadeau, 2018).

### **Changing Work Environments**

Returning to a pre-pandemic work environment is on the far horizon for many organizations, including financial institutions. Restart programs, which were growing in popularity before the pandemic, have become an even more powerful tool in attracting and retaining women now. Firms should consider expanding these programs to include senior leadership women who want to return to the workplace ( Deloitte Center for Financial Services, 2022 ).

Many financial firms plan to use hybrid work models, which include more flexibility and remote work options, as a key component of their workplace strategies. Hybrid models can benefit employees, but leaders should thoughtfully and deliberately design them to advance—not deter—women’s career growth opportunities ( Deloitte Center for Financial Services, 2022 ).

## Strategies and Solutions

### **Focused Approach for Financial Organizations**

There is a lack of resources geared towards the initial and ongoing development of female employees. This is not only true within the financial industry, but organizations in general across the United States. There was a lack of specific data and research geared towards financial institutions investment into the leadership and development of their female employees. There is however data on several existing initiatives from some of the top organizations within the United States. They are making gender diversity a top priority and investing in programs that help their employees feel empowered and motivated to pursue advancements in their career.

#### **Financial Industry Initiatives**

Some financial institutions have taken more notice of the impact women can have on the overall success of the organization, especially when these women are holding leadership roles and being given the support and resources they need. The following section takes a closer look at five large financial organizations and the investment that they have already made in the growth and development of their new and existing women that hold leadership roles.

#### ***Chase***

Chase formalized a program specifically geared towards their women employees in 2013 entitled “Women on the Move.” Chase currently has over 250,000 employees, 50 percent of which are females (JP Morgan Chase , 2022). This is a powerful statistic coming from one of the largest financial institutions in the United States and truly shows that their investment in the empowerment and advancement of women initiatives have built an organization that has equal opportunities for both genders. Their program is focused on recruiting and retaining more

women at all levels, as well as helping women develop and prepare for senior-level roles across the organization (JP Morgan Chase , 2022).

### ***Bank of America***

Bank of America boasts a strong female representation a all levels of our organization. The company offers a variety of programs that are specifically designed to help women who work with Bank of America manage challenges of balancing their work and personal lives. This includes tuition reimbursement, reimbursement of adoption related expenses and resources and support to women that make the transition to coming back to work after having children (Bank of America , 2022).

In the United States, Bank of Americas women’s executive development program engages, develop, retain, and support career advancement of high potential talent. They do this through a 10-month program that includes assessments, in-person and ongoing virtual development sessions, executive sponsorships, and local market engagement opportunities to advance the participants’ careers (Bank of America , 2022).

### ***CitiGroup***

CitiGroup has embraced diversity in the workplace through many launched initiatives. One of those initiatives is the Women’s Leadership Development Program that was put into place to support the development of high-performing female talent in Citi’s pipeline. Citi has had overwhelmingly positive feedback from its employees that have taken part in this program. The program was launched in 2008 and combines lectures, discussion, small group work and personal assignments to help female leaders to advance in their careers. The goals for the program are to teach participants to demonstrate executive readiness, become champions and role models to the organizations and grow professional networks (CitiGroup, 2022). The



program had such overwhelmingly positive feedback that they continued offering it and have expanded it to other diverse groups within the organization.

### ***Wells Fargo***

Wells Fargo has a leadership program entitled “The Leadership Pipeline Program.” While the program is not geared specifically towards women, it focuses primarily on graduating college students that are preparing to enter the workforce. The program provides broad exposure to various segments of Wholesale Banking. The program has both internship and full-time options that both focus on a hands-on learning experience to help gain a better understanding of Wells Fargo’s operations, business strategies, and corporate culture (Wells Fargo , 2022).

### ***Goldman Sachs***

Goldman Sachs believes that when women lead, everything changes. They have a great investment in the growth and development of not just the women who are employed with them, but all employees across the board. This has created a culture in which the employees are motivated and the lines of communication between the organization and employees are clear and understood.

To work to close the gender gap between men and women, Goldman Sachs developed a program entitled “10,000 Women.” The premise behind instituting this program was that if there was an investment in education for women, it could close a range of gender gaps (Goldman Sachs , 2022). The online course is a free-to-access, practical business education program available to women around the world. There are 10 essential business courses that provide critical tools across all aspects of business, from leadership to negotiations, marketing and sales (Goldman Sachs , 2022). They truly have embraced, and they understand the importance of

making investments in women and educating them in business and other areas to help facilitate their careers and produce more opportunities for advancements.

### **Sponsorships and Mentorship Programs**

Many firms in the financial services industry fail to devote time and resources to promoting mentorship and sponsorship. As previously discussed in the challenges that women can face in their growth and development is a lack of opportunity or focus on having mentors and sponsors that support them, give them advice and advocate to others on their behalf. It is particularly important for organizations to implement women's sponsorship and mentorship related programs where women help women advance in their careers.

When a person becomes a sponsor, they have more things on the line than they would in being a mentor, their reputation and professional brand is on the line insuring the protégé is successful. This could mean that there is more of an opportunity for financial institutions to visit how they can leverage individuals with broad experience and advanced skills to serve as sponsors for women that want to grow and advance their careers to become top leaders within the organization.

Chin, Krivkovich and Nadeau (2018) concluded that there were some concrete steps that financial institutions took to ensure that women—especially women in the earlier stages of their careers—had more access to sponsorship and mentorship opportunities. At present, less than half of the financial institutions surveyed had sponsorship programs, and only 58 percent had formal mentorship programs. These programs are designed specifically to address the challenges that hinder entry-level women from advancement into the senior ranks (Chin, Krivkovich, & Nadeau, 2018).

### **Growth and Development Opportunities**

Kim (2020) discussed a meeting of Femmes Leaders Organizations where the panel uncovered that organizations failed to realize that their leadership development practices were based on examples of men having successfully climbed the ranks in generally male-dominated leadership populations. This outlook results in leadership development being cloned based primarily on successful male leaders (Vanderbroeck, 2010).

Eagly (2007) concluded given that women can be successful in leadership roles in somewhat different ways, this model does not really fit them. Leaders are expected to appear confident. Since women are also expected to be feminine, if they display too much “male” behavior, (such as confidence) they are not well received by their peers at the top. This is due to being perceived as “not feminine enough” and inauthentic. Yet women who display too little of this behavior are perceived as not suited for the top job: “too feminine”. Thus, if women are in a minority, they are perceived as women first, and leaders second. This is yet another justification that leadership development needs to be specifically geared toward females to increase the focus on the specific needs of women when developing into leaders.

As with men, women are more likely to be promoted if they are actively coached on career advancement. Emerson (2022) showed that senior leaders needed to ensure that emerging women leaders were given the same opportunities as their male counterparts to showcase their ability, stretch their role, network with senior leaders, and promote their visibility at the executive level.

Catalino and Kirstan (2019) concluded through the remarkable women program, that the oft-overlooked benefit of women-only leadership programs is that they hold up a mirror to the organization. When women scrutinize their own leadership traits and experiences, they reveal

important information about the day-to-day environment in which they operate. If a company is receptive, the content of the sessions can help gauge how well the organization promotes effective leadership behavior and can offer a portal into where the company succeeds, as well as where it fails to foster an environment in which everyone can bring their best self to work. In short, companies can use such programs not only to improve the skills of the participants but also to assess—and ultimately improve—the workplace itself.

### **Support**

There is a multitude of ways that financial institutions can provide additional support to their female employees to encourage learning and development within the organization. When employees are just aware that their leaders do have an investment in them as people and care about future aspirations and goals, they tend to want to do more and be successful, because they have someone in their corner rooting for them.

The ability to have flexible work arrangements is a growing need for many individuals, particularly women. This is because it can create the needed work-life balance that is sometimes necessary for women to have the ability to work as well as be there for their family and children. The awareness that financial leaders and organizations have needs to be heightened in order to combat the potential negative impacts that remote or hybrid work arrangements could have on career advancement for women.

Career development discussions that leaders have with their female employees can be a huge way to support them in having a focused conversation on what they ultimately see themselves doing in the future and what path they can take in order to get there. Merchant (2010) discusses how career development deals with the fundamental nature of the relationship of individuals to their work and employees to their organizations. A clearly defined plan of action

prepares employees for the future and preserves an organization's ability to meet both existing and future needs. Rarely is enough attention given to alternative paths that reflect more personal aspirations, especially when those desires do not fit the familiar pattern of traditional organizational life.

Through research conducted in a study by Merchant (2010), an effective career counseling program not only assisted an organization in identifying employees with high performance potential but also assisted employees with mapping out realistic career opportunities. Career specialty training allowed employees the opportunity to recognize, define, and realign their goals during their careers. Conversely, it afforded management the opportunity to further assess employee needs to achieve a balance with those of the organization.

Financial organizations will also benefit in monitoring burn-out in existing female employees holding leadership positions. While leadership can be very rewarding, it can also be stressful and draining work with high demands and sometimes feeling unrecognized and underappreciated for efforts made daily. All of this considered, it can lead to underperformance and ultimately result in burnout and lack of investment in their roles.

There are many ways in which financial institutions can prevent and diminish burnout in female leaders. This can be incorporating a workplace wellness program that promotes health and wellness, including mental health. Allowing for flexible work schedules in order to create a greater balance between personal and professional responsibilities would be another way to cut down on the effects of burnout. Lastly, having professional services in place such as an employee assistance program to help support issues that women are facing in their personal and professional lives to better combat stress and burnout.

### **Focused Approach for Women**

While the focus of this research was to show the value to financial institutions in order to invest more time and resources into programs that benefit women advance their career, there was importance in visiting how women can positively impact their ability to advance as well.

Women are resourceful, diverse individuals that take initiative and are highly motivated to reach their goals. It is only fitting to review ways that women can have the most impact and control in steering their career down the path that they want it to go down to reach the goals that they set for themselves.

This section will focus on research conducted on ways women have found opportunities to gain knowledge and experience, taken advantage of training opportunities, have developed positive mindsets and confidence in themselves that they are capable of being successful in leadership roles; and finally, developing a network of supportive people that can offer advice, new opportunities, and encouragement.

#### **Experience and Training**

There are sometimes barriers that women experience in not having the proper experience or training that the leadership role is asking a “qualified” candidate to possess in order to be given an opportunity to be a leader. This type of barrier may leave a woman feeling stuck and not know where to turn to gain more experience and get the training that the employer is in search of. If a Financial institution does not have a learning and development program in place to assess career goals and help in obtaining the right experience and training that is needed in order to pursue a leadership position, there are ways that women can gain more experiences on their own without sacrificing their current positions to help prepare them for a role in leadership. Many financials do have a lack of support and are dedicated to giving aspiring leaders the tools

and direction that they crave in order to reach their goals. This is where women can reach to other external resources and opportunities to gain the experience that they seek.

Women can use their previous experiences to gain additional knowledge. Experiences provide a rich collection of how things can be done or should be done according to Scheckelhoff (2007). Leadership development can be a lifelong process and preparing for what leadership brings is not always a linear process. A good way to increase the experiences within a current role is to seek out additional responsibilities and projects that will allow for developing new skills and sharpening existing skills. This can be through an employer or outside of the place of work.

Finding a person that has already achieved a leadership role within the organization to ask for suggestions and feedback on different things that they did to achieve the similar result that is being sought after. This can often provide a huge opportunity to have a mentor that can serve as a support system for your overall growth and development and help combat challenges and barriers that are faced.

### **Mindset**

Entry-level women are more likely than men to express concern about failure on the job. This might result from a confidence gap but could also reflect a real difference in the impact of failure for men and women. Chin, Krivkovich and Nadeau (2018) stated that of entry-level women, 57 percent said that fear of high-profile failure affected their day-to-day experience as a top executive, compared with just 42 percent of male peers.

Scheckelhoff (2007) suggested that women should have a high level of confidence in their abilities to display what attributes they bring to the table when pursuing leadership roles. They should have a good understanding of their own strengths and weaknesses. They must

understand their risk tolerance, communication skills, values, personal goals, and what skills they need to move the organization forward.

### **Networking**

The results of a study done through the Deloitte Center for Financial Services (2022) showed that 70% of women in leadership were managing even more professional responsibilities since the pandemic began. They had increased responsibilities at home as well which helped attribute to higher stress levels. If these female leaders were working remotely as well, it also created a lack of feeling connected. It is in these circumstances that sponsorship and mentorship programs have high value because it allows some of these challenges to be alleviated while forging important connections with other women.

### **Recommendations for Future Research**

It would be suggestion to complete additional research specifically related to entry-level females within the financial industry that shows the career development methods that they can be taken starting from the entry-level position and different career paths that can be taken to achieve a leadership position. The research conducted generated more results related specifically to senior-level and C-suite leadership positions and statistics related to those roles. Broadening the studies to include more mid-management and upper-management positions may be more beneficial to females currently holding entry-level positions.

Another recommendation for additional research is that geared towards female leadership development initiatives within banks and Credit Unions. The most primary research found was mostly generalizing the financial industry in broader terms when narrowing of the type of financial industry to be specifically banks and credit unions may show different ways that leadership development programs are being instituted on a smaller scale.



A final recommendation for future research is the specific programs and initiatives being implemented for women within the financial industry to display a more specific program regimen being used. This would better help display the outcomes of said programs being consistently utilized to show metrics of proof that programing developed specifically to benefit the leadership development of females has been beneficial for the employee.

The research has a great amount of information that justifies why the investment in the development of female employees can be beneficial on the forefront of an initiative based on leadership competencies and a woman's natural ability to lead and develop others, however, more can be done in demonstrating the results, successes and challenges for females that are enrolled and complete the leadership program to see if there are more opportunities for advancement to leadership roles than those individuals that do not go through similar programs.

### **Conclusion**

In conclusion, the research conducted and discussed throughout this paper supports the notion that women have competencies that make them exceptional choices for leadership opportunities within the financial industry. There is a clear need for financial institutions to give more attention to leadership development initiatives for female employees to leverage their abilities and ultimately generate an increase in overall organizational success.

Women have the ideal skills and abilities to overcome challenges that financial industries are facing today. The changes that have been experienced within recent years are reshaping the way people conduct business as well as the way people work. The benefits of financial institutions investing into leadership development initiatives and supporting female employees far outweigh any drawbacks there may be in putting more stock into this area.

Employees perform more effectively when they feel like they are cared about and supported. When women are given a path for advancement through leadership development initiatives, sponsorships and mentorship programs and consistent support and feedback from upper management and the organizations confidence in them to succeed they feel valued because they are being invested in. This will then carry over to the employees that these females lead in the creation of greater employee motivation and overall employee morale resulting in a decrease in turnover.

The best investment an organization can make is in their greatest asset, their employees. This starts with the support and development of the organizers' leaders, and it is a sort of domino effect from there. Great leaders garner satisfied employees and satisfied employees generate customer loyalty and retention.

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