FEATURE

Building and sustaining gender equity in financial services: Within reach?

Deloitte’s series on women in leadership roles expands globally, offering strategies to help firms improve their share of women in senior leadership

Alison Rogish and Neda Shemluck

THE DELOITTE CENTER FOR FINANCIAL SERVICES AND 100 WOMEN IN FINANCE
WHERE IN THE world are financial services firms closest to achieving gender equity among their leadership ranks?

In 2019, we launched our Within reach series to spark conversations on the progress financial services institutions (FSIs) have made toward achieving gender equity in leadership roles and uncovering strategies that enable meaningful growth in the number of women leaders. To date, our series has focused on some of the largest public US FSIs, but now we are expanding our lens to include women in financial services leadership roles around the world. This article is the first in a new series focused on exploring the data and issues that determine whether worldwide gender equity is indeed within reach.

To get a clear sense of progress across regions, our analyses will focus on these key metrics: current share and forecast growth of women in financial services over the next decade, by role category (see sidebar), and the multiplier effect—whether having women in the C-suite created a ripple effect throughout an organization, resulting in having more women overall in senior leadership roles.

Balancing the numbers

Our assessment of the share of women by role categories in FSIs in 2021 establishes a baseline from where we can measure growth or decline annually. Spanning over two decades (through 2021) and encompassing nearly 23,000 FSIs across more than 160 countries, our data analysis employs a time-series model to forecast potential growth through 2030.

Oceania leads the C-suite regional forecasts, with nearly 9% projected growth, and is the only region projected to achieve a 30% share of women in C-suite roles over the next decade (figure 1). This is important, as research shows that reaching this 30% threshold is often considered the tipping point for enacting substantive change across an

---

**DEFINING THE LEADERSHIP ROLE CATEGORIES OF WOMEN IN FINANCIAL SERVICES**

**C-suite**
C-titled roles at the corporate leadership level (e.g., chief executive officer, chief financial officer, or chief marketing officer).

**Senior leadership**
Non–C-titled executives (e.g., line-of-business leaders, division chiefs or regional leaders, EVPs, or SVPs or equivalents). Depending on the institution, this may be 1–3 levels below the C-suite.

**Next generation**
All other workforce titles below senior leadership.
### Current share and projected growth of women in FSI by role category and region

<table>
<thead>
<tr>
<th>Region</th>
<th>C-suite</th>
<th>Senior leadership</th>
<th>Next generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>21.1%</td>
<td>20.7%</td>
<td>31.5%</td>
</tr>
<tr>
<td>South America</td>
<td>11.6%</td>
<td>22.9%</td>
<td>24.4%</td>
</tr>
<tr>
<td>Europe</td>
<td>17.3%</td>
<td>23.4%</td>
<td>25.6%</td>
</tr>
<tr>
<td>Africa</td>
<td>18.1%</td>
<td>17.3%</td>
<td>30.2%</td>
</tr>
<tr>
<td>Asia</td>
<td>14.2%</td>
<td>20.5%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Oceania</td>
<td>25.2%</td>
<td>26.4%</td>
<td>36.9%</td>
</tr>
</tbody>
</table>

#### Note

The assignment of countries or areas to regional groupings, including grouping North America as a continent, is for analysis purposes and does not imply any assumption regarding political or other affiliation of countries or territories. Sources: Deloitte Center for Financial Services analysis of BoardEx LLC data; United Nations Statistical Division.
organization. North America and Europe are both expected to exceed 6% growth in women in the C-suite by 2030. Asia and Oceania are the only regions expected to record growth in the share of women across all role categories—C-suite, senior leadership, and next generation—by 2030. Meanwhile, with a 28.3% share in 2021 and forecasted growth to 33.5% by 2030, Africa leads all regions in current and projected growth in the share of women in senior leadership roles.

That said, our analysis indicates that North America, South America, Europe, and Africa, also reflect a decline in the share of women in one or more role categories by 2030.5

Viewing these numbers with an industry lens, women’s share of leadership roles within FSIs compares favorably across 11 industries, according to S&P Global’s Gender equality in the workplace report.6

**Drivers of change**

But the numbers only tell part of the narrative. The programs and strategies that FSIs enact to increase the representation of women in leadership are the ultimate drivers of sustainable, long-term change.

External factors, such as public policy, cultural norms, investor expectations, and corporate social responsibility initiatives can impact gender equity progress. Legislative actions to achieve diversity quotas or government-backed nonbinding board diversity targets vary by country. Some countries, such as Finland and Sweden, look to self-regulation to increase the ratio of women on boards.7 Australia, which also doesn’t have legislative mandates, averages 32% representation of women on boards,8 and is notably influencing our Oceania estimate of a greater than 30% share of women in the C-suite by 2030.

While legislative approaches are primarily aimed at increasing gender diversity on boards, Germany and, more recently, France have set nonboard gender diversity targets for institutions.9 Illustrating that a greater number of women in leadership roles tends to influence board diversity, Deloitte’s Women in the boardroom research has shown that organizations with women CEOs have almost double the number of board seats held by women.10 Our research shows that this phenomenon also applies at the organizational level when looking at the ratio of C-suite to senior leadership levels in FSIs.

Finally, many investors are also monitoring and advocating for gender diversity on boards and within the leadership ranks.11 Credit Suisse’s 2021 “Gender 3000” research found a “diversity premium,” defined as a correlation between more gender-diverse leadership and higher returns on capital, among other financial measures.12

**Regardless of region, here are some actions FSIs should consider now that can help improve gender equity:**

- Address persistent challenges, such as child care needs and remote work options—both amplified during the pandemic—to demonstrate their commitment to recruiting, retaining, and supporting women.

- Ensure FSI leaders offer continued support through sponsorship, mentorship, and allyship programs and networking opportunities for women at all levels. This is especially important during the pandemic when many employees are working remotely.

- Evaluate and refine succession-planning and promotion practices to ensure each opportunity is pulling from a diverse slate of candidates. This can help build a diverse pipeline of future leaders.
Our research shows that having women in the C-suite matters. In fact, this level of representation in leadership can be inspiring. “She did not mentor me. She did not sponsor me. But she absolutely inspired me. Because she was there,” a facilitator from Deloitte’s 2019 “The future of women leaders in the financial services industry” panel explained. This, in part, illustrates a phenomenon we call the *multiplier effect* (see endnotes for details and methodology): For each woman added to the C-suite, we observed a positive, quantifiable impact on the number of women in senior leadership levels just below the C-suite. In North America, the multiplier effect is 2.9—meaning that every woman added to the C-suite results in nearly three additional women among the senior leadership ranks (figure 2). Europe revealed similar numbers—2.6—and Oceania’s were slightly lower, at 1.8.

Among the other regions—Africa, Asia, and South America—a multiplier effect could not be determined. This is because the math, put simply, didn’t add up: While historically the growth of women in the C-suite outpaced those in the senior leadership, there weren’t enough women in FSI C-suites and senior leadership, at the organizational level, to see a ripple effect throughout their organizations. In the coming months, however, this series will delve deeper into data from select individual countries where the multiplier may be evidenced even though at the corresponding regional level a multiplier was not revealed.

For FSIs to drive meaningful change and realize the full power of the multiplier effect across their organizations, they will need to improve diversity at the highest levels. For some institutions, this may represent a fundamental shift in their strategic efforts to build a diverse pipeline. Gender equity in FSIs may be within reach if leadership—both women and men—commit to and act on building and sustaining a diverse workforce.

---

**FIGURE 2**

*Understanding the multiplier effect*

![Diagram showing the multiplier effect in different regions: North America with 2.9 more women, Europe with 2.6 more women, and Oceania with 1.8 more women.]

*Note: The multiplier effect was not observed in South America, Africa, or Asia. Source: Deloitte Center for Financial Services analysis of BoardEx LLC data.*
Endnotes

1. Quantitative analyses: The quantitative analyses reported are based on the Deloitte Center for Financial Services’ proprietary analysis and custom segmentation of financial services institutions’ data from BoardEx LLC from 1998 through December 31, 2021. Where used throughout the report, “financial services” or “FSIs” denote banking, capital markets, commercial real estate, insurance, investment management, and payments provider firms’ industry segments.

2. Forecast projections: The 2022–2030 projections for women’s share of C-suite roles, senior leadership roles, and next-generation roles employed the following prediction methodology: The percentage of women for each role category from 1998 to 2021 was considered for modeling purposes. The final models selected for predicting were time-series models that used the Autoregressive Integrated Moving Average model. The data was split into train and test in the proportion of 80-20. Then, a grid-search algorithm was applied to arrive at the best possible model. Diagnostic checks of the selected model were performed and found to be stable for the in-sample data. Out-of-sample predictions were made for the year from 2022 to 2030. Slight recent downward trends are due to our modeling approach, which favors more recent data changes over longer-term trends. In addition, workforce challenges, including pandemic-related transitions, over recent years, are possible contributors to several downward trends reflected in the forecast.

3. The multiplier effect: A cross-sectional association analysis was conducted at the organizational level to determine the multiplier effect. We used linear regression to quantify the multiplier effect, which effectively reveals an x-fold change in senior leadership for each additional woman added to the C-suite. As observed in several regions, if a linear correlation does not exist, the multiplier effect is not statistically relevant, and is deemed not applicable for a particular region at this time.


5. See forecast projections.

6. Marie Froehlicher et al., Gender equality in the workplace: Going beyond women on the board, S&P Global, February 5, 2021. S&P Global’s industry classification of FSIs does not include real estate. Role categorizations ascribed in S&P Global’s report may differ from the analyses conducted for this report. The positioning of FSIs in this statement is for the reader’s reference purposes only.


8. Ibid.


14. Refer to the note on the multiplier effect.
Acknowledgments

The authors, Pattie Danielecki and Samia Hazuria, wish to thank Narasimham Mulakaluri, Alok Ranjan, and Gaurav Vajratkar for their insights, statistical analysis, and other contributions to the development of this report.
About the authors

Alison Rogish   |   arogish@deloitte.com

Alison Rogish is the US Banking & Capital Markets DEI leader and a managing director for Client and Market Growth in the Financial Services Industry.

Neda Shemluck   |   nshemluck@deloitte.com

Neda Shemluck is the US Financial Services Industry DEI leader and a managing director for Client and Market Growth in the Financial Services Industry.
Building and sustaining gender equity in financial services: Within reach?

Contact us

Our insights can help you take advantage of change. If you're looking for fresh ideas to address your challenges, we should talk.

Industry leadership

**Neda Shemluck**
Managing director
Client and Market Growth in the United States | Deloitte Services LP
+1 415 783 6634 | nshemluck@deloitte.com

Neda Shemluck is a managing director and DEI leader in the United States Financial Services Industry.

**Alison Rogish**
Managing director
Deloitte Consulting LLP
+1 804 363 0037 | arogish@deloitte.com

Alison Rogish is a managing director and the Banking Capital Markets DEI leader in the United States Financial Services Industry.

**Amanda Pullinger**
Chief executive officer
100 Women in Finance
amanda@100Women.org

Amanda Pullinger is the CEO of 100 Women in Finance (previously 100 Women in Hedge Funds). She leads a small staff team and provides direction to 500 volunteer practitioners globally, overseeing the operations of the organization which has registered members in 28 locations.

**Deloitte Center for Financial Services**

**Jim Eckenrode**
Managing director
Deloitte Center for Financial Services
Deloitte Services LP
+1 617 585 4877 | jeckenrode@deloitte.com

Jim Eckenrode is managing director of the Deloitte Center for Financial Services.

**Patty Danielecki**
Chief of staff
Deloitte Center for Financial Services
Deloitte Services LP
+1 212 436 4127 | pdanielecki@deloitte.com

Patty Danielecki is a senior manager and chief of staff at the Deloitte Center for Financial Services, Deloitte Services LP, where she leads the Center's strategy and operations.
About Deloitte Center for Financial Services

The Deloitte Center for Financial Services, which supports the organization’s US Financial Services practice, provides insight and research to assist senior-level decision-makers within banks, capital markets firms, investment managers, insurance carriers, and real estate organizations.

The Center is staffed by a group of professionals with a wide array of in-depth industry experiences as well as cutting-edge research and analytical skills. Through our research, roundtables, and other forms of engagement, we seek to be a trusted source for relevant, timely, and reliable insights. Read recent publications and learn more about the center on Deloitte.com.

About 100 Women in Finance

100 Women in Finance strengthens the global finance industry by empowering women to achieve their professional potential at each career stage. Its members inspire, equip and advocate for a new generation of industry leadership, in which women and men serve as investment professionals and executives, equal in achievement and impact. Through Education, Peer Engagement and Impact, the organization furthers the progress of women who have chosen finance as a career, and enables their positive influence over pre-career young women.