WCM

THE EQUITY EQUATION

A Roadmap to Equity, Diversity and Inclusion in Canadian Finance

2020

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About WCM

Accelerating equity, diversity and inclusion in finance.

WCM is a national not-for-profit organization founded in 1995. Our strategies and initiatives aim to grow the pipeline of women, build the industry's equity and inclusion literacy, and unite firms to drive change on an industry-level. We do this through advocacy, research, programming and recruitment.

Our partners include the major Canadian bank-owned dealers, independent and foreign dealers, asset managers, insurance firms, major pension plans and advisory firms. Our community of 3,500 professional and student members makes WCM the largest network of professionals in Canadian finance who have come together to vote for increased equity, diversity and inclusion, and our initiatives have impacted the careers of countless students and professionals across the country.

Support our movement towards equity and diversity by joining WCM at *wcm.ca/join*.

About the Study

The Equity Equation is an industry-wide study of employee experiences in Canada's finance industry. It investigates how gender, race and sexual orientation impacts an employees' experience at work.

The Equity Equation aims to inform the finance industry's diversity strategies and best practices, and to equip WCM's partner firms, their leaders, managers and employees with tangible recommendations to advance equity. These recommendations offer a roadmap for our partners who wish to advance equity, diversity and inclusion.

This report is based on survey data gathered in 2019 by WCM, from 600 professionals working in firms in Canada's finance industry. Respondents span many demographic groups, including gender, sexual orientation, race, seniority level, age and areas of capital markets.[1] WCM's future research will further explore the lived experiences of a wider range of intersectionalities, including disabilities. Full datasets to each survey question are presented in the "Selected Survey Responses" section from page 18 onwards.

[1] A complete breakdown of respondent demographic data is provided in the Appendix on page 45.

Key Definitions

Dominant Group – a group that is considered more powerful and privileged in a particular culture or context, that holds power and influence over others and controls the value and rewards system.[1] In the context of this report, the dominant group refers to white, men.

Equality – the practice of providing the same level of opportunity and support to all people, without consideration of individual and group diversities.[2]

Equity - the practice of providing various levels of support and assistance depending on specific group or individual needs or abilities, in order to achieve greater fairness of treatments and outcomes. Equity honours and accommodates the specific needs of individuals/ groups, and is often a prerequisite to equality.[2]

Gender - refers to the individual and/or social experience of being a man, a woman, neither, or anywhere along the gender spectrum. Today, there are many gender identities. As an example, Facebook includes 58 different gender options for users to choose from.[3]

Harassment – a form of discrimination, that includes any unwanted physical or verbal behaviour that offends or humiliates another. For example, unwelcome physical touch, inappropriate comments on physical appearance, sex, race, age, disability, etc.[4]

Inclusive Workplaces – workplaces that honour the diversity and uniqueness, talent, beliefs, backgrounds, capabilities and ways of living of individuals and groups. Inclusive leadership assures that all team members feel they are treated respectfully and fairly, are valued and sense that they belong, and are confident and inspired.[5]

Intersectionality – a term coined by black feminist legal scholar Dr. Kimberlé Crenshaw to describe the ways in which our personal identities (such as race, gender, class, ability, etc.) intersect to create overlapping and interdependent systems of discrimination or disadvantage.[6]

LGBTQ2S+ – those who identify as being part of the lesbian, gay, bisexual, transgender, quesitoning, queer and two-spirit community. In this study, we did not break down the LGBTQ2S+ category by gender, so when the acronym is used it always includes all genders. This was done for privacy reasons.

Meritocracy – a system free of discrimination and bias, where people are rewarded and advance according to their merit, being their skills and abilities, regardless of their gender, race or other personal identities.[7]

Microaggressions – an intentional or unintentional comment, action or behaviour that indirectly or subtly expresses a prejudiced attitude towards a member of a marginalized group. Microaggressions can have a cumulative effect where the weight of the sum of facing microaggressions every day takes a significant toll.[8]

Non-Dominant or Underrepresented Group – in the context of this report, non-dominant or underrepresented groups refers to women, BIPOC and employees identifying as LGBTQ2S+.

Structural Barriers – structural barriers are obstacles that collectively affect a group disproportionately and perpetuate or maintain stark disparities in outcomes. Structural barriers can be policies, practices, and other norms that favor an advantaged group while systematically disadvantaging a marginalized group.[7] Arise only when an entrant must incur costs which incumbents do not bear.[9]

Sources and references are provided in the Appendix on page 47.

SUMMARY OF
KEY LEARNINGS

KEY LEARNINGS

Firms in Canada's financial industry have shown notable leadership and a genuine commitment to advancing diversity and inclusion. Despite all efforts, we have yet to succeed in achieving acceptable levels of diversity. *The Equity Equation*, based on research amassed from 600 employees in capital markets, proposes a new approach to addressing diversity that will reignite progress and create lasting change. Until we revise our systems, policies, management styles and workplaces to be truly inclusive and equitable, diversity will remain out of reach. Achieving equitable and **inclusive workplaces** will be one of the most important concerns for firms in Canada's financial industry in the coming years; the rewards will be plentiful, and the risks are consequential.

The Equity Equation highlights how employees holding different personal identities (specifically **gender**, race and sexual orientation) are having very different experiences in the workplace. Employees outside of the **dominant group** continue to face **structural barriers** and considerable disadvantage across all areas of work, from treatment, to hiring, advancement, and compensation. A culture of inequality and inequity persists.

To make progress, it's important to recognize these different experiences and understand how these inequities and barriers affect an employee's ability to contribute and succeed at work. An employee who goes to work each day believing they are not fairly paid, do not have equal opportunities and are cautious of potential consequences of talking about their personal life, is paying a significant emotional tax and will feel and behave very differently than someone who has the privilege of not being burdened by these issues.

It is increasingly clear that the years of diversity and inclusion initiatives have yet to yield and create lasting systemic change in workplaces. In many ways, traditional diversity interventions have even yielded some unintended and, at times regressive, effects, by reinforcing the status quo of whiteness and masculinity as the normative culture, and requiring employees outside the dominant group to "fit in" to this culture in order to succeed in their careers. For example, consider how women-specific leadership programs can signal that women require additional training and must be "helped" and "fixed" in order to meet the standards and style of leadership in their organization, while men naturally fit the standard without additional development. A system where employees must change to "fit in" is not one that truly embraces and celebrates diversity. Similarly, flexible work policies geared specifically at women reinforces the image of women as the primary caregiver and suggests that women are the ones desiring and requiring more work life balance, when research shows that both genders are eager to have more control of their work schedules.

The recommendations in *The Equity Equation* shift the focus for firms away from developing demographic-specific talent and onto building a more equitable system: the distribution of opportunities, advancement practices, policies and addressing other systemic barriers. Organizations like WCM are well-positioned to fill the gap by offering targeted career development initiatives (for specific genders, races, etc) without reinforcing the status quo.

TOP FINDINGS

A CULTURE OF INEQUALITY AND INEQUITY PERSISTS

Personal and professional identities such as gender, race, sexual orientation, seniority and area of capital markets, are all factors that play into an employee's experience. **Underrepresented groups**, including women, BIPOC, and employees who identify as **LGBTQ2S+**, report considerable disadvantage across all areas of work, from treatment and access to opportunities, to hiring, advancement and compensation, compared to white male respondents.

MANY IN THE DOMINANT GROUP DO NOT RECOGNIZE THE SYSTEMIC INEQUITIES THAT PERSIST

Many in the dominant group are unaware that inequity, inequality, bias and exclusion exists in their work cultures and greatly impacts certain employees. Leaders and employees in the dominant group hold significant power and privilege, and are in a position to affect organizational change. Those in the dominant group can start to take responsibility and be an ally by recognizing and acknowledging these inequities and expanding their awareness and understanding of racial and gender equity.

MEN REPORT A WORK EXPERIENCE THAT IS GENERALLY FAIR AND EQUITABLE

Three quarters of men say they feel treated equally and believe they have the similar access to opportunities as other genders, and only 10% percent of men feel they are not equally paid due to gender. Men do not report perceiving or experiencing gender bias or **harassment** to the same extent as women: nearly 60% of men believe their workplace is free from gender bias, a rate double that of women, and 75% of men believe their workplace is free from harassment.

WOMEN REPORT A MORE NEGATIVE WORK EXPERIENCE THAN MEN

The lived experiences that women report is in stark contrast to the reported experiences of men. Only half of women believe they are treated equally and have the same access to opportunities as other genders at their firm. Only one third of women believe that their firms are free from gender bias and that the promotion process is fair and objective. Fewer than half of women perceive the feedback process as fair and objective, believe that they have the same opportunities as other genders and report satisfaction with their firm's efforts to promote diversity and inclusion. Women remain twice as likely to perceive or experience harassment at work than men.

BLACK WOMEN REPORT THE MOST INEQUITABLE EXPERIENCES

Black women report the most barriers as well as the highest levels of inequality and bias at both the firm and manager level, are significantly less likely to receive sponsorship and are the least optimistic about their careers. In addition, they are the most likely to support quotas for a set period of time.

THE LGBTQ2S+ COMMUNITY CONTINUES TO REPORT HIGHER LEVELS OF EXCLUSION

More than half of LGBTQ2S+ employees (62%) do not talk about their personal lives at work for fear of others making assumptions about them (this compares with 16% of men). Furthermore, this group reports the lowest satisfaction with their firm's efforts to promote diversity and inclusion than any other group.

EQUAL PAY REMAINS A CONCERN

Concerns over disparities in pay remain a major issue and are limiting progress. Only 34% of women believe they are paid equally to other genders. Regardless of Equal Pay provisions in the Employment Act, women do not perceive themselves to be equally paid, which is a clear frustration for women.

MATERNITY LEAVES STILL HAVE A STIGMA AND NEGATIVELY IMPACT A WOMAN'S CAREER

A disheartening 82% of women and 90% of junior-mid level women believe that maternity leave will hurt their career, and more than half of women and 68% of junior-mid level women report that their maternity leave did negatively impact their careers. These negative perceptions of maternity leave and the lived negative experiences are creating unnecessary complications, frustrations and dissatisfaction among women.

DISSATISFACTION WITH THE FAIRNESS AND OBJECTIVITY OF ADVANCEMENT PROCESSES IS WIDESPREAD

When it comes to feedback, reviews and promotions, there is widespread dissatisfaction with the fairness and objectivity of these processes across all genders and employee groups. Nevertheless, women and LGBTQ2S+ employees are more likely to perceive and experience inequalities in these processes than men: less than half perceive the feedback and review process as fair and objective, and less than one third view the promotion process as fair and objective.

WOMEN BEGIN THEIR CAREERS WITH OPTIMISM, WHICH PLUMMETS AT THE MID-LEVEL

Junior women are typically more satisfied with their work culture and perceive fewer inequalities than women at higher levels of seniority. However, satisfaction and sense of equality plummets for women four to six years into their careers, and remains relatively low from then on.

SELL-SIDE WOMEN REPORT A MORE CHALLENGING EXPERIENCE THAN BUY-SIDE WOMEN, WITH ONE EXCEPTION

Women who work on the sell-side of finance report higher levels of harassment, bias and inequalities around promotion, feedback and opportunities, and lower levels of equal treatment and access to opportunities due to gender than their buy-side colleagues. However, buy-side women report a more negative impact on their careers from maternity leaves.

WHY TRADITIONAL DIVERSITY STRATEGIES ARE FAILING

To date, the majority of gender parity efforts have focused on increasing the representation of women throughout the talent pipeline, particularly in senior and leadership roles. Recruiting, developing and retaining women, and building out programs, events and initiatives that support the advancement of women have been at the forefront of these diversity efforts. Yet, gender parity remains out of reach.

We now know that this traditional 'women-centric' approach to diversity is not only ineffective, but likely regressive for several reasons. Consider how attempts to 'develop female talent' subtly imply that women are inherently inadequate, signaling that in order for women to advance, they require additional support and development opportunities than men do and require priority treatment when it comes to opportunities to succeed. This approach places the onus on women to advance to succeed in a system that is rigged against them, and distracts from addressing the real issue: the structural barriers and inequities that put women and other **non-dominant** groups at a significant disadvantage. Meanwhile, employees within the majority group are led to assume their firm is taking sufficient action with regards to diversity.

Continually referencing 'the business case for diversity' suggests that women do not naturally have access to the system; we must find a compelling reason to justify women's participation and inclusion in our workplaces. This, paired with public displays of inclusion, can actually intensify feelings of exclusion and decrease women's sense of belonging, by highlighting them as outsiders and signalling that they require targeted inclusion efforts. This is also damaging for those in the dominant group, as they may also begin to feel excluded, deprioritized, to question if they are being treated equally and ultimately, resentful of the support directed towards the non-dominant groups. Thus, any instance of favoritism, priority treatment or focus on a specific demographic group risks creating a culture of opposition, setting a tone of 'us versus them'. This perpetuates the status quo that we are trying to transform and ultimately restricts the development of a true **meritocracy**.

RECOMMENDATIONS FOR EQUITY
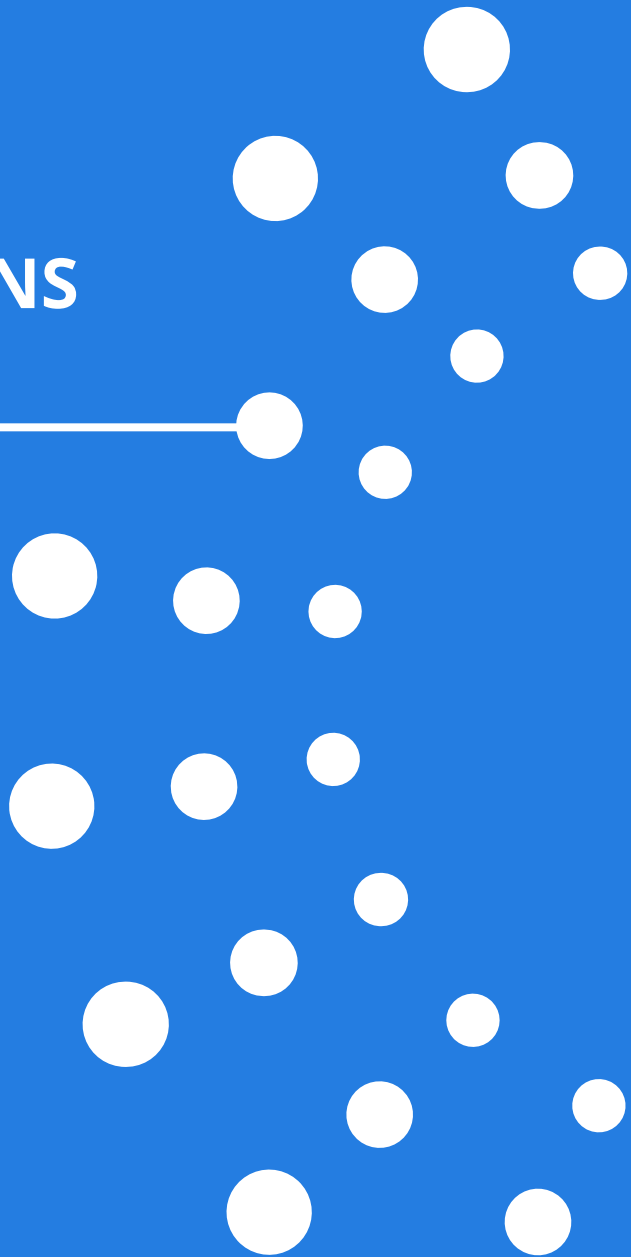
RECOMMENDATIONS

1 | Make and articulate a commitment to equity.

- Acknowledge the disparities in how employees holding different identities are experiencing the workplace. Recognize that bias, discrimination, structural barriers and inequity persist that prevent some employees from advancing with the same ease as others. Consider what systems, norms and values in your firm benefit certain groups of employees and disadvantage and exclude others.

- Commit to equitable and fair systems, processes, practices and culture, and to removing the barriers in your firm that prevent underrepresented groups from accessing opportunities and career success.

- Develop a detailed strategy for equity that addresses root causes of inequity, and communicate it company-wide. It should have clear accountability measures, timelines, and metrics to track progress, all shared publicly.

- Establish a permanent committee, reporting to the CEO, to oversee the on-going implementation of the strategy across all areas.

2 | Build equity, diversity and inclusion literacy of all employees.

- Implement regular, high-quality training for all employees. This includes: in-depth anti-bias and anti-racism training, education on systemic barriers and inequities, effective allyship, structured opportunities for employees to reflect on their own identities, privileges, contributions and access to a coach (who is an expert on equity and positive workplace practices) to navigate challenging or new situations at work etc.

- Empower and encourage employees to speak up.

  › Bystander training: train all employees on how to handle exclusion, discrimination and harassment if they are a bystander.

  › Address everyday **microaggressions**: train employees to be aware of, recognize and address microaggressions.

  › Have leaders show leadership by regularly and openly addressing biased language or behaviour.

3 | Fix and focus on the system, not the individuals.

Ending systemic bias, sexism and racism requires eliminating structural barriers and inequities. While it is critical that employees are aware of their biases and unconscious bias-training is still essential, focus on de-biasing and standardizing processes. This includes:

Ensure Pay Equity

- Conduct a pay equity audit. Review the compensation of all employees and adjust to ensure fair and equitable pay.
- Monitor total compensation by gender and race on an ongoing basis.
- Consider how you can standardize the bonus process, such that all bonus values are predetermined and tiered based on concrete accomplishment versus subjective performance evaluation.
- Make your compensation framework transparent and available to employees. Most importantly, highlight the built in mechanism for ensuring equality and equity.

Feedback & Reviews

- Implement a results-oriented and output-based feedback system, rather than evaluating based on perceptions and "input."
- Establish a rubric with clear, pre-determined and quantifiable criteria to evaluate candidates.
- Be transparent: have criteria available to all employees.
- Train managers to:
  › Deliver feedback and conduct reviews;
  › Understand the subjective nature of feedback and opinions;
  › Recognize and omit biased language.
- Train employees to understand the promotion, feedback and review process and work they are responsible for in the process.

Promotions & Hiring

- Implement a results-oriented and output-based evaluation system.
- Require a diverse slate for:
  › Recruiting teams;
  › Candidates - aim for this at the application stage (ie: 40% applicants are diverse before moving to interview).
- Establish criteria on how the employee/candidate will be assessed. For hiring, have pre-set interview questions and ask the same standard questions to each

candidate. Establish a quantitative scoring system to evaluate candidates against the criteria, hire the candidate that ranks highest against the criteria.

- Create a formal 'challenger' role to be played during these decision making discussions.

- Make processes gender neutral. Remove biased language.

- Provide full transparency to all employees of the criteria, process and limitations (ie: if only a certain number of employees can be promoted in a given cycle).

- Train managers on promotion and hiring processes, and ensure consistent implementation and accountability.

Allocation of Opportunities

- Opportunities support an employee's professional advancement and growth, by presenting the chance to gain skills or experience, or to build or strengthen relationships, networks, interact with superiors, gain visibility and exposure, etc.

- Opportunities can be formal and clearly defined, such as receiving a high-profile or stretch assignment, or can be casual, informal and off-the-record, such as working out at the same gym as your boss. Other examples of opportunities include allocation of projects, invitations to attend executive or client meetings, receiving sponsorship and mentorship from executives, work travel, drinks with superiors, colleague or executive or any instance of after-hours socializing and relationship-building.

- Ensure all opportunities are delegated in a manner that is fair, equal and inclusive.

- Educate all managers and employees on what formal and informal opportunities are, and how they can be allocated equally.

- Create guidelines and structure around the allocation of formal opportunities.

- Educate managers on how some habits, behaviours and activities promote deeper relationships with only some members of a team. Encourage managers to divide their time equally among employees.

- Create strategic, meaningful and impactful visibility and connection opportunities for all employees. If opportunities are not currently distributed equally in your firm, targeting the below at underrepresented employees could be a good way to equalize opportunities. This includes opportunities for employees to:

  › Showcase their work (for example, luncheons with executives where employees have 10 minutes to showcase interesting work they are doing);

  › Experience cross-training at different desks to get exposure with other managers;

  › Attend high-profile meetings (for example, client/dealer meetings, social portions of board meetings and executive off-sites, or other similar activities).

4 | Implement targets for a set period of time.

Until structural barriers are dismantled and an equitable system is established, the use of targets are an effective way to increase representation of underrepresented groups. Targets will only be helpful if implemented alongside a concerted shift towards a more inclusive culture and equitable systems. For targets to have a lasting effect, social infrastructure needs to be in place to support a sense of belonging and ensure a positive workplace experience for the targeted hires. Additionally, proper education around targets is essential. Leaders can play a supportive role in dispelling the persistent myth that targets threaten meritocracy and communicating and reinforcing that targets increase quality, performance and meritocracy in an organization.

- Set targets for gender and race at all levels for hiring, promotions and retention.

- Track representation data on a regular basis and share within the organization.

- Tie executive compensation to concrete diversity targets.

- Talk about these initiatives openly and highlight why you are doing them, and how they are temporary measures intended to drive equal outcomes.

5 | Eliminate harassment and discrimination.

- Review and strengthen your sexual harassment and anti-discrimination policies, and reporting mechanisms. Ensure they are clear, detailed and accessible. Include:
  › definition of what verbal, physical, psychological and sexual harassment is, with specific examples for each;
  › steps to file a complaint or what the reporting mechanism is;
  › what to expect when filing a complaint;
  › details of the responsibilities of all parties.

- Establish an ombuds office that is independent, neutral and confidential. This is not a place to file a complaint, but a place to raise issues and understand options.

- Establish alternative complaint systems.

- Regularly communicate your policies to employees. Confirm that all employees can accurately relay the policies to a new employee.

- Educate employees and empower them to speak up.

- Adopt and communicate a zero tolerance approach to harassment.

6 | Be fully transparent. Measure, monitor and report on progress.

- Increase transparency and visibility on:
  › Your firm's commitment to equity and inclusion and what this means;
  › Your diversity and inclusion strategy, which includes goals, tactics, timelines, measurability and milestones, and accountability frameworks;
  › Your firm's representation targets and why they are an important measure;
  › Any efforts you are undertaking to promote inclusion and equity (e.g. pay audit, standardizing hiring practices, the education that leaders and employees are undertaking; etc.) Be clear about why you are doing this, and detail the measurement, monitoring and reporting process and if they are working or not working.

- Measure representation of employees by race and gender. This includes:
  › Overall representation;
  › Representation by seniority;
  › Hiring/new employees retention;
  › Promotions;
  › Voluntary and involuntary exits.

- Monitor how your firm's performance is progressing. Undertake regular, objective assessments to identify required areas of focus and to determine if efforts are effective. For example, if retention rates are below target, determine the root causes and highlight your firm's commitment and progress towards equality and equity.

- Regularly provide updates and report on your progress:
  › Externally through your ESG and annual reporting;
  › Internally through set publications, updated quarterly reports, townhalls, etc.

CHECKLIST FOR ORGANIZATIONS

Not sure where to begin with the recommendations? Use this quick start checklist:

1. Commit to equity

○ Publicly commit to fairness and equity within your firm
○ Publicly acknowledge how different groups experience the workplace differently
○ Can you articulate how the traditional 'women's-centric' approach to diversity is regressive?

2. Build equity, diversity and inclusion literacy

○ Share this research with all people managers in your firm
○ Offer unconcious bias and bystander training
○ Implement a tool (as simple as a survey) to provide anonymous feedback to managers

3. Standardize processes and practices

○ Feedback and review process: use a rubric with quantifiable criteria
○ Feedback and review processs: train managers to deliver unbiased feedback
○ Promotion and hiring: measure candidates against a set criteria
○ Promotion and hiring: use a bias spotter for all discussions on candidates
○ Compensation: conduct annual gender and race pay audits
○ Compensation: review by level and across race and gender

4. Implement hard targets for a set period of time

○ Targets by gender and race by level and department
○ Targets for gender and race for annual hiring
○ Targets for gender and race for annual promotions

5. Ensure firm is free from harassment and discrimination

○ Harassment and anti-discrimination policies are reviewed annually
○ Employees understand how to file a complaint and what the process is
○ You have an ombuds office that is independent
○ You truly practice zero tolerance

6. Transparency: measure, monitor and report

○ CEO has released targets to all employees and provided a discussion forum
○ HR has released their standardized processes
○ Measure representation by level, hiring, promotion, exits and retention
○ Monitor performance over time
○ Report both internally to all staff and externally (at least annually)

SELECTED SURVEY RESPONSES
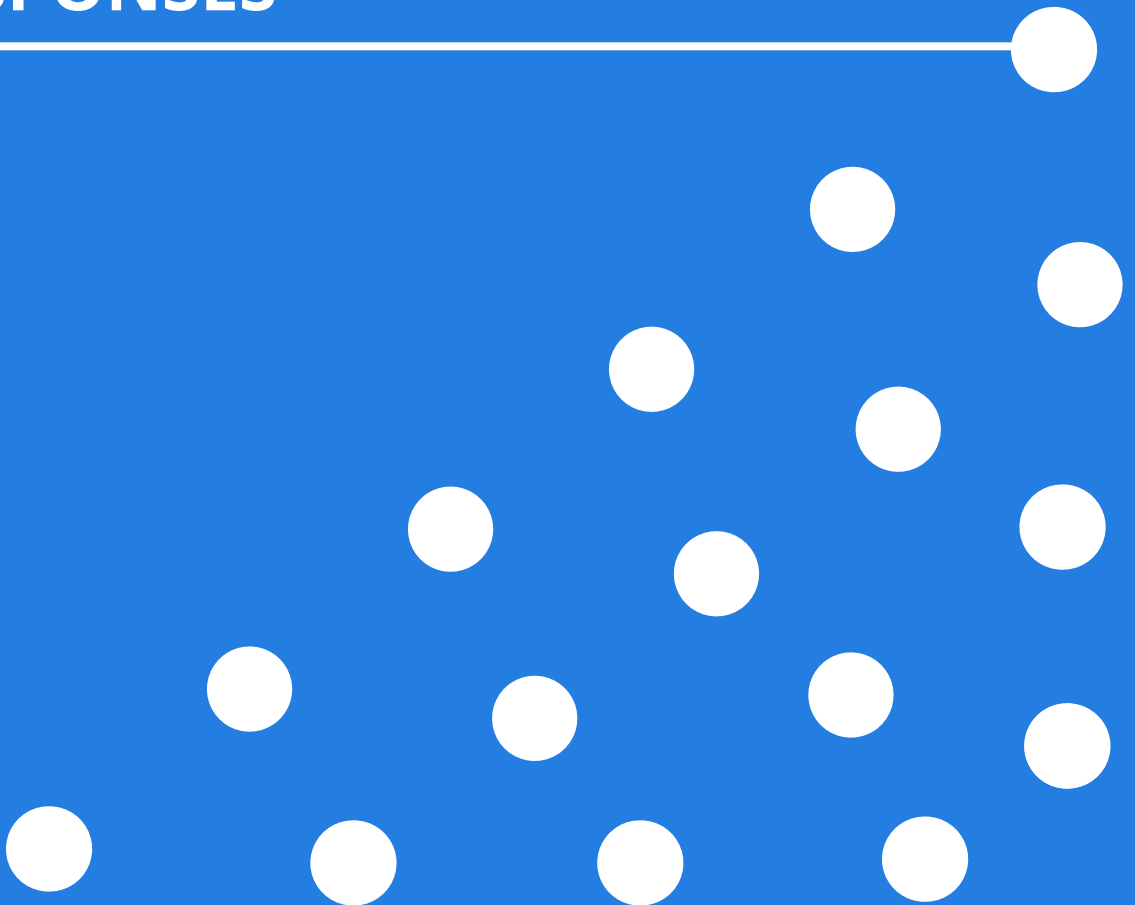
MISCONCEPTIONS ABOUT GENDER PARITY

A lack of female ambition, women's obligations to family and children and an insufficient number of qualified women in the talent pool are persistent misconceptions for failure to reach gender parity. In reality, none of these are the real barriers to gender parity.

MYTH:
WOMEN ARE LESS AMBITIOUS THAN MEN

Women in this industry are equally ambitious as men: 67% of both men and women say they aspire to reach the executive level or C-Suite in their careers. Men and women have a similar optimism about their careers: 72% of women and 63% of men say they expect a promotion in the next five years.

MYTH:
WOMEN WANT MORE WORK-LIFE BALANCE THAN MEN

Research shows work ambitions vary more by company than by family status[1], and that work-life balance and flexibility is just as important to men as it is for women. When asked to rank the importance in their careers of compensation, development opportunities, title, work/life balance and enjoying their work, 15% of men and 14% of women rank work/life balance as most important.

MYTH:
THERE IS A LACK OF QUALIFIED WOMEN

More than half of men and three quarters of women believe there are enough qualified women in the talent pool. Nevertheless, still 23% of men believe this is the reason for not attaining gender balance.

M - MEN   **W** - WOMEN

Chart 1.1.

In my career I aspire to reach the executive or C-Suite level.

AGREE

M	67%
W	67%

Chart 1.2.

I expect to be promoted in the next 5 years.

AGREE

M	63%
W	72%

Chart 1.3.

I believe that the most important reason there are fewer women in finance is that there are not enough qualified women.

DISAGREE   **AGREE**

57%	**M**	23%
80%	**W**	11%
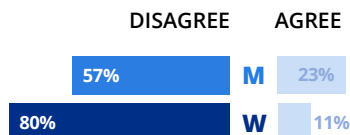
[1] Boston Consulting Group: Dispelling the Myths of the Gender "Ambition Gap" April 05, 2017. https://www.bcg.com/en-ca/publications/2017/people-organization-leadership-change-dispelling-the-myths-of-the-gender-ambition-gap.aspx

PERSPECTIVES OF INDUSTRY PROFESSIONALS

**Direct quotes from capital markets professionals
surveyed in WCM's 2019 Inclusion Project Survey.***

ON OPPORTUNITIES

"My company needs to be much more aware that my work environment is heavily skewed to men. Men get more promotions, their input is more valued and opportunities are created for them."

"Create equality of opportunity by making it clear what the key success factors are for advancement and promotion."

ON LEADERSHIP

"Senior leaders need to show that they are D&I intelligent. It is difficult to believe in the change required if the messaging from leadership is filled with stereotypes and biases."

"The feel of the boys club still exists. More women are needed in senior positions to shake up the boys club. We need women in senior roles for others to aspire to."

"More true ownership from the top. Some senior leaders don't practice what's preached with regards to inclusion. Bullying and disrespect exists and nothing is done about it. There's a culture that continues to tolerate this behaviour."

"Change the culture/mindset of senior leadership as it pertains to inequality (of gender for example) through education - they need to "walk the talk" instead of just publishing policies and hosting activities."

ON CULTURE

"There are still underlying structural and cultural biases in place that favour White men."

"Stop the permissive culture of discrimination."

"Show (from the top down) that intolerance of any kind will not be accepted."

"I feel like [leadership] can't relate to what a mother working in this industry feels."

ON COMPENSATION

"Mandate pay equity review."

"Make compensation info (department benchmarks), including bonus, more transparent."

* Some of these perspectives were gathered in collaboration with Diversio, for the Inclusion Project. A report that had the collaboration of Canadian banks and pensions on an industry snapshot of diversity.

ON TRANSPARENCY

"Develop a more focused approach and communicate it to the employees. Current messaging is a little vague as every company has stated targets. But what's the action plan?"

"Openly set goals and objectives and report out on successes/challenges."

ON TALENT MANAGEMENT: REVIEWS & PROMOTIONS

"Standardize talent review. Reviews are not all fair/objective."

"Better training and accountability for management to offer true, fair, and constructive performance reviews."

"Create a fairer performance review process that helps people perform at their best."

"360 reviews, i.e. on senior team members. And they need to be anonymous."

ON FLEXIBLE WORK

"Better work flex policies. Actually promoting using them and changing the cultural stigma that those that would like to work remotely are not actually working to their full potential, etc. This is so commonplace in high performing industries, we need to get there."

"Flexibility in work hours is #1 issue facing my continued tenure."

"Stop rewarding people for working long hours which doesn't necessarily equate to better quality of work."

ON FAMILY

"Encourage men to share childcare responsibilities with women. Men are currently stigmatized for doing some of these things."

"Be more supportive for dads taking time off to care for their kids after giving birth."

SPOTLIGHT:
THE EXPERIENCE OF BLACK WOMEN

Black women face more barriers as well as the highest levels of inequality and bias at both the firm and manager level, are significantly less likely to receive sponsorship and are the least optimistic about their careers than any other groups of women.

M - MEN   **W** - WOMEN

BLACK WOMEN FACE THE HIGHEST LEVELS OF INEQUALITY. THEY ARE...

· the least likely group of women to believe they are treated equally to other genders by their firm and by their manager: only 32% believe their firm treats them equally and 50% believe their manager treats them equally.

· the lowest group of women to believe they have equal opportunities: only 41% believe they have equal opportunities compared to other genders.

· the least likely group of women to mention their personal life: 52% are uncomfortable mentioning their personal life.

· the least likely to feel that they fit in with the prevailing culture at their firm: only 35% say they fit.

· the most likely to report being afraid for their personal safety at work: 23% say they have felt afraid for their safety while at work.

Chart 2.1. *I believe that my firm treats me equally to other genders. (Agree)*

M	78%
W	
White	58%
Asian	62%
Black	32%
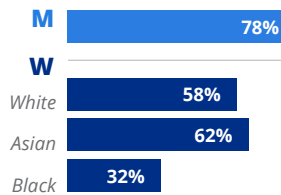
Chart 2.2. *I believe that my manager treats me equally to other genders. (Agree)*

M	85%
W	
White	70%
Asian	71%
Black	50%
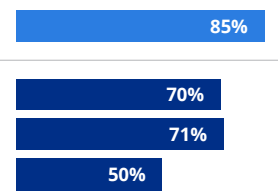
Chart 2.3. *I do not mention my personal life to avoid others making assumptions about me. (Agree)*

M	16%
W	
White	27%
Asian	31%
Black	52%
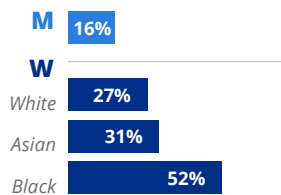
Chart 2.4. *I fit in well with the prevailing culture at my firm. (Agree)*

M	76%
W	
White	67%
Asian	71%
Black	35%
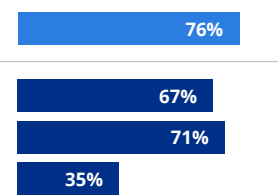
AND BLACK WOMEN ARE MUCH LESS LIKELY TO FEEL THEY RECEIVE THE SUPPORT REQUIRED TO SUCCEED IN THEIR CAREERS. THEY ARE...

· the most likely group of women to feel there is not a clear path laid out for them to reach their ambitions: only 9% of Black women say there is a clear path.

· the least likely group to have a sponsor: only 29% acknowledge a person of influence at their firm who creates stretch opportunities and advocates for them.

Chart 2.5. *Within my firm there is a clear path laid out for me to reach my ambitions. (Agree)*

M	30%
W	
White	29%
Asian	25%
Black	9%
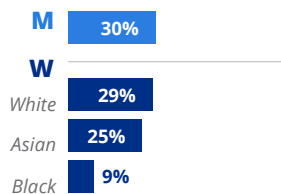
Chart 2.6. *Within my firm there is a person in a position of influence who creates stretch opportunities and/or advocates for me. (Agree)*

M	54%
W	
White	59%
Asian	45%
Black	29%

M - MEN   **W** - WOMEN
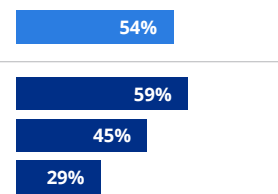
RESULTING IN LESS OPTIMISM ABOUT THEIR CAREERS. THEY ARE...

- the least likely group to expect promotion. 55% of Black women expect to be promoted in the next 5 years.
- the lowest group to aspire to the C-Suite: 55% of Black women aspire to the C-Suite.
- the most likely to want to leave their firm in the next year: 24% of Black women would like to leave.

Chart 2.7. *I expect to be promoted in the next 5-years. (Agree)*

M	63%
W	
White	71%
Asian	86%
Black	55%
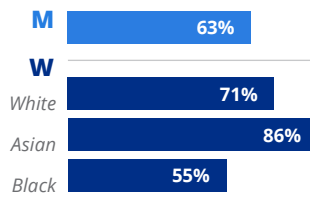
Chart 2.8. *In my career I aspire to reach the executive or C-Suite level. (Agree)*

M	67%
W	
White	66%
Asian	74%
Black	55%
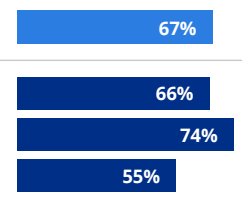
BLACK WOMEN ARE THE MOST LIKELY GROUP OF WOMEN TO PERCEIVE BARRIERS TO ADVANCEMENT.

- When it comes to barriers to achieving a better gender balance in their firm, 77% of Black women identify leadership, 73% identify advancement, 68% identify culture, and 64% identify opportunities as barriers for women.

Chart 2.9. *In terms of achieving a better gender balance in your firm, I believe there are barriers in Leadership. (Agree)*

M	25%
W	
White	58%
Asian	70%
Black	77%
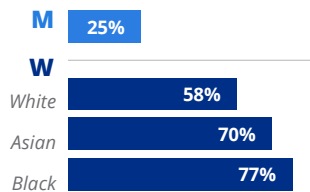
Chart 2.10. *In terms of achieving a better gender balance in your firm, I believe there are barriers in Culture. (Agree)*

M	25%
W	
White	52%
Asian	46%
Black	68%
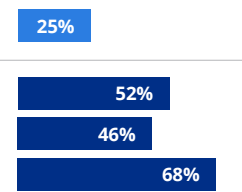
Chart 2.11. *In terms of achieving a better gender balance in your firm, I believe there are barriers in Advancement. (Agree)*

M	27%
W	
White	63%
Asian	73%
Black	73%
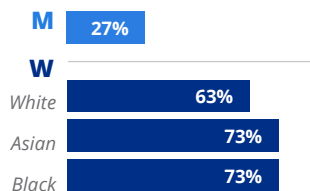
Chart 2.12. *In terms of achieving a better gender balance in your firm, I believe there are barriers in Opportunities. (Agree)*

M	23%
W	
White	57%
Asian	62%
Black	64%
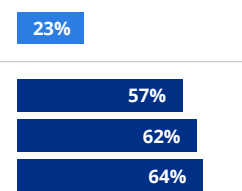
EQUAL TREATMENT

I believe that my firm treats me equally to other genders.

DISAGREE   **AGREE**

12%	**MEN**	78%
26%	**WOMEN**	55%
5%	**LGBTQ2S+**	38%

WOMEN BY RACE

25%	*White*	58%
21%	*Asian*	62%
37%	*Black*	32%

SELL SIDE

15%	**MEN**	74%
30%	**WOMEN**	45%

BUY SIDE

10%	**MEN**	81%
25%	**WOMEN**	56%
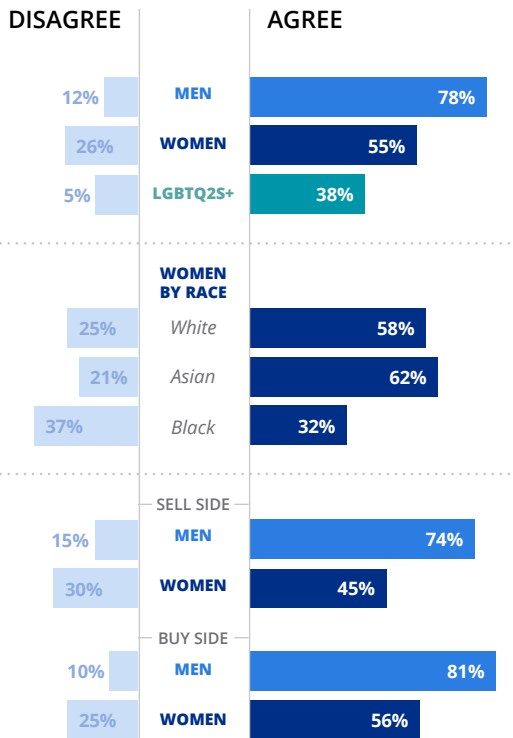
There are significant gaps in how different groups feel they are treated by their firm.

- Approximately three quarters of men believe their firm treats them equally to other genders.

- Women and the LGBTQ2S+ community report a much lower level of equality. Only half of women and fewer than half of LGBTQ2S+ employees believe they are treated equally.

- This sense of inequality is even more prolific among certain demographic groups of women, particularly for sell-side women and junior-mid level women.

- Of all groups of women, these inequalities are most severely felt by Black women: only 32% of Black women believe they are treated equally to other genders by their firm.

All employees deserve to feel equally treated and confident that they have equal access to opportunities, regardless of their gender. Yet, it's clear that equality remains a privilege for those within the dominant group.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
MEN	85%	81%	69%	84%
WOMEN	60%	44%	53%	53%
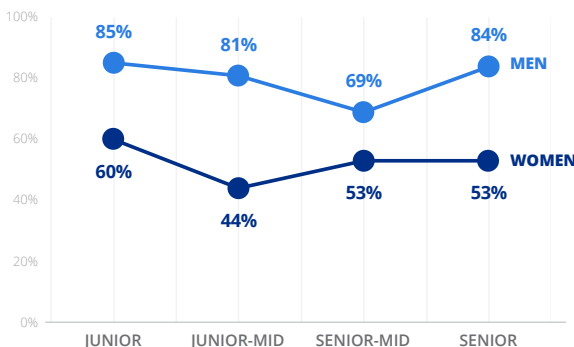
EQUAL OPPORTUNITY

I believe that I have the same opportunities as other genders with regards to my career at my firm.

DISAGREE / AGREE

	DISAGREE	AGREE
MEN	15%	73%
WOMEN	32%	48%
LGBTQ2S+	23%	46%

WOMEN BY RACE

	DISAGREE	AGREE
White	31%	52%
Asian	25%	48%
Black	50%	41%

SELL SIDE

	DISAGREE	AGREE
MEN	20%	69%
WOMEN	36%	36%

BUY SIDE

	DISAGREE	AGREE
MEN	14%	75%
WOMEN	34%	49%
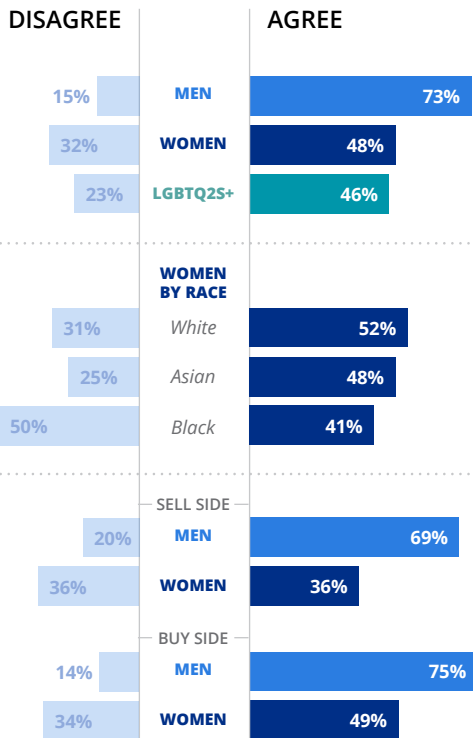
Groups outside the majority perceive or experience inequity in opportunities due to gender.

- Three quarters of men but fewer than 50% of women and LGBTQ2S+ employees believe they have the same opportunities as other genders at their firm.

- Black women, sell-side women and women at the junior-mid level are the most likely to believe they are disadvantaged when it comes to opportunities because of their gender.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
MEN	78%	76%	71%	76%
WOMEN	54%	36%	47%	46%
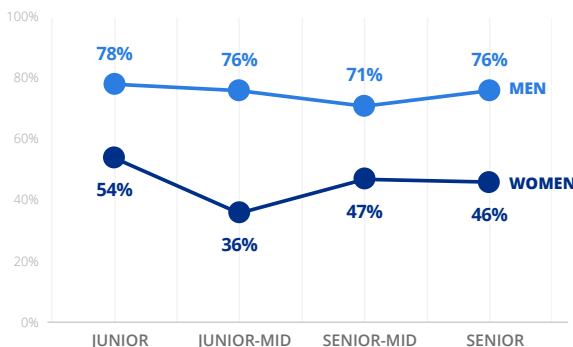
● I believe I am paid equally compared to other genders.

DISAGREE **AGREE**

10%	**MEN**	74%
42%	**WOMEN**	34%
46%	**LGBTQ2S+**	31%

WOMEN BY RACE

41%	*White*	35%
39%	*Asian*	30%
45%	*Black*	36%

SELL SIDE

11%	**MEN**	74%
49%	**WOMEN**	26%

BUY SIDE

10%	**MEN**	69%
42%	**WOMEN**	31%
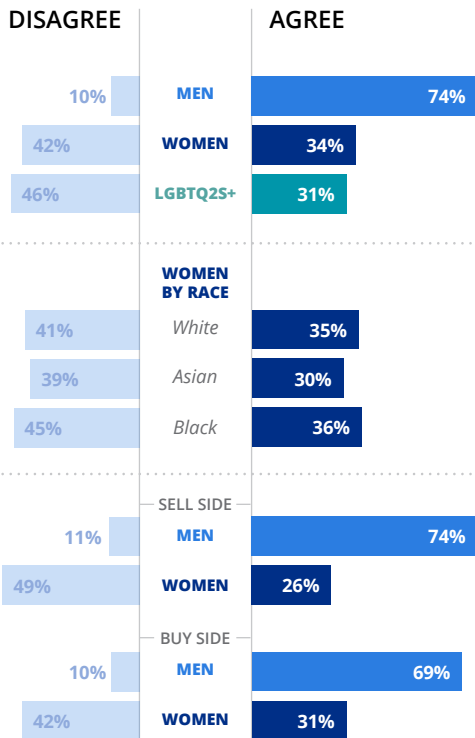
Three quarters of men (74%) believe they are paid equally to other genders. In contrast, only one third of women (34%) and LGBTQ2S+ employees (31%) believe they are paid equally.

Regardless of race, sexual orientation, seniority, or area of capital markets, the majority of women question whether they are equally paid, which presents a clear source of frustration.

- Sell-side women and women at the junior-mid level are the most likely to feel they are not equally paid compared to other genders.
- Of junior women entering the workforce, 41% believe they are paid equally, the highest of all seniority levels. However, by the time they reach the junior-mid level, only 28% of them believe this, and this rate is consistently low throughout the rest of the pipeline.

PERCEPTION OR REALITY

Canada has a country-wide pay gap that is widely reported on. Even at firms where there is a pay process in place to guarantee equal pay, some employees may still have doubts. If an employee believes they are not being paid equally (even if this is not the case), this belief can inform how they feel, think and act, making this perception just as problematic as if it were a reality.

Perceptions can be just as damaging as reality. Someone's perception is their experience, and that experience has a negative impact on them and their work.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
MEN	85%	70%	73%	75%
WOMEN	41%	28%	30%	28%
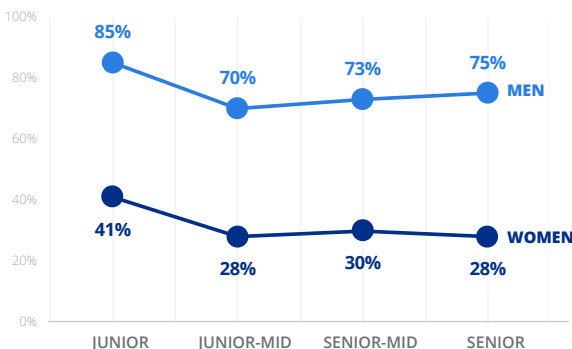
SAFETY & BELONGING: SOCIAL BARRIERS

● I do not mention my personal life to avoid others making assumptions about me.

DISAGREE		AGREE
64%	**MEN**	**16%**
54%	**WOMEN**	**29%**
23%	**LGBTQ2S+**	**62%**
	WOMEN BY RACE	
57%	*White*	**27%**
55%	*Asian*	**31%**
24%	*Black*	**52%**
	SELL SIDE	
70%	**MEN**	**13%**
49%	**WOMEN**	**34%**
	BUY SIDE	
69%	**MEN**	**12%**
56%	**WOMEN**	**28%**
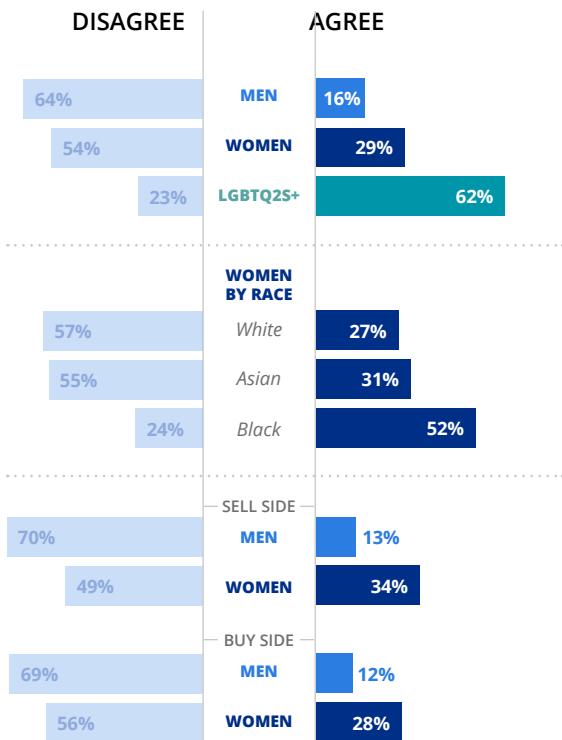
Employees belonging to underrepresented groups are far more likely to attempt to cover up parts of their identity, downplay their differences and not bring their whole selves to work, which carries significant downside risk.

- Approximately one sixth (16%) of men report not mentioning their personal life at work, in order to avoid other people making assumptions about them.

- One third (29%) of women report the same, a rate double that of men, and consistent across all levels of seniority. Men share a similar discomfort as women at entry-level, but quickly grow more comfortable talking about their personal lives as they rise in seniority.

- Intersectionality further amplifies this sense of discomfort: 52% of Black women and 62% of LGBTQ2S+ community members avoid sharing their personal life with colleagues.

Research shows that people who do not feel a sense of belonging and safety at work are harder to retain, have lower promotion rates and have lower job satisfaction. Creating a work environment where people can be authentic is a critical step in creating workplaces where everyone can be their best.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR	
WOMEN	36%	36%	26%	31%	
MEN	26%	10%	11%	13%	
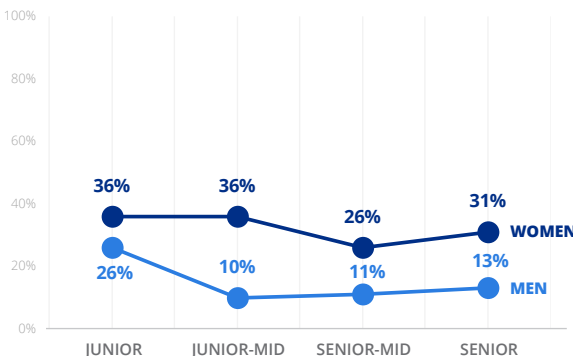
GENDER BIAS

In my experience, my workplace is free from gender bias.

DISAGREE   AGREE

21%	**MEN**	57%
48%	**WOMEN**	31%
62%	**LGBTQ2S+**	31%

WOMEN BY RACE

49%	*White*	31%
44%	*Asian*	31%
41%	*Black*	32%

SELL SIDE

22%	**MEN**	54%
58%	**WOMEN**	19%

BUY SIDE

27%	**MEN**	54%
47%	**WOMEN**	36%
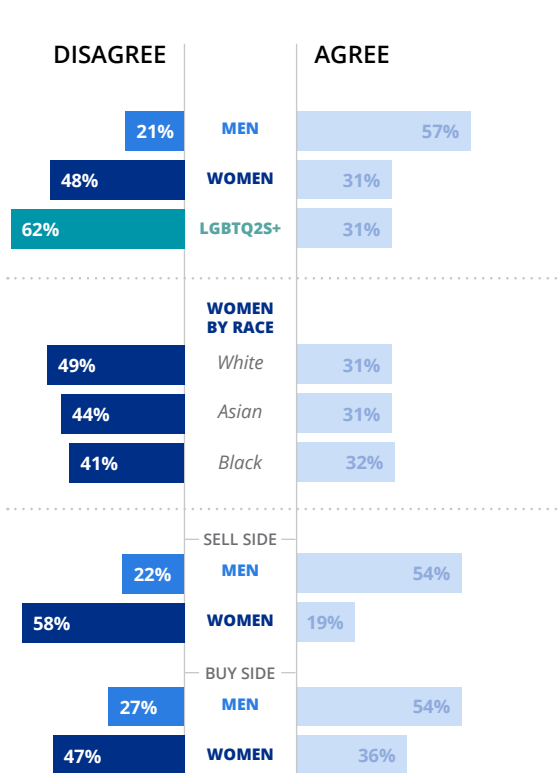
- Half of women (48%) and more than half of LGBTQ2S+ employees (62%) recognize bias exists in their workplace. One fifth of men (21%) recognize bias is present.

- Women experience and perceive gender bias in the workplace throughout all levels of seniority, but most strongly at the junior-mid level (56%) and on the sell-side (58%).

- There is little variation in women by race.

- The majority of men believe the workplace is free of gender bias. Only 20% of men at most levels of seniority believe gender bias exists in their workplace, and this recognition drops as low as 10% of men at the junior-mid level. When men move into the senior-mid and senior level, they become slightly more aware of gender bias.

MEN AND WOMEN BY SENIORITY: DISAGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	46%	56%	51%	51%
MEN	19%	10%	20%	29%
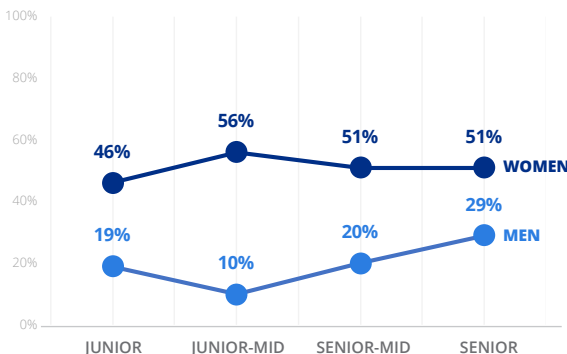
HARASSMENT

● In my experience, my workplace is free from harassment.

DISAGREE / AGREE

	DISAGREE		AGREE
MEN	12%		75%
WOMEN	23%		62%
LGBTQ2S+	38%		46%

WOMEN BY RACE

	DISAGREE		AGREE
White	24%		62%
Asian	18%		68%
Black	24%		57%

SELL SIDE

	DISAGREE		AGREE
MEN	11%		76%
WOMEN	27%		57%

BUY SIDE

	DISAGREE		AGREE
MEN	12%		75%
WOMEN	17%		68%
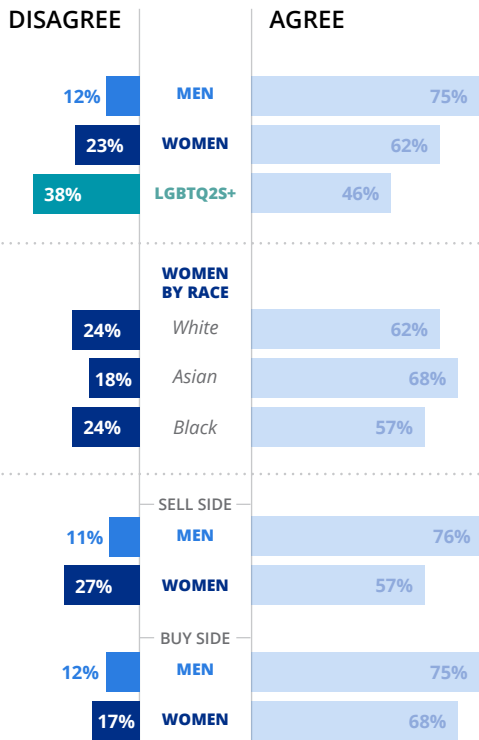
- One quarter of women and one third of the LGBTQ2S+ community believe their workplace is not free from harassment.

- Only 12% of men believe harassment exists in their workplace. The vast majority of men (75%) do not perceive or experience harassment in the workplace, compared with 62% of women.

- Employees who identify as LGBTQ2S+ (38%) report the highest perceptions or experiences of harassment in their workplace.

- Of women, junior women (29%) and women on the sell-side are the most likely sub-groups to perceive harassment.

- Of men, men at the junior level are most likely to perceive harassment (22% believe it exists), however very few men at the junior-mid (5%) and senior-mid (7%) level perceive harassment at all.

MEN AND WOMEN BY SENIORITY: DISAGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	29%	26%	22%	20%
MEN	22%	5%	7%	15%
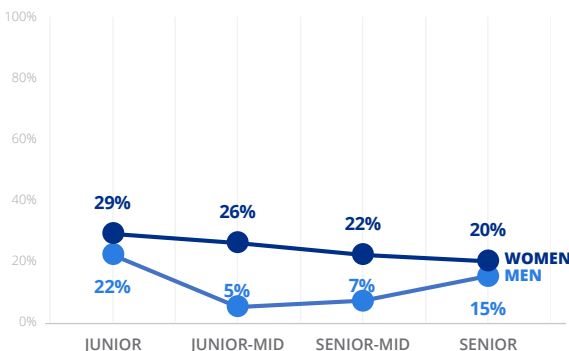
FEEDBACK & REVIEWS

In my experience, the feedback and review process at my firm is fair and objective.

DISAGREE   AGREE

	DISAGREE		AGREE
MEN	21%		61%
WOMEN	33%		47%
LGBTQ2S+	31%		46%

WOMEN BY RACE

	DISAGREE		AGREE
White	32%		49%
Asian	34%		42%
Black	27%		68%

SELL SIDE

	DISAGREE		AGREE
MEN	21%		60%
WOMEN	41%		37%

BUY SIDE

	DISAGREE		AGREE
MEN	19%		61%
WOMEN	30%		49%
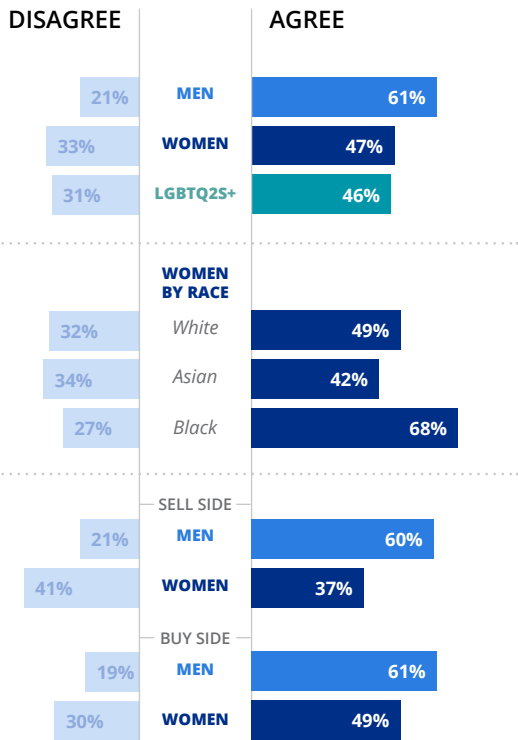
- Only 61% of men and 47% of women feel the feedback and review process is fair.

- Junior men and women are most likely to perceive a sense of fairness in the feedback process, but this sense of fairness dissipates quickly as they rise in seniority.

- Junior and senior men are most likely to believe the process is fair, while junior-mid, senior-mid and sell-side women are most likely to believe the process is unfair.

- Black women, more than any other group of women, believe the process is fair, with 68% agreeing.

When it comes to feedback, reviews and promotions, there is widespread dissatisfaction with the fairness and objectivity of these processes across all genders and employee groups. Nevertheless, women and LGBTQ2S+ employees are more likely to perceive and experience inequalities in these processes than men. Consider how the perception of bias in these processes can affect an employee's receptiveness to feedback or interest in competing for a promotion.

MEN AND WOMEN BY SENIORITY: AGREE

MEN: 76% (JUNIOR), 57% (JUNIOR-MID), 50% (SENIOR-MID), 67% (SENIOR)
WOMEN: 53% (JUNIOR), 44% (JUNIOR-MID), 39% (SENIOR-MID), 52% (SENIOR)
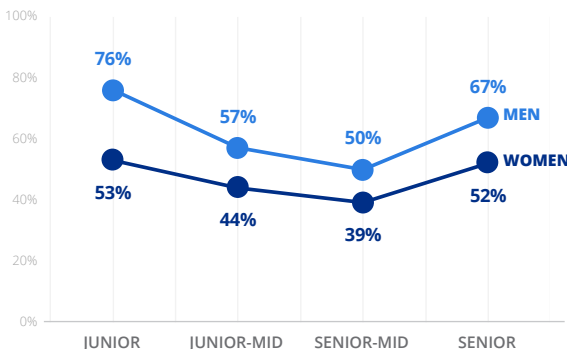
PROMOTIONS

● **In my experience, the promotion process at my firm is fair and objective.**

DISAGREE		AGREE
28%	**MEN**	41%
41%	**WOMEN**	29%
38%	**LGBTQ2S+**	31%
	WOMEN BY RACE	
41%	*White*	32%
38%	*Asian*	30%
43%	*Black*	29%
	SELL SIDE	
29%	**MEN**	44%
50%	**WOMEN**	25%
	BUY SIDE	
33%	**MEN**	42%
43%	**WOMEN**	30%
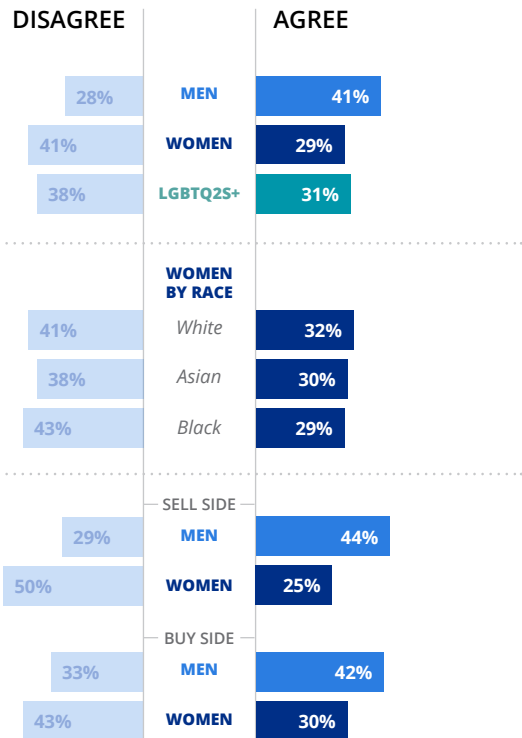
- Fewer than half of both men and women perceive the promotion process as fair and objective: only 41% of men and 29% of women believe it is.

- Junior level men and senior men are the most likely to believe the promotion process is fair - about 50% believe it is.

- Women at the junior-mid level and senior-mid level and women on the sell-side are the most likely to see and experience inequality in the promotion process. Of junior-mid level women, fewer than 1 in 5 view the promotion process as fair.

46% OF MEN AND 43% OF WOMEN SAY THEY DO NOT UNDERSTAND THE PROMOTION PROCESS AT THEIR FIRM.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
MEN	48%	43%	29%	52%
WOMEN	34%	17%	24%	42%
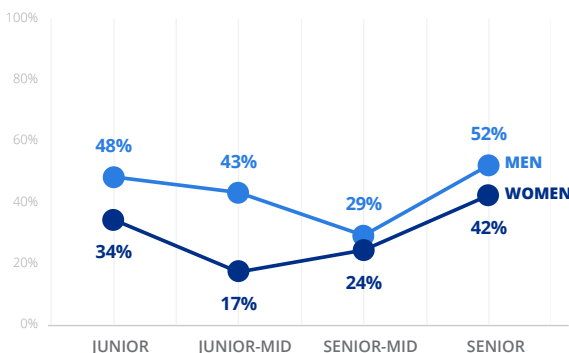
PARENTAL LEAVES

● **Maternity Leave Perception: in the industry, maternity leave has at least some negative impact on careers.**

DISAGREE   AGREE

	DISAGREE	AGREE
MEN	14%	62%
WOMEN	7%	82%
LGBTQ2S+	0%	85%

WOMEN BY RACE

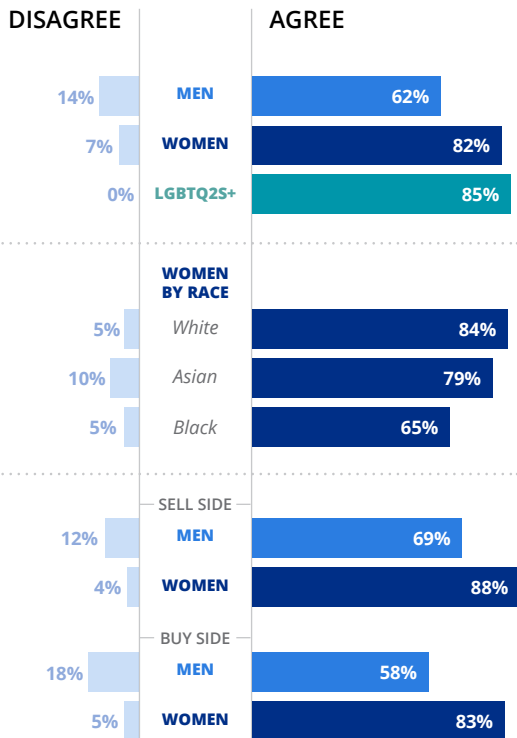|	DISAGREE	AGREE
White	5%	84%
Asian	10%	79%
Black	5%	65%

SELL SIDE

	DISAGREE	AGREE
MEN	12%	69%
WOMEN	4%	88%

BUY SIDE

	DISAGREE	AGREE
MEN	18%	58%
WOMEN	5%	83%

Negative perceptions around maternity leave are widespread.

- The majority of men, women and LGBTQ2S+ employees acknowledge that maternity leave has some negative ramifications on a woman's career: 62% of men, 82% of women and 85% of LGBTQ2S+ employees believe this.

- This belief is even more prevalent among certain groups of women: 88% of women on the sell-side, 86% of junior-level women and 90% of junior-mid level women believe maternity leaves have some negative impact on careers.

62% OF MEN AND 57% OF WOMEN BELIEVE PATERNITY LEAVE HAS A NEGATIVE IMPACT ON A MAN'S CAREER.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	86%	90%	78%	81%
MEN	67%	40%	75%	59%
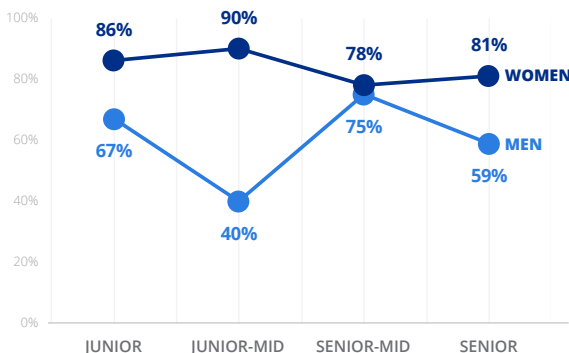
PARENTAL LEAVES

● **Parental Leave Experience: if you have taken maternity or paternity leave, did it have a negative impact on your career?**

DISAGREE   **AGREE**
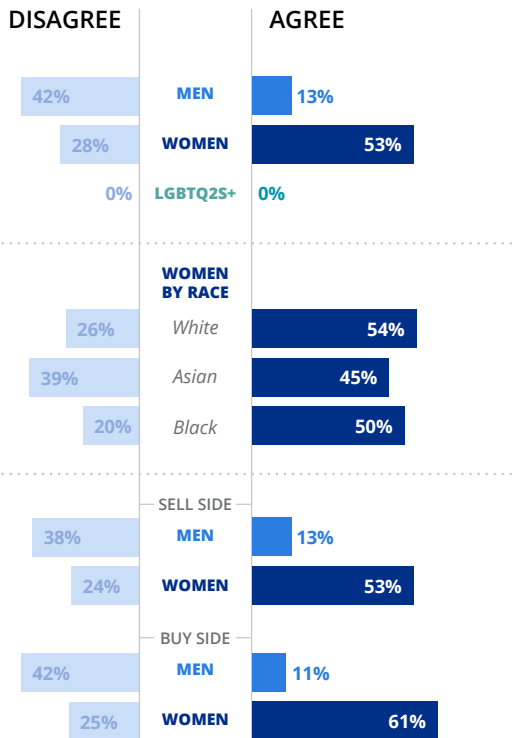
42%	**MEN**	13%
28%	**WOMEN**	53%
0%	**LGBTQ2S+**	0%

WOMEN BY RACE

26%	*White*	54%
39%	*Asian*	45%
20%	*Black*	50%

SELL SIDE

38%	**MEN**	13%
24%	**WOMEN**	53%

BUY SIDE

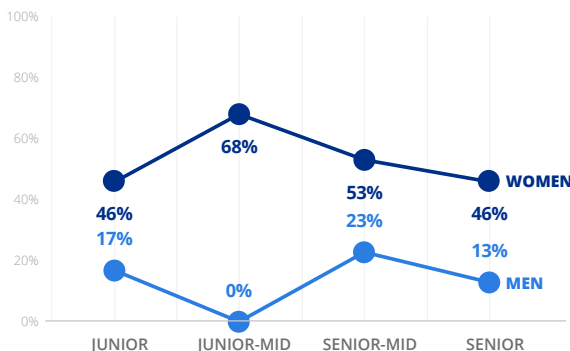|		
42%	**MEN**	11%
25%	**WOMEN**	61%

The majority of women report maternity leave as having negatively impacted their careers.

- Of those who have actually taken parental leave, only 13% of men reported it having a negative impact on their career, while half of women (53%) reported that it did. Only 28% percent of women believe it did not have a negative impact.

- Of women, Asian women report the lowest impact, with 39% reporting no negative career impact. While junior-mid level women report the highest, with 68% viewing their leave as having a negative impact.

- Buy-side women report more negatively on their leave experience, with 61% reporting a negative career impact compared to 53% of sell side women.

More women believe maternity leave will hurt their career than the number of women who actually report that to be their experience. A stigma around maternity leave clearly persists. Taking measures to dispel negative perceptions and to ensure female employees have positive maternity leave experiences are powerful steps in remedying this. Adopting a less gendered approach to leaves and encouraging male employees to take parental leaves is also essential.

MEN AND WOMEN BY SENIORITY: AGREE

WOMEN: 46% (Junior), 68% (Junior-Mid), 53% (Senior-Mid), 46% (Senior)
MEN: 17% (Junior), 0% (Junior-Mid), 23% (Senior-Mid), 13% (Senior)

JUNIOR   JUNIOR-MID   SENIOR-MID   SENIOR

THE BARRIERS TO GENDER BALANCE

In terms of achieving a better gender balance in your firm, I believe there are barriers in leadership.

DISAGREE | **AGREE**

|	DISAGREE		AGREE
MEN	55%		25%
WOMEN	21%		62%
LGBTQ2S+	23%		69%

WOMEN BY RACE

	DISAGREE		AGREE
White	22%		58%
Asian	21%		70%
Black	18%		77%

SELL SIDE

	DISAGREE		AGREE
MEN	57%		26%
WOMEN	15%		67%

BUY SIDE

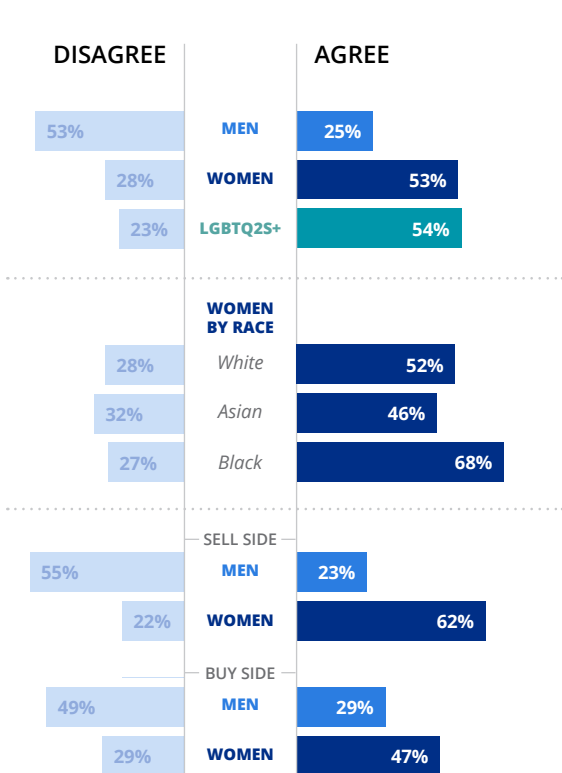|	DISAGREE		AGREE
MEN	56%		25%
WOMEN	22%		60%
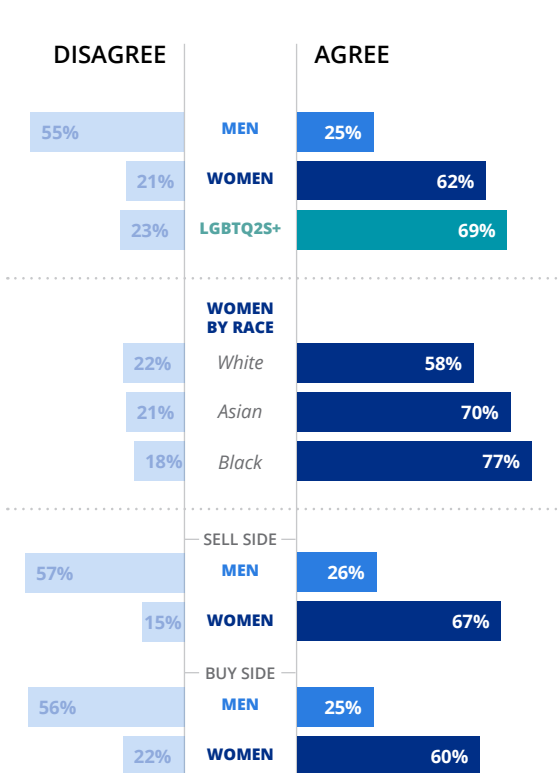
- Women perceive barriers in leadership at higher levels than men, with 62% of women believing there are barriers in leadership.
- The majority of White women believe there are barriers in leadership, however this jumps materially with 70% of Asian women and 77% of Black women seeing barriers within leadership.
- Junior men generally do not believe there are barriers in leadership, with only 7% of them agreeing, but this rises with seniority, with 36% of senior-mid level men agreeing that there are barriers within leadership.
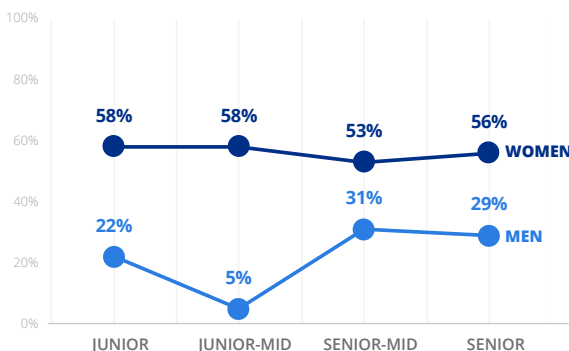
MEN AND WOMEN BY SENIORITY: AGREE
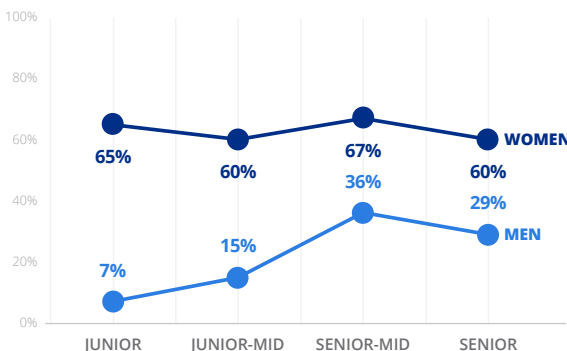
	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	65%	60%	67%	60%
MEN	7%	15%	36%	29%

THE BARRIERS TO GENDER BALANCE

In terms of achieving a better gender balance in your firm, I believe there are barriers in culture.

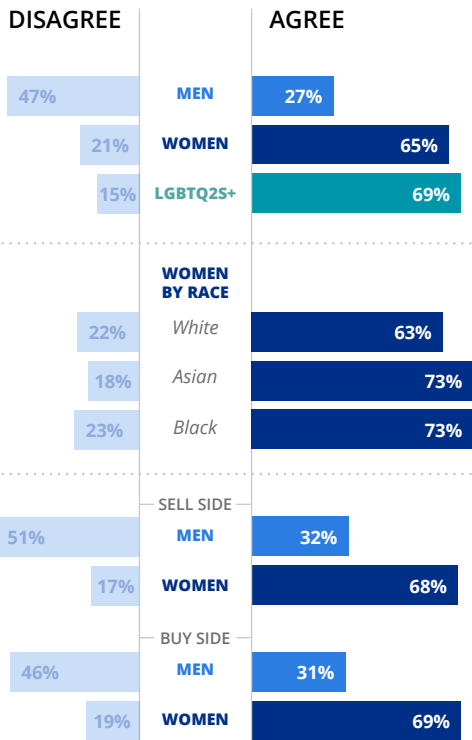| DISAGREE		AGREE
53%	**MEN**	25%
28%	**WOMEN**	53%
23%	**LGBTQ2S+**	54%
	WOMEN BY RACE	
28%	*White*	52%
32%	*Asian*	46%
27%	*Black*	68%
	SELL SIDE	
55%	**MEN**	23%
22%	**WOMEN**	62%
	BUY SIDE	
49%	**MEN**	29%
29%	**WOMEN**	47%

- Half of women (53%) and a quarter of men (25%) see barriers in culture to achieving gender balance.
- Black women are the most likely to recognize barriers in culture, while Asian women are the least likely, but still very close to 50%.
- Women on the sell-side are more likely than women on the buy-side to see barriers in culture, yet the men on the sell-side are less likely than the men on the buy-side to see barriers in culture.
- Seniority does not play a material part in whether women believe there are barriers in culture.
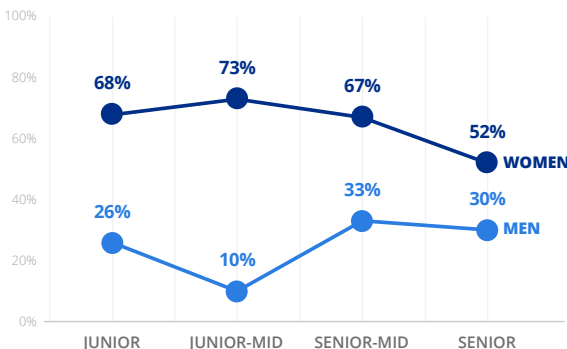
MEN AND WOMEN BY SENIORITY: AGREE

WOMEN: JUNIOR 58%, JUNIOR-MID 58%, SENIOR-MID 53%, SENIOR 56%

MEN: JUNIOR 22%, JUNIOR-MID 5%, SENIOR-MID 31%, SENIOR 29%

JUNIOR · JUNIOR-MID · SENIOR-MID · SENIOR

THE BARRIERS TO GENDER BALANCE

● **In terms of achieving a better gender balance in your firm, I believe there are barriers in advancement.**

	DISAGREE		AGREE
MEN	47%		27%
WOMEN	21%		65%
LGBTQ2S+	15%		69%

WOMEN BY RACE

	DISAGREE		AGREE
White	22%		63%
Asian	18%		73%
Black	23%		73%

SELL SIDE

	DISAGREE		AGREE
MEN	51%		32%
WOMEN	17%		68%

BUY SIDE

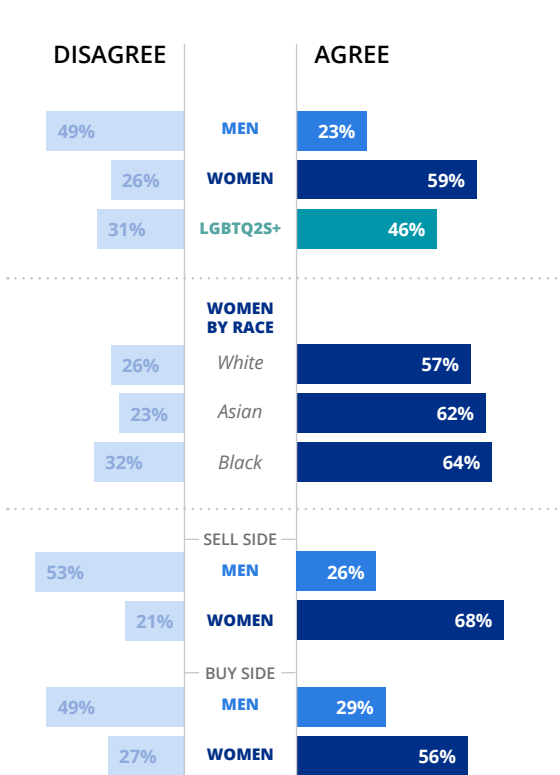|	DISAGREE		AGREE
MEN	46%		31%
WOMEN	19%		69%

· Almost two thirds of women and one quarter of men believe there are barriers with the advancement of women.

· Two thirds of White women have concerns, but almost seventy five percent of both Asian and Black women believe there are barriers in advancement.

· As women progress in their careers they are less likely to see barriers in advancement, but even 52% of senior women believe these barriers exist.

MEN AND WOMEN BY SENIORITY: AGREE

WOMEN: 68% (JUNIOR), 73% (JUNIOR-MID), 67% (SENIOR-MID), 52% (SENIOR)

MEN: 26% (JUNIOR), 10% (JUNIOR-MID), 33% (SENIOR-MID), 30% (SENIOR)

THE BARRIERS TO GENDER BALANCE

In terms of achieving a better gender balance in your firm, I believe there are barriers in opportunities.

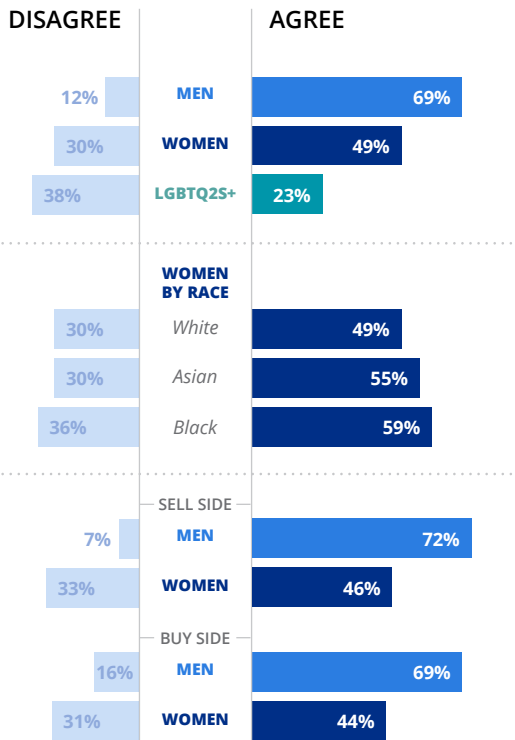| DISAGREE		AGREE
49%	**MEN**	23%
26%	**WOMEN**	59%
31%	**LGBTQ2S+**	46%
	WOMEN BY RACE	
26%	*White*	57%
23%	*Asian*	62%
32%	*Black*	64%
	SELL SIDE	
53%	**MEN**	26%
21%	**WOMEN**	68%
	BUY SIDE	
49%	**MEN**	29%
27%	**WOMEN**	56%

- Almost 60% of women and 23% of men believe there are barriers in opportunities that slows gender balance.
- Black and Asian women are more likely than White women to believe there are barriers in opportunities.
- Sell-side women are the ones most likely to believe there are barriers in opportunities at 68%.
- The majority of women, regardless of seniority, see barriers in opportunities.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	57%	67%	60%	58%
MEN	30%	15%	31%	18%
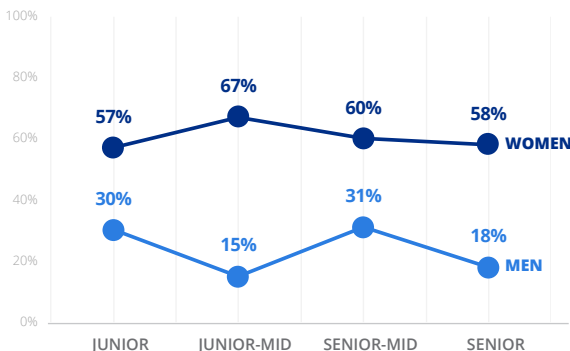
SATISFACTION WITH FIRM'S EFFORTS

● **I am satisfied with my firm's current efforts to promote diversity and inclusion.**

DISAGREE **AGREE**

12%	**MEN**	69%
30%	**WOMEN**	49%
38%	**LGBTQ2S+**	23%

WOMEN BY RACE

30%	*White*	49%
30%	*Asian*	55%
36%	*Black*	59%

SELL SIDE

7%	**MEN**	72%
33%	**WOMEN**	46%

BUY SIDE

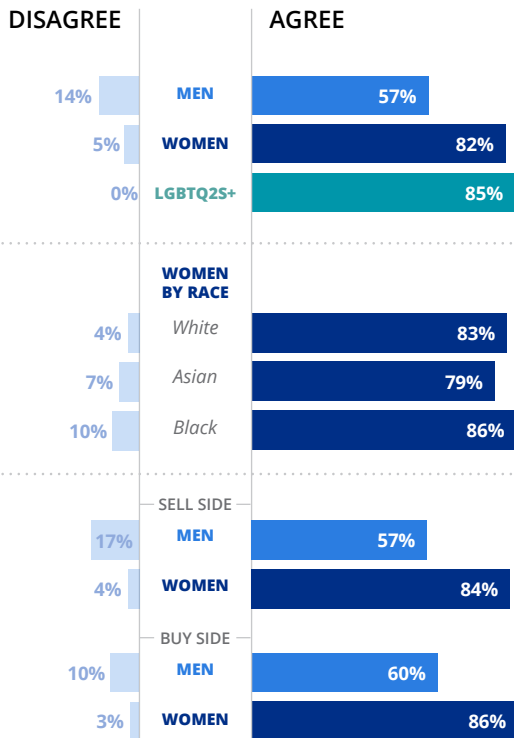|		
16%	**MEN**	69%
31%	**WOMEN**	44%

- Half of women are satisfied with their firm's efforts to drive diversity and inclusion. Nearly 70% of men are.

- LGBTQ2S+ employees are less satisfied than most with only 23% agreeing that they are content with the efforts on D&I.

- From a seniority perspective, women's satisfaction with their firm's efforts noticeably decreases at the junior-mid level, with only a 40% satisfaction rate, and doesn't rise again until the senior-mid level.

- The majority of men across all seniority levels are satisfied with their firm's efforts. Satisfaction is highest at the junior-mid and senior level.

- Interestingly, Black women are either satisfied or not satisfied with their firms D&I efforts with very few indifferent.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
MEN	74%	71%	67%	67%
WOMEN	53%	40%	43%	54%
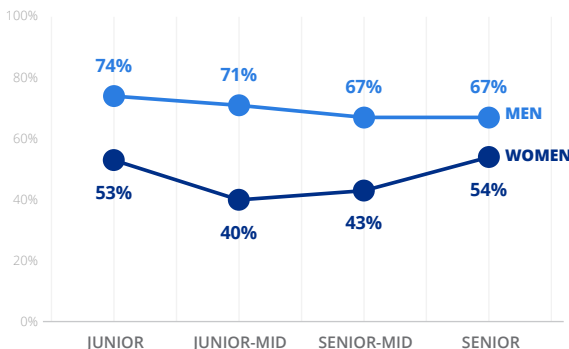
VISION GAP

In the industry, I believe there is a gap between diversity and inclusion as a vision and its implementation.

DISAGREE   **AGREE**

	DISAGREE		AGREE
MEN	14%		57%
WOMEN	5%		82%
LGBTQ2S+	0%		85%

WOMEN BY RACE

	DISAGREE		AGREE
White	4%		83%
Asian	7%		79%
Black	10%		86%

SELL SIDE

	DISAGREE		AGREE
MEN	17%		57%
WOMEN	4%		84%

BUY SIDE

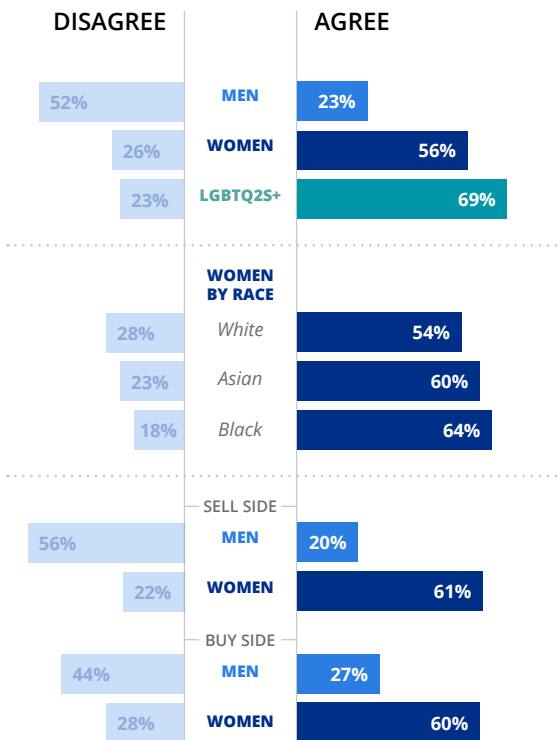|	DISAGREE		AGREE
MEN	10%		60%
WOMEN	3%		86%

- The majority of all employees believe there is a gap between vision and implementation when it comes to addressing diversity and inclusion. Women and employees who identify as LGBTQ2S+ are more likely to believe this (82 and 85% respectively).

- Senior-mid and senior men and women are more likely to believe there is a gap than their junior colleagues. Women and men are most aligned at the senior level.
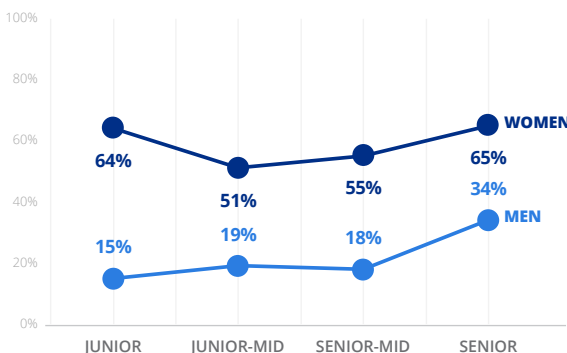
MEN AND WOMEN BY SENIORITY: AGREE
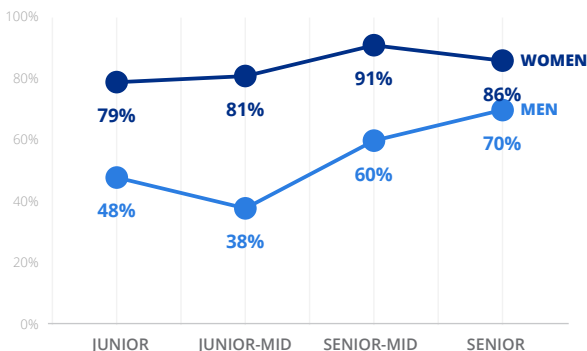
	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	79%	81%	91%	86%
MEN	48%	38%	60%	70%

QUOTAS

● **In the industry, I believe quotas should be implemented for a set period of time to increase the number of women on boards.**

DISAGREE | **AGREE**

52%	**MEN**	23%
26%	**WOMEN**	56%
23%	**LGBTQ2S+**	69%

WOMEN BY RACE

28%	*White*	54%
23%	*Asian*	60%
18%	*Black*	64%

SELL SIDE

56%	**MEN**	20%
22%	**WOMEN**	61%

BUY SIDE

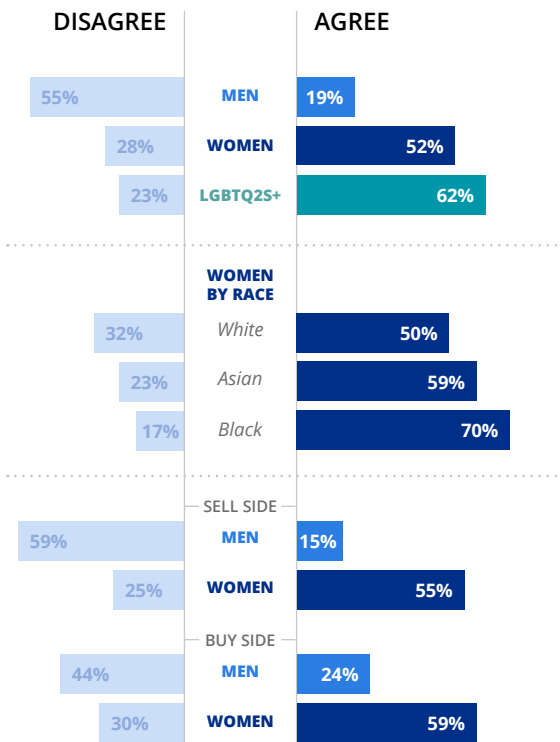|		
44%	**MEN**	27%
28%	**WOMEN**	60%

· The majority of women (across all groups) are supportive of using quotas as a tool to increase the representation of women on boards for a set period of time. Black women are the most supportive at 64%.

· While half of men disagree (52%), nearly one quarter of men are in favour of quotas.

· It is the LGBTQ2S+ community who responds with the highest support at 69%.

· Seniority is notably relevant with support for quotas growing as men climb to higher seniority levels and for women it is the most junior and most senior who show the highest support.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	64%	51%	55%	65%
MEN	15%	19%	18%	34%

QUOTAS

In the industry, I believe quotas should be implemented for a set period of time to increase the number of women in leadership positions.

DISAGREE **AGREE**

55%	**MEN**	19%
28%	**WOMEN**	52%
23%	**LGBTQ2S+**	62%

WOMEN BY RACE

32%	*White*	50%
23%	*Asian*	59%
17%	*Black*	70%

SELL SIDE

59%	**MEN**	15%
25%	**WOMEN**	55%

BUY SIDE

44%	**MEN**	24%
30%	**WOMEN**	59%

- The majority of women are supportive of using quotas as a tool to increase the representation of women in leadership positions for a set period of time. Black women are the most supportive group with 70% in favour of this type of quota.

- The majority of men disagree, however 19% of men are in favour.

MEN AND WOMEN BY SENIORITY: AGREE

	JUNIOR	JUNIOR-MID	SENIOR-MID	SENIOR
WOMEN	62%	54%	49%	59%
MEN	19%	14%	13%	25%
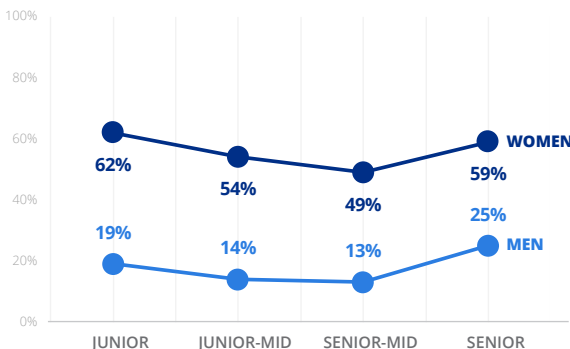
APPENDIX

IDEAS FOR
PARENTAL LEAVES

ENSURE LEAVES ARE A POSITIVE EXPERIENCE. Recognize that every parent wants a different level of engagement and connectivity while on leave. There is no "one-size-fits-all" solution. For example, some employees might appreciate regular touchpoint calls to stay updated on progress throughout the leave. Others may prefer to fully unplug from work.

DEVELOP A BRIEF GUIDE FOR ALL MANAGERS AND EMPLOYEES. The guide should outline the organization's leave policies, expectations and rights, the role of the manager and the employee, best practices to guarantee a positive experience, etc.

ENCOURAGE AND NORMALIZE MEN TAKING PARENTAL LEAVE. Research shows men, women, children and companies all benefit from paternity leave. Allowing and encouraging men to share similar levels of responsibility for child caregiving as women is a prerequisite for gender equity. Paternity leave has also been linked with increased involvement and engagement in childcare in the long term, and overall higher participation in the child's life.

- Critically examine your paternity and parental leave policies for men. Develop a gender-neutral paid parental leave policy.
- Have leadership support and role-model parental leave. Ensure leaders and people managers are informed and on board with parental leave and are taking it themselves.

APPROACH LEAVES AS OPPORTUNITIES. Rather than thinking about parental leaves as an inconvenience, reframe to consider how this can create opportunities for other employees to grow, stretch or step up. What employees can be given growth or stretch opportunities?

ENSURE PARENTAL LEAVE EMPLOYEES HAVE A POSITIVE RE-ENTRY EXPERIENCE. This means guaranteeing the same experience, position, portfolio and treatment as prior to leave. Best practices may include:

- Leaving email live, regardless of length of leave;
- Providing opportunity for some VPN at-home access;
- Ensuring the returning parent occupies the same seat (e.g. if they had an office when they left they should still have an office on re-entry regardless of revenue generated);
- Ensure the same set of clients to cover, regardless of what has occurred in their absence;
- Ensure the returning parent is invited back to the same committees and projects that they were on prior to leaving.

FLEXIBLE WORK POLICIES

Flexible work policies targeted at women can reinforce stereotypes and gender inequalities. Research shows work-life flexibility is just as important to men and other genders as it is for women, and is a tangible way to improve retention and employee satisfaction.

These policies, when offered equally to all genders, regardless of family construct, are effective ways that leaders can improve culture.

1

EMPOWER EMPLOYEES TO SET AND CONTROL THEIR OWN WORK SCHEDULES

Offer employees as much opportunity as possible to control their own workdays and work schedule. Encourage employees to come up with ideas on how they can increase flexibility in their day-to-day that will enhance their experience, engagement and satisfaction in work. Examples include working from home, sabbaticals, buying vacation time, establishing core work hours with additional work being done at a time that the employee prefers, and working from different locations.

Offer alternative work options, such as working compressed or part-time schedules and job sharing, so employees are not forced to "opt out." When hours are reduced, ensure a real reduction in workload occurs.

2

DE-RISK, NORMALIZE AND ENCOURAGE FLEXIBLE WORK OPTIONS

- Ensure all employees and managers understand the flexible work options available to them and/or their team members.

- Ensure flexibility is universally offered, and is not offered as a "privilege" or special case-by case or in specific circumstances (e.g. people with families). Access to flexible work options should not require employees to negotiate with a manager or supervisor.

- Ensure there is no taboo around flexible work and employees do not fear that it will hurt their career trajectory.

3

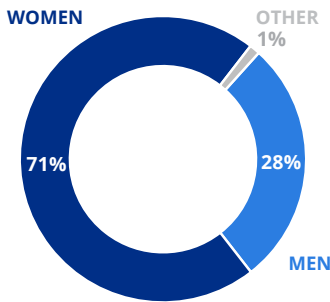### HAVE LEADERSHIP ROLE-MODEL AND ENCOURAGE FLEXIBLE WORKSTYLES

Train management on how to promote flexible work and support their team in managing professional and personal commitments. Have leaders and managers role-model and encourage flexible work. This will also make senior roles appear more feasible to junior employees, motivating employees to strive for them.

The COVID-19 pandemic has greatly revolutionized our culture of work, proving that a productive remote workforce is possible. With companies and employees forced to adapt to a new normal of working remotely in a short period of time, the pandemic has shown that substantial cultural shifts can take place quickly, and may even be sustained once the pandemic is over.
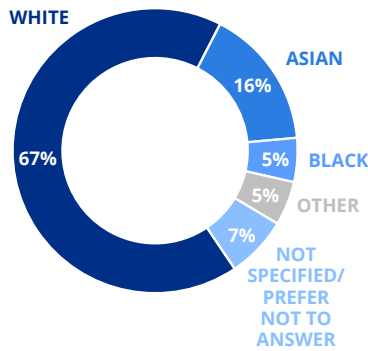
RESPONDENT DEMOGRAPHIC SNAPSHOT

This report is based on survey data from 600 participants working in Canada's finance industry. Respondents span many demographics, including gender, sexual orientation, race, levels of seniority and departments in their organizations.
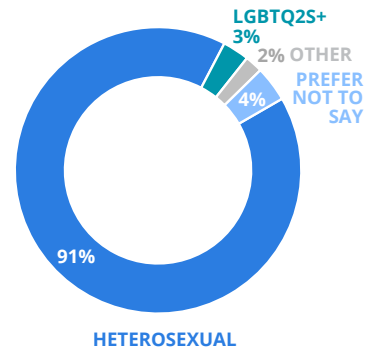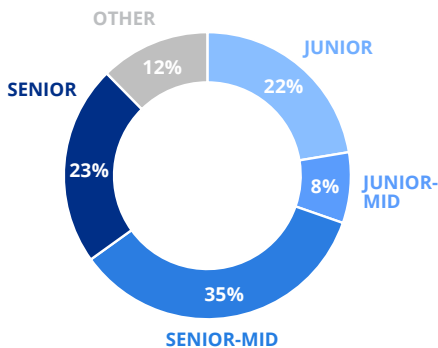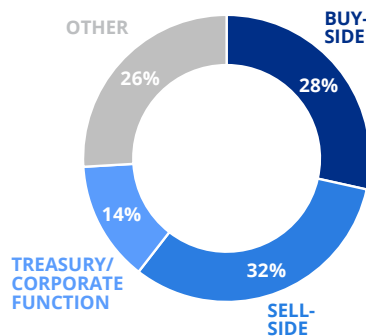
BY GENDER

WOMEN
OTHER 1%
71%
28%
MEN

BY RACE

WHITE
ASIAN 16%
67%
BLACK 5%
OTHER 5%
7% NOT SPECIFIED/ PREFER NOT TO ANSWER

BY SEXUAL ORIENTATION

LGBTQ2S+ 3%
2% OTHER
PREFER NOT TO SAY
4%
91%
HETEROSEXUAL

BY SENIORITY

OTHER
JUNIOR 22%
12%
SENIOR
23%
8% JUNIOR-MID
35%
SENIOR-MID

BY BUSINESS AREA

OTHER
BUY-SIDE 28%
26%
14%
32%
TREASURY/ CORPORATE FUNCTION
SELL-SIDE

BY DEPARTMENT

OTHER
19%
BACK OFFICE
8%
10%
63%
MIDDLE OFFICE
FRONT OFFICE
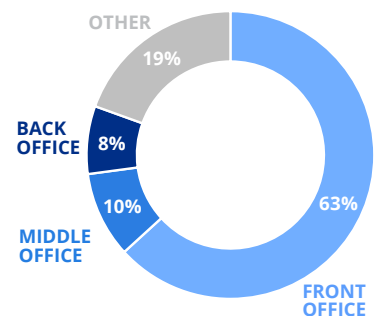
AUTHORS & ACKNOWLEDGEMENTS

This report, *The Equity Equation*, is co-authored by Camilla Sutton, President & CEO of WCM and Katie Squires-Thompson, Chief Strategy Officer of WCM. It is brought to you by Women in Capital Markets (WCM), along with the support, contributions, perspectives and experiences of many others.

We would like to recognize our colleagues on the WCM team for their invaluable contributions and dedication to WCM's mission, and extend a special thank you to to our talented graphic designers, Olga Filimonova (Lead Designer) and Nayla Yehia. We would also like to acknowledge WCM's Board of Directors and Advisory Council members for their support and guidance.

We appreciate the insights and expertise of those in our network who work towards a similar mission, including Meryl Afrika, Julie Branscombe, Sarah Kaplan and Eric Tripp.

Survey Launch, whose survey platform we used for our research, was instrumental in the early stages of this work and provided tremendous expertise.

We would like to thank the 600 anonymous capital markets professionals who responded to our *Inclusion Project Survey*. Their workplace experiences have allowed us to gain a deeper understanding of the current state of culture and inclusion in Canadian finance, and the path forward to achieve greater diversity, inclusion and equality.

We believe change happens incrementally and through collaboration. We are grateful for our 3,500 members across Canada, who, through their membership and volunteerism, support our collective journey towards greater diversity, inclusion and equality in our workplaces.

Finally, we recognize that none of our work would be possible without the continued support of our sponsor firms, who share our vision for accelerating gender diversity and equality.

The views expressed in this report are those of the authors and should not be attributed to WCM's stakeholders, members or sponsors.

Camilla Sutton
President & CEO, WCM

Katie Squires-Thompson
Chief Strategy Officer, WCM

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