



Why and how are we investing in gender balance at sector level in Finance?



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ABSTRACT

So many reasons why investing in gender balance and inclusion make sense. In this short article Claire Godding, in charge of Diversity & Inclusion at Febelfin, explains those reasons, as well as some simple actions every company can implement: it starts with measuring, and making role models more visible. The Women in Finance Belgium initiative is unique, showing results 3 years after the first signing of the Charter. Finally the article summarizes simple actions that you can take to contribute to inclusion as an employee, and a few advices for every company who wants to build an action plan.

Make the business case for gender mix and diversity at all levels in finance. Again and again. It is part of my daily job in finance, because the financial sector faces several challenges today, and because diversity and inclusion play a role in our success in addressing those challenges.

When several CEOs were asked what the main challenges for the industry would be in the coming years, they mentioned financing the economy, ESG, risks and cyber-security, the war for talent, and improving the image of our sector.

Several studies have shown that diverse teams perform better, make better decisions, are more innovative, and handle risks better. More diversity attracts more talent, and being inclusive contributes to retain those talents. Both contribute to the image of the sector.

One of the most interesting recently published papers, [Research: Adding Women to the C-Suite Changes How Companies Think \(hbr.org\)](#), shows that the gender mix at top level changes the way companies think, and has a direct impact on risk-taking and change

You may be wondering : if it has been proven that gender mix at all levels has a positive impact on the quality of decisions, risk-taking, change, innovation... why on earth are we not yet on the road to full equality ?

The answer is complex, and has to do with unconscious biases inside and outside the financial sector, with the difficulty of moving towards a truly inclusive culture, and with the debates to use more radical tools to achieve gender equality, such as quotas and targets.

At Febelfin, we decided three years ago that a sectoral approach makes a lot of sense. After all, in most financial institutions the gender, generation and origin mix is the same. Overall, financial institutions consist of 52% women, with no difference in age or qualifications. And only 29% at senior management level. The average age in finance is around 46. And yes, the talent mix remains too white, not culturally diverse enough. Since the mix is quite similar, what works in one company could also work in another, so it makes sense to set up sharing platforms to exchange practices.

We have found that peer pressure certainly contributes to progress. And because we work at a sector level, we can provide our members with insights into different inclusion issues, such as our multicultural inclusion survey, which showed how having a different visible origin can have an impact on your career. Or our LGBTQI inclusion survey, that showed progress, but also that work still has to be done.

The organisation *Women in Finance Belgium*, with a focus on gender, is quite unique. In 3 years, 47 companies, representing 90% of the sector, decided to sign a charter committing to measure and reduce their glass ceilings, share practices and participate in sector-wide working groups.

Together with our members, we develop tools, launch campaigns and organise workshops on key issues such as measuring and reducing the gender pay gap, tackling sexism in work culture or making our job ads more “gender bilingual”.

We also engage in dialog with female students, who have a very negative image of the financial sector. In 2021, we launched a series of inspiring portraits of women working in finance, of all ages and origins, in a wide variety of roles.

The impact of Women in Finance is particularly visible among medium- sized and smaller members, who benefit the most from these initiatives, and accelerate their gender action plan. At a sector level, we also encourage our members to engage with the LGBTQI community, for example by creating an internal network. An internal network is also a powerful tool to improve multiculturalism in your company. By connecting your colleagues from all origins, by offering them mentoring and reverse mentoring opportunities, by making them more visible inside and outside the company, you can improve your capacity to attract and retain talent from different origins.

Internal networks should be recognised and praised as powerful tools for increased engagement. If members of the Senior Management sponsor these networks, they become even more effective.

In September 2021, Febelfin launched the campaign www.inclusioninfinance.be, offering its members a set of 25 tools to improve inclusion at work. This campaign had 4 focal points : reducing the impact of unconscious bias, tackling microaggressions at work, working towards a more inclusive culture and developing inclusive leadership.



Intercompany sessions have also been organised on those themes, funded with the help of the Brussels region. The inclusive panels charter (see www.inclusivepanels.be), that was also launched in September 2021, has been developed with other sectors to encourage organisations and speakers to commit to organising – or participating in – more diverse panels at internal and external events.

What should an action plan to improve diversity & inclusion look like ?

Make sure you cover the following topics :

- *Reducing discrimination risks & bias impact in HR Processes*
- *Train – Measure – Adapt - Monitor*
- *Make sure you attract and retain a diverse pool of talent*
- *Work towards an inclusive culture*
- *Encourage inclusive leadership, mentoring, networking*
- *Make women, colleagues from different origins, more visible in your company. Also in Panels*

But before starting a plan you should also:

- *Embed this in your company's strategy, and make sure all levels of management get the message*
- *Measure diversity (gender data...) and inclusion (surveys – focus groups)*

What can YOU do as an employee to promote inclusion ?

- *Enlarge your peer group, make your (work and personal) environment more diverse → expand your comfort zone*
- *Identify your biases – for instance by doing the Harvard implicit association test*
- *Be attentive to colleagues in minority situations, during meetings or interactions with the team*
- *Do you witness something (unacceptable) ? Say something !*
- *Find resources. The www.inclusioninfinance.be e-book has many, and also contains a list of useful reading.*

Want to know more ? Send a mail to claire.godding@febelfin.be