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## True extent of discrimination in funds industry remains hidden

By Ed Moisson 20 November 2020

The true extent of sexism and sexual discrimination in the asset management industry remains hidden as women are still reluctant to speak out, experts say.

Women are continuing to leave some asset managers because of perceived discrimination or company culture. However, firms are most often unaware why they are losing female employees as many women do not tell their firms the real reasons for their departures.

Lee Higgins of Avid Leaders, a diversity and inclusion consultancy that is part of Falcon Brook Search, says women are “still leaving” asset managers either because of discrimination in promotions, primarily for senior roles, or the persistence of an “old boys’ club” culture that includes persistent microaggressions.

“There are still a lot of unhappy people,” he says.

Women who find a new firm often do not tell their former employer of the true reasons for their departure because they prefer to leave on good terms and “don’t want to ruffle feathers”, Mr Higgins says.

Bev Shah, chief executive officer of diversity network City Hive, agrees that firms may be unaware of why women are leaving.

Ms Shah says: “If [a woman] has experienced enough disadvantage that she wants to leave, then she will either not be feeling charitable enough to let her employers know – they should have been paying attention.

“Or she will know that being open about these issues is either futile or potentially damaging.”

Gwen Rhys, founder of Women in the City, an organisation that develops female talent, says that “of course” women are leaving because of the culture at some firms.

“It’s not only the everyday sexism comments, the daily microaggression and harassment issues, it’s about the lack of acknowledgment that what represents success and how that’s achieved is different for men and for women,” Ms Rhys says.

“Firms that are family friendly and acknowledge that there is more than one way to achieve success will be the ones that survive in these and future times.”

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Many fund houses have made their firms more gender diverse over recent years, with particular progress on board diversity as a result of initiatives such as the 30% Club.

But the move to a more diverse and inclusive workforce has been uneven.

Ms Shah says people feel as though progress has been made because “finally” diversity is being discussed and firms have agreed on the need for action.

However, real progress has not been made, she says, with gender pay gap statistics “still stark” and the “fall-off” as women move up organisations to leadership positions remaining.

“We know that it will take time to achieve targets, but if targets are all there is, then the work won’t get done,” Ms Shah adds.

But not all those involved in making the sector more inclusive think asset managers should focus on the proportion of women they employ.

Matt Cameron, managing director, and diversity and inclusion advisory leader at The Ocean Partnership, an investment recruitment firm, says firms are “still fixated on diversity” and the number of women they employ.

Mr Cameron says asset managers should instead focus on culture and “how they make everyone feel included”.

He says: “Diversity is a positive business enhancer but inclusion is fundamentally the multiplier. In short, improve the culture and the diversity will flourish.”

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