



CALL FOR PROPOSALS

Securing the Future of the Financial Industry Via Improved Gender Diversity

The SWIFT Institute invites proposals for research on the best practices to attract, retain and promote women into senior / executive management positions across the financial industry.

There are many studies supporting the economic value of having a diverse workforce, especially a diverse leadership team. A [2017 McKinsey study](#) found that companies in the top quartile for gender diversity on their executive teams were 21% more likely to experience above-average profitability than companies in the fourth quartile. For ethnic and cultural diversity, the study found a 33% likelihood of outperformance on earnings before interest and taxes (EBIT) margin. These measures are statistically significant, however, efforts to achieve greater diversity are still falling short.

The financial industry is rapidly evolving. Technologies such as blockchain, cloud computing, artificial intelligence (AI) and application programming interfaces (APIs) present new opportunities as well as challenges. Customer needs are changing, with greater demand for instant payments, transparency of services and increased security. Cyber threats and regulatory requirements to comply with anti-money laundering and counter-terrorist financing rules place a significant burden on financial organisations and their customers. New entrants to the financial industry in the form of challenger banks and FinTech start-ups compete (and co-operate) with incumbent banks to take advantage of new technologies.

As the financial industry evolves so too must its workforce in order to ensure financial organisations remain relevant in the future. The question is, how? The answer (presumably) is greater diversity.

Diversity covers a range of distinctions including gender, race, sexual orientation and age. Whilst each diversity group will have its own benefits, for the sake of this research we will focus on how to achieve better gender balance in the financial industry.

A recent [report on diversity in financial services](#) by PwC notes that while most organisations now have strategies in place to promote diversity and inclusiveness, the reality for many underrepresented groups may not reflect the image that having these policies conveys. Nearly three-quarters of female millennials working in financial services believe that while their organisations talk about diversity, opportunities are not equal for all.

According to the 2017 SKEMA report [Gender diversity in the banking industry](#), there is a double glass ceiling in banks. At increasing levels in the hierarchy, women's representation decreases. Women make up 52.10% of employees yet only 37.58% of middle managers (first glass ceiling). This representation is further reduced to 16.45% in executive committees (second glass ceiling). There has been an improvement of women at board level, though this has been attributed to government quotas being put in place rather than a cultural shift.

Helping women succeed is an imperative for the financial industry, according to the 2016 Mercer report [When Women Thrive](#). The predominance of men in senior positions in financial services is a symptom of broader problems. Although women make up more than two-thirds of support staff in the average financial services organisation, their representation falls as the career level rises. Overly narrow criteria for advancement, outdated leadership models, inflexible working practices and bias in talent management all contribute to a lack of diversity, highlighting a recognised need for improved values and behaviours.



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Tackling these issues is not just “the right thing to do”; it also benefits the organisation, its employees, its customers and investors. Greater gender diversity can help organisations:

- Access a broader talent pool
- Positively impact culture, conduct and risk
- Enhance customer connection
- Embrace new competencies leading to future growth; and

In order to remain relevant in today’s rapidly evolving world, financial organisations must increase the diversity of their workforce across all levels. The aim of this research is to produce new concrete recommendations on the best practices to attract, retain and promote women into senior and executive management positions across the financial industry.

Questions that the research should consider (but are not limited to) are:

- What is the attractiveness of the financial industry?
- The financial industry is competing with a vibrant tech industry. How can banks attract the best and brightest women?
- What are the barriers to women reaching executive positions where they are underrepresented? Are barriers the same across an organisation, or are there differences in departments with a strong female representation (e.g. accounting).
- What successful examples of company policies and management training can be cited as models for Best Practices? Case studies should be used as evidence.
- Are quotas / targets for the percentage of women on boards helping to drive change?
- What influence do role models / mentors / sponsors have on career choices and overall success within an organisation?
- How can Human Resources departments foster greater support of diversity?
- What can be done to move the financial industry to an improved level of diversity?
- The attractiveness of banking for female millennials.
- The importance of building in flexibility into the career planning of female professionals.

Grant & Working Paper

A grant of EUR 15,000 will be awarded to the author of the selected proposal. 50% will be paid immediately; the remaining 50% will be paid on acceptance of a final working paper and a two-page executive summary.

The audience for this research is the global financial services industry. Output must be written in a concise manner, providing clear and actionable thought leadership. It must be no more than 40 pages, including the Abstract and Table of Contents.

The SWIFT Institute will publish the working paper and summary to the global financial industry. The author is free to submit the paper (or variation thereof) for publication in academic journals and other publication outlets of their choice.

The author will be invited to present their findings at [Sibos](#) London September 2019.

Proposal Submission

Your research proposal should include the objective of your research, methods you intend to undertake, and the timeframe by which you intend to complete it. Please also include your CV / bio, including education, work history, research experience, publications, etc.



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Deadline: Proposals must be submitted no later than **14 December 2018**.

Email: Email submissions to: nancy.murphy@swift.com